

The logo for the European Banking Authority (EBA) is located in the top left corner. It consists of the letters 'EBA' in a large, white, sans-serif font, set against a dark blue background with a subtle grid pattern. To the right of the letters, the words 'EUROPEAN BANKING AUTHORITY' are written in a smaller, white, sans-serif font, stacked vertically.

EBA

EUROPEAN
BANKING
AUTHORITY

WORKSHOP FOR BANKS: IMPROVING REPORTING PRACTICES AND DATA QUALITY

29th June 2021

Guidance for participants

- Remain on mute at all time when not speaking, to reduce background noise.
- Turn off your video during the whole workshop.
- Feel free to use the online-chat function available to ask questions. The EBA team will try to answer them as best as they can.
- If you like to take the floor to ask the question/give a remark, please indicate this in the chat as well, you will be given the floor by the moderator.
- In case of technical question please contact Matthias Guggenbichler via private chat.
- The floor will be given to the participants only at the moderator's request. Do not forget to turn on your video and microphone after taking the floor.
- In case of IT issue, you are encouraged to log out and log in again and, if that does not work, to dial in via phone through one of the local access numbers which will be provided in the separate WebEx e-mail.

Agenda

- 09:35 – 09:50** Opening remarks and introduction to the workshop
- 09:50 – 11:15** Session 1: Overview of supervisory reporting
- 11:15 – 11:25** Coffee break
- 11:25 – 12:15** Session 2: Setting up the data collection system
- 12:15 – 13:00** Session 3: Ensuring correctness of supervisory reporting via EUCLID
- 13:00 – 14:00** Lunch Break
- 14:00 – 14:40** Session 4: Overview of validation rules and Q&As
- 14:40 – 15:10** Session 5: Data quality feedback
- 15:10 – 15:25** Coffee Break
- 15:25 – 16:20** Session 6: EBA publications
- 16:20 – 16:30** Close of session

Opening remarks and introduction to the workshop

Luis Garcia, Statistics Unit

François-Louis Michaud, EBA Executive Director

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Session 1

Overview of supervisory reporting

Anja Bautz, Reporting & Transparency Unit

Maria Cunha, Reporting & Transparency Unit

Haizhen Li, Information Technology Unit

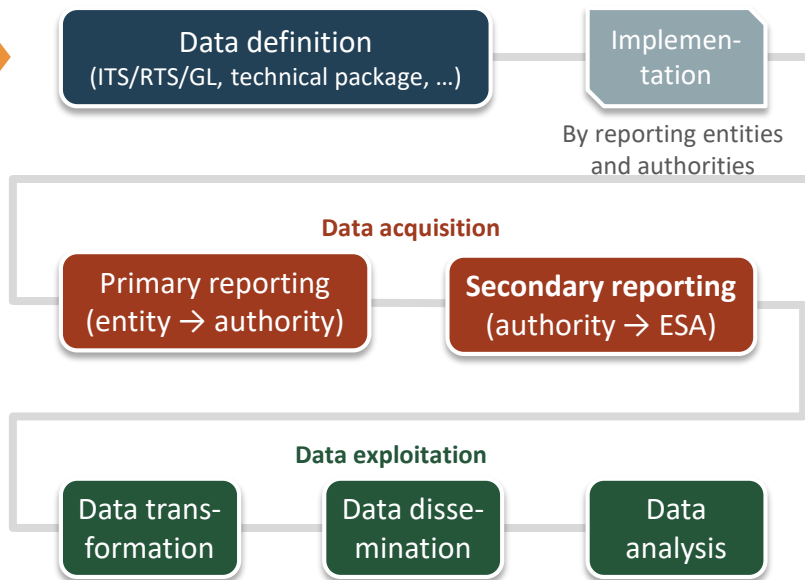
Taja Secnik, Statistics Unit

Why and how: The reporting process chain

Starting point: **legal requirement** or a **political demand** for data

Aiming to

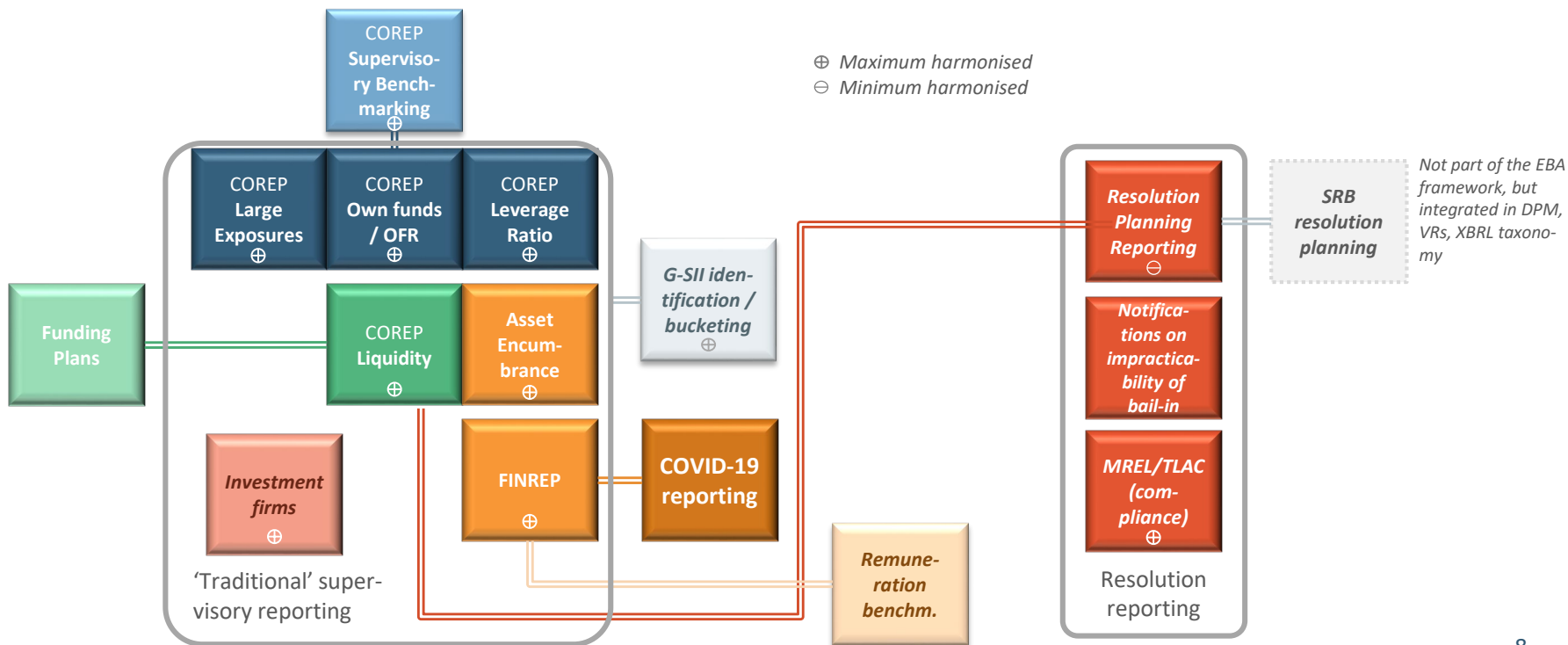
- Monitor **compliance**
- Assess **risks**
- Assess **impacts**



The end(?): **Data demand met**
 Public and non-public analyses,
 products & actions (or non-
 actions)

e.g. Transparency exercises, Dashboards,
 stress tests, P2R & P2G, resolution
 planning, macro-prudential measures,
 new legislation, public statistics, ...

The scope of the EBA reporting framework



Proportionality in the reporting framework

Overarching principle: Information that is **not required** or **not applicable** shall **not be included** in a data submission.

Implicit

originating from the
regulatory & prudential
framework

e.g.

- Use of IRB / IM vs. standardised approaches
- Simplified vs. full NSFR.
- 'Significant currency' reporting.

Implicit

Driven by the
nature of activities
or choices

e.g.

- Reporting on collateral swaps. (LCR)
- Leasing, fair value option.

Explicit

Risk based (topic-specific)
thresholds

e.g.

- Geographical break-downs in COREP & FINREP.
- Reporting on asset encumbrance details.

Explicit

Size based thresholds
(SNCI, medium, large)

e.g.

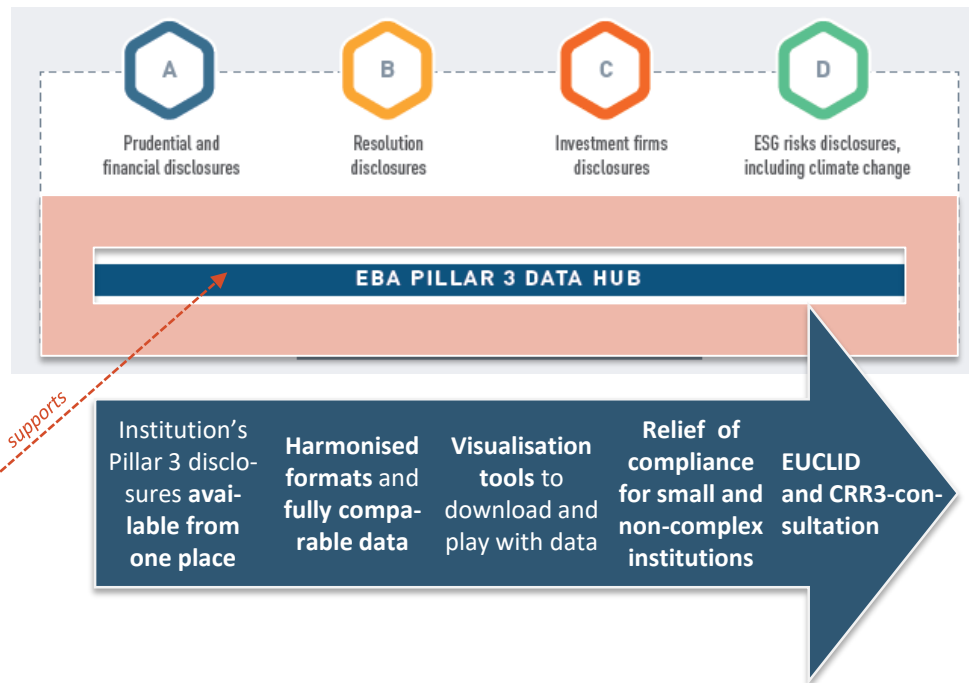
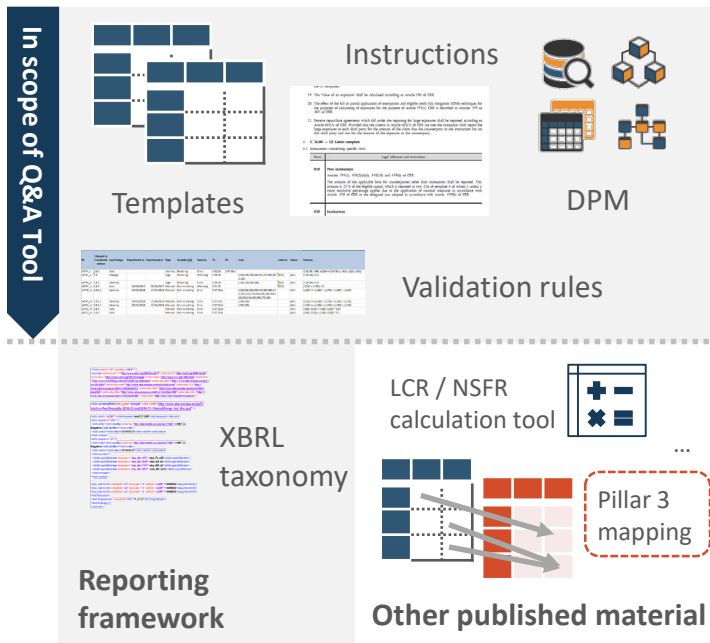
- Exemption of SNCI from certain ALMM reporting requirements. (from v3.2)
- Additional reporting by large entities.

Large institutions report on average roughly 10 times the number of data points that small institutions report. Still, there is potential for improvement...

