

CRD IV

4 May 2012

Reporting on Own Funds Requirements (COREP/FINREP)

The Issue

The current text makes no allowance for the extra time and cost that firms will face in order to implement the new CRD IV reporting requirements (COREP and FINREP), nor the risk to data quality from the timelines envisaged. Also, it may be very difficult for regulators and the EBA to have the capability to receive and interpret the data that firms would provide, as they may not have the time to build and develop systems to receive and adequately interpret the data.

AFME is proposing an amendment to delay by one year the mandatory use of the new reporting requirements until 1 January 2014. Ideally, given the amount of changes required, at least 1 ½ years would be necessary for institutions to effect the necessary implementation provided the templates and taxonomy are made available. Firms do not have any precedent for providing a project of this scale of complexity in the short timeframes that is being proposed. Also, it is difficult for firms to progress without the answers to some detailed and technical questions for which answers are not yet available. This is delaying the build-out of projects at institutions. Without enough time to implement the changes properly the quality of the data provided could suffer.