GROUPE BPCE

Coopératifs, banquiers et assureurs autrement.

Basel Committee on Banking Supervision

Basel Committee on Banking Supervision consultative document on Net Stable Funding Ratio disclosure standards

Groupe BPCE is the 2nd largest banking group in France with 443 billion euros of deposits and savings on balance sheet. Its 115,000 employees serve a total of 36 million customers, 8.9 of whom have decided to become cooperative shareholders. The Group's different subsidiaries pursue their activities in banking and insurance. With a total of 18 Banque Populaire banks, 17 Caisses d'Epargne, Natixis, Crédit Foncier, Banque Palatine, etc. Groupe BPCE offers its customers a comprehensive range of products and services: savings and investment solutions, cash management services, financing solutions, insurance, and wholesale banking services.

Groupe BPCE welcomes the opportunity to comment on the disclosure standards on Net Stable Funding Ratio published by Basel Committee on Banking Supervision on December 2014.

Groupe BPCE would like to share with the Basel Committee on Banking Supervision the followings comments on the proposed Net Stable Funding Ratio disclosure standards:

- The disclosure standards present a column "No maturity" which is not present in other templates of calculation of the Net Stable Funding Ratio and not specifically mentioned in the definition of the Net Stable Funding Ratio published in October 2014. Clarifications would be needed on the data expected in this field and the subsequent interpretation.

- The presence of a column "weighted value" does not seem necessary within the standard disclosure framework and does not reflect at an enough precise level of detail the nature of our activities. We suggest deleting this column of the disclosure standards hence it could lead to misinterpretation.

- The level of presentation of several lines of the NSFR seems too detailed and poses an issue of confidentiality.

We suggest deleting those lines from the framework of the Available Stable Funding:

  - « 5. Stable deposits » and « 6. Less stable deposits »
  - « 8. Operational deposits » and « 9. Other wholesale funding »

For the same reason, we suggest merging the following Required Stable Funding items:

  - « 15. Total high-quality assets (HQLA) » and « 24. Securities that are not in default and do not qualify as HQLA, including exchange-traded equities »
  - « 18. Performing loans to financial institutions secured by Level 1 HQLA » and « 19. Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions »

Finally, it does not seem to us necessary to indicate the following lines:

  - « 21. With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk »
  - « 23. With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk »

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