The components of the framework & interaction with disclosures

The components of the reporting framework

Towards a 'one-stop-shop' of Pillar 3 information



Cover overview of DPM

Regulatory drivers

Regulatory harmonization

Clear definition of reporting

Integrated reporting

Digital regulatory reporting

Regulatory stakeholders

Reporting institutions

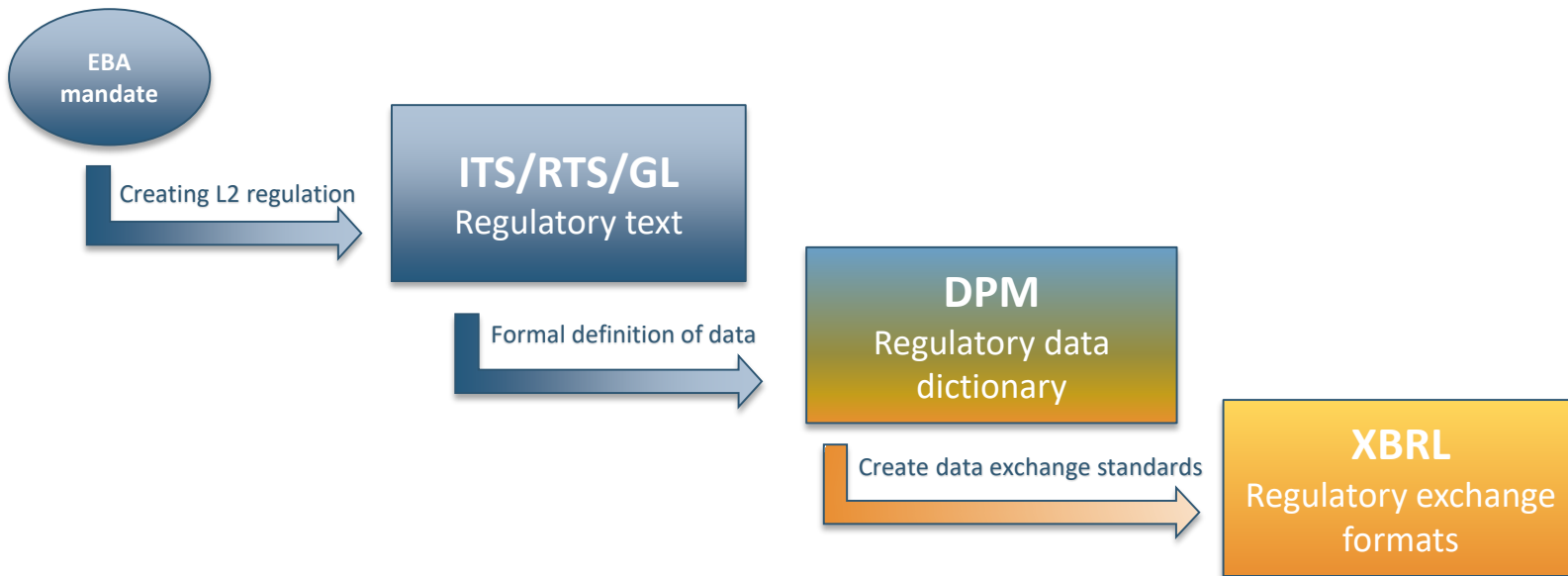
Supervisory authorities

Service providers

Investors and general public

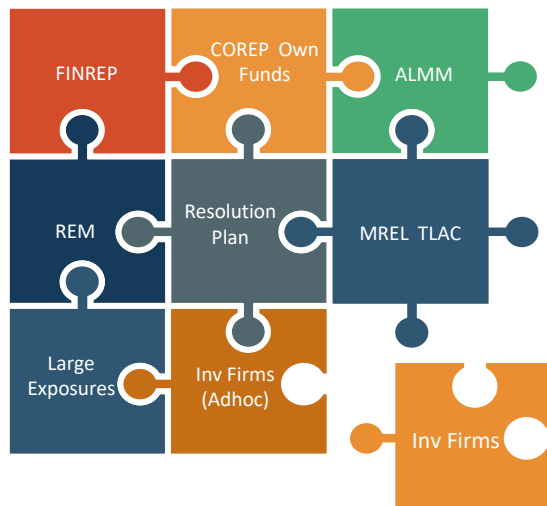
Cover overview of DPM

Regulatory definition processes



DPM data dictionary role

Integration of frameworks

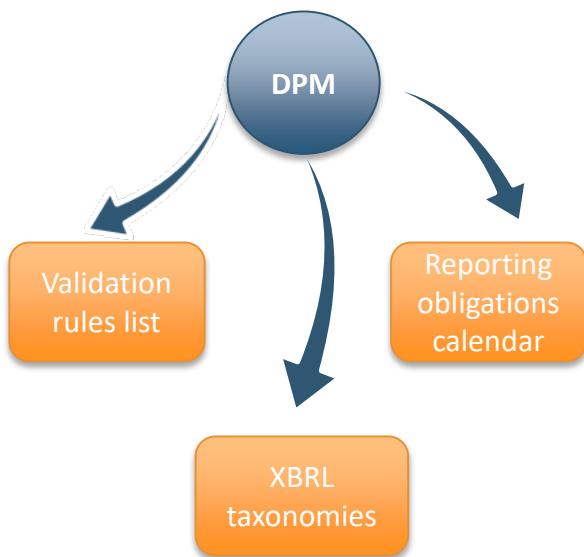


Data definition

- All the semantic definitions of data referred in a regulatory framework are included as contents in the DPM data dictionary.
- The uniqueness and comparability of any new data concept is assured, by the use of a common and unique vocabulary and the consistent application of the DPM methodology on data standardization, which combines different types of accounting, prudential and resolution data.
- The data dictionary is extensible and can incorporate any new frameworks maintaining the same processes and platforms. The data dictionary is supported by an extensible metamodel which is very much prepared to encompass the fast evolution of financial requirements, in supervision or any other regulatory area.
- DPM versioning keeps track of data changes and assure data comparability across time. Each new release of DPM is adding the new versions of data to the old past versions and its relationships.
- The DPM data dictionary is ready to support digital processing and it is agnostic to any technology or solution.

DPM data dictionary role

Integration of reporting elements

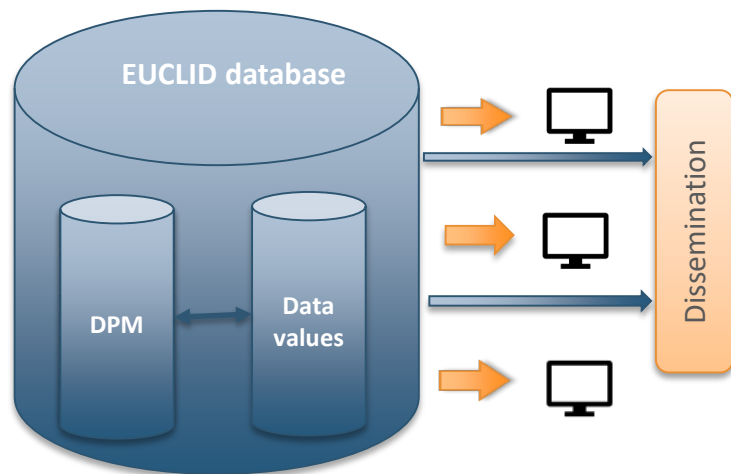


Data collection

- **The data quality** criteria are explicitly translated in validation rules that are defined and included in the DPM data dictionary. Some validation rules are generated automatically from the data definition specification. Additional validation rules are manually identified and added. The DPM is ready to support any validation engine independently of its technology or specific solution.
- **The reporting obligations** calendars are generated automatically by linking the time calendar, the DPM template definitions and the reporting institutions data stored in the EUCLID Masterdata system.
- **The XBRL taxonomies** are automatically generated from the data definition and validation rules stored in DPM data dictionary. All the elements needed for this automatic generation are consistently managed in the DPM data dictionary that supports the new XBRL CSV format. The DPM was also used on Excel data collections (to cope with some authorities' time issues on using XBRL taxonomies)

DPM data dictionary role

Reporting new releases



Data storage

- Each time a new DPM data dictionary and correspondent XBRL taxonomies are published, they can be uploaded into the EUCLID system, which become immediately ready to receive and process the data from the new frameworks release.
- In Euclid, the metadata (meaning) is inherited from DPM and the data (values) comes from reporting institutions.

Data analysis

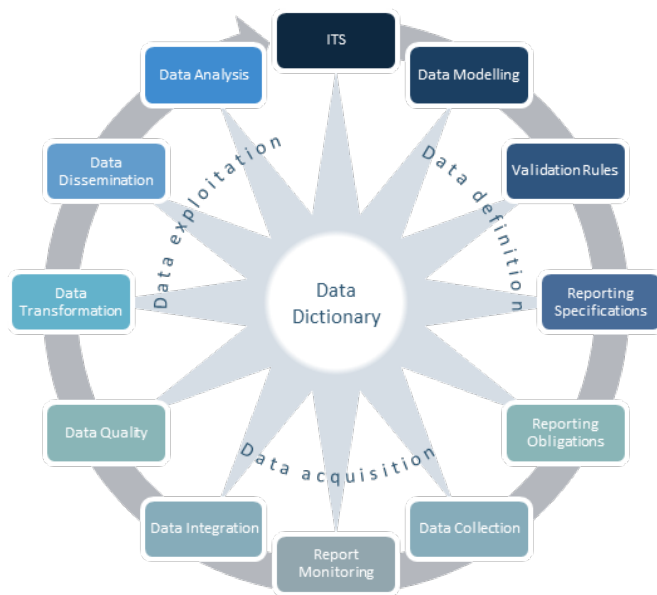
- Data definition elements can be reused in data analysis and selected to filter and combine data.

Data dissemination

- Data dissemination involves the selection of a subset data prepared for specific purposes and recipients.

Processes integration

Holistic approach

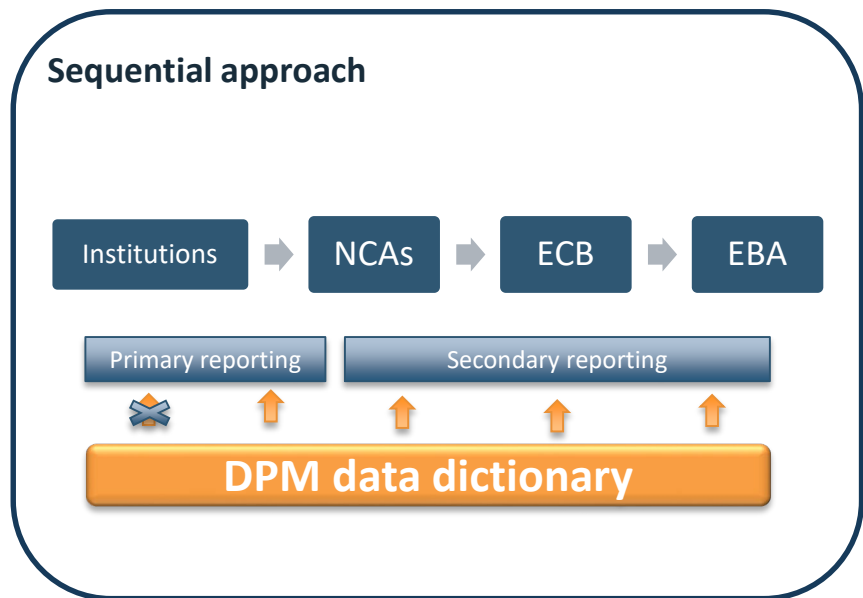


EBA processes

- Data definition of all data included in regulatory text.
- Validation rules definition to assure reporting data quality.
- Data exchange specifications - XBRL standard.
- Definition of the calendar of reporting obligations.
- EUCLID data collection is supported by the semantic description of reporting data.
- Control of the completeness and timeliness of reporting obligations.
- Data storage and database structuring.
- Engine for data quality validation.
- Data transformation tools and data calculation.
- Data analysis and data dissemination.

Common regulatory data dictionary

Common platform of understanding



Restrictions of current approach

- DPM is a common platform of understanding for supervisory harmonized regulation shared across different NCAs.
- In some countries the primary and secondary reporting have different standards and data dictionaries.
- In these countries the institution are facing national barriers to adopt the common data dictionary.
- Each country is running in parallel its own specific and different processes to execute the same work of data collection and data validation.

More about DPM on EBA website

The DPM data contents



DPM Query tool
easy search and retrieve menu



DPM Xplor tool
free navigation on data dictionary
& DPM statistics



DPM Table layout
and data point categorisation



DPM Database
complete download

- > [Why is the DPM needed?](#)
- > [What is the DPM content?](#)
- > [How is the DPM created?](#)
- > [How is the DPM structured?](#)
- > [What is the DPM lifecycle?](#)
- > [Who is involved in the DPM?](#)
- > [What is the DPM metamodel?](#)

XBRL taxonomy releases and its application in EBA

- EBA adopted XBRL technology for CRR/CRD4 reporting in 2014.
- Since then, a number of versions of DPM and taxonomy from 2.0 to 3.1 have been produced and being used in the reporting chains.
- The reporting frameworks implemented in XBRL taxonomy have been continuedly expanded:
 - 2.0: CORPEP, FINREP
 - 2.1: + AE
 - 2.2: + FP
 - 2.3: + SBP
 - ...
 - 2.8: + RES
 - 2.10: + Covid19, + Remuneration
 - 3.0: + MREL, + Notifications, + GSII
 - 3.1: + IF

How to improve the framework technical package quality?

Difficulties:

- More and more releases.
- Few comments received during the draft version reviews.
- Earlier errors mostly detected only when Authorities and Institutions begin to implement the new release: usually 1-2 months before the first reference date.
 - Prepare urgent errata releases to address different issues.
- More errors only detected after the first reference date
 - can only be treated by Q&A.
- Very limited resources in EBA, with very limited time to prepare different releases.
- No real data to test the new releases, especially for the new tables, new modelling etc.(ex: 3.0).


We rely indeed very much on Authorities' and Institutions' reactivity to help us on the tests!

Reporting format Evolution

- Due to the complicated structure and large file size of the xBRL-XML reporting documents, the efficiency of the supervisory data collection process is low, and typically very time consuming and resource intensive.
- The revolution of reporting requirement: more granular data, more frequent data, more frameworks.
 - These continually evolving reporting requirements have amplified this problem, generating ever increasing instances, making the current reporting format probably inevitable unviable in the future.
- EBA set up a taskforce TFERF with the CAs, with members we have:
 - defined requirements for the new regulatory reporting format;
 - decided xBRL-CSV reporting format supported by XBRL international to be the candidate of the new reporting format;
 - performed gap analysis on the xBRL-CSV specification, defined further improvements and participated in the final specification definition;
 - decided to implement the JSON meta data in the EBA taxonomy to support xBRL-CSV format from DPM release 3.1.

