



## INSTITUTE OF INTERNATIONAL BANKERS

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April 24, 2023

By Electronic Mail

Anne E. Misback, Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551

Re: Joint Notice and Request for Comment on the Call Report and FFIEC 002  
Revisions

Dear Ms. Misback:

The Institute of International Bankers (“IIB”) appreciates the opportunity to respond to the Joint Notice and Request for Comment on the proposed revisions to the Consolidated Reports of Condition and Income (“Call Reports”) and Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (“FFIEC 002”) issued by the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation (collectively “the Agencies”) to eliminate and consolidate items in the Call Reports and the FFIEC 002 resulting from the statutorily mandated full review of the Call Reports as required under Section 604 of the Financial Services Regulatory Relief Act of 2006; proposed Call Report process revisions; and reporting of certain Federal Home Loan Mortgage Corporation and similar securitizations on the Call Report.

The IIB represents internationally headquartered financial institutions from over 35 countries around the world doing business in the United States. The IIB’s members consist principally of international banks that operate branches, agencies, bank subsidiaries and broker-dealer subsidiaries in the United States. The U.S. operations of Foreign Banking Organizations (“FBOs”) are an important source of credit for U.S. borrowers and enhance the depth and liquidity of U.S. financial markets. FBOs also



contribute greatly to the U.S. economy through the direct employment of U.S. citizens and permanent residents, as well as through other operating and capital expenditures.

The members of the IIB fully support the efforts of the Agencies to obtain accurate and timely information on the financial condition of their supervised institutions in the United States, which is necessary to enable them to conduct proper supervision and promote financial stability. Thus, the efforts of the Agencies to improve their reporting forms are an important endeavor. The IIB believes, however, that the Agencies should strive to ensure that the type of information collected, and the instructions regarding the information to be collected, are clear and consistent across reporting instruments. This will enable the most accurate and comparable data to be obtained while minimizing the administrative burden for reporting institutions.

We have identified a key area where the forms and their accompanying instructions are unclear and inconsistent. We believe the Agencies can address these discrepancies to better achieve the important objective of obtaining accurate data.

**I. There Are Inconsistencies Between the Glossary Text of the FFIEC 002 and the Domestic Bank Call Report That Can Undermine the Objective of Obtaining Accurate Data**

We have found several instances where the glossary of FFIEC 002 is out of sync with the Domestic Bank Call Report. This creates confusion over which instructions should be used to complete the FFIEC 002. For example, the definition of bankers' acceptance differs.

When the text of the two forms do not match, it creates the inference or implication that the Agencies intend for different data to be submitted in response to substantially similar requests. This confusion can lead to inaccurate data being reported if responding institutions provide different information than what the Agencies are expecting to receive. These discrepancies can also create operational inefficiencies and unnecessary administrative burdens for responding firms because if the data required to be reported is indeed different across reporting instruments, distinct processes may have to be created to obtain it. The Agencies, therefore, should take steps to remove these discrepancies to ensure that the instructions regarding the information to be collected are



clear and consistent across reporting instruments and the resulting information collected is accurate.

**II. Recommendations to Address the Discrepancies Between the Glossary Text of the FFIEC 002 and the Domestic Bank Call Report**

The discrepancies between the glossary text of the FFIEC 002 and the Domestic Bank Call Report can be addressed in several ways. First, the Agencies could amend the glossary text of the FFIEC 002 to match the wording of the Domestic Bank Call Report, as applicable. This is the simplest way to provide consistency across reporting instruments and it would provide enhanced clarity on the expectations for the type of data required to be reported.

Alternatively, we suggest the Agencies consider amending the glossary in the FFIEC 002 to replace any definition of a term also used in the Domestic Bank Call Report with a reference to the Domestic Bank Call Report's definitions. The FFIEC 002 Glossary would, therefore, only be needed to define terms that have a specific use on the FFIEC 002 itself and would prevent future changes in the Domestic Bank Call Report from being out of sync with the FFIEC 002.

In addition, the Agencies could consider adding explicit guidance to the instructions for the FFIEC 002 to state that where the Domestic Bank Call Report provides more detail or guidance than the FFIEC 002, such details and guidance should be applied to the FFIEC 002.

We believe that adopting any of these recommendations will enable the most accurate, comparable data to be obtained while minimizing the administrative burden for the reporting institutions.

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## INSTITUTE OF INTERNATIONAL BANKERS

We appreciate the opportunity to provide these comments for your consideration.

Sincerely,

Beth Zorc  
Chief Executive Officer  
Institute of International Bankers  
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