

Template for comments

Public consultation on a guide to assessments of licence applications

Institution/Company

Association of German Pfandbrief Banks (vdp)

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General comments

Deadline: 2 November 2017

ID	Chapter	Paragraph	Page	Type of comment	Detailed comment	Concise statement as to why your comment should be taken on board
1	4 - Scope	4.3	14	Clarification	<p>The granting of licences for the issuing of Pfandbriefe is regulated by national law. Art. 2 par.1 Pfandbrief Act requires a written licence of the German BaFin. For the granting of the licence, a certain number of supervisory requirements must be assessed. These requirements encompass the organisational structure of the bank as well as the nature of the cover business, i.e. criteria which are subject to the special public supervision of the national competent authority (Art. 2 par. 1 N° 5 Pfandbrief Act). There is a strong correlation between licence granting and the rules regulating the eligible cover business (Art. 4, 12 et seqq. Pfandbrief Act). For example, the assessment of the rules on the appointment of the cover pool monitor (Art. 7 par. 3) as well as of those addressing cover pool audits (Art. 3 par. 1 sent. 3) are fundamental organisational criteria and therefore part of the Pfandbrief licensing process.</p> <p>As the body granting the Pfandbrief licence must assess a certain number of fundamental requirements for the Pfandbrief business which are under the responsibility of the national supervisor, the Pfandbrief licensing process must remain in the remit of the national competent authority.</p>	