CSV-Structure proposed by the EBA

One fact per row.



datapoint	Country	CFID	LEI	value
dp410228	eba_GA:FR	eba_TA:x54	LEI010101010100101	entity name 1
dp417923	eba_GA:FR	eba_TA:x54	LEI010101010100101	1000000
dp410228	eba_GA:FR	eba_TA:x55	LEI010101010100102	entity name 2
dp417923	eba_GA:FR	eba_TA:x55	LEI01001010100102	2000000
dp410228	eba_GA:UK	eba_TA:x56	LEI010101010100103	entity name 3
dp417923	eba_GA:UK	eba_TA:x56	LEI010101010100103	3000000
dp410228	eba_GA:UK	eba_TA:x57	LEI010101010100104	entity name 4
dp417923	eba_GA:UK	eba_TA:x57	LEI010101010100104	4000000

According to the exercises carried out in TFERF: the reporting document size in xBRL-CSV format can be reduced 95% compared to xBRL-XML format.

xBRL-CSV format application

- With the publication of framework release 3.1, on our website Reporting framework 3.1 | European Banking Authority (europa.eu).
 - JSON meta data included in the taxonomy Investment to support xBRL-CSV format.
 - Sample xBRL-CSV reporting packages.
 - xBRL-CSV filing rules (draft version for public consultation).
- EBA has no intention to phase out xBRL-XML format at this stage.
- It is up to NCAs/ECB/SRB to decide when to adopt this new format.

What data does EBA collect?

In the past: EBA's analyses were based on data from a sample of around 200 large banking groups accounting for 85% of EU/EEA total assets.

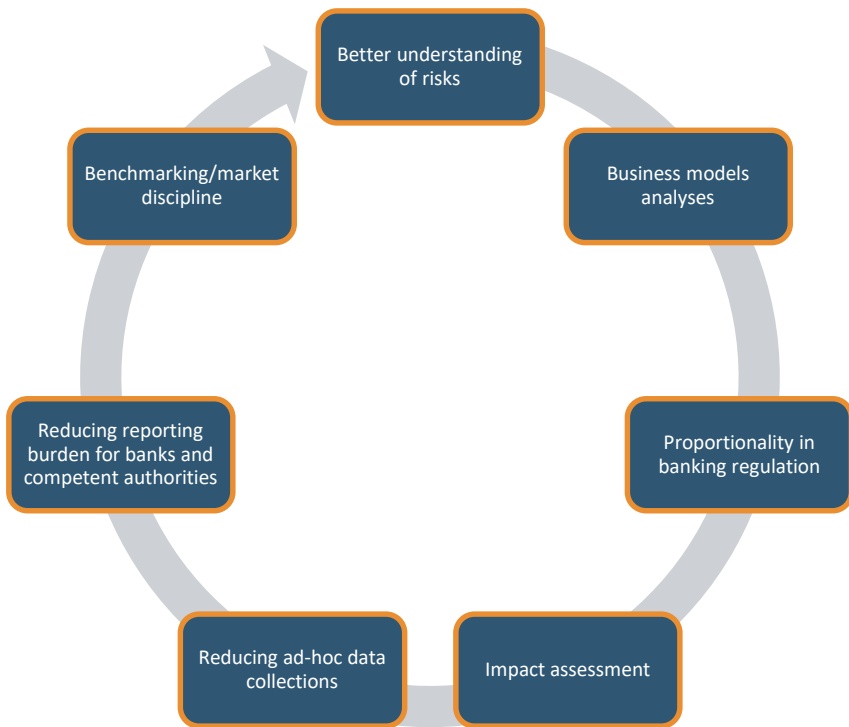
Does that give us a complete picture of the EU/EEA banking sector?

The large banking groups comprise the vast majority of EU/EEA banking sector total assets, however this provides limited visibility into smaller banks and different business models.

Therefore, the EBA's Board of Supervisors mandated the **expansion of submission of supervisory data** from the competent authorities (CAs) to the EBA to the **full population of credit institutions and banking groups in the EU and EEA.**

→ **Now:** EBA's analyses can be based on data from all EU/EEA credit institutions and banking groups, accounting for 100 % of EU/EEA total assets, covering all sizes and business models of banks.

Improved scope of analysis for the EBA with regards to smaller banks



Previous EBA sample: larger, more complex, diversified institutions



Expanded sample: includes smaller, less complex institutions with different business models

Way forward – EUCLID project

EBA's previous systems not scalable or flexible enough to deal with the expanded set of data → **European Centralised Infrastructure of Data (EUCLID)**.

- EBA's new platform for collecting **master data**, including information to be published in **Credit Institutions Register (CIR)**, **Payments Institution Register (PIR)** and **supervisory master data**.
- **Supervisory data** collected in the same platform.
- All incoming data **automatically validated** upon receipt and integrated into EBA databases.

No increase in reporting burden for the expanded sample of banks:

- Use of **sequential approach** for all banks via their competent authorities – data submitted only once.
- Feedback to banks also via sequential approach – **single channel for communication**.
- **No additional reporting obligations**.
- EBA's additional data quality assurance in place **only for banks in the previous EBA sample**.

Platform for collecting master data and supervisory data

- **Master data:**
 - Data published in **CIR and PIR**;
 - **Supervisory master data** used to determine supervisory reporting obligations for each entity and collected for:
 - ▶ EEA credit institutions;
 - ▶ EEA branches of non-EEA credit institutions (subset – remuneration purposes);
 - ▶ Financial and mixed financial holdings, central bodies;
 - ▶ Investment firms (subset – remuneration purposes);
 - ▶ Banking groups;
 - ▶ Liquidity subgroups.
- **Supervisory data** on **individual basis** for all institutions* and on **consolidated basis** for institutions on highest level of consolidation in an EEA Member State.

*FINREP reporting on individual basis is not available to the EBA.

Uses and potential future benefits

- EBA has a unique position in the EU in that it collects various data reports from all EU/EEA banks – great potential for the rich datasets collected.
- Potentiating EBA as a **data hub** – benefits for banks, analysts and public → **transparency** as one of the key EBA goals.
- **EBA Data Strategy** will reinforce the EBA's role and ambition to provide data and analytics services to internal and external stakeholders.



Thank you.

If you have a question, please raise your hand or use chat.

Ice-breaking questions:

- Would having more transparency be useful?
- What do you consider more beneficial both as reporters and data users, aggregated data or bank level information?



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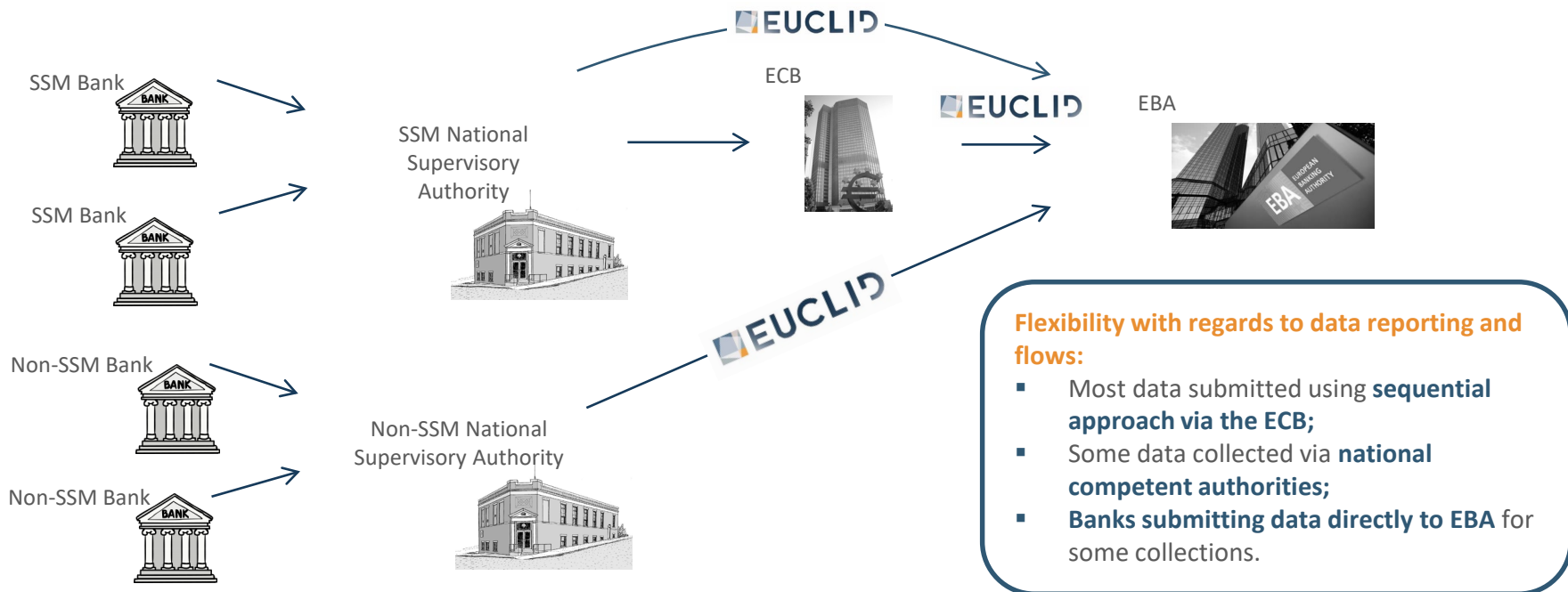
Session 2

Setting up the data collection system

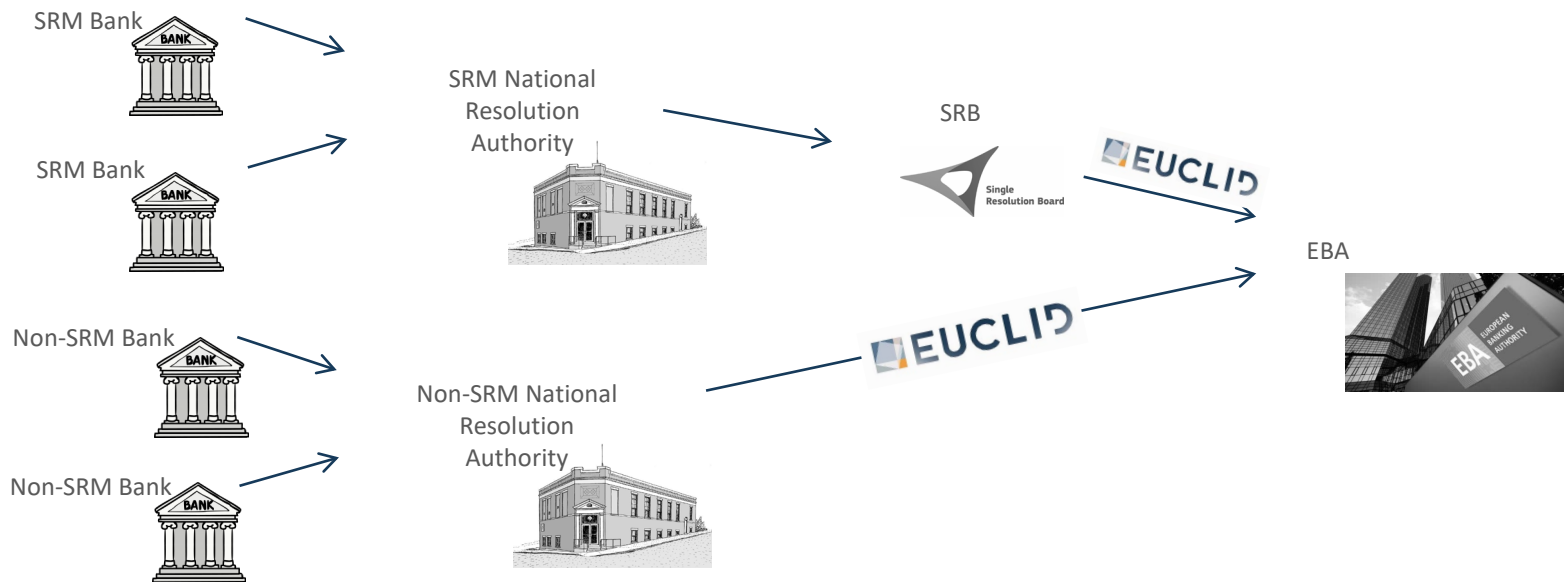
Taja Secnik, Statistics Unit

Tomas Meri, Statistics Unit

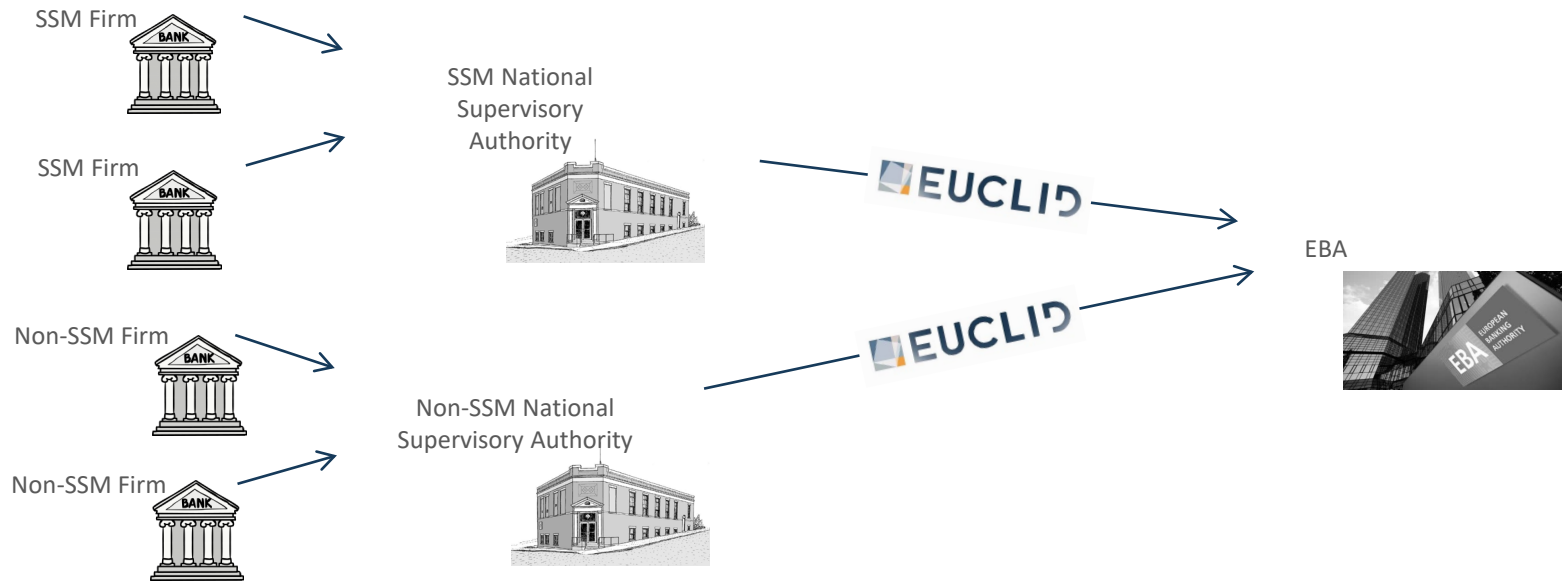
Data flows for supervisory data submitted to EUCLID



