

Comments Template on Consultation Paper on EIOPA's first set of advice to the European Commission on specific items in the Solvency II Delegated Regulation		Deadline 31 August 2017 23:59 CET
Name of Company:	Bundesverband Öffentlicher Banken Deutschlands (VOEB)	
Disclosure of comments:	Please indicate if your comments should be treated as confidential:	Public
<p>Please follow the following instructions for filling in the template:</p> <ul style="list-style-type: none"> ⇒ Do not change the numbering in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool ⇒ Leave the last column <u>empty</u>. ⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph or a cell, keep the row <u>empty</u>. ⇒ Our IT tool does not allow processing of comments which do not refer to the specific numbers below. <p>Please send the completed template, in Word Format, to CP-17-004@eiopa.europa.eu</p> <p>Our IT tool does not allow processing of any other formats.</p> <p><u>The numbering of the reference refers to the sections</u> of the consultation paper on EIOPA's first set of advice to the European Commission on specific items in the Solvency II Delegated Regulation. Please indicate to which paragraph(s) your comment refers to.</p>		
Reference	Comment	
General Comment	<p>We welcome the consultation of EIOPA's first set of advice to the European Commission on the review of specific items in the Solvency II Delegated Regulation. The Association of German Public Banks (Bundesverband Öffentlicher Banken Deutschlands – "VÖB") is a leading association within the German banking sector. In particular, our membership comprises Landesbanken, as well as promotional and development banks owned by the Federal Republic of Germany or the individual German federal states.</p>	

**Comments Template on
 Consultation Paper on EIOPA's first set of advice to the European
 Commission on specific items in the Solvency II Delegated Regulation**

**Deadline
 31 August 2017
 23:59 CET**

	On 3 March 2017 we already transmitted you our comments on EIOPA'S recently published Discussion Paper on the Review of Specific Items in the Solvency II Delegated Regulation (EIOPA-CP-16-008). We strictly advocated that positions being secured by guarantees issued by German Federal States should receive a zero percent weighting under Solvency II.	
1		
2.1		
2.2		
2.3		
2.4		
2.4.1		
2.4.2		
2.4.3		
2.4.4		
3.1		
3.2		
3.3		
3.4		
3.4.1		
3.4.2		
3.4.3		
4.1		

Comments Template on Consultation Paper on EIOPA's first set of advice to the European Commission on specific items in the Solvency II Delegated Regulation		Deadline 31 August 2017 23:59 CET
4.2		
4.3		
4.4		
4.4.1		
4.4.2		
4.4.3		
4.4.4	<p>We explicitly appreciate that in its first set of advice to the European Commission published on 4 July 2017 EIOPA follows our request in respect to the treatment of exposures which are guaranteed by regional governments and local authorities (RGLA) in the market risk module. We welcome that the treatment of guarantees issued by RGLA should be the same as the treatment of guarantees issued by the Member State's central government of the jurisdiction in which they are established (cf. para 221). We consider this amendment to be justified, since in the aforementioned cases there is no difference in risk between the exposures to the RGLA and the exposures to the central government. Therefore we support the introduction of new provisions explaining the market risk module in Articles 180(2) and 187(3), based on the existing provision for the counterparty default risk module in Article 199(11): <i>“Exposures unconditionally and irrevocably guaranteed by counterparties listed in the implementing act adopted pursuant to point (a) of Article 190a(2) of Directive 2009/138/EC shall be treated as exposures to the Member States' central government.”</i></p> <p>It is our understanding that exposures guaranteed by regional governments and local authorities could thereby be classified as risk-free for the purposes of the standard formula for calculating solvency capital requirements.</p> <p>Concerning the alignment of the two lists of RGLA, according to which exposures are to be treated as exposures to the Member State's central government, we agree that EIOPA seeks close cooperation with the European Banking Authority (cf. para 222). We may</p>	

Comments Template on Consultation Paper on EIOPA's first set of advice to the European Commission on specific items in the Solvency II Delegated Regulation		Deadline 31 August 2017 23:59 CET
	<p>point out that in respect to German circumstances the listed RGLA in the banking framework seem to be more complete than the listed RGLA for Solvency II.¹ We therefore would appreciate, if EIOPA recognized the RGLA listed in the banking framework to be preferable when aligning the list of RGLA in the Commission Implementing Regulation (EU) 2015/2011.</p> <p>Consequently, we would appreciate, if EIOPA bore in mind the aforementioned proposals on specific items of the Delegated Regulation in its final advice to the Commission, as well. This would help to avoid legal uncertainty and potentially different interpretations by supervisory authorities.</p>	
5.1		
5.2		
5.3		
5.4		
5.4.1		
5.4.2		
5.4.3		
6.1		
6.2		
6.3		
6.4		
6.4.1		

¹ EBA recognized for the purpose of Article 115(2) of Regulation (EU) 575/2013 all of the following regional governments and local authorities to be treated as exposures to central governments: Land, legally independent special trust of a Land, domestic municipality and domestic association of municipalities.

**Comments Template on
 Consultation Paper on EIOPA's first set of advice to the European
 Commission on specific items in the Solvency II Delegated Regulation**

**Deadline
 31 August 2017
 23:59 CET**

6.4.2		
6.4.3		
7.1		
7.2		
7.3		
7.4		
7.4.1		
7.4.2		
7.4.3		
7.4.4		
8.1		
8.2		
8.2.1		
8.2.2		
8.2.3		
8.2.4		
8.3		
8.4		
8.4.1		
8.4.2		
8.4.3		
8.4.4		
8.4.5		
8.4.6		
8.5		
8.5.1		

**Comments Template on
 Consultation Paper on EIOPA's first set of advice to the European
 Commission on specific items in the Solvency II Delegated Regulation**

**Deadline
 31 August 2017
 23:59 CET**

8.5.2		
8.5.3		
8.5.3.1		
8.5.3.2		
8.5.3.3		
8.6		
8.6.1		
8.6.2		
8.6.3		
9.1		
9.2		
9.3		
9.4		
9.4.1		
9.4.2		
9.4.3		
9.5		
9.5.1		
9.5.2		
9.5.3		
9.6		
9.6.1		
9.6.2		
9.6.3		
9.7		
9.7.1		

Comments Template on Consultation Paper on EIOPA's first set of advice to the European Commission on specific items in the Solvency II Delegated Regulation		Deadline 31 August 2017 23:59 CET
9.7.2		
9.7.3		
9.8		
9.8.1		
9.8.2		
9.8.3		
9.9		
9.9.1		
9.9.2		
9.9.3		