

December 2023 Newsletter

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Save the Date! Toronto Spring Conference



Save the date for **April 29th, 2024!** The highly anticipated GCD North American Conference is set to take place in the vibrant city of Toronto, Canada in the spring of 2024.

Hosted by the esteemed **Royal Bank of Canada (RBC)**, this conference promises to be an exceptional opportunity for professionals to come together and exchange knowledge, insights, and best practices while building valuable connections with like-minded peers.

We have **speaker opportunities** open. If you're interested in presenting at the conference, please [contact us](#). Registrations will be opening soon, and we look forward to seeing you in Toronto!

Take a look at the video to hear from your peers on their [GCD conference experience!](#)

Achieve your ESG & Climate Risk Goals with GCD!

GCD is dedicated to providing valuable support to our member banks in effectively addressing your ESG & Climate Risk measurement, monitoring, modelling, and reporting needs. Leverage our extensive experience and expertise in data standard-setting, pooling, method-sharing, and benchmarking in meeting your goals through:



GCD Climate Focus Group: a central information hub for facilitating collaborations between banks and integrating climate factors into credit risk measurement.

Cross-Industry Partnerships: We're in partnership talks with [UNEP FI](#) to conduct climate-effect exercises.

Key Discussion Groups on modeling and stress testing.

Regional Engagements: webinars, surveys, and targeted projects in regions like EU, UK, Canada, US, South Africa, and Australia.

Benchmarking Exercises for stress testing methods.

Standardization: developing and implementing quantification methods across the banking sector.

Comprehensive Data Collection: focused on identifying key ESG and climate risk drivers within PD & LGD frameworks.

If you're interested, please reach out to [Hale Tatar](#) to get involved in the discussions.

***New Analytics**: Take a look at the newly released section on [Project Finance report](#), featuring Recovery Rates for **Green and Fossil Fuel Energy Projects**! For more information on the report, contact [Nina Brumma](#).

Good News! Get Even More Data for What You Give!

Following recently approved changes in Data Entitlement Rules by the Methodology Committee, banks can now expect to receive **more data** in return for their **low-default** portfolio contributions.



These changes have already been implemented and will be reflected in the 2023-H2 LGD cycle.

This means that banks will have access to a larger and more comprehensive dataset, allowing you to make more informed decisions about your credit portfolios.

We encourage you to contact any of the GCD Executives for further details on how these changes apply specifically to your bank.

New Publications: Real Estate, Large Corporates, & Project Finance Reports

We're excited to announce the release of **three** new report publications on; **Recovery Rates** for Project Finance, as well as **PD & Default Rates** for Real Estate and Large Corporates. Download these reports via the links below. For questions and feedback, reach out to [Nina Brumma](#) and [Olivier Plaetevoet](#).



Project Finance



Real Estate



Large Corporates

Do You Have Insurance-Backed Facilities in Your Loan Portfolio?

GCD has been a prominent collaborator with the International Trade & Forfeiting Association (ITFA) in advocating for more favorable capital treatment of facilities guaranteed by insurance providers under the Basel framework.

To support this advocacy effort, we've published a report titled: "[Recovery Rates for Facilities Backed by Insurance Companies](#)."

The report was developed based on data provided by GCD member banks and has been widely recognized as a valuable resource in highlighting the benefits of providing more advantageous capital treatment for these types of facilities.

Considering the success of the first edition of this report, GCD is now working with both member and non-member banks to produce a second version. Interested banks are encouraged to contact [Jakub Tomczyk](#) to participate in this initiative.

Overview

100%

resolved loans where insurance companies are guarantors

23

Defaulted Facilities with insurance companies guarantors identified so far

Claim on insurance company made

100%

recovery rate on guaranteed portion of loans

7

out of 23 facilities with confirmed claims on the insurance company

Download the report

Concerned About External Data Representativeness? Join the GCD Representativeness Focus Group!



The Representativeness Focus Group is currently in progress, and GCD has conducted over 15 interviews with banks from four different continents so far!

This collaborative effort aims to bring together banks, regulators, and academia to exchange experiences and goals regarding the concept of representativeness.

The ultimate objective is to create guidelines that will assist banks in evaluating external data representativeness.

Join the Focus Group

Regional Forums: Collaborate With Your Industry Peers!

We are starting to redirect our attention towards regional forums, where we aim to facilitate the exchange of ideas and networking opportunities between member and non-member banks.

Alongside our larger conference in [Amsterdam](#), we organized smaller regional forums in [New York](#), [Stockholm](#), and [Australia](#) this year. These forums provided a platform for industry peers to engage in discussions regarding credit risk-related topics and collaborate on finding solutions to pressing issues.

The response to these forums was overwhelmingly positive, and we are eager to organize more of them in the upcoming year! If you are interested in attending or hosting one of these forums next year, please do not hesitate to contact us.



May the holiday season fill you with joy!
Wishing everyone a happy new year!
We are grateful for your continued support of GCD initiatives and look forward to working together in 2024!



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Want to know more or have ideas? Contact [GCD](#) today!

Global Credit Data