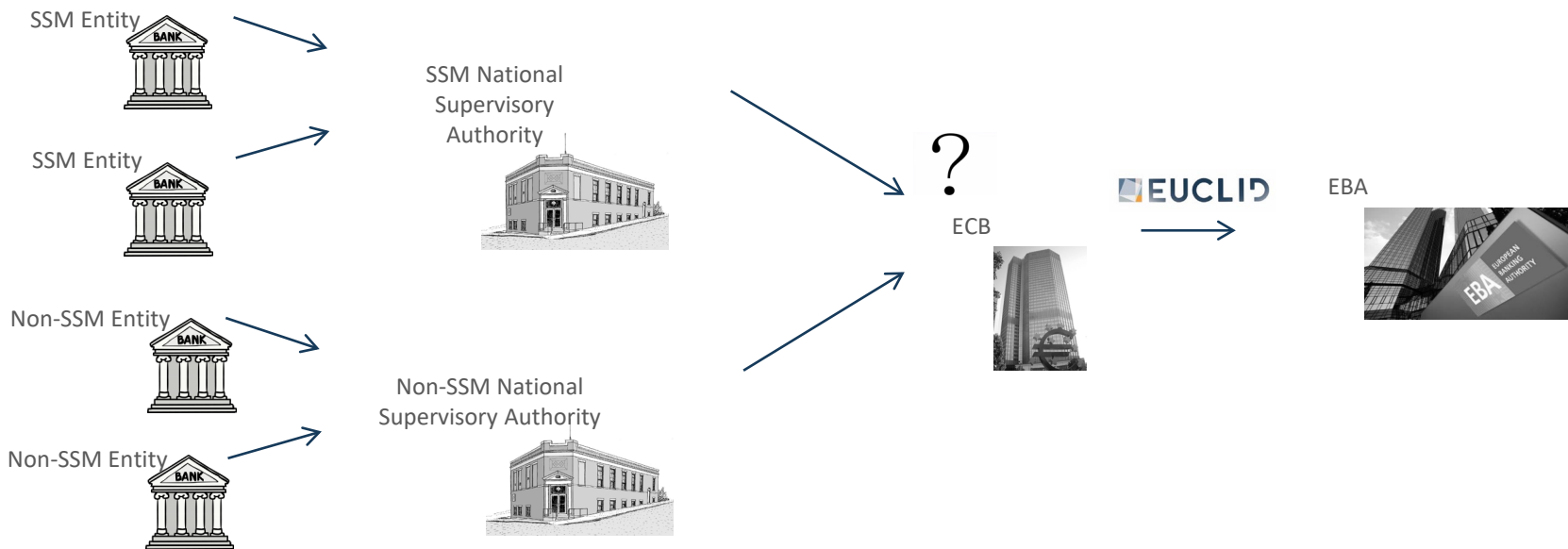
Sequential approach for resolution data – via SRB



Data flows for investment firms reporting



Proposed data flows for fraud reporting under PSD2



Data quality issues - when to solve them?

Data quality issues should be solved in the early stages of reporting chain:

- Data received by the **remittance dates** set in the Regulation **should not have any failing validation rules** with Error severity, and only exceptionally with Warning severity;
- Each step of the reporting chain usually takes at least a day – **the earlier a problem is detected, the quicker it can be fixed**;
- **Bank-specific knowledge.**

Submissions via EUCLID

Set of data collected via EUCLID is defined in the EUCLID Decision (see Annex): [EBA/DC/2020/335](#).

- **Data required for CIR and PIR** (EBA/DC/2013/432, Commission Delegated Regulation (EU) 2019/411, Commission Implementing Regulation (EU) 2019/410);
- **Implementing technical standards with regard to supervisory reporting of institutions** (Commission Implementing Regulation No (EU) 680/2014, EBA/DC/2020/334);
- **Supervisory Benchmarking data** (Commission Delegated Regulation (EU) 2017/180, Commission Implementing Regulation (EU) 2016/2070, EBA/DC/2020/337);
- **Resolution reporting** (EBA/DC/2019/268, Directive 2014/59/EU);
- **Funding Plans data** (EBA/GL/2019/05, EBA/DC/2020/334);
- **Data covered by Remuneration Guidelines on High earners and Guidelines on Remuneration Benchmarking** (EBA/GL/2014/07, EBA/GL/2014/08);
- **Data under EBA Guidelines on supervisory reporting and disclosure of exposures subject to moratoria on loan repayments and public guarantees applied in response to COVID-19 crisis** (EBA/GL/2020/07, EBA/DC/2020/334).

Other data collections

Future data collections in EUCLID:

- Implementing technical standards for the application of Regulation (EU) No 575/2013 with regard to the specific reporting requirements for market risk;
- MREL/TLAC data;
- Data under EBA Guidelines (EBA/GL/2018/05, as amended by EBA/GL/2020/01) on fraud reporting under the Payment Services Directive (PSD2);
- Investment firms reporting.

Not submitted via EUCLID - usually relating to non-regular data collections in order to minimize the burden on reporting banks:

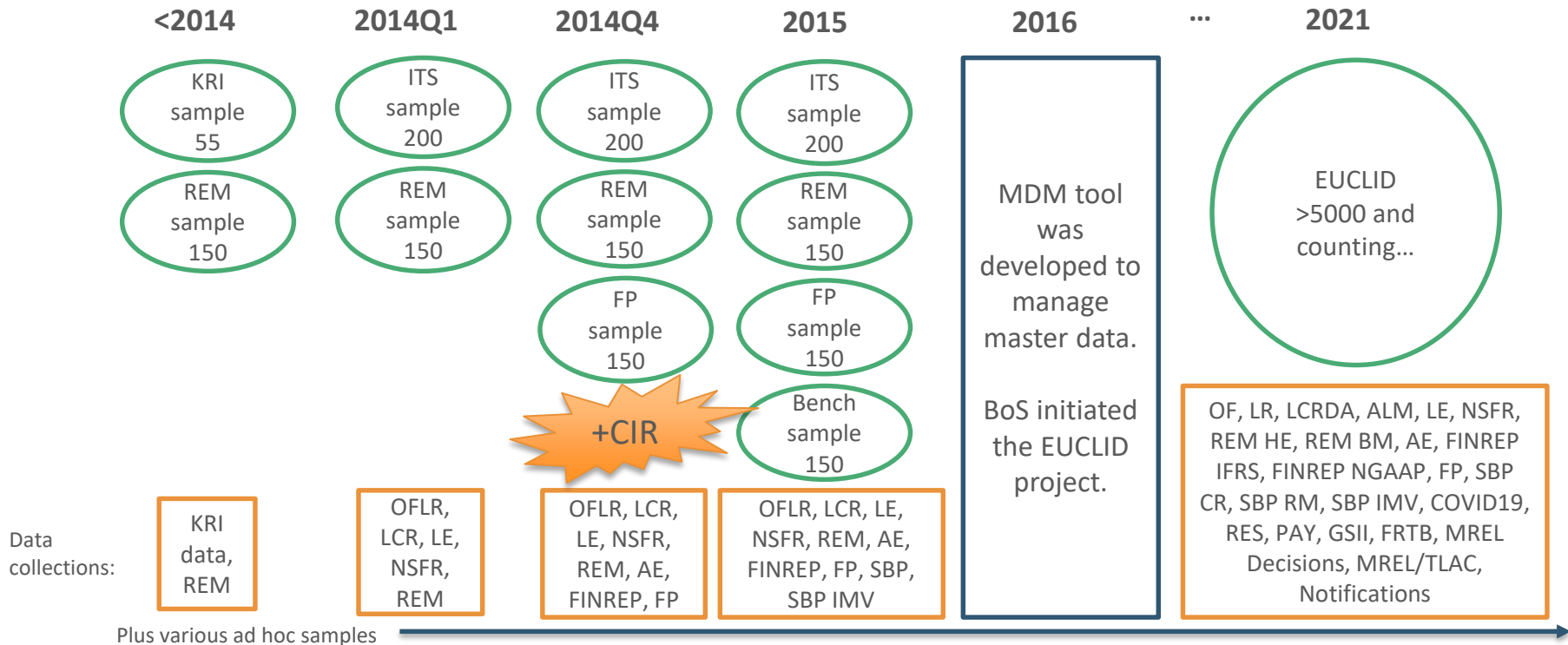
- Ad-hoc data, used for impact assessment, European Commission Calls for Advice, etc.;
- Data used for Basel III monitoring exercise;
- EU-wide stress testing data.

IMPROVING REPORTING PRACTICES AND DATA QUALITY

TUESDAY 29 JUNE 2021, 09:35 - 16:30 CEST



EBA mandates and unique role keep increasing



Reporting obligations

With each mandate to EBA for collecting data, entities' reporting obligations need to be defined;

Reporting obligations define **who** is required to submit **what** and **when**;

Reporting obligations are **needed for the system to know what is expected** and not expected.

Legal text

3. For the purpose of this article, the legal text of the relevant articles of the Regulation shall be the legal text of the Regulation as published in the Official Journal of the European Union, and not the text of the Regulation as amended by the Commission or the Council of the European Union.

4. The legal text of the Regulation shall be the legal text of the Regulation as published in the Official Journal of the European Union, and not the text of the Regulation as amended by the Commission or the Council of the European Union.

5. The legal text of the Regulation shall be the legal text of the Regulation as published in the Official Journal of the European Union, and not the text of the Regulation as amended by the Commission or the Council of the European Union.



DPM





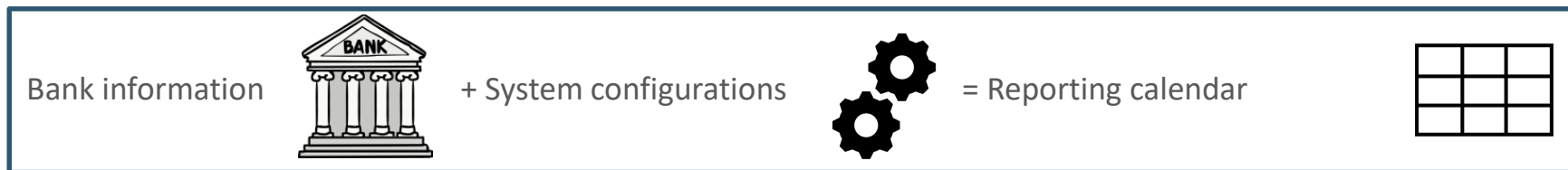
To set up the system

To define the reporting obligations and set up the system to collect data, 2 main pieces are needed: **Bank information + System configurations**;

Bank information is referred to as **master data**;

System configurations (including rules) are used to define which data (reports, templates, data points) is expected for which group of entities;

Reporting obligations are finally comprised in **Reporting calendar**.



Master data

Master data is basic information on reporting entities;

Master data is made up of a **unique identifier + properties;**

As the unique identifier EBA is using and promoting the **Legal Entity Identifier (LEI);**

Properties can be general (code, name, country, ...) or specific to a data collection (Deposit Guarantee Scheme for CIR, Accounting framework for Supervisory data, etc);

Master data provides a **profile of each entity**, and an option to categorise (Large banks, banks using SA, parents of Banking groups, etc);

Some master data are made publicly available via **EBA's Credit Institutions Register (CIR);**

Master data is **crucial for setting the reporting calendar correctly.**



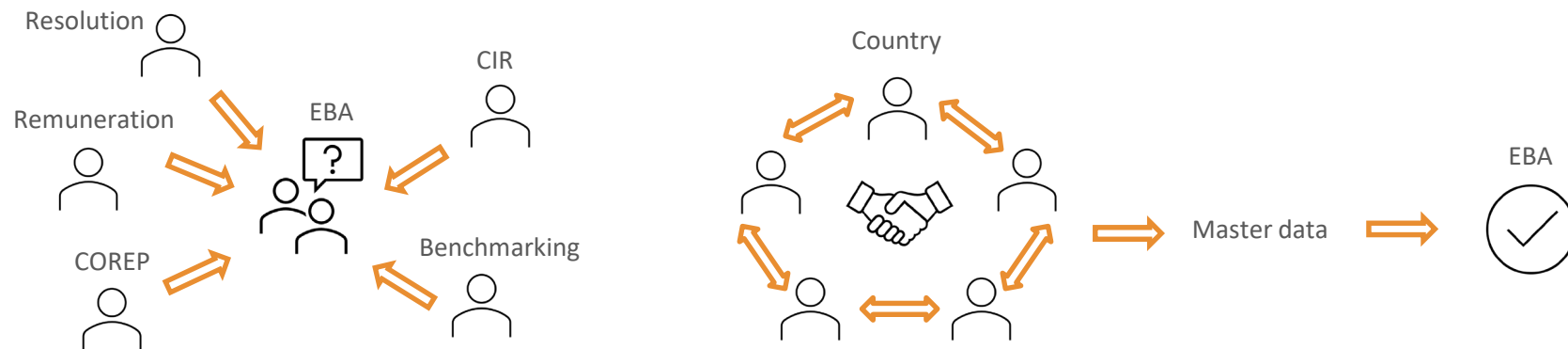
One truth

With EUCLID, in 2020 EBA **consolidated all internal master data in 1 place**;

1 place means **1 truth**, for which **country authorities are responsible**;

It is of **utmost importance this 1 truth is always up to date** in EUCLID;

Authorities are expected to internally align on this 1 truth before updating EUCLID.



