



EUROPEAN CENTRAL BANK

BANKING SUPERVISION

Data Quality and Integration of Data:

Elements for a
reduction of
reporting burden?

24th XBRL Europe day –
Milan, 6th Feb. 2020

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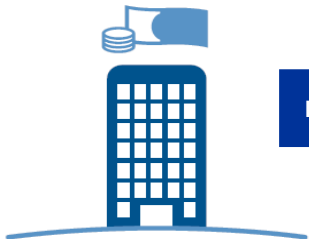


Overview

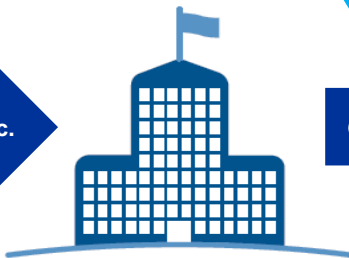
- 1 Introduction
- 2 Data Quality Framework
- 3 TFHSA
- 4 Data Integration
- 5 Conclusion

Introduction

Credit Institution



NCA



ECB



Task Force on the Harmonisation of the Sequential Approach

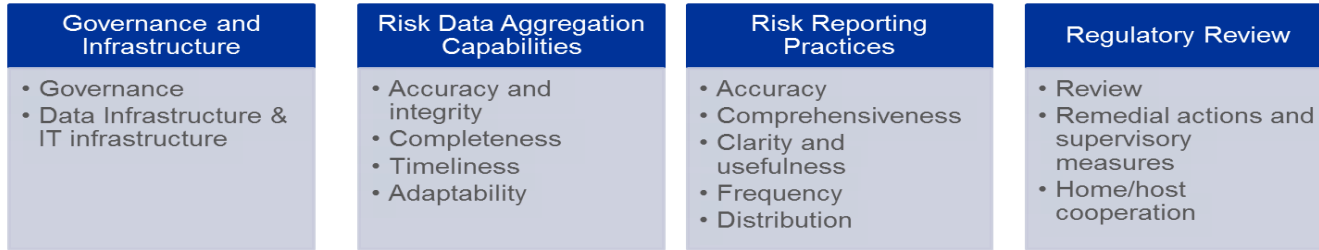
EGDQ

It is the bank's responsibility to submit 100% accurate and complete supervisory data on time

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Data Quality Framework and BCBS 239



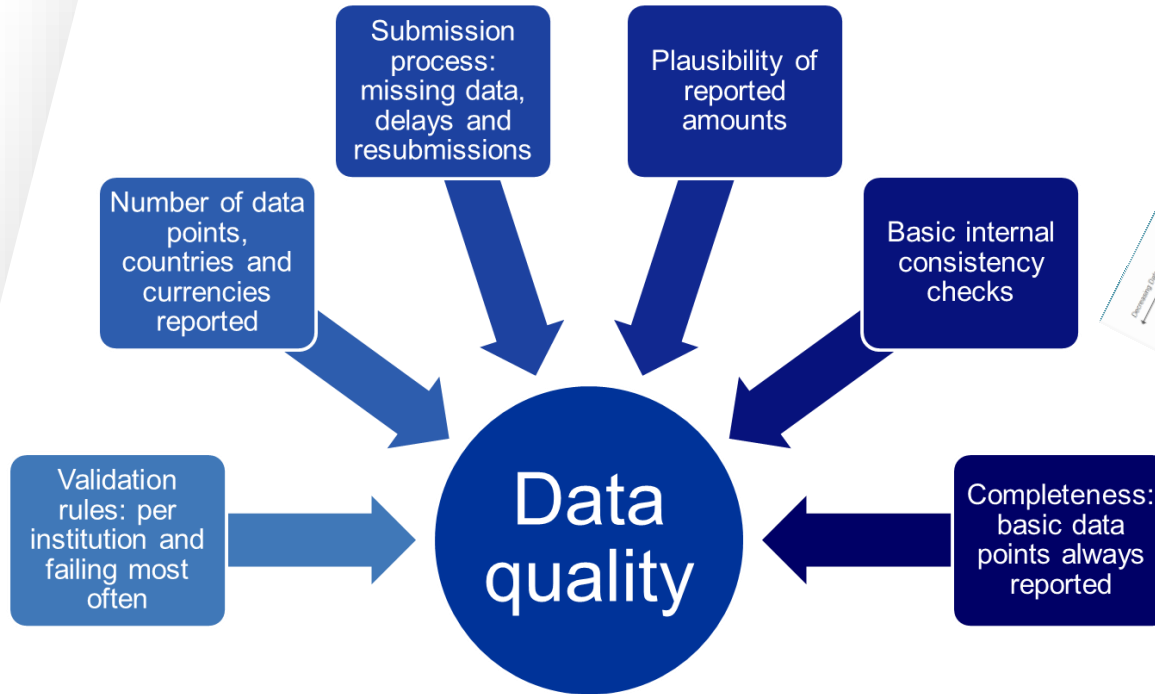
ECB Banking Supervision Data Quality Framework

