**Comments on some aspects of the proposed amendments to the IRRBB standard**

regarding the consultative document **"**Recalibration of shocks for interest rate risk in the banking book" issued by the BCBS in December 2023

I would like to commend on three aspects:

1) **Interest rate history used for recalibration**

   In chapter 3.1, the paper proposes to "generate a time series of daily interest rates […] from the year 2000 (3 January 2000) to 2022 (31 December 2022)".

   I would suggest extending the time series to 31 December 2023.

   This would cover the whole period of recently rising key interest rates for currencies like EUR and USD between Q2 2022 and Q3 2023.

2) **Time window used to derive the scenarios**

   In chapter 3.1, the paper proposes to calculate interest rate changes using "a moving time window of $h$=6 months (125 days)".

   I would suggest multiplying the resulting rate change by factor $\sqrt{2}$.

   This would lead to interest rate scenarios covering a period of one year and be more consistent to the usual risk horizon under the economic perspective of the ICAAP and to the usually considered period for NII calculations in IRRBB.

3) **More conservative shocks by local jurisdictions**

   In chapter 4.1, the paper proposes the following amendment to SRP98.63:
   "Supervisors may, applying national discretion, set a higher floor under the local interest rate shock scenarios for their home currency, or a higher cap, resulting in more conservative shocks. […]".

   I would suggest not to limit this possibility to the home currency, thus:
   "Supervisors may, applying national discretion, set a higher floor under the interest rate shock scenarios for specific currencies, or a higher cap, resulting in more conservative shocks. […]".

   This would allow jurisdictions, where currencies different from the home currency play an important role, to set more conservative shocks for these currencies.