From: "BCBScommentupload@bis.org"@lbecs12.bisinfo.org
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Subject: Comments submitted for "Operational risk - Revisions to the simpler approaches - consultative document"
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Consultative document:	Operational risk - Revisions to the simpler approaches - consultative document(/publ/bcbs291.pdf)
Classification:	Public

Comments:

Classification – In the very occasion of so many changes in the capital calculation, a revision is urgently needed also in the 2 classifications, namely:

- Event type – a huge work is needed for updating this classification. There are some very good experiments, like the ORX and RiskBusiness.
- Business lines – in @32 you mention, that "the current definition of the business lines within the framework seems no longer suitable for many banks …". As the business lines are an important component of the AMA framework, it should be revised and updated.

Comparability – In order of the BI indicator to be comparable across banks, a ratio index should be suggested. The suggested BI is "size" indicator, and it informs more on the size of the bank than on its risk exposure.

Risk sensitiveness – in order to make the capital calculation more risk sensitive, I would suggest to take in account very big losses that happened in a bank, for example – for every loss bigger than X (let's say, 1,000,000$), to increase the capital by Y%.