



## Template for comments

### Consultation on the draft ECB Guidance for banks on non-performing loans

Institution/Company

CRIBIS Teleservice

ID	Chapter	Section	Page	Type of comment	Detailed comment	Concise statement why your comment should be taken on board
1	2 - Strat	2.2.2.	10	Amendment	NPL Servicing. from "Another factor that might influence the NPL strategy is the maturity of the NPL servicing industry. Specialised servicers can significantly reduce NPL maintenance and workout costs. However, such servicing agreements need to be well steered and well managed by the bank." TO: "Another factor that might influence the NPL strategy is the maturity of the NPL servicing industry. Specialised servicers can significantly reduce NPL maintenance and workout costs. Use of specialised servicers can also be necessary according to the strategy, the specialisation, and the capacity of the bank's workout units (WUs). This is especially crucial for portfolios characterised by predominance of Retail business (high volume-low value. Moreover specialised servicers can provide performance benchmarks for WUs, contributing to setting up the bank's targets. However, such servicing agreements need to be well steered and well managed by the bank."	According to the specialisation and capacity of WUs, the recourse to specialised servicers can be necessary to attain the bank's NPL strategy and performance targets.
2	2 - Strat	2.3.2	12	Amendment	from "Before commencing the short to medium-term target-setting process, banks should establish a clear view of what reasonable long-term NPL levels are, both on an overall basis but also on a portfolio-level basis." TO "Before commencing the short to medium-term target-setting process, banks should establish a clear view of what reasonable long-term NPL levels are, both on an overall basis but also on a portfolio-level basis. For the target-setting process it is important that the bank exploits best available sources and benchmarks from outsourced processes - provided by specialised servicers."	Specialised servicers can offer banks access solutions in order to define best strategies and as a result obtain an improvement of the balance cash flow
3	3 - Gov	3.2	17	Amendment	add "Specialised servicers, thanks to their resources and benchmarking several portfolios and experiences, can support the management body's decision making process."	Some of the activities that the management body should perform are very innovative operational practices that characterise some banks in some Countries and can require for banks the access to external operational support.
4	3 - Gov	3.3.2	22	Amendment	"A suitable operating model is based on analysing the bank's NPL portfolio with a high degree of granularity, resulting in clearly defined borrower segments. A necessary precondition for this analysis (portfolio segmentation) is the development of appropriate management information (MI) systems and a sufficiently high data quality." add "A granular segmentation should be structured accessing robust information and all available public and private sources."	Access to all available databases in any Country can optimise for the bank the portfolio segmentation and allow the best portfolio comprehension through proper data quality processes.