



EUROPEAN CENTRAL BANK

EUROSYSTEM

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# Item II.1 The Integrated Reporting Framework

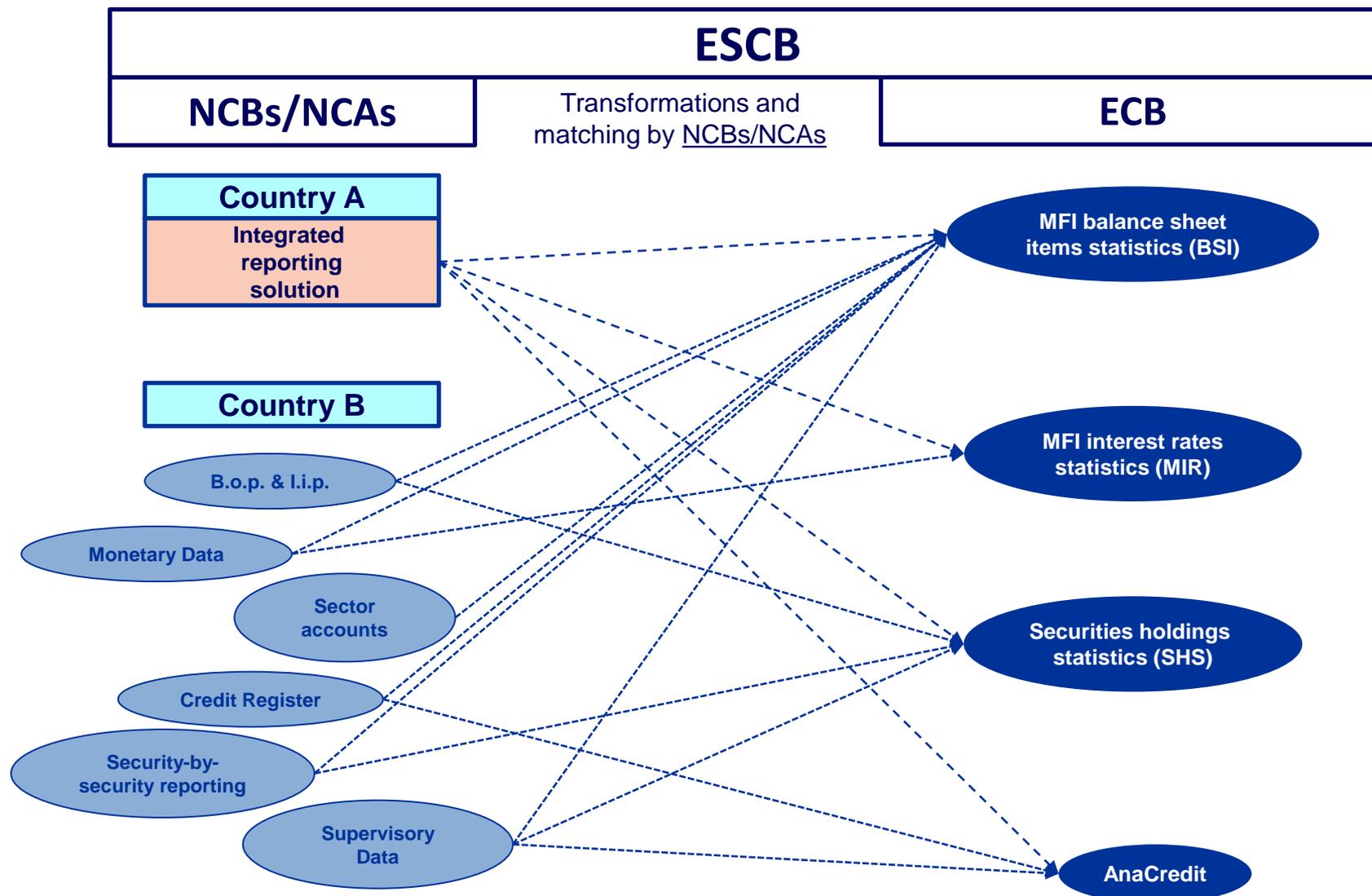
Statistics Committee

