



EUROPEAN CENTRAL BANK
BANKING SUPERVISION

Template for comments

Public consultation on the revised ECB guide to internal models

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General comments

N/A

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Please enter all your feedback in this list.

When entering feedback, please make sure that:

- each comment deals with a single issue only;
- you indicate the relevant chapter/section/paragraph, where appropriate
- you indicate whether your comment is a proposed amendment, clarification or deletion.

Deadline: 15 September 2023

ID	Chapter	Section	Paragraph	Page	Type of comment	Detailed comment	Concise statement as to why your comment should be incorporated	Name of commenter	Institution	Personal data
1	Credit risk	2.2 IT systems: infrastructure and implementation testing	7	61	Clarification	Is the model monitoring process expected to be implemented when applying for a new IRB model or model change	To add clarity of the ECB's expectation on implementation of model monitoring process for new IRB models.	Wu, Guixian	Mazars	Publish
2	Credit risk	5.2 PD risk quantification	128	104	Clarification	It may be helpful to add clarification regarding the ECB's expectation on the use of COVID data for the purpose of calculating the LRA default rate.	Given the governance supports impact the default rate during COVID periods, the default rate may not be representative to the future and may lead to a bias to the LRA default rate estimation.	Wu, Guixian	Mazars	Publish