Item 2.2
The Integrated Reporting Framework – questionnaire results and possible way forward

Dialogue with the banking industry on ESCB statistics
Frankfurt am Main, 15 March 2019
# Overview

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First step of a comprehensive Cost-Benefit Analysis - CBA on Integrated Reporting Framework - IReF in close cooperation with the banking industry

- Qualitative Stock-Taking exercise run from Jun to Oct 2018 - QST

✓ Three questionnaires, respectively with
  - Reporting agents, incl. reporting areas of the NCBs and the ECB
  - NCB statistical departments - as data compilers
  - ESCB and SSM user groups

✓ Feedback received from the banking industry
  - 255 responses from banking industry representing over 3000 institutions with good coverage in all countries and all sizes of banks
  - covering ca. 78% of the banking industry in euro area in total assets
2/ Results: Benefits and challenges of the IReF

• **Benefits** expected of the *IReF implementation*
  – *Harmonisation of concepts and methodologies* underlying statistical reporting *very high and unanimous support* across all countries, all sizes of banks
  – *A unique reporting scheme across statistical domains and beyond*

• **Challenges** in the *implementation phase*
  – *Maintaining parallel systems* for the datasets before reaching a steady-state
  – *Need to develop new (IT) reporting systems or change existing ones* before they have reached the end of their lifecycles

• **Challenges** in the *operational phase*
  – *Concentration of workload in a shorter period of time*
At implementation, the IReF will cover all requirements that are applicable at that moment in the context of the ECB Regulations in its scope.

- ECB Regulations on **MFI balance sheet items and interest rates statistics** will not be significantly amended by 2024; an update of the BSI Regulation is in planning that will bring the regulation more in line with the IReF.

- ECB Regulations on **AnaCredit** and **Securities Holdings Statistics** may be amended before 2024, e.g. to support the process for IReF implementation.

- Majority for *implementing IReF between 2024 and 2027*
2/ Results: IReF and supervisory reporting

- Significant majority supporting the collection of supervisory data as part of a broader integrated framework

- Outcome of the CBA and resulting integrated reporting scheme as proof of concept for integration of supervisory requirements

- Approach in line with the timeline for the possible establishment of a joint Committee under CRR Article 100 (previously 101a)
• **Strong support** to use *AnaCredit granular data* and *s-b-s data on holdings and issuance of securities* to *compile aggregated statistics*

• **Constraint** for monthly aggregated statistics on MFIs:
  - release data by 19th working day after the end of the reference month for monetary policy use

• For majority of respondents *reporting within 10-12 working days*
  - is already implemented or feasible

• **Timeline aspect to be further analysed and assessed**
  - also in the light of how will the compilation processes be organised
3/ Way forward

- ESCB to focus on the technical design of the IReF taking into account
  - QST results
  - Possibly integrating residency-based statistics beyond ECB Regulations
    - e.g. BIS locational banking statistics, IMF Standardised Report Forms

- Activities as a pilot for a possible wider exercise considering
  - statistical and supervisory requirements

- Develop a draft reporting scheme taking into account
  - Specific design choices supported in the questionnaire
    - e.g. Structure of cubes; Granularity of cubes
  - Drop scenarios that are not supported in the questionnaire
    - e.g. derive loan aggregates by grossing-up AnaCredit granular data based on anchor values
3/ Way forward

• **Assess national requirements** not covered in ECB Regulations
  
  ✓ Which national requirements are not covered in the draft scheme?
  ✓ Are they to be retained?
  ✓ If so, how to integrate them under the IReF?

• ESCB to **activate IReF focused groups** dedicated to analyse specific aspects, e.g.
  
  ✓ Develop *draft reporting scheme*
  ✓ Derivation or reporting *of transactions*

• **Banking industry to contribute to the focused groups**
  
  ✓ *EBF to take the lead* on the nominations
4/ Tentative roadmap for 2019

- End of QST
- Preparation of communication on QST outcome
- 2019 Dialogue Meeting
- BIRD Steering Group
- Analysis of technical issues on IReF for statistics, including definition of a draft reporting scheme and coverage of national requirements
- Activate focused groups, with involvement of the banking industry
- Presentation of draft scheme with residual scenarios as a preliminary step for cost-benefit questionnaire