

Correlation Table
for the Proposed Amendments of the EFDI Non-Binding Guidance Paper
- SCVs in the EEA -

Ref.	1st Draft (18 February 2019)	Comments Received until 8 March 2019	Comment from - Accepted (Y/N)	Text for Approval by EU Committee on 15 March 2019
Sum		<p>New 3rd bullet: <input type="checkbox"/>The SCV data, developed by EU and EEA DGSSs, play a crucial part also in a cross-border compensation case, which is full of complexities and requires a comprehensive advance preparations. For example, a Dutch bank with a branch in Germany has to know about the relevant German legal provisions, while at the same time the Dutch SCV-file format has to be structured in such a way that country specific information can be incorporated. This is also relevant for the translation to the Payment Instruction File in the context of home-host cooperation. Overall, the current national differences in the SCV-files may create challenges for cross-border payout and home-host cooperation. However, at this stage, due to different legal structures within EU and EEA member states, it is not possible to harmonize SCV-files, therefore relevant EFDI workstreams are steadily working on standing solutions to these operational issues.</p>	Ivy&Hans: 8 March 2019 (Y)	<p>New 3rd bullet: <input type="checkbox"/>The SCV data, developed by EU and EEA DGSSs, play a crucial part also in a cross-border compensation case, which is full of complexities and requires a comprehensive advance preparations. For example, a Dutch bank with a branch in Germany has to know about the relevant German legal provisions, while at the same time the Dutch SCV-file format has to be structured in such a way that country specific information can be incorporated. This is also relevant for the translation to the Payment Instruction File in the context of home-host cooperation. Overall, the current national differences in the SCV-files may create challenges for cross-border payout and home-host cooperation. However, at this stage, due to different legal structures within EU and EEA member states, it is not possible to harmonize SCV-files, therefore relevant EFDI workstreams are steadily working on standing solutions to these operational issues.</p>
1.	1. ...SCVs are an essential part of any compensation process,....	... SCV files are an essential part of any compensation process,...	Ivy&Hans: 8 March 2019 (N)	... SCVs are an essential part of any compensation process,...

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2.	<p>2. The harmonisation of the 20-day payout requirement in the EEA in 2009, later reduced to 7 days in 2014 has deeply changed the elaboration of EEA DGSs' SCV process. With the earlier 3-month payout delay requirement, some EEA jurisdictions sought for alternative solution than payout, therefore were concentrating their efforts on preventative measures, if authorised to do so. With a much shorter (and quite desirable) deadline, working with the bank after it fails could not be an option any longer.</p>	<p>2. The harmonisation of the 20-day payout requirement in the EEA in 2009, later reduced to 7 days in 2014^[1] has deeply changed the elaboration of EEA DGSs' SCV process. With the earlier 3-month payout delay requirement, some EEA jurisdictions sought for alternative solutions than payout, therefore were concentrating their efforts on preventative measures, if authorised to do so. With a much shorter (and quite desirable) payout deadline, working with the bank after it fails could not be an option any longer. Definition of "SCV process"</p>	Ivy&Hans: 8 March 2019 (Y)	<p>2. The harmonisation of the 20-day payout requirement in the EEA in 2009, later reduced to 7 days in 2014[1] has deeply changed the elaboration of EEA DGSs' SCV process. With the earlier 3-month payout delay requirement, some EEA jurisdictions sought for alternative solutions than payout, therefore were concentrating their efforts on preventative measures, if authorised to do so. With a much shorter (and quite desirable) payout deadline, working with the bank after it fails could not be an option any longer. Footnote: The SCV process refers to defining the specification of the files by the DGS, the generation of the files by member credit institutions upon request and examination of the files by the DGS or other authorized party in terms of compliance and quality.</p>
2.	<p>...With the earlier 3-month payout delay requirement, some EEA jurisdictions sought for alternative solution than payout, therefore were concentrating their efforts on preventative measures, if authorised to do so.</p>	<p>We would like to delete this part of the sentence because it is a bit too close to alternative / preventive measures of IPSs which continue to exist for officially recognized IPSs. ...With the earlier 3-month payout delay requirement, some EEA jurisdictions sought for alternative solution than payout, therefore were concentrating their efforts on preventative measures, if authorised to do so.</p>	Frank (BvR): 11 March 2019 (N)	<p>...With the earlier 3-month payout delay requirement, some EEA jurisdictions sought for alternative solution than payout, therefore were concentrating their efforts on preventative measures, if authorised to do so.</p>
3.	<p>3. ...has led to some convergence of SCV data structure models..</p>	<p>3. ...has led to some convergence of SCV <u>file</u> data structure models..</p>	Ivy&Hans: 8 March 2019 (Y)	<p>3. ...has led to some convergence of SCV file data structure models..</p>