Master data properties

Before collecting master data, an assessment is needed of what exactly needs to be collected;

...

In order to report information on **own funds** and on own funds requirements according to Article 99 of Regulation (EU) No 575/2013 on an individual basis, institutions shall submit all the information listed in paragraphs (a) and (b).

(a) Institutions shall submit the following information with a quarterly frequency:

(1) the information relating to own funds and own funds requirements as specified in templates 1 to 5 of Annex I, according to the instructions in Part II point 1 of Annex II;

(2) the **information on credit risk and counterparty credit risk exposures** treated under the **Standardised Approach** as specified in template 7 of Annex I, according to the instructions in Part II point 3.2 of Annex II;

...

Legal text...

master data defined...

master data rule defined

32 - CR Approach to CA The entity's Credit Risk Approach to Capital Adequacy

SA; IRB; SA, IRB; NA

Rule for reporting of template C07.00:

If CR_APP_CA contains SA then
Mandatory ELSE Not Permitted

IMPROVING REPORTING PRACTICES AND DATA QUALITY

TUESDAY 29 JUNE 2021, 09:35 - 16:30 CEST

Master data properties

PropertyID	PropertyCode	PropertyName	DataTypeName	IsMultivalued
2	ENT_COD	Entity Code	String-ASCII	FALSE
3	ENT_COD_TYP	Entity Code Type	Code	FALSE
4	ENT_NAT_REF_COD	National Reference Code	String-ASCII	FALSE
5	ENT_NAM	Entity Name	String-ASCII	TRUE
6	ENT_NAM_NON_LAT	Entity Name Non-Latin	String Unicode	FALSE
7	ENT_NAM_SHO	Entity Name Short	String-ASCII	FALSE
8	TYP_UND_ACC_CRR_ART_27	Type of Undertaking According to CRR Article 27	Code	FALSE
9	ENT_COU_RES	Country of Residence	Code	FALSE
10	ENT_TOW_CIT_RES	Town of Residence	String-ASCII	TRUE
11	ENT_AUT	CRD Banking Authorisation	Boolean (Yes,No)	FALSE
12	REA_END_AUT	Reason for End of Authorisation	Code	TRUE
13	REA_END_AUT_DET	Reason for End of Authorisation Details	String-ASCII	FALSE
14	ENT_COD_CRE_INS_EST_BRA	Entity Code of the Credit Institution establishing the Branch	String-ASCII	FALSE
15	INT_CAP_REQ_UND_ART_12	Initial Capital Requirement under art. 12 CRD	Code	FALSE
16	REA_INT_CAP_REQ_UND_ART	Reasons Initial Capital Requirement under art. 12(4) CRD	String-ASCII	FALSE
17	EEA_DEP_GUA_SCH	EEA Deposit Guarantee Scheme	Code	TRUE
18	NON_EEA_DEP_GUA_SCH	Non-EEA Deposit Guarantee Scheme	String-ASCII	TRUE
20	COU_CRE_INS_EST_BRA	Country of the Credit Institution establishing the Branch	Code	FALSE
21	COM_AUT	Competent Authority	Code	FALSE
22	ENT_COD_ULT_PAR_EEA	Entity Code of the ultimate parent in EEA	String-ASCII	FALSE
23	ENT_COD_PAR_LIQ_SUB	Entity code of the parent of liquidity subgroup	String-ASCII	FALSE
24	IS_HIG_LEV_EEA	Is highest level in the EEA	Boolean (Yes,No)	FALSE
25	IS_HIG_LEV_MEM_STA	Is highest level in the Member State	Boolean (Yes,No)	FALSE
26	IS_PAR_UND_OF_INS	Is parent undertaking of an institution	Boolean (Yes,No)	FALSE
27	IS_ULT_PAR_LIQ_SUB	Is parent of liquidity subgroup	Boolean (Yes,No)	FALSE
28	IS_IT_S LIS	Is in list of largest institutions in the Member State	Boolean (Yes,No)	FALSE
29	IS_OSI_GSI_INS	Is OSII/GSII institution	Code	FALSE
30	REP_FIN_YEA_END	Reporting financial year-end	DayMonth	FALSE
31	ACC_STD	Accounting standard	Code	FALSE
32	CR_APP_CA	CR Approach to CA	Code	TRUE
33	CR_SEC_APP_OF	CR SEC Approach to OF	Code	TRUE
34	IRB_APP_CR_EQU	IRB Approach to CR EQU	Code	TRUE
35	OPR_APP	OPR Approach	Code	TRUE
36	MR_APP	MR Approach	Code	TRUE
37	IM_MR	IM for MR	Code	FALSE
38	REP_OBL_EXP	Reporting Obligation Exception	String-ASCII	TRUE
39	ENT_TOW_CIT_RES_NON_LAT	Town of Residence Non Latin	String Unicode	FALSE
40	NAM_CRE_INS_EST_BRA	Name of the Credit Institution establishing the Branch	String-ASCII	FALSE
42	IRB_CR_MOD	IRB CR Models	Code	TRUE
43	IS_COU_SUP_DIF_COU_RES	Is country of supervision different from country of residence	Boolean (Yes,No)	FALSE
44	TRA_AUT	Transfer Authority	Code	FALSE

Balance is needed between collecting...

...too many properties: *burden for managing master data*

... and too few: *reporting calendar not accurate and burden for monitoring data submissions.*

SGAT reporting requirements calendar

Each year SGAT also defines a **reporting requirements calendar** to provide an overview of when each report needs to be submitted.

Some dates are master data dependent – Largest institutions have for example stricter deadlines than smaller.

EBA EUROPEAN BANKING AUTHORITY

EBA reporting requirements calendar 2021

Updated: 2021-05-25

January		February		March		April		May	
1	Fri New Year's Day	1	Mon	1	Mon LIQ M1 L 1st	1	Thu RDB 2020 Q4	1	Sat Labour day
2	Sat	2	Tue	2	Tue	2	Fri Good Friday	2	Sun
3	Sun	3	Wed	3	Wed	3	Sat	3	Mon SB 2020 2nd
4	Mon LIQ M11 L 1st	4	Thu	4	Thu ITS Q4 L 2nd	4	Sun	4	Tue
5	Tue	5	Fri LIQ M12 L 2nd	5	Fri	5	Mon Easter Monday	5	Wed
6	Wed	6	Sat	6	Sat	6	Tue	6	Thu LIQ M3 L 2nd
7	Thu	7	Sun	7	Sun	7	Wed LIQ M2 L 2nd FP 2020 L 2nd	7	Fri
8	Fri RDB 2020 Q3	8	Mon	8	Mon LIQ M1 L 2nd	8	Thu	8	Sat
9	Sat	9	Tue	9	Tue	9	Fri	9	Sun
10	Sun	10	Wed	10	Wed	10	Sat	10	Mon
11	Mon LIQ M11 L 2nd	11	Thu ITS Q4 to NCAs	11	Thu	11	Sun	11	Tue
12	Tue	12	Fri	12	Fri RM 2020 1st	12	Mon SB 2020 to NCAs	12	Wed ITS Q1 to NCAs
13	Wed	13	Sat	13	Sat	13	Tue	13	Thu
14	Thu	14	Sun	14	Sun	14	Wed	14	Fri
15	Fri LIQ M12 to NCAs	15	Mon LIQ M1 to NCAs	15	Mon LIQ M2 to NCAs FP 2020 to NCAs	15	Thu LIQ M3 to NCAs	15	Sat
16	Sat	16	Tue	16	Tue	16	Fri	16	Sun
17	Sun	17	Wed	17	Wed	17	Sat	17	Mon LIQ M4 to NCAs
18	Mon	18	Thu	18	Thu ITS Q4 S 1st	18	Sun	18	Tue
19	Tue	19	Fri LIQ M12 S 1st	19	Fri RM 2020 2nd	19	Mon	19	Wed
20	Wed	20	Sat	20	Sat	20	Tue	20	Thu LIQ M3 S 1st
21	Thu	21	Sun	21	Sun	21	Wed LIQ M2 S 1st FP 2020 S 1st	21	Fri

SGAT template categorisations

A crucial part of the system configurations are also the **SGAT template categorisations**;

Template categorisations are used to define which templates within files must be submitted;

Some templates are ‘Always expected’ or ‘Always not expected’, while others conditional (dependent on master data, activities and/or thresholds);

Defining template categories is a **lengthy process** – usually 2-3 months, with ECB parallel exercise feeding into EBA / SGAT process;

Final high-level version to be used by all;

Process allows for high-level alignment between EBA’s (SSM + Non-SSM) and ECB’s (SSM) reporting expectations.

	A	B	C	D	E	F
1	COREP (Own Funds)					
2						
3						
4	Scope	Applicable EBA ECB		Reporting Frequency		
5	INDIVIDUAL	CI	CI	Quarterly		
6	CONSOLIDATED	BG	CI, FH, MFH	Quarterly		
7						
8	Template code	Template name	Reporting Frequency	Scope	Common Template Category at EBA and ECB	
9						
10	C 01.00	CA1	Quarterly	INDIVIDUAL CONSOLIDATED	Always expected	
11						
12	C 06.01	G\$	Semi-annual	INDIVIDUAL CONSOLIDATED	Always not expected	
13						
14	C 07.00	CR \$A	Quarterly	INDIVIDUAL CONSOLIDATED	Master data dependent	
15						
16	C 08.02	CR IRB 2	Quarterly	INDIVIDUAL CONSOLIDATED	Master data dependent / Activity based	
17						
18	C 11.00	CR SETT	Quarterly	INDIVIDUAL CONSOLIDATED	Activity based	
19						
20	C_13.01	CR SEC	Quarterly	INDIVIDUAL CONSOLIDATED	Master data dependent / Activity based	
21						
22	C 32.02	PRUVAL 2	Quarterly	INDIVIDUAL CONSOLIDATED	Threshold based	
23						
24	C 33.00	General Government	Semi-annual	INDIVIDUAL CONSOLIDATED	Threshold based (with entry/exit criteria)	
25						

Master data rules

Various rules are used for setting up the system, here one example:

Example for benchmarking, where master data + SGAT template categorisations + SGAT reporting requirements calendar + master data rules sets up the yearly expectancy for report SBP CR:

- Master data property 32 = IRB → C08.01 and C09.02 Mandatory, C08.02 Undetermined, and;
 - Properties 32 or 33 = IRB → properties 34 (IRB Approach to CR EQU) and 42 (IRB CR Models) expected, and;
 - 34 = IM, SRW → C10.01 Undetermined;
 - 34 = PD/LGD → C10.01, C10.02 Undetermined and;
 - Where properties 32 or 33 = IRB and property 24 (Is highest level in the EEA) = Yes on 31/12 → inclusion in benchmarking CR list, where;
 - 42 = LDP → C105.01 – C105.03, C114 + C101, C102, C111 – C113 Undetermined;
 - 42 = HDP → C105.01 – C105.03, C114 + C103 Undetermined;

Largest institutions

The “**Largest institutions** in the Member State” is **EBA’s list of main banks** – reviewed each year based on criteria in EBA Decision 2020/334:

“(a) the credit institution is the parent institution in a Member State and is **one of the three largest institutions** measured by total consolidated assets **in that Member State**;

(b) the credit institution is not part of a group subject to consolidated supervision and is **one of the three largest institutions** measured by total individual assets **in that Member State**;

(c) the credit institution is an EU parent institution whose total value of **consolidated assets exceeds 30 billion Euros**;

(d) the credit institution is an EU parent institution whose total value of **consolidated assets exceeds 5 billion Euros and the ratio of that total value over the GDP of the Member State of the institution’s establishment exceeds 20%.”**

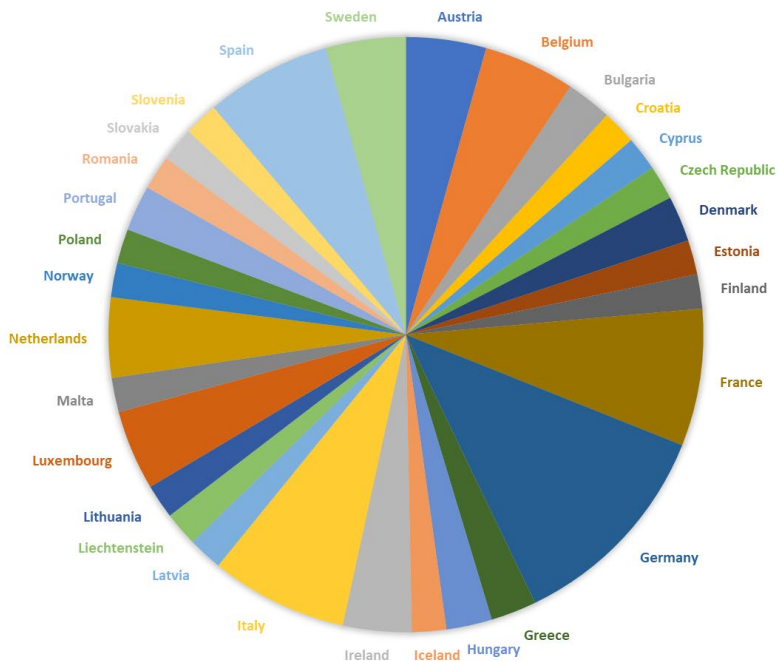
By this each EU MS is represented

Safe guarding MS representation if MS lacks 3 groups

EU’s largest banks

MS’ large banks in relation to GDP

Largest institutions by country



Decision ensures:

All EU Member States and EEA countries represented.

