

**Email**

Brussels, 9 April 2010

Mr Arnoud VOSSEN  
Secretary General  
CEBS  
[cp35@c-eps.org](mailto:cp35@c-eps.org)

**Subject:**     *EBF Comments on the CEBS «Consultation Paper on the management of operational risks in market-related activities» (CP35)*

Dear Secretary General,

I am pleased to inform you that, in general, the EBF is supportive of this paper and agrees the proposed guidelines to represent best practice. The proposed principles and explanations are helpful to improve the management of operational risk and their implementation should contribute to a reduction of operational risks.

We particularly welcome the paper for having accepted as an overarching principle that the proposed guidelines need to be implemented by taking into account the nature, scale and complexity of firms.

When reviewing the paper in the light of the responses received, the level of detail provided in the paper should be substantially reviewed as the paper tends to be too prescriptive and, moreover, to mix up principles and examples of good practices.

On home/host issues, in contrast, the Paper does not appear to be sufficiently detailed and clear. We note that the Paper starts in observing that the legal basis of the proposed guidelines is Article 22 of the CRD – thus indicating that it will be up to the home country supervisor to oversee their implementation. However, the proposed guidelines also touch upon a range of issues which involve rules of conduct. As this is an area concerning which the host country may have exclusive jurisdiction (labour laws; criminal law; etc) it would be helpful if the revised guidelines would flag explicitly, where necessary, that there may be a need to apply the proposed principles by taking into account specific rules prevailing in the host country.

Yours faithfully,



Guido RAVOET

a.i.s.b.l.