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To: ["baselcommittee@bis.org"](mailto:baselcommittee@bis.org)@web-prod-fe2.bis.000.ch
Subject: Comments submitted for "Stress testing principles - consultative document"
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Comments:

On Wednesday the 20th of December the Basel Committee on Banking Supervision (further Committee) released her Consultative Document on Stress testing principles (further principles). The Committee makes an express invitation to send in comments before the 23rd of March 2018. The Rabobank Group likes to use this invitation and has the following comments:

(1) In October 2017 the European Banking Authority (EBA) released her Consultation Paper "Draft Guidelines on institution's stress testing". In relation to these principles, we have the following comments:
o In the current version of the principles it is not clear how the EBA guidelines relate to the principles.
o In the EBA guidelines, the relationship between liquidity and capital stress testing is emphasized for several components. This relationship is hardly mentioned in the principles.
o Where appropriate, the committee and EBA each use their own terminology (for example "stress testing framework" or "stress testing programme"). It would benefit the applicability if an unambiguous terminology is used.

(2) In preparation for the formulation of the principles, the committee carried out an extensive investigation. The results from this research have been elaborated in the publication "Supervisory and bank stress testing: range of practices" which also includes various stress testing terms (Annex 1). In the term "Stress Testing Framework", no substantive reference is made to mentioning the objectives of institutions stress testing framework. This is striking because this is the core of the first principle.