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10.	As an element of context, IADI Core Principle 15 ("Reimbursing Depositors") also provides for indications about a desirable SCV framework, certain aspects of which go somewhat beyond EU prescriptions.	Do we really want to make our business more difficult than necessary? EU prescriptions are sufficient enough respectively will be made sufficient enough via DGSD review or even via nbg like this one. Thus, there is no need to refer to IADI. Proposal: delete No. 10.	Frank (BvR): 11 March 2019 (N)	As an element of context, IADI Core Principle 15 ("Reimbursing Depositors") also provides for indications about a desirable SCV framework, certain aspects of which go somewhat beyond EU prescriptions.
11.	Payment methods	Suggestion to add the issue of the necessity to collect an IBAN when the payment method is based on electronic transfer. However, most of our banks do not have an alternative IBAN in their systems to report in the SCV-file. What could be added here is this the fact that payment methods differ – and therefore SCV-files also – is a general challenge in the context of home-host cooperation.	Ivy&Hans: 8 March 2019 (N)	
11.	Payment methods..... At another end of the spectrum, a digital compensation process through a dedicated website cannot rely on any verification by a human staff and should then rely for example on the concordance of both "strong" and "weak" pieces of information collected from the banks beyond mere identity data.	We should mention examples. Strong pieces are National ID's (only applicable in part of the Member States). Weak pieces are for examples the birth date or adress, because people share birth dates or addresses.	Ivy&Hans: 8 March 2019 (Y)	Payment methods..... At another end of the spectrum, a digital compensation process through a dedicated website cannot rely on any verification by a human staff and should then rely for example on the concordance of both "strong" (e.g. national/bank ID) and "weak" (e.g. address) pieces of information collected from the banks beyond mere identity data.

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11.	<p>Data protection laws: ...However, the corresponding SCV processes may need some adjustments or another procedure used for compensating people who do not have identity numbers or other data of the SCV file must be used (e.g. foreign depositors, expatriates or inpatriates, under age people etc). On the opposite, an SCV process which does not or cannot rely on national identity numbers may need more information to correctly cope with duplication risks; but it may also more easily apply to all depositors whatever their origin or residence.</p>	<p>...However, the corresponding SCV processes may need some adjustments or other procedures used for compensating people who do not have identity numbers or other data of the SCV file must be used (e.g. foreign depositors, expatriates or inpatriates, under age people etc). On the contrary, an SCV process which does not or cannot rely on national identity numbers may need more information to correctly cope with duplication risks; but it may also more easily apply to all depositors whatever their origin or residence.</p>	Ivy&Hans: 8 March 2018 (Y)	<p>...However, the corresponding SCV processes may need some adjustments or other procedures used for compensating people who do not have identity numbers or other data of the SCV file must be used (e.g. foreign depositors, expatriates or inpatriates, under age people etc). On the contrary, an SCV process which does not or cannot rely on national identity numbers may need more information to correctly cope with duplication risks; but it may also more easily apply to all depositors whatever their origin or residence.</p>
11.	<p>Consumer protection: ...Failing to do that, the DGS will soon be overwhelmed with complaints and even suits.</p>	<p>Consumer protection: ...Failing to do that, the DGS will soon be overwhelmed with complaints and even litigation procedures.</p>	Ivy&Hans: 8 March 2019 (Y)	<p>Consumer protection: ...Failing to do that, the DGS will soon be overwhelmed with complaints and even litigation procedures.</p>

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11	<p>Data anonymisation and encryption: Depositor data may be protected in various ways, including through a protection of the communication channel, a protection/ encryption of the file and an encryption or an anonymisation (except at the time of an actual failure) of individual data themselves. The anonymisation of data helps to limit the risks associated with data theft; it also makes the analysis of the quality of the file and the chase for duplication more difficult, especially for big banks.</p>	<p>Data anonymisation/ pseudomysation/ encryption: Depositor data may be protected in various ways, including through a protection of the communication channel, a protection/ encryption of the file and an encryption or an <u>anonymisation or pseudomysation</u> (except at the time of an actual failure) of individual data themselves. The anonymisation <u>or pseudomysation</u> of data helps to limit the risks associated with data theft; it also makes the analysis of the quality of the file and the chase for duplication more difficult, especially for big banks. Note: Data protection regulations recognise that encryption according to contemporary standards can be seen as anonymisation.</p>	<p>Thorbjörn: 3 March 2019 (Y) Ivy&Hans: 8 March 2019 (Y)</p>	<p>Data anonymisation / pseudomysation / encryption: Depositor data may be protected in various ways, including through a protection of the communication channel, a protection/ encryption of the file and an encryption or an anonymisation or pseudomysation (except at the time of an actual failure) of individual data themselves. The anonymisation <u>or pseudomysation</u> of data helps to limit the risks associated with data theft; it also makes the analysis of the quality of the file and the chase for duplication more difficult, especially for big banks.</p>
11	<p>SCV content:</p>	<p>SCV file content:</p>	<p>Ivy&Hans: 8 March 2019 (Y)</p>	<p>SCV file content:</p>
11.	<p>Civil, commercial and tax laws: <input type="checkbox"/> authorise or not a double seizure by the tax administration...</p>	<p>Still work in progress?</p>	<p>Ivy&Hans: 8 March 2019 (Y)</p>	<p>Civil, commercial and tax laws: - authorise or not a double seizure by the tax administration.</p>
11.	<p>Use for the calculation of contributions:SCV files are also extremely precise and detailed instruments with individual depositor data, the building of which could require the biggest banks to stop their other IT processes for some days.</p>	<p>This is not our experience. Even our biggest banks don't have to stop their other IT processes. This implies of course that inflight transactions are not taken into account in these peacetime SCV processes.</p>	<p>Ivy&Hans: 8 March 2019 (N)</p>	

