

BANCO DE ESPAÑA EVALUATION PROGRAMME

BANCO DE ESPAÑA RESPONSE TO THE EXTERNAL EVALUATION OF THE USE OF TECHNOLOGICAL INNOVATION IN THE PRUDENTIAL SUPERVISORY FUNCTION. ACTION PLAN

Banco de España

Detailed below are the main actions that the Banco de España undertakes to implement in the short and medium term in response to the recommendations included in the external evaluation report on the use of technological innovation in the prudential supervisory function.

Section 1: Suptech strategy

- Actions to raise awareness of the Banco de España's current suptech roadmap will be scaled up and all relevant stakeholders will be involved in its forthcoming review. The new suptech strategy roadmap will foster coordination for the development of suptech tools across different Banco de España areas engaged in similar lines of work. Furthermore, while credit risk remains the main focus, the possibility of developing tools to manage other risks will be explored.
- The Bank will continue to encourage collaboration and information sharing across its different areas, fostering participation in the existing communities and the digital hub ecosystem geared towards dissemination, learning and the development of technological solutions.
- A review of the current suptech demand management process will be conducted with a view to better identifying needs and prioritising deliverables, complementing the current methods with alternative solutions.

Section 2: Governance

- As part of its efforts to attract talent among particularly in-demand groups, the Banco de España has defined the profile of "data scientist", which is expected to drive this group's contribution to technological innovation within the Bank.
- Under one of the initiatives envisaged in the [Banco de España's Strategic Plan 2024](#), the Bank has defined a data governance model that includes aspects related to data strategy and

policy. Additionally, a data office has been set up which, among other functions, will ensure the integrity of information sources and data flows, including those related to suptech tools.

Section 3: Introducing new technologies and boosting the use and awareness of tools

- Suptech tools will be made more accessible to Banco de España supervisors by overhauling the access platform to combine the key benefits of the various existing platforms. The use of such tools will also be encouraged by including references to them in the supervisors' internal documents.
- Indicators will be defined to measure the actual utility of the different suptech tools made available to the supervisors. Once the indicators have been established, the Bank will monitor the actual use of the tools.

Section 4: Developing supervisory capabilities

- The current suptech training and mentoring programme will be strengthened and training activities will be included in the induction programmes for new supervisors.
- The Bank will consider developing an executive coaching programme in digital knowledge and skills for senior management.

Section 5: Continuing to benefit from the suptech work of the Single Supervisory Mechanism (SSM)

- The Banco de España will continue to promote the roll-out and use of the tools developed by the Single Supervisory Mechanism.
- The Banco de España was recently designated as an SSM suptech centre, enhancing its leadership and influence in this area. The Bank will continue to foster this leadership and influence as part of its suptech strategy.