Dialogue meeting with the banking industry on  
ESCB statistics

Frankfurt am Main, 16 March 2018

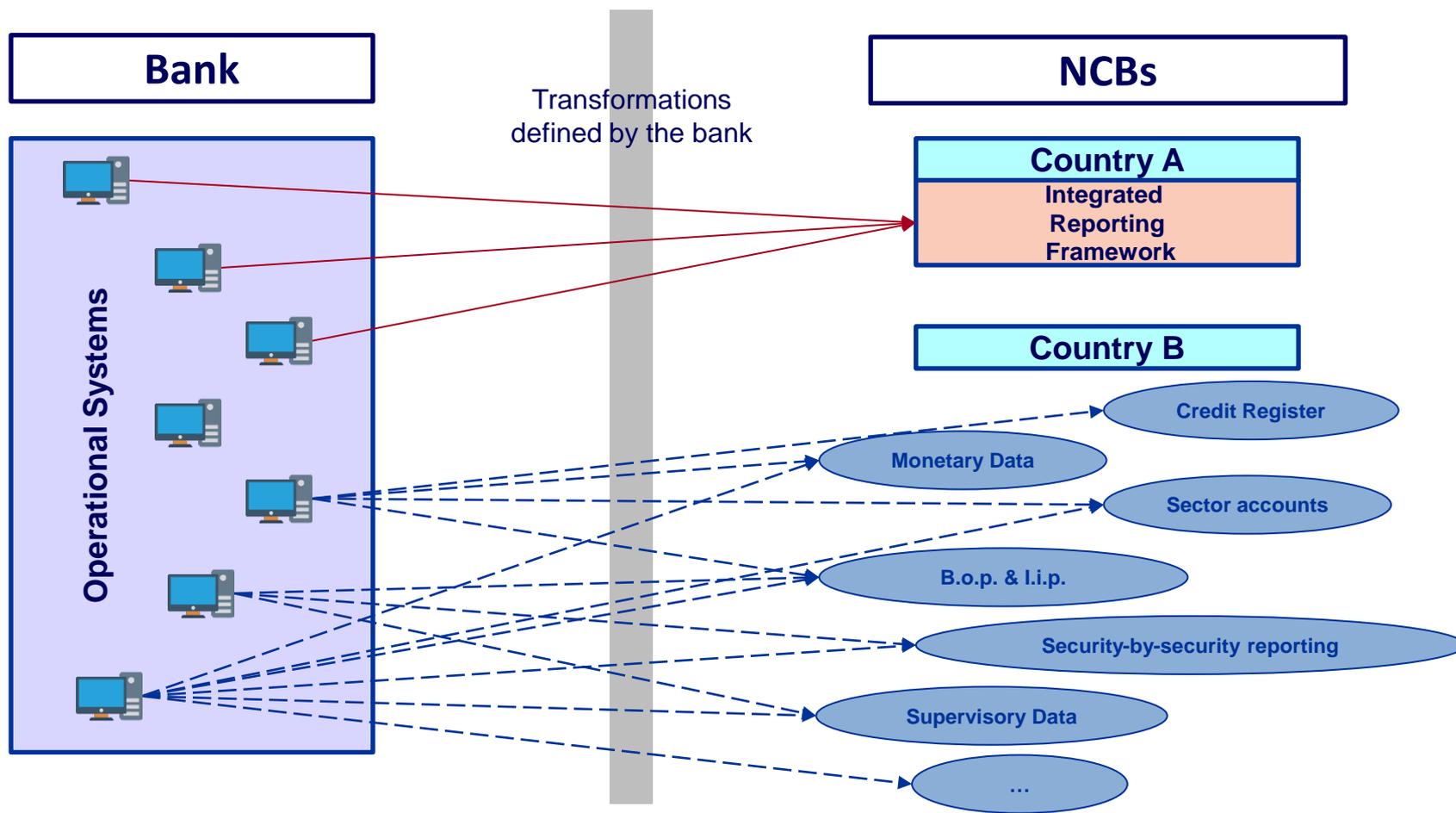
# 1. Current ESCB approach to data collection from banks (1/3)