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11.		<p>■ Cross-border payout: The SCV data, developed by EU and EEA DGSs, play a crucial part also in a cross-border compensation case, which is full of complexities and requires a comprehensive advance preparations by home DGSs. For example, a Dutch bank with a branch in Germany has to know about the relevant German legal provisions, while at the same time the Dutch SCV-file format has to be structured in such a way that country specific information can be incorporated. This is also relevant for the translation to the Payment Instruction File in the context of home-host cooperation. Overall, the current national differences in the SCV-files may create challenges for cross-border payout and home-host cooperation. However, at this stage, due to different legal structures within EU and EEA member states and the huge costs it would imply, it is not possible to harmonize SCV-files, therefore relevant EFDI workstreams are steadily working on standing solutions to these operational issues.</p>	Ivy&Hans: 8 March 2019 (Y)	<p>Page 9: Cross-border payout: The SCV data, developed by EU and EEA DGSs, play a crucial part also in a cross-border compensation case, which is full of complexities and requires a comprehensive advance preparations by home DGSs. For example, a Dutch bank with a branch in Germany has to know about the relevant German legal provisions, while at the same time the Dutch SCV-file format has to be structured in such a way that country specific information can be incorporated. This is also relevant for the translation to the Payment Instruction File in the context of home-host cooperation. Overall, the current national differences in the SCV-files may create challenges for cross-border payout and home-host cooperation. However, at this stage, due to different legal structures within EU and EEA member states and the huge costs it would imply, it is not possible to harmonize SCV-files, therefore relevant EFDI workstreams are steadily working on standing solutions to these operational issues.</p>
20.	Ahead of any structuration of the SCV files they want to get, DGSs should clearly evaluate the data they need to collect, considering all relevant technical, communication and regulatory requirements, in particular:	Ahead of any structuration of the SCV files they want to get , DGSs should clearly evaluate the data they need to collect, considering all relevant technical, communication and regulatory requirements, in particular:	Ivy&Hans: 8 March 2019 (Y)	Ahead of any structuration of the SCV files they want to get , DGSs should clearly evaluate the data they need to collect, considering all relevant technical, communication and regulatory requirements, in particular:
20.	<ul style="list-style-type: none"> The information they are committed to pay insured deposits to be compensated and not compensated and uninsured deposit part, 	I don't understand what is meant here, rephrasing the sentence might help.	Ivy&Hans: 8 March 2019 (Y)	The scope of information to eligible depositors on their insured deposits to be paid and the uninsured part,

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20.	<ul style="list-style-type: none"> Last, and quite importantly, whether SCV files will be used for additional purposes than payouts (transfer of banking accounts, resolution measures, data collection for the liquidation etc.). 	<p>A suggestion for an addition: take into account how the SCV-file can provide management information for preparing for payout events. The SCV-files contain valuable information for DGSs to anticipate ex ante on a payout scenario. Ideally, you do this in peacetime for all your banks or at least for the high risk banks. DNB is currently working on a set of indicators that can be derived from the SCV-files that provide management information. For example: indicators for the number and type of complex cases, number of depositors living abroad, number of representatives, number of underaged etc.</p> <p>There might be an opportunity for EFDI to facilitate learning from each other on the use of SCV-file information for management information. This might be a follow-up step of this non-binding guidance note.</p>	Ivy&Hans: 8 March 2019 (Y)	Last, and quite import antly, whether SCV files will be used for additional purposes than payouts, such as transfer of banking accounts, resolution measures, data collection for the liquidation, other managemet information tools, like indicators for the number and type of complex cases, depositors living abroad, number of representatives, underaged etc.
23.	<p>...In some cases, it might be collectively more efficient, when the regulation permits, to put some more burden on the DGS itself and concentrate some costs there, rather than duplicating a treatment on many member banks.</p>	<p>However, although this might be more efficient, the drawback could be that data quality issues won't be detected before an actual DGS payout situation. There is a trade off between using the banks knowlegde of customers (in peacetime) and cost efficiency, putting some more burden on the DGS itself.</p>	Ivy&Hans: 8 March 2019 (Y)	text subject to discussion

