



6 July 2020



EBA Study on cost of compliance with supervisory reporting

I hope that this letter finds you well in these challenging times.

I write in relation to the work that the EBA is undertaking to measure the costs that firms incur when meeting the reporting requirements set out in the EBA's ITS on supervisory reporting. As you will know, this is being undertaken with a view to assessing whether these reporting costs are proportionate in relation to the benefits provided to prudential supervision.

AFME and its members would first like to thank you and your colleagues for the very high quality of work which has been completed in this area to date and for the helpful industry outreach which has been taking place. We are fully supportive of the work which is being undertaken through this study and we consider the draft questionnaire and case study examples to be well-considered and clear, notwithstanding the practical challenges that might arise in obtaining some of the quantitative data.

We have an over-arching concern, however, with the very ambitious timeframe which is being proposed for the submission of data and case studies. At present, we understand that it is envisaged that the questionnaire will be distributed to firms very soon with a four to six week deadline for completion, and that a September deadline will apply for the submission of case studies. Our members have consistently expressed concerns that they will not have enough resources within such a timeframe to answer the questionnaire or complete case studies owing to the co-incidence of the requests with the implementation of Covid-19 reporting requirements and the forthcoming summer break. A more realistic timeframe might therefore call for the submission of material from industry at significantly later dates, perhaps, for example, in the first quarter of 2021.

We would expect also that the extension of the proposed deadlines might facilitate a more considered and thorough engagement from industry than might otherwise be possible.

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We hope therefore that such a re-consideration of the timings for the study and its constituent elements might be possible to support and complement the high quality of work which has been completed by the EBA to date in this important area.

Yours sincerely



cc:

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