- Countries are implementing ECB datasets in *heterogeneous ways*:



# 1. Current ESCB approach to data collection from banks (2/3)

- The same bank faces *different requirements across euro area countries*:

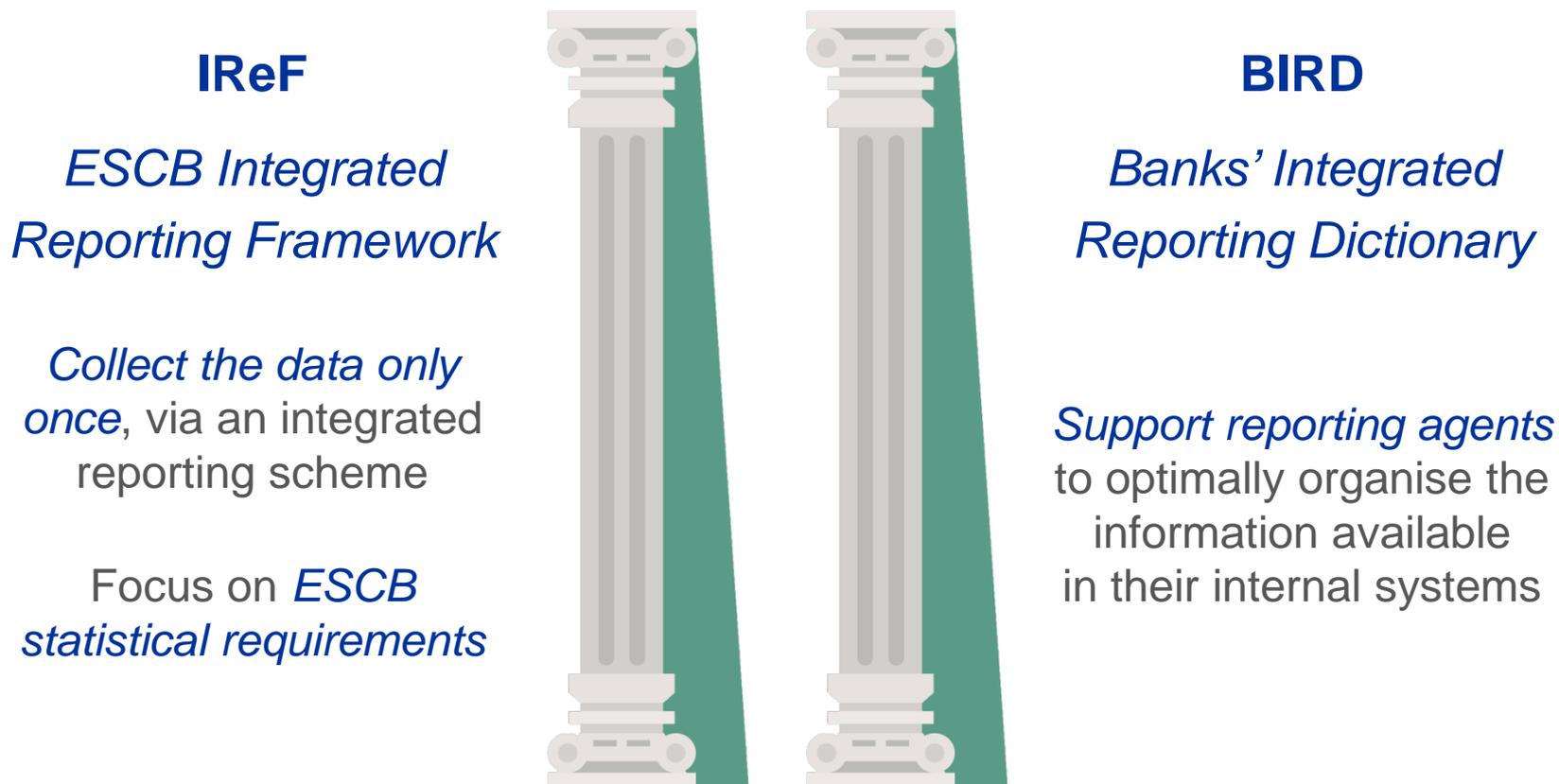


# 1. Current ESCB approach to data collection from banks (3/3)

- Banks face *different reporting requirements across European countries*
  - ✓ Particularly challenging for *cross-border banks*