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25.	<p>...Considering the difficulties and costs of building and adjusting SCV processes both for DGSs and member banks, it is advisable to anticipate on possible evolutions of the payout process and work with SCV requirements possibly wider than currently needed...</p> <p>A special consideration should also be given to the additional usages (accounts transfers, resolution measures etc.) the DGSs and public authorities may be willing to perform on the basis of SCV files.</p>	<p>...Considering the difficulties and costs of building and adjusting SCV processes both for DGSs and member banks, it may be advisable to anticipate on possible evolutions of the payout process and work with SCV requirements possibly wider than currently needed..</p> <p>A special consideration could also be given to the additional usages (accounts transfers, resolution measures etc.) the DGSs and public authorities may be willing to perform on the basis of SCV files.</p>	Frank (BvR): 11 March 2019 (Y)	<p>...Considering the difficulties and costs of building and adjusting SCV processes both for DGSs and member banks, it may be advisable to anticipate on possible evolutions of the payout process and work with SCV requirements possibly wider than currently needed..</p> <p>A special consideration could also be given to the additional usages (accounts transfers, resolution measures etc.) the DGSs and public authorities may be willing to perform on the basis of SCV files.</p>
27.	<p>Only after this thorough analysis, DGSs should define the definitive content, structure and format of the SCV files to be built by member banks.</p>	<p>Only after a this thorough analysis, DGSs should define the definitive content, structure and format of the SCV files to be built by member banks.</p>	Frank (BvR): 11 March 2019 (Y)	<p>Only after a thorough analysis, DGSs should define the definitive content, structure and format of the SCV files to be built by member banks.</p>

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27	<p>Only after this thorough analysis, DGSs should define the definitive content, structure and format of the SCV files to be built by member banks. The content should of course reflect the needs of the DGS; data should allow a stiff, but efficient and direct payment via a medium after verification; the prescribed electronic format should be flexible enough (e.g. XML format) to allow easy adjustments while not consuming unnecessary storage capacity; last, given the key role of banks in the process, SCVs should aim at capturing data which have a clear significance in terms of identifying eligible depositors and their covered deposit and reimbursing them within 7 working days.</p>	<p>Only after this thorough analysis, DGSs should define the definitive content, structure and format of the SCV files to be built by member banks. The content should of course reflect the needs of the DGS; data should allow a stiff, but efficient and direct payment via a medium after verification; the prescribed electronic format should be flexible enough (e.g. CSV or XML format) to allow easy adjustments while not consuming unnecessary storage capacity; last, given the key role of banks in the process, SCVs should aim at capturing data which have a clear significance in terms of identifying eligible depositors and their covered deposit and reimbursing them within 7 working days.</p>	Thorbjörn: 3 March 2019 (Y)	<p>Only after this thorough analysis, DGSs should define the definitive content, structure and format of the SCV files to be built by member banks. The content should of course reflect the needs of the DGS; data should allow a stiff, but efficient and direct payment via a medium after verification; the prescribed electronic format should be flexible enough (e.g. CSV or XML format) to allow easy adjustments while not consuming unnecessary storage capacity; last, given the key role of banks in the process, SCVs should aim at capturing data which have a clear significance in terms of identifying eligible depositors and their covered deposit and reimbursing them within 7 working days.</p>
29	<p>...They should take all appropriate measures, including through anonymisation/ encryption/ deletion rules, to mitigate those risks.</p>	<p>...They should take all appropriate measures, including through anonymisation / <u>pseudomysation</u> / encryption/ deletion rules, to mitigate those risks.</p>	Thorbjörn: 3 March 2019 (Y)	<p>...They should take all appropriate measures, including through anonymisation / <u>pseudomysation</u> / encryption/ deletion rules, to mitigate those risks.</p>
30.	<p>Given the paramount importance of SCVs' accuracy in the payout process, the quality of the making of the SCVs by banks should be tested and controlled on site.</p>	<p>Including the reliable extraction of data from the core systems / administrations of the bank and the quality of core processes (such as onboarding of customers) and core administrations itself.</p>	Ivy&Hans: 8 March 2019 (Y)	<p>Given the paramount importance of SCVs' accuracy in the payout process, the quality of the making of the SCVs by banks, including the reliable extraction of data from the core systems, the quality of core processes (such as onboarding of customers) and general administrations should be tested and controlled on site.</p>