+

All Largest banking groups (and stand alone banks) in EU and EEA represented.

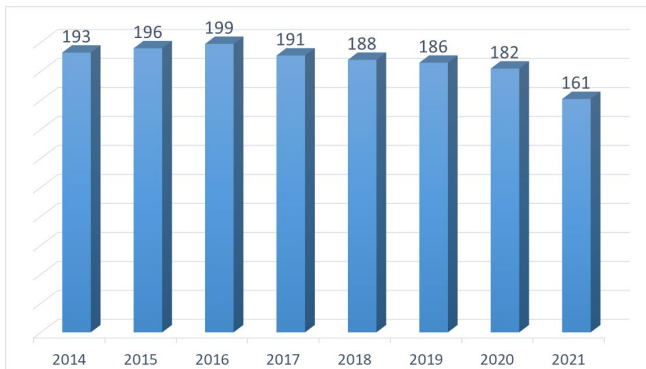
Largest institutions over time

List of Largest institutions has been relatively **stable** since 2014;

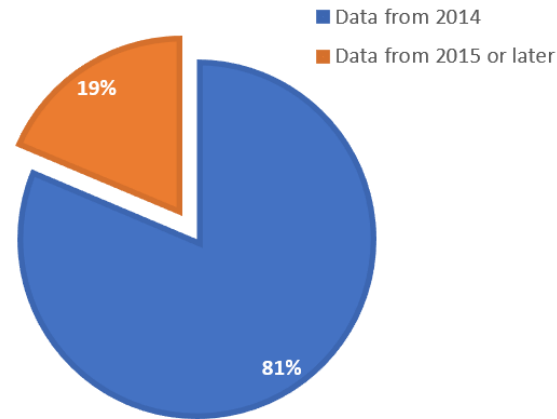
Trend slightly decreasing – with biggest change due to Brexit (impact in 2021);

For 81% of the banks EBA has data since 2014.

Largest institutions distribution since 2014



Largest institutions by which year EBA started collecting data



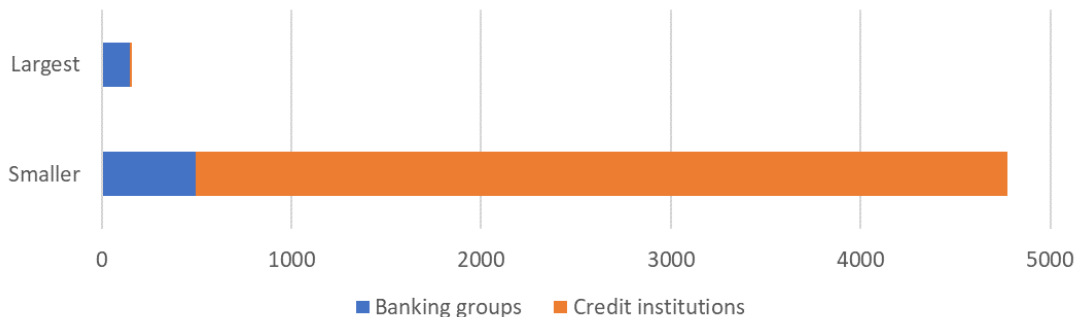
Smaller institutions

“Smaller” institutions are all which are not categorised as Largest;

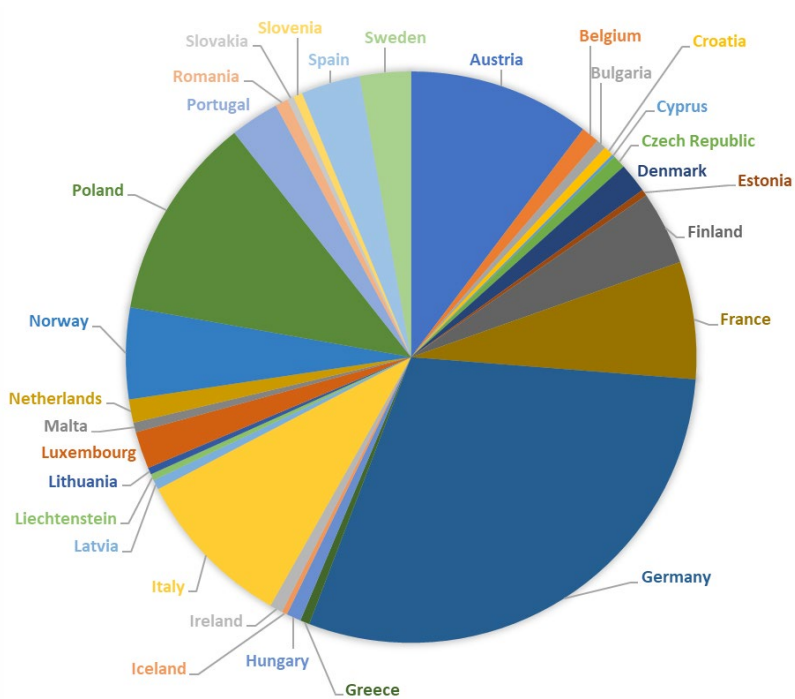
Data collected since reference date December 2020;

Data collected for Credit institutions + Banking groups at the highest consolidation level in the country;

Largest / Smaller institutions by approximate numbers



Smaller institutions by country



Distribution of Smaller is different from Largest;

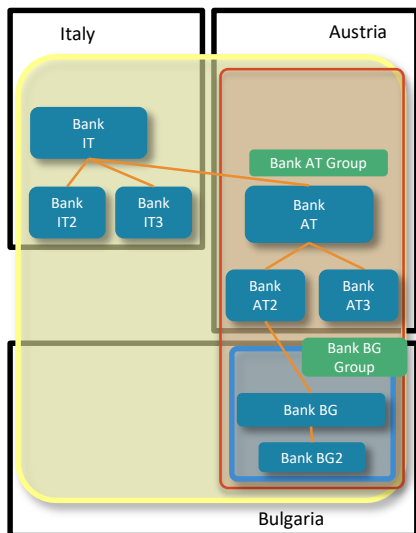
Figure includes Credit institutions + Banking groups;

One third are from Germany;

Two thirds are from 5 countries – Germany, Poland, Austria, Italy, France;

Note the relatively high proportion in Poland, Austria, and some other countries.

Master data can be used to organise complexity



IT

AT

BG

EUCLID:

	Bank IT	Bank IT2	Bank IT3	Bank AT	Bank AT2	Bank AT3	Bank BG	Bank BG2	Bank Group	"Bank AT group"	"Bank BG group"
1 Entity Type	CRD_CRE_INS	CRD_CRE_INS	CRD_CRE_INS	CRD_CRE_INS	CRD_CRE_INS	CRD_CRE_INS	CRD_CRE_INS	CRD_CRE_INS	CRD_BAN_GRP	CRD_BAN_GRP	CRD_BAN_GRP
2 Entity Code	Bank IT	Bank IT2	Bank IT3	Bank AT	Bank AT2	Bank AT3	Bank BG	Bank BG2	Bank IT	Bank AT	Bank BG
22 Entity Code of the ultimate parent in EEA	<null>	Bank IT	Bank IT	Bank IT	Bank IT	Bank IT	Bank IT	Bank IT			
24 Is highest level in the EEA	Yes	No	No	No	No	No	No	No			
25 Is highest level in the Member State	Yes	No	No	Yes	No	No	Yes	No			
26 Is parent undertaking of an institution	Yes	No	No	Yes	Yes	No	Yes	No			

Thank you.

If you have a question, please raise your hand or use chat.

Ice-breaking questions:

- Do you have any comments on the current data flows - are they working? Could they be improved?



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- 16:20 – 16:30** Close of session

Session 3

Ensuring correctness of supervisory reporting via EUCLID

Tomas Meri, Statistics Unit

Haizhen Li, Information Technology Unit

EUCLID Platforms

Managing Master Data

Submit Regulatory Reports
(e.g. XBRL files)

EUCLID Master Data Management System (EMDM)

Reporting Obligation and Calendar Validation

EUCLID Regulatory Reporting Platform (ERRP)

CIR Public Register

PIR Public Register

EMDM CA Portal

Submit files via UI or A2A (SFTP)

SUP RR

RES RR

REM RR

Submit files via UI or A2A (SFTP)

PIR MD

CIR MD

SUP MD

RES MD

REM MD

IFR MD

RR = Regulatory Reporting
 MD = Master Data
 IFR = Investment Firm Register
 CIR = Credit Institution Register
 PIR = Payment Institutions Register
 CA = Competent Authority
 UI = User Interface
 A2A = Application to Application
 SFTP = Secure File Transfer Protocol

EUCLID MDM – Core Master Data Objects



1. Starts with CA supplied **entity master data**.
2. Uses **configurable reporting rules**.
3. Computes **reporting obligations**.
4. Combines obligations with reference and submission dates and calendar rules to compute the **reporting calendar**.

Calendar is the end product used in reporting data validation by ERRP.

EUCLID RRP – Portal for collecting regulatory reports

Upon reception at EBA around **100 integration checks** are run – **nearly all blocking**;

Integration checks are technical and crucial for system integrity – Business validations later (EBA Validation rules, etc):

- **Reception rules (1xx)**
 - During loading, immediately when file arrives, and before it is archived
 - Check essential physical and media reception rules, filename etc.
- **Structural rules (3xx)**
 - During processing, when file is opened, and before it is parsed
 - Check physical format (e.g. Xml, Excel) and business format (Xbrl, Excel with right header, content sheets...)
- **Master data referential rules (4xx)**
 - Multiple calendar validations (entity-level, report-level, template level), FX rates...
- **DPM referential rules (5xx)**
 - Datapoints, members, taxonomies, dimensions and other DPM conventions...
- **Additional rules for new formats (6xx)**
 - Duplicate rows/columns, correct sheets, id sheet, Excel-based formatting...

Importance of correct reporting

Responsibility of sending correct reports lies with the bank;

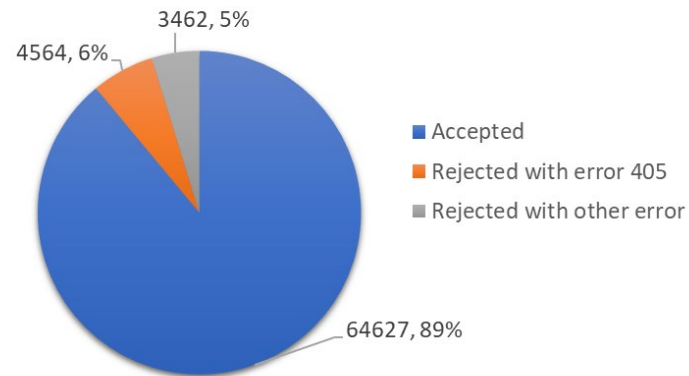
Banks must comply with obligations (reporting obligations, EBA filing rules, EBA Validation rules, etc) and report within set timelines;

CAs are responsible for making sure banks have complied with rules – **with the submission to EBA the CA warrant the file has undergone rigorous quality controls;**

Nevertheless, **in 2021 so far 11% of files were rejected;**

Most files rejected due to bank not reporting templates correctly (which triggers rule 405, which in turn includes many sub-checks on correct use of filing indicators).

Status of files received Jan-May 2021



Filing indicators

From EBA filing rules:

“1.6 — Filing indicators

Each reported fact in a filing is assigned to one or more reporting units (typically “templates”) of the specific domain of reporting.

A filing indicator element (filingIndicator), grouped (potentially with other such elements) within a containing element (fIndicators), containing a code associated with a particular reporting unit, is used to indicate the intention of a reporter to report that reporting unit, or to indicate the intention not to report that reporting unit...”

What is referred to is a part of code to declare exactly this, i.e. **the intention to report or not to report**. The code in question is:

@find:filed="true"

@find:filed="false"

without @find:filed attribute

The importance of filing indicator declaration

The **intention to report a template or not is crucial** because

- Sometimes **only way for EBA to know if file complete** (all expected data included) and ready for analysis;
 - For **Activity based templates** and some **Threshold based templates EBA cannot know a priori if a template will be submitted or not – without correct filing indicator declaration EBA may never know;**
- Filing indicators are **used in the process for running binding EBA Validation rules** – correct use will trigger which rules to run, or not run;
- Filing indicators can also be used where EBA does not collect the granular master data to set very fine reporting requirements;
 - For example; where master data could be used to set frequency of a template (e.g. semi-annual/annual) but EBA does not collect the master data, the bank can use a negative filing indicator at Q2 to declare it is intentionally not reporting Q2 (leaving it missing would result in rule 405 rejection).

