

## Basel Committee on Banking Supervision

Brussels, 3 June 2016

Re: *Second Consultative Document – Standardised Measurement Approach for Operational Risk*

Dear Sir/Madam,

Leaseurope and Eurofinas, the voices of leasing and consumer credit at European level, welcome the opportunity to respond to the Basel Committee on Banking Supervision's (BCBS) second consultative document on operational risk. We take note of the BCBS's review of the adequacy of the capital framework for credit institutions and, in particular, the assessment of the existing set of simple approaches for operational risk. We support, in principle, a review of the existing indicators to prevent system failures.

We welcome the BCBS's proposal to adjust the treatment of financial and operating leases to ensure consistency of treatment across institutions and jurisdictions. In particular, we support the proposal to net all financial and operating lease income and expenses and to include them into the interest component.

We wish to reiterate our concern regarding data collection requirements which we believe will be particularly burdensome for smaller and medium-sized obliged entities. We are also concerned by a decreasing lack of comparability between data collected for accounting and prudential purposes. We believe this is not efficient in the long-run.

I remain at your disposal, should you be interested in discussing any specific issue. Alternatively feel free to contact my colleagues Alexandre Giraud ([a.giraud@eurofinas.org](mailto:a.giraud@eurofinas.org) - tel: + 32 2 778 05 64) and Rafael Alarcón Abeti ([r.alarconabeti@leaseurope.org](mailto:r.alarconabeti@leaseurope.org) – tel: +32 2 778 05 69).

Yours sincerely,



Leon Dhaene  
Director General