SREP element 2: Overall Internal Governance and Risk Management Assessment

Risk Infrastructure, Data & Reporting

Scope of application!

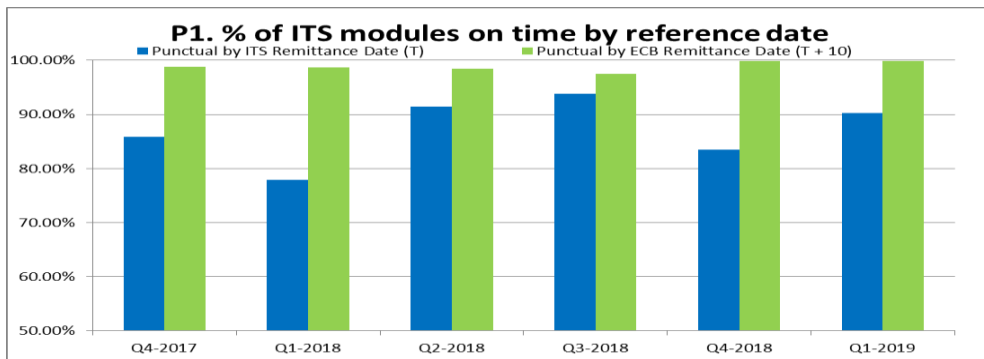
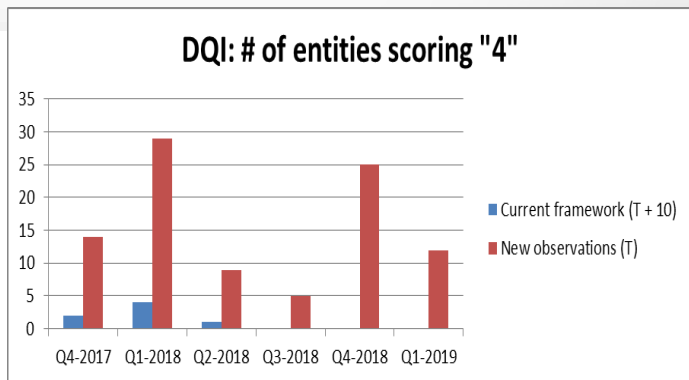
Data Quality Framework – comprehensive approach



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TFHSA: some figures



Max Individual Data Quality Indicator per jurisdiction, per quarter

Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
2	3	2	2	2
2	3	2	2	3
3	3	2	3	3
4	2	2	2	2
2	2	2	2	2
3	4	4	4	3
2	2	3	2	2
2	3	2	2	2
2	2	2	2	2
2	3	3	2	2
2	2	2	2	2
2	3	3	2	2
2	3	3	2	2
4	4	4	3	3
2	4	2	2	3
4	3	2	2	2
2	2	3	2	2
3	3	2	2	3
3	3	3	3	2

TFHSA: Objectives and Workstreams

Since 2016, the Working Group on Supervisory Statistics has been mandated to work on the **harmonisation of national practices** to establish a level playing field for the data quality assessment of the reporting institutions.

The objectives of the TFHSA are to:

- Further analysis of the national **best practices**
 - Definition of a **minimum common set of practices** to be implemented by NCAs and ECB
 - Establishing a **level playing field for SSM reporting institutions** in terms of data collection and data quality assessment
- WS1: Collection of supervisory ITS data from banks to NCAs
 - WS2: Supervisory data quality management and interaction with supervised entities
 - WS3: Involvement of external auditors and on-site inspections
 - WS4: Interaction and engagement with JSTs
 - WS5: Submitting ITS data to the ECB
 - WS6: Interaction with key stakeholders
 - WS7: Resubmissions

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Data Integration: ESCB Strategy

- ESCB statistics to keep supporting policy making while minimising the reporting burden for banks via:
 - standardisation and integration of banks' reporting across countries & domains
 - dialogue with the banking industry