- Statistical reporting by banks is *often not integrated*:
  - ✓ *Large number of reports*, with *different transmission frequencies* and *timelines*, and *different levels of aggregation*
  - ✓ *Duplications and overlaps*, *complex reporting schedules* and *processes*
  - ✓ Many *ad hoc requests* to fill information gaps
- Thus data often extracted from internal systems in an *unstructured way*

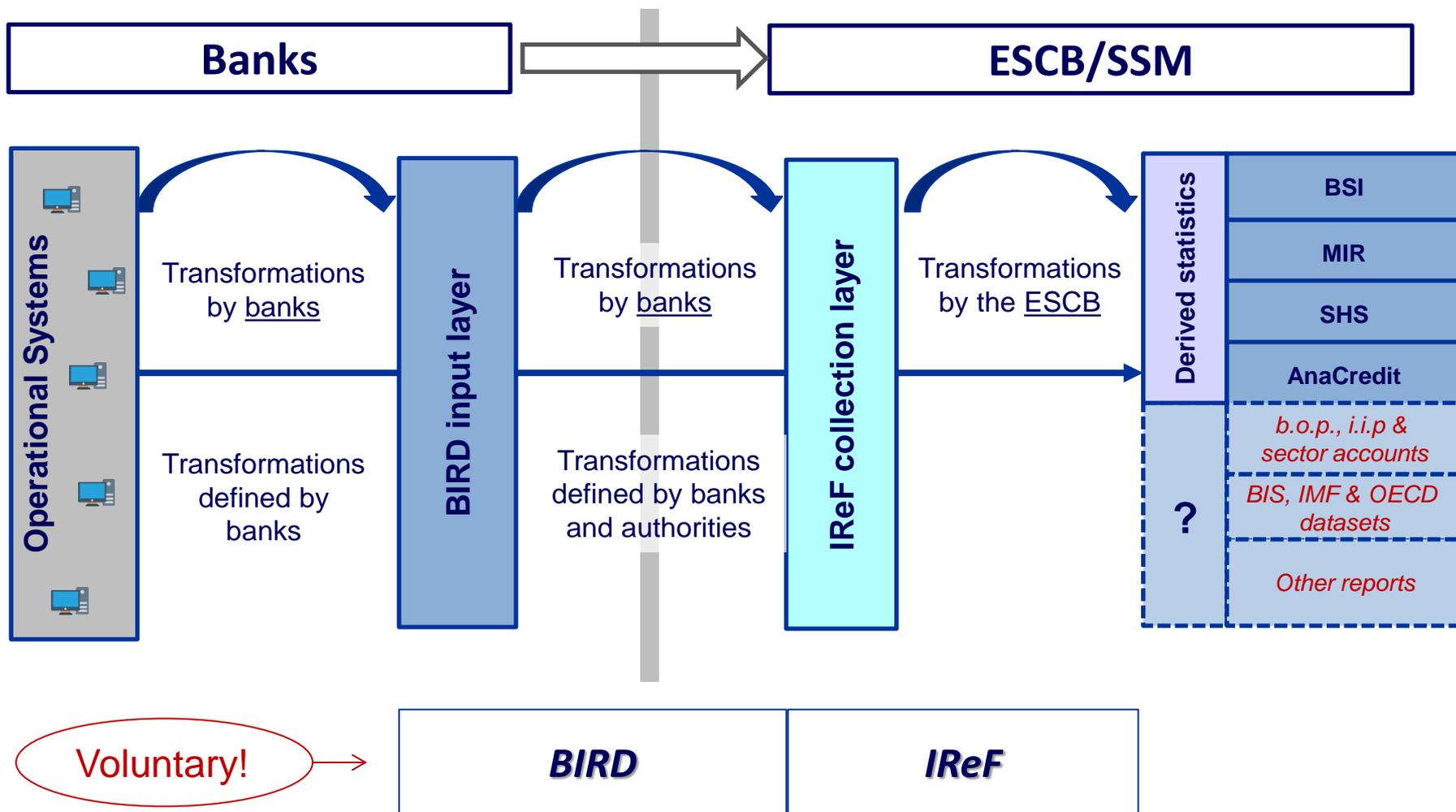
## 2. *What?* The ESCB longer term strategy (1/2)

