

Ms Kerstin af Jochnick
Chair
Committee of European Banking Supervisors
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Brussels, 13 August 2008

Subject: *Options and National Discretions in the CRD – CEBS CP 18*

Dear Ms af Jochnick,

The European Banking Federation (EBF)¹ welcomes the opportunity to comment on CEBS' proposal on how to deal with the national options and discretions in the CRD. We have in the past regretted the large number of these options and discretions and have pointed to their negative effects at numerous occasions.

We see CEBS' current proposal as a partial improvement which delivers good solutions for a large number of options and national discretions, but is still not sufficient as a final and coherent overall approach. We reiterate that our concerns include not only level playing field distortions and the administrative burden from maintaining and consolidating different sets of rules for different jurisdictions, but also important links to Pillar 2 and Pillar 3. In particular, the national options and discretions have continuously been referred to as one reason that prevents the adoption of a single genuinely harmonised Common Reporting framework.

We consider it therefore of the utmost importance that the current discussion finally brings certainty to the market, at the same time as resolving the various concerns linked to the divergences in CRD implementation, and we call on CEBS to review its advice to the European Commission with this objective in mind.

Please find our detailed response to CEBS' consultation enclosed. Should you have any questions please do not hesitate to contact either myself or my colleague Uta Wassmuth (u.wassmuth@ebf-fbe.eu).

Yours sincerely,



Guido RAVOET

Enclosure: 1 (D1081E)

¹ Set up in 1960, the European Banking Federation is the voice of the European banking sector, with over 30000 billion EUR assets and 2.4 million employees in 31 European countries. The EBF represents the interests of some 5000 European banks: large and small, wholesale and retail, local and cross-border financial institutions.