

INTEGRATED SYSTEM FOR COLLECTING STATISTICAL, RESOLUTION AND PRUDENTIAL DATA

In recent years, in particular since the financial crisis, the reporting requirements addressed to the banking industry have grown exponentially, due to the emergence of new user needs. In the current system in Europe, various actors are involved (institutions, authorities, IT providers) and various reporting frameworks (prudential, statistical, resolution, etc.) coexist, including national, European and international requirements. These reporting frameworks have been developed separately to meet different needs at different points in time, which occasionally gives rise to overlaps and duplication of the data required. The industry has requested greater coordination and exchange of information among authorities to avoid duplication of requirements which, in addition, must be submitted with various frequencies, formats and scope of consolidation, and to different authorities.

In response to this situation, Article 430c of Regulation (EU) No 575/2013 of 26 June 2013 on prudential requirements for credit institutions and investment firms gives the European Banking Authority (EBA) the mandate to produce a feasibility report on the development of a consistent and integrated system for collecting statistical, resolution and prudential data. The report should take into account the previous work of the European System of Central Banks (ESCB) on integrated data collection and should include: (i) an inventory of current data requested by competent authorities in their jurisdiction; (ii) the creation of a common dictionary of the data to be collected; (iii) the establishment of a joint committee, including at least the EBA and the ESCB, to design, develop and implement the integrated reporting system; and (iv) the feasibility and possible design of a central data collection point for the integrated reporting system.

For its part, the ESCB has been working since 2016 on the Integrated Reporting Framework (IReF) project, which

aims to integrate the statistical information that the ESCB requires of banks. In the course of 2022 the user requirements and processes of the business part of this project (i.e. omitting IT aspects) will be studied, including the redesign of the ESCB's statistical function. The analysis will be submitted to the Governing Council of the European Central Bank (ECB) at the end of 2022, so that this phase of the project can be approved. From 2023, once the results of the study to be carried out in 2022 are available, and if these are considered adequate, the IT project would continue and a new regulation would be drafted to replace the current regulations of the statistical reports to be integrated.

In response to the indication in the mandate of the above-mentioned Article 430c that the EBA's feasibility report should take into account the previous work of the ESCB, the ECB published its contribution to the study in September 2020. For the ECB, the integration project should be carried out gradually, with two parallel processes during a transitional period. Thus, on the one hand, the integration of statistical reporting would be performed through the IReF and, on the other hand, the supervisory and resolution data would be integrated. These parallel processes would eventually converge in an integrated report in Europe based on a unique data dictionary and unique data model.

The EBA published the feasibility report in December 2021. Noteworthy among its conclusions are that the existence of a unique data dictionary is the cornerstone of the integration project, that the existence of a central data collection platform would increase the efficiency of the system, promoting the exchange and reuse of data, and that strong governance is necessary to favour collaboration and coordination among authorities for the implementation and development of integrated reporting.