- *Approach to data collection from banks:*
  - *Standardise and integrate existing frameworks* for banks' reporting across *domains* and across *countries*



## 2. What? The ESCB longer term strategy (2/2)

- Envisaged approach to data collection from banks:



### 3. *Where to go?* The Integrated Reporting Framework (1/3)

- Integrated reporting scheme for banks across countries & across domains with a *focus on ECB statistical requirements*



Main objectives:

- ✓ Consolidation of existing ESCB requirements into *one integrated set of reports*
- ✓ *Simplification* of the reporting
- ✓ Ensure *proportionality*

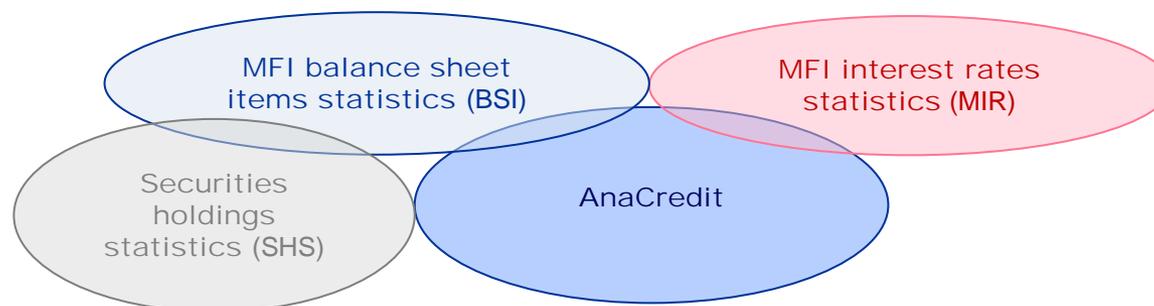
- The compilation system to significantly ***rely on ESCB master data***
  - covered in the *Register of Institutions and Affiliates Data* (RIAD), and
  - the *Centralised Securities Database* (CSDB)
- *Tentative timeline* for implementation: **2024-2027**

### 3. *Where to go?* The Integrated Reporting Framework (2/3)

- Expected advantages for reporters
  - Reduce redundancies => *less consistency checks*
  - *Full benefit from the BIRD*, as a unique reporting would be in place
    - based on a transparent set of common *definitions* and *transformation rules*
  - Standard reporting scheme of variables & levels of breakdowns
    - Multi-national banking groups to *benefit from cross-country standards*
    - Reduced need for *ad hoc requests*
  - Enhanced *stability* of reports *prone to automation*
  - *Unified data model* to describe reporting
    - *Less differences across datasets*
    - *Less partial aggregations for reporters* due to increased granularity