With 4 564 files failing Jan-May 2021 it's **impossible for EBA to assess all issues – banks must make sure files comply!**

Misuse of filing indicators

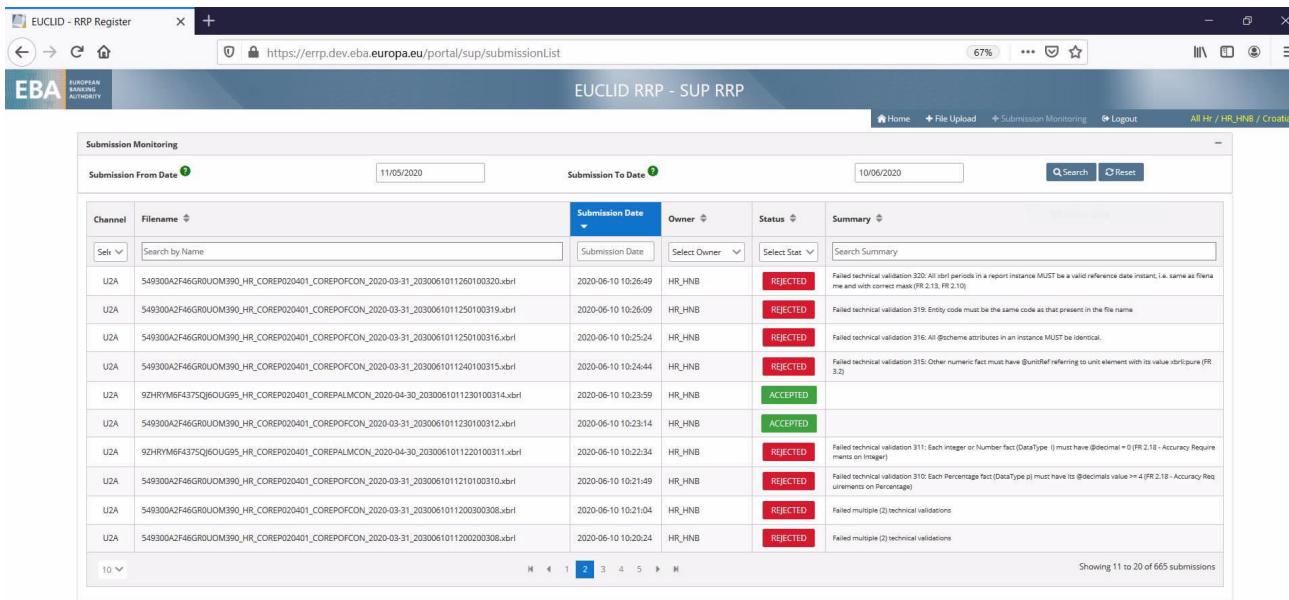
Reporting obligation	Positive filing indicator (filing declaration: "Reported")	Negative filing indicator (filing declaration: "Not Reported")	Missing filing indicator (no filing declaration)
MANDATORY (Always expected or Master data dependent fulfilling conditions)	OK	Error (1)	Error (2)
OPTIONAL/UNDETERMINED (Threshold based or Activity based)	OK	OK	Error (3)
NOT EXPECTED (Always not expected or Master data dependent not fulfilling conditions)	Error (4)	OK	OK
template sent outside normal frequency (e.g. C06.01 in March)	Error (5)	OK	OK
template does not exist in module (e.g. C06.01 in FINREP)	Error (6)	Error (7)	OK



Correct use of filing indicators crucial to avoid rejection (error 405) – **bank resolution always expected: file MUST be corrected and resubmitted;**

- Misuse of negative filing indicator: **1** (File Rejected);
- Missing templates: **2, 3** (File Rejected);
- Non-expected templates: **4, 5** (File Rejected);
- Module/template mismatch: **6, 7** (File Rejected – severe error).

EUCLID RRP portal – Submission monitoring



Submission Monitoring

Submission From Date: 11/05/2020 Submission To Date: 10/06/2020 Search Files

Channel	Filename	Submission Date	Owner	Status	Summary
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011260100320.xbrl	2020-06-10 10:26:49	HR_HNB	REJECTED	Failed technical validation 320: All xbrl periods in a report instance MUST be a valid reference date instant, i.e. same as filer name and with correct mask (FR 2.18, FR 2.10)
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011250100319.xbrl	2020-06-10 10:26:09	HR_HNB	REJECTED	Failed technical validation 319: Entity code must be the same code as that present in the file name
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011250100316.xbrl	2020-06-10 10:25:24	HR_HNB	REJECTED	Failed technical validation 316: All @schema attributes in an instance MUST be identical.
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011240100315.xbrl	2020-06-10 10:24:44	HR_HNB	REJECTED	Failed technical validation 315: Other numeric fact must have @unitRef referring to unit element with its value xbrl:pure (FR 3.2)
UZA	92HRVYMF4375Q6UG95_HR_COREPALMCON_2020-04-30_2030061011230100314.xbrl	2020-06-10 10:23:59	HR_HNB	ACCEPTED	
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011230100312.xbrl	2020-06-10 10:23:14	HR_HNB	ACCEPTED	
UZA	92HRVYMF4375Q6UG95_HR_COREPALMCON_2020-04-30_2030061011220100311.xbrl	2020-06-10 10:22:34	HR_HNB	REJECTED	Failed technical validation 311: Each integer or Number fact [DataType @] must have @decimal = 0 (FR 2.18 - Accuracy Require metrics on integer)
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011210100310.xbrl	2020-06-10 10:21:49	HR_HNB	REJECTED	Failed technical validation 310: Each Percentage fact [DataType @] must have its @decimal value = 4 (FR 2.18 - Accuracy Req Line items on Percentage)
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011200300308.xbrl	2020-06-10 10:21:04	HR_HNB	REJECTED	Failed multiple (2) technical validations
UZA	S49300A2F46GROUJM390_HR_COREPO20401_COREPOFCN_2020-03-31_2030061011200200308.xbrl	2020-06-10 10:20:24	HR_HNB	REJECTED	Failed multiple (2) technical validations

Showing 11 to 20 of 665 submissions

EUCLID RRP portal – feedback

EUCLID portal is providing immediate feedback on Rejected files (below a near real anonymised example);

A very **common reason for error 405** is sending **Undetermined template with no filing indicator**;

This **can be avoided by always including the filing indicators of the file** – and adjust to fit!

```
"instanceFile": "529900XXXXXXXXXXXXXXXXXX_XX_COREP020401_COREPOFIND_2021-03-31_20210430XXXXXXXXXX.xbrl",
"receivedFile": "529900XXXXXXXXXXXXXXXXXX_XX_COREP020401_COREPOFIND_2021-03-31_20210430XXXXXXXXXX.zip",
"receivedTime": "2021-04-30TXX:XX:XX+0000",
"receivedFrom": "EU_ECB",
"receivedOver": "A2A",
"feedbackMain": "REJECTED",
"feedbackText": "Failed technical validation 405: Template-level calendar and Filing indicator validity",
"technicalValidationErrors": [
  "validationCode": "405",
  "validationRule": "Template-level calendar and Filing indicator validity",
  "ruleViolations": [
    "C 10.01 - Undetermined template with no filing indicator",
    "C 10.02 - Undetermined template with no filing indicator",
    "C 23.00 - Undetermined template with no filing indicator"
```

Guidance to banks

Integration checks are based on EBA filing rules – managed by EBA ITSB (IT Sounding Board) – **EBA filing rules are available on EBA's website;**

If for some reason you do not agree with a rule, please raise it ASAP with a detailed example to your CA or to EBA – note that rules are valid unless deactivated by EBA;

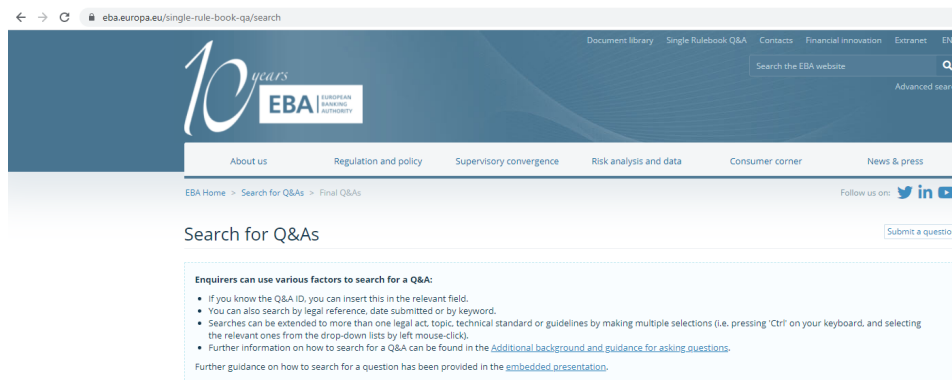
Rejected files **MUST be corrected and resubmitted** without undue delay;

Rejected files may indicate other issues (master data not up to date? Have you informed your CA of all recent changes?) – **bank/CA prompt assessment crucial;**

Make sure you are complying with EBA filing rules, EBA validation rules, and other obligations – Early resolution in the supervisory chain → Less burden for all!

Communication channels

- For questions, banks can turn first to their Competent Authority or visit **EBA's website** www.eba.europa.eu.
- For questions on practical application or implementation of legislative acts: **EBA's Q&A tool** <https://www.eba.europa.eu/single-rule-book-qa>.

A screenshot of the EBA website's Q&A search page. The browser address bar shows 'eba.europa.eu/single-rule-book-qa/search'. The page header includes the EBA logo and navigation links: 'Documents library', 'Single Rulebook Q&A', 'Contacts', 'Financial Innovation', and 'Estrates'. A search bar is present with the text 'Search the EBA website' and an 'Advanced search' link. Below the header is a navigation menu with links: 'About us', 'Regulation and policy', 'Supervisory convergence', 'Risk analysis and data', 'Consumer corner', and 'News & press'. The main content area is titled 'Search for Q&As' and includes a 'Submit a question' button. A section titled 'Enquirers can use various factors to search for a Q&A:' lists search criteria: 'If you know the Q&A ID, you can insert this in the relevant field', 'You can also search by legal reference, date submitted or by keyword', and 'Searches can be extended to more than one legal act, topic, technical standard or guidelines by making multiple selections (i.e. pressing 'Ctrl' on your keyboard, and selecting the relevant ones from the drop-down lists by left mouse-click)'. A link for 'Additional background and guidance for asking questions' is provided. At the bottom, it says 'Further guidance on how to search for a question has been provided in the embedded presentation.'

What can be improved?

The reporting chain – including primary and secondary reporting and sequential approach – is a multi-faceted and challenging journey;

It has many steps, different stakeholders with different mandates and sometimes parallel processes weaving into each other;

From the publishing of the DPM to EBA collecting and publishing data, in your opinion **what can be improved to help you in reporting good quality data?**

From a broader perspective, **what can be improved to best serve the European Union?**

Comments can be sent by email to statistics@eba.europa.eu.

Thank you.

If you have a question, please raise your hand or use chat.

Participants questions sent in advance:

- Is it possible for banks to receive their business cards pre the reporting date? We are receiving business cards around the 15th working day in the quarter. This leaves little time to amend IT systems for templates or to query content on business cards?
- Can banks query business cards directly with an EBA division instead of their Competent authority? This would be more efficient.
- The data quality dashboards are still being supplied to banks very slowly. The answers to issues on the dashboards can be slow too. Could these be put up on a portal for banks to get early sight?



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- 16:20 – 16:30** Close of session

Session 4

Overview of validation rules and Q&As

Anja Bautz, Reporting & Transparency Unit

The EBA's list of validation rules

Why?

Annex XIV to the ITS:

The data items set out in the Annexes to this Regulation shall be subject to validation rules ensuring data quality and consistency.

Where?

www.eba.europa.eu > Risk analysis and data
 > Primary reporting (from banks to Authorities):
 Reporting frameworks > (for example) 3.0.
 > Item 2: Validation rules.

- Only one single list/file for all frameworks.
- Check release pages where a technical packages was published.

When?

Type of publication	Deactivation	Reactivation	Severity	Change	When?
Framework release	[✓]	✓	✓	✓	No specific schedule
Updated VR package	✓	✓	✓	(✓)	around 2 months before first reference date of a release
Quarterly update of the list	✓	✓ ^{NEW}	✓ [*]	✗	around 10 Mar, 10 Jun, 10 Sep, 10 Dec

[] = rarely happens
 grey background = from Q3 2021

() = certain types of changes not possible
 * for rules of v3.0 & later versions with 'micro taxonomy release'

Some tips for reading the validation rules file (I)

Validation rule type

Reflected both in the 'ID' of the validation rule and the column 'type'.

The type determines also under which conditions the rule can be changed

Change in updated VR package

Change in framework release

human-developed	Manual	vXXXX_m	Shows any kind of business concept / relationship
	Existence / Non-existence check	eXXXX_e	Cell must always carry a value
		eXXXX_n	Cell must never carry a value
'DPM-based'	Sign	vXXXX_s	Value reported must have a specific sign (+/-, incl. zero)
	eEquivalence	vXXXX_q	Two data points (out of which one is found on a template with a z-axis) must carry exactly the same value
	Coherence check	vXXXX_c	Consistency between file names and header information (reporting level, accounting standard)
	Hierarchy	vXXXX_h	Two / more data points must have a certain relationsh.
	Allowed values f. cell(s)	vXXXX_a	The value reported must be one of a predefined set (VR narrows down an 'allowed values for metric'-rule)
'DPM-rooted'	Allowed values f. metric	vXXXX_a	The value reported must be one of a predefined set
	Identity	vXXXX_i	Two data points must carry exactly the same value
	Unique identifier	vXXXX_u	The item identified as (composite) key in an open axis template must be unique.

Spotlight on: Allowed values for (Avf) metrics vs. cell(s) rules

Practical tips

- Formulas show identifiers, not labels → Use annotated table layout or dictionary for translation into **'human language'**.
- Avf cell(s) rules narrow down Avf metric rules, → where both exist, **Avf cell(s) rules are more relevant** for reporting.
- The annotated table layout shows the same values as the Avf metrics rules, i.e. may show a wider set than allowed according to the ITS.

