Recent developments around European integrated reporting

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# Outline of the presentation

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1. Key milestones and major achievements so far

- Work carried out under the **Informal Coordination Group** (ICG) with ECB (DG Statistics and ECB Banking Supervision), EBA, European Commission and the Single Resolution Board

- Two ICG Expert Groups completed their work early 2023
  - EG on **Semantic Integration** and EG on **DPM Refit**

- Workshops with national authorities and the banking industry in November and December 2022*

- Proposal to establish a **Joint Bank Reporting Committee (JBRC)** to further strengthen the cooperation around integration of regulatory reporting by banks
  - Preliminary proposal for the setting up of the JBRC well received and supported by the STC, SCReDAT, EBA Board of Supervisors and the Supervisory Board (ECB)
  - Draft Charter now entering the consultation process; legal set-up continues to be investigated


STC = Statistics Committee (ECB)
SCReDAT = Standing Committee on Reporting, Data analysis and Transparency (EBA)
2. How would the JBRC contribute to integration?

**Syntactic integration: DPM Refit as a common “container” to facilitate semantic integration**

**What is it?**
Using the same metamodel (the “container”) to describe statistical and supervisory reporting through codes.

**Next steps**
ECB-EBA-EIOPA propose a common governance (Q3 2023) for DPM Refit

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**Semantic integration: the main driver for reducing reporting burden**

**What is it?**
Building a common data dictionary (the “content”) for all authorities (glossary, concepts decomposition, relationships, conceptual model)

**Next steps**
Task team building a roadmap to semantically integrate new reporting and legacy

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**Integration of reporting: the final objective that implies good will from the authorities**

**What is it?**
Regulatory authorities whenever possible 1) align definitions 2) dynamically refer to each other 3) decommission overlapping reporting 4) build common reporting

**Next steps**
1) Receive CBA feedback on IReF and Finrep solo alignment
2) EBA discussion for supervisory granular reporting

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**Not currently in the scope of JBRC**

**To be transferred to JBRC as its core task**

**Advising authorities is a core task of JBRC**
3. The Joint Bank Reporting Committee (JBRC)

The JBRC would:
- Provide **non-binding advice** on reporting to concerned authorities
- Promote the development of a **common data dictionary**

**Involving:**
- **All concerned authorities**, including national ones
- The **industry** permanently through a **Reporting Contact Group**

**Challenges:**
- To reach a high level of ambition, a **stepwise approach** is needed
- Complex governance as authorities **will keep their separate regulatory powers** under the JBRC

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STC = Statistics Committee (ECB)
SCReDAT = Standing Committee on Reporting, Data analysis and Transparency (EBA)
ResCo = Resolution Committee (EBA)
4. Proposed JBRC structures

The RCG would serve as a regular channel for the cooperation and exchange of views and best practices between authorities and the industry.
5. Main features of the Reporting Contact Group (RCG)

**Membership**

- Members are appointed by the JBRC on the basis of a **public call to stakeholders with expertise on regulatory reporting, in particular reporting banks.**
- The members of the RCG are involved on the basis of their professional expertise.
- The RCG **elects its own chair.**
- The **list of RCG members is public.**

**Main tasks and deliverables**

- Provide **technical, non-binding feedback** to the JBRC throughout the regulatory process related to reporting, in the realm of the JBRC work programme.
- Nominate participants to the JEGs and **work together with the authorities** when necessary.
- The RCG **interacts with the JBRC,** raises questions and flags issues of relevance for attention, it provides **written reports and interacts in meetings.**

**Joint Expert Groups (JEGs)**

- Members of the JEGs **nominated by the RCG and JBRC.**
- Work based on a clear **mandate** prepared by the JBRC Steering Committee.
- Each JEG shall have **up to two coordinators,** of which one from the authorities.
6. Way forward and work already ongoing

Planned kick-off the work of the JBRC in 2024 – in the meantime, several workstreams that support further integration are already well in progress:

- Banks’ Integrated Reporting Dictionary (BIRD)
- The ESCB Integrated Reporting Framework (IReF)
- Preparation of a roadmap for semantic integration of regulatory reporting across supervisory, resolution and statistical frameworks

**OBJECTIVE**: set up a roadmap for future semantic integration work by Q4 2023

**PRIORITY**: new reporting, in particular new requirements for which definitions are already being developed

- Governance of DPM Refit
- Credit risk granularity
- Etc.
Thank you for your attention!