Towards Integrated Reporting in the European Union

Dialogue with the banking industry on ESCB statistics | Frankfurt 15 March 2019

Meri Rimmanen | Reporting, Loans Management and Transparency
Benefits from an integrated system

The aim of an integrated system for collecting prudential, resolution and statistical data

- increase the efficiency of reporting:
  - standardise reporting
  - reduce redundancies
  - common definitions
- reduce the burden for banks
- facilitate the exchange of data and its usability
- Improve data quality

Why is this important?

- For supervisory, financial stability and statistical purposes, new reporting requirements have been recognised as key since the financial crisis.
- The development of these reporting needs has sometimes led to duplication of requirements or with similar requirements but different definitions
- Ad hoc requests and national requirements has offset some of the benefits of a single set of harmonised reporting across the EU and were assessed being particularly disruptive and costly (Commission Call for Evidence report, 2017)

Integration at EU level

- The CRR2 mandate aims for integration at EU level
- Coordination of the project to be done by the EBA where all EU countries interests/needs are represented/covered.
Article 100 of the new CRR2

Report on integrated system for collecting statistical and prudential data

• The EBA shall prepare a feasibility report for the development of a consistent and integrated system for collecting statistical, resolution and prudential data
• EBA shall involve all relevant authorities
• The previous work carried out by the ESCB shall be taken into account.
• The report should be based on a cost and benefit analysis taking into consideration:
  ▶ overview of the quantity and scope of the current data collected
  ▶ The establishment of a standard data dictionary
  ▶ the establishment of a joint committee for the development and implementation of the system (EBA, ESCB .. other authorities)
  ▶ the feasibility and possible design of a central data collection point.
• The EBA to report to the Commission its findings 12 months after the entry into force of the CRR2.
Cooperation and stakeholder engagement

Key success factor: efficient engagement with all relevant authorities and stakeholders

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<td>• Competent authorities</td>
<td>• Institutions</td>
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<td>• The ECB and the ESCB</td>
<td>• “Technology providers”</td>
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<td>• Resolution authorities: SRB and NRAs</td>
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<td>• Commission, EIOPA, ESMA, ESRB</td>
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Work already done

| • Bank Integrated Reporting Dictionary | • National projects to integrate reporting |
| • Integrated Reporting Framework | |
EBA feasibility study - project overview

2019

Scoping:
- Reporting institutions
- Data to be covered
- Authorities to be involved
- Functionalities of system to collect and share data and coordinate requests

Fact Finding and Research:
- Data currently collected
- Current reporting practices
- Existing data dictionaries
- Existing projects on integration:
  - State of play
  - Challenges & solutions
  - Lessons learnt
- Existing technologies

2020

Analysis and report writing:
- Analysis of the options identified in the scoping
- Feasibility on the different options
- Cost/benefit analysis

Consultations:
- Regular consultation and discussion with stakeholders
- Public consultation of the draft report