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**BANKING STAKEHOLDER GROUP**

CONSULTATION ON EBA/DP/2014/03 ON  
“DRAFT REQUIREMENTS ON PASSPORT NOTIFICATIONS FOR CREDIT  
INTERMEDIARIES UNDER THE MORTGAGE CREDIT DIRECTIVE”

# General Comments and Replies to Questions

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BY THE EBA BANKING STAKEHOLDER GROUP

London, 12<sup>th</sup> March, 2015

## Foreword

The EBA Banking Stakeholder Group (“BSG”) welcomes the opportunity to comment on the Discussion Paper EBA/DP/2014/03 “Draft requirements on passport notifications for credit intermediaries under the Mortgage Credit Directive.

This response has been prepared on the basis of comments circulated and shared among the BSG members and the BSG’s Technical Working Group on Consumer Issues and Financial Innovation

As in the past, the BSG supports an initiative that aims at harmonizing supervisory rules and practices across Europe, in order to ensure fair conditions of competition between institutions and more efficiency for cross-border groups. The BSG also expects these initiatives to facilitate data sharing between European supervisors and avoid reporting duplications for banks.

This response outlines some general comments by the BSG, as well as a suggested addition.

## General comments

BSG welcomes the EBA’s Discussion Paper on the draft requirements for passport notifications for mortgage credit intermediaries across the EU. We also welcome the early indication given to market participants about future requirements and to seek stakeholders’ views at an early stage of the process so as to inform the next stage of the EBA’s work on passporting requirements for mortgage credit intermediaries.

BSG supports the objective of ensuring that information about credit intermediaries conducting business in one or more Member States is exchanged consistently between the competent authorities of the home Member State and of the host Member State. The Mortgage Credit Directive requires coordination, cooperation and information exchanges between competent authorities of different Member States. The aim of the passporting requirements is to ensure that there is a consistent approach to the information shared on the provision of services and the establishment of branches, as well as the transmission of notifications, the registrations and the notification of changes. The BSG supports this objective and the procedures suggested in the Discussion Paper though with a caveat regarding additional information that should be required.

## Replies to Questions

1. Do you agree with the draft requirements on passport notifications? If not, outline why you disagree and how the requirements could be improved. Please respond separately for each of the requirements

BSG agrees with the draft requirements subject to a general caveat below.

2. Do you agree with the content of the draft notification form for exercising the freedom to provide services set out in Annex 1? If not, outline which content you disagree with, why you disagree and how the notification could be improved.

BSG agrees with the draft requirements subject to a general caveat below.

3. Do you agree with the content of the draft notification form for exercising the freedom of establishment set out in Annex 2? If not, outline which content you disagree with, why you disagree and how the notification form could be improved.

BSG agrees with the draft requirements subject to a general caveat below.

Our general caveat is that we propose that, where appropriate and relevant, draft requirement and contents include notification of details of any past disciplinary record of the intermediary. In particular:

- Complaints recorded and held on the intermediary
- Former trading name(s) where appropriate
- Past and current enforcement actions
- Details of any pending action or matters reported to the Member State competent authority

In addition, we suggest that details of any proposed joint ventures in the Member State that relate to the credit intermediary's activities should be indicated.

Submitted on behalf of the EBA Banking Stakeholder Group:

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