IReF

Integrated Reporting Framework

- collect data only once
- focus on ESCB statistical requirements



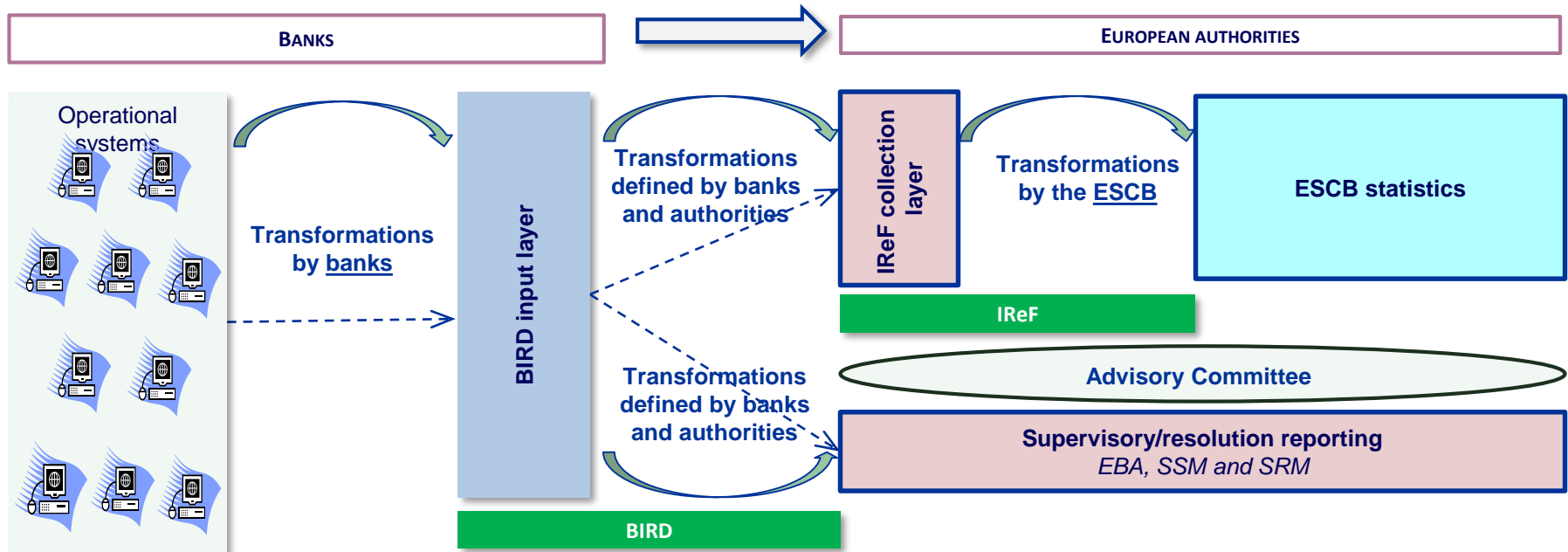
BIRD

Banks' Integrated Reporting Dictionary

- help reporting agents organise information available in their internal systems

Data Integration: ESCB Strategy

Advisory Committee on the Coordination of Statistical & Supervisory Reporting
comprising European authorities, involving the banking industry on data management



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CRR II Article 430(c)

- EBA mandated a **feasibility study** on the development of an **integrated system** for collecting statistical, resolution and prudential data
- Taking into account previous ESCB work on data integration: IReF & BIRD
- Covering:
 - **Overview** of current requirements
 - Definition of a **standard dictionary**
 - Establishment of a **joint committee** for its development and implementation
 - Feasibility assessment and possible design of a **central data collection point**

Supervisory reporting burden dimensions

Supervisory data should be requested only once	• SSM data collection database
Ad-hoc data requests always come on top of EBA's ITS	• Enhanced governance
Cross-border groups report to different NCAs with different technical solutions	• Further harmonize processes (TFHSA)
Same data points sent to different authorities (e.g. resolution data)	• Improve/increase data exchanges between authorities
Overlap with some statistical requirements (e.g. Anacredit)	• EBA feasibility study / IReF / etc.
Disclosure of Pillar 3 data comes on top of reporting	• Inclusion of the Pillar 3 disclosures in the ITS
Proportionality is not addressed	• ECB FINREP regulation
Further standardization is needed	• LEI, registers, UPI, UTI, etc.

Thank you!