### 3. *Where to go?* The Integrated Reporting Framework (3/3)

- Datasets in the scope of the IReF



- Target population: *Deposit-taking corporations*
  - Possible flexibility on including reporting for *money market funds* in the national frameworks for investment funds
- Inclusion of *reporting obligations not arising from ECB regulations* (e.g. BIS, IMF, national user needs) is also being assessed
- Differences
  - **Frequency:** e.g. MFI balance sheet *M & Q*, SHS-S *Q*
  - **Timeliness:** e.g. BSI reported to ECB *15 working days* after end of ref. period, SHS *70 calendar days* after end of ref. period



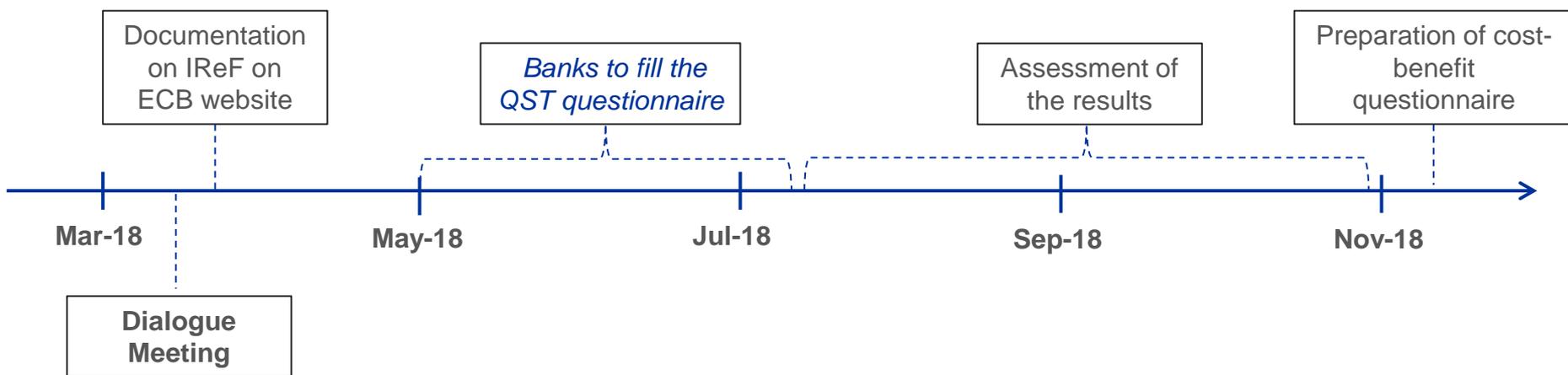
### *Aim*

***Assess jointly with the banking industry***  
the IReF impact prior to any decision on implementation

- Various scenarios will be evaluated, combining *reporting*, *production* and *dissemination* aspects
- Different from the *ESCB procedure for establishing a legal act*
- Two main steps are envisaged  
starting with a *qualitative stock-taking exercise*, and  
continuing with a (more quantitative) *cost-benefit questionnaire*
- *Cost-benefit analysis* is expected to run over 2018 and 2019

## 4. How to go? The cost-benefit analysis (2/2)

- Aim of the *qualitative stock-taking (QST)*:
  - Assess the scenarios identified based on *prevalent national practices* to achieve the *IReF objectives*
  - Then, *revisit* the scenarios and submit the “*cost-benefit questionnaire*”
- NCBs will invite banks to participate:
  - Approach depends on structures and practices in the national banking sector



## 5. Issues for discussion

- Participants in the **Dialogue** meeting are kindly invited to:
  1. Exchange views on the *ESCB envisaged approach* towards integrating banks' reporting requirements
  2. Comments on *objectives and procedure outlined* (of the I Re F)
  3. Discuss the possible *impact of digitalisation* on the banks' reporting and the future Integrated Reporting Framework