Where they come from (I): Variety

Metric: ZZ14 – Type of entity (ei555)

Avf metric-rule

There can only be **one hierarchy per metric...**
... but different templates ask for a **different set of 'drop down' entries**

Level		Member Label	
1	x	Credit institution	x
1	x	Investment firm	
2		Investment firm. Initial capital acc. to Art. 28 (2) CRD	x
2		Investment firm. Initial capital <u>other than</u> acc. to Art. 28 (2) CRD	x

Values relevant for C 06.01

Avf cell(s)-rules

Values relevant for Z 01.00

Where they come from (II): History

33957
[Derivative treatment] (ei107) Derivative tree
[ei:AP:AP24]

DataPointVID 33957
DataPointID 33957
Metric = Derivative treatment [ei:AP:AP24]
Base = Memorandum items

Value chosen from:
(AP:x38) Original Exposure Method
(AP:x76) Mark-to-market method

'Mark-to-market method' was a valid answer up until v2.10...

33957
[Derivative treatment] (ei107) Derivative tree
[ei:AP:AP24_1]

DataPointVID 33957
DataPointID 33957
Metric = Derivative treatment [ei:AP:AP24_1]
Base = Memorandum items

Value chosen from:
(AP:x38) Original Exposure Method
(AP:x184) SA-CCR
~~(AP:x183) Simplified SA-CCR~~
(AP:x76) Mark-to-market method

... Although it is not a valid answer anymore from v3.0, the DPM still includes it to be 'backwards compatible'...

... so an Avf cell(s) rule should prevent the reporting of this value

Some tips for reading the validation rules file (II)

Prerequisites

ID	Re-pla-ces	Changed in release	Last Change	Deac-tivated on	Reac-tivated on	De-le-ted	Not im-plemented in XBRL	Type	Se-ve-ri-ty	T1	...	T7	Rows	Columns	Sheets	Formula	Pre-requi-sites	If value missing	Arithmetic approach	Narrative expl. / error message
----	------------	--------------------	-------------	-----------------	-----------------	-----------	--------------------------	------	-------------	----	-----	----	------	---------	--------	---------	-----------------	------------------	---------------------	---------------------------------

For filtering by 'biological' users

Exact precondition
(incl. 'and'/'or')

- Validation rules are only triggered, if **all relevant templates are reported** (→ filing indicators).
- Not only **'and'-conditions, but also 'or'-conditions** are reflected in prerequisites.
 - 'or'-conditions are used, if already the submission of one template out of several mentioned templates triggers the validation rule, and not only the simultaneous submission of all of them.

Example v2790_m: F 18.00.a and (F 09.01 or F 09.01.1)

(FINREP VRs that covers both IFRS and nGAAP data points, which are reported in separate templates)

- All prerequisites are defined at the technical table-level, rather than the template level (i.e. C 12.00.a instead of C 12.00).

Some tips for reading the validation rules file (III)

Deactivations & Reactivations

Severity status

ID	Replaces	Changed in release	Last Change	Deactivated on	Reactivated on	Deleted	Not implemented in XBRL	Type	Severity	T1	...	T7	Rows	Columns	Sheets	Formula	Pre-requisites	If value missing	Arithmetic approach	Narrative expl. / error message
----	----------	--------------------	-------------	----------------	----------------	---------	-------------------------	------	----------	----	-----	----	------	---------	--------	---------	----------------	------------------	---------------------	---------------------------------



- Deactivations
 - triggered by **Q&As or other issue reports** (e.g. reports by authorities, XBRL issue reports).
 - deactivated for all framework releases (since the last conceptual change).
- All dates are publication dates (of the list).
- 'deactivated'-date = 'reactivated'-date: rare cases where a rule is known to be flawed in a specific framework release, but that flaw is already corrected in (subsequent) release in question.

Can be 'error' or 'warning' (since v2.9)

- 'Warning' status for all newly added rules (except for rules conveying technical requirements).
 - Once there is proof that the validation rule works, it can be upgraded to 'error'.
- Occasionally severity status changed in response to Q&As received.

Q&As and validation rules (I)

The good things about the Q&A process... ... And yet, it's not exactly an easy process for VR issues.

Publicity

- Public knowledge about issues.
- Communication on interim solutions (very important for data comparability).

Comprehensive and thorough assessment

- Decision on immediate actions.
- Identification of necessary changes to the reporting framework.

(Side note: To search for or submit Q&As, go to <https://www.eba.europa.eu/single-rule-book-qa>)



There is rarely just one Q&A on a validation rules issue...

... they tend to arrive in bunches.

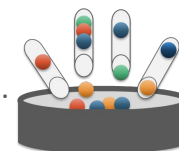


Solutions are needed immediately...

... yet the answer is long in coming.



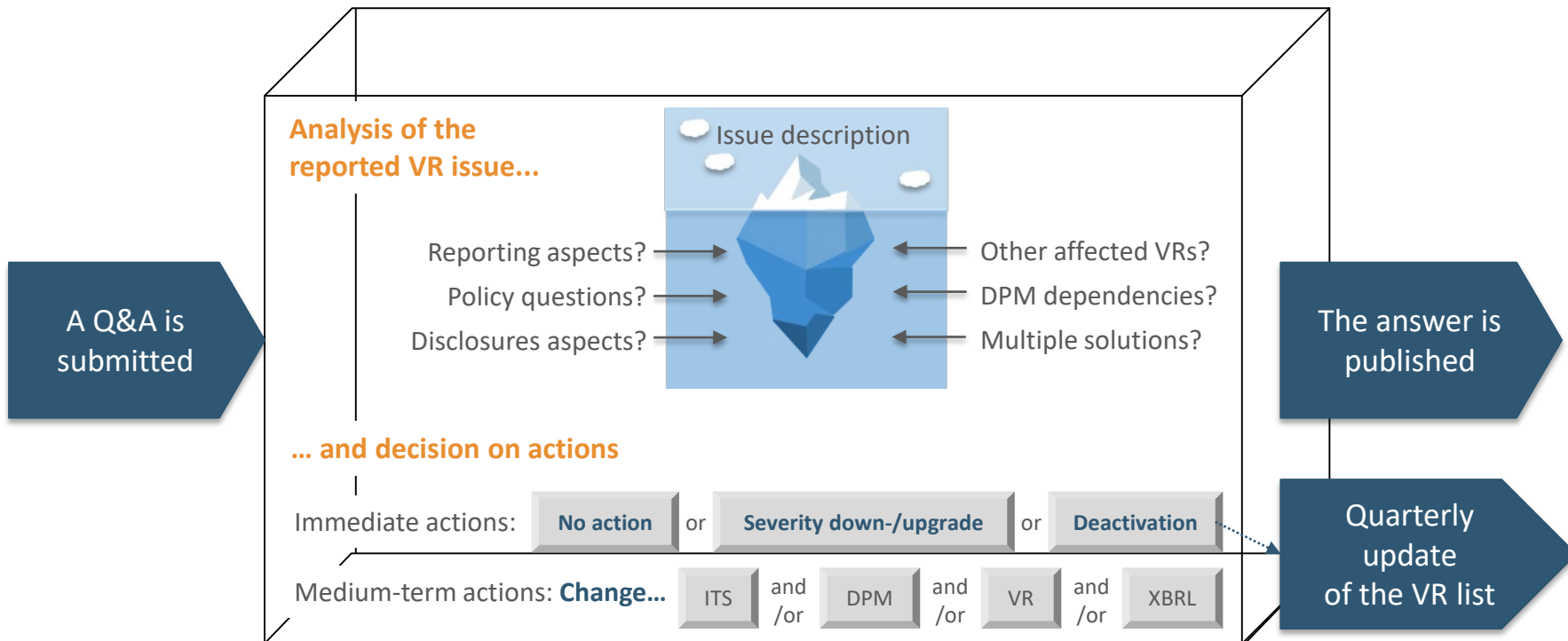
And issue reports keep coming also through other channels.



Q&As and validation rules (IIa)



Q&As and validation rules (IIb)



Q&As and validation rules (III)

The biggest challenge remains: The Q&A process takes some time...

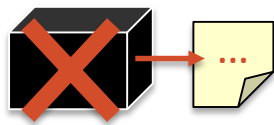
Can easier cases quicker be dealt with outside the Q&A process?

- Obvious error, obvious solution.
- Limited or well-known impacts on DPM & XBRL taxonomy.



A VR collaboration platform aims to accelerate the discussion betw. authorities

Get in contact with your CA.

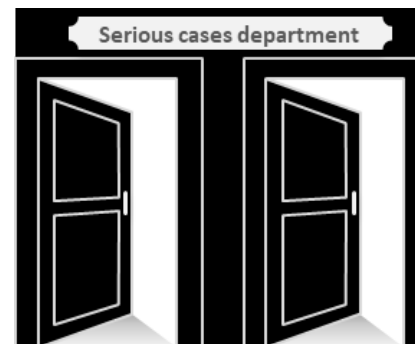


Q&A rejected as 'Issue identified' to deal with it (more quickly) outside the Q&A process

Send Q&As rather for trickier cases?

If yes...

- Issues may be remedied quicker (maybe...).
- Resources of the Q&A process can be focused on trickier cases and cases with bigger impacts.



Q&A process

Thank you.

If you have a question, please raise your hand or use chat.



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- 15:25 – 16:20** Session 6: EBA publications
- 16:20 – 16:30** Close of session

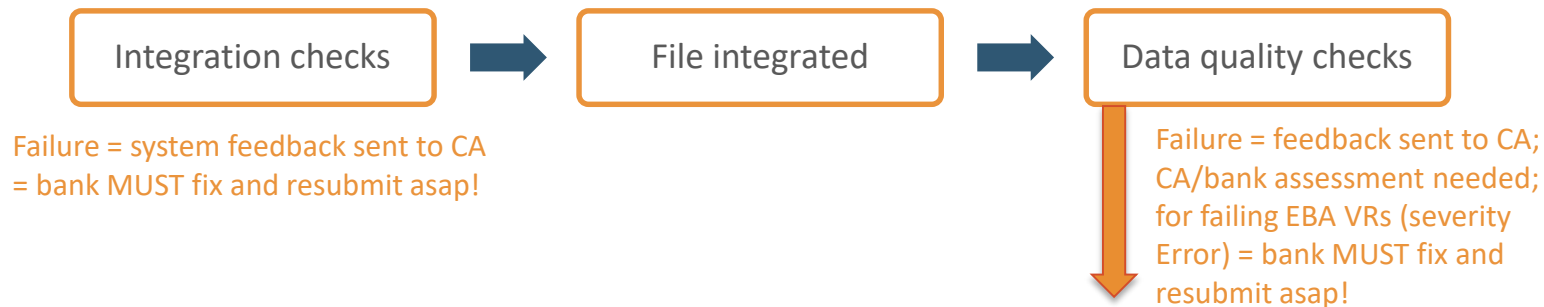
Session 5

Data quality feedback

Tomas Meri, Statistics Unit

Julio Rocha, Statistics Unit

EBA data quality feedback



- Regular checks (delivered at pre-defined times):
 - **EBA VALIDATION RULES: binding** technical checks on submitted templates, aiming at verifying internal coherence of files.
 - SOFT CHECKS: technical checks not yet promoted to EBA VRs (e.g. Benchmarking checks agreed at the SGSB).
- Additional feedback:
 - AD HOC CHECKS: depending on analyst, EBA may address additional quality issues not identified with technical checks.
 - SMART INDICATORS: overall assessment of completeness, accuracy and timeliness on expected reports on quarterly basis.

IMPROVING REPORTING PRACTICES AND DATA QUALITY

TUESDAY 29 JUNE 2021, 09:35 - 16:30 CEST

Validation rules feedback from EBA to CAs

Instance Identification

Validation rule

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	REFERENCE DATE	ISO_COUNTRY CODE	LEGAL_ENTITY_ID	ENTITY_NAME	RECEIVED_DATE	MODULE_CODE	UNIT	CONSOLIDATION SCOPE	VALIDATION CODE	SEVERITY	SCOPE	SCOPE TAE	SCOPE_ROWS	SCOPE_COLS	SCOPE_SHEETS
2	30/09/2015	AT	529900JP9C73451LE008	Raiffeisen-Landesbanken-Holding GmbH	25/11/2015	COREP_Con	EUR	x5	v0420_m	Non-blocking	C 09.02	09.02			
3	30/09/2015	AT	529900JP9C73451LE008	Raiffeisen-Landesbanken-Holding GmbH	25/11/2015	COREP_Con	EUR	x5	v0421_m	Non-blocking	C 09.02	09.02			
4	30/09/2015	AT	529900JP9C73451LE008	Raiffeisen-Landesbanken-Holding GmbH	25/11/2015	COREP_Con	EUR	x5	v4153_m	Non-blocking	C 13.00 (r430-540)	13.00	430		
5	30/09/2015	AT	D1HEBBVEU6D9M8ZUXG17	UniCredit Bank Austria AG	25/11/2015	COREP_Con	EUR	x5	v0415_m	Non-blocking	C 09.02	09.02			
6	30/09/2015	AT	D1HEBBVEU6D9M8ZUXG17	UniCredit Bank Austria AG	25/11/2015	COREP_Con	EUR	x5	v0445_m	Non-blocking	C 09.02	09.02			
7	30/09/2015	AT	D1HEBBVEU6D9M8ZUXG17	UniCredit Bank Austria AG	25/11/2015	COREP_Con	EUR	x5	v0446_m	Non-blocking	C 09.02	09.02			

Failing EBA VR Warning = CA/bank assessment needed

Failing EBA VR Error = bank MUST fix and resubmit asap!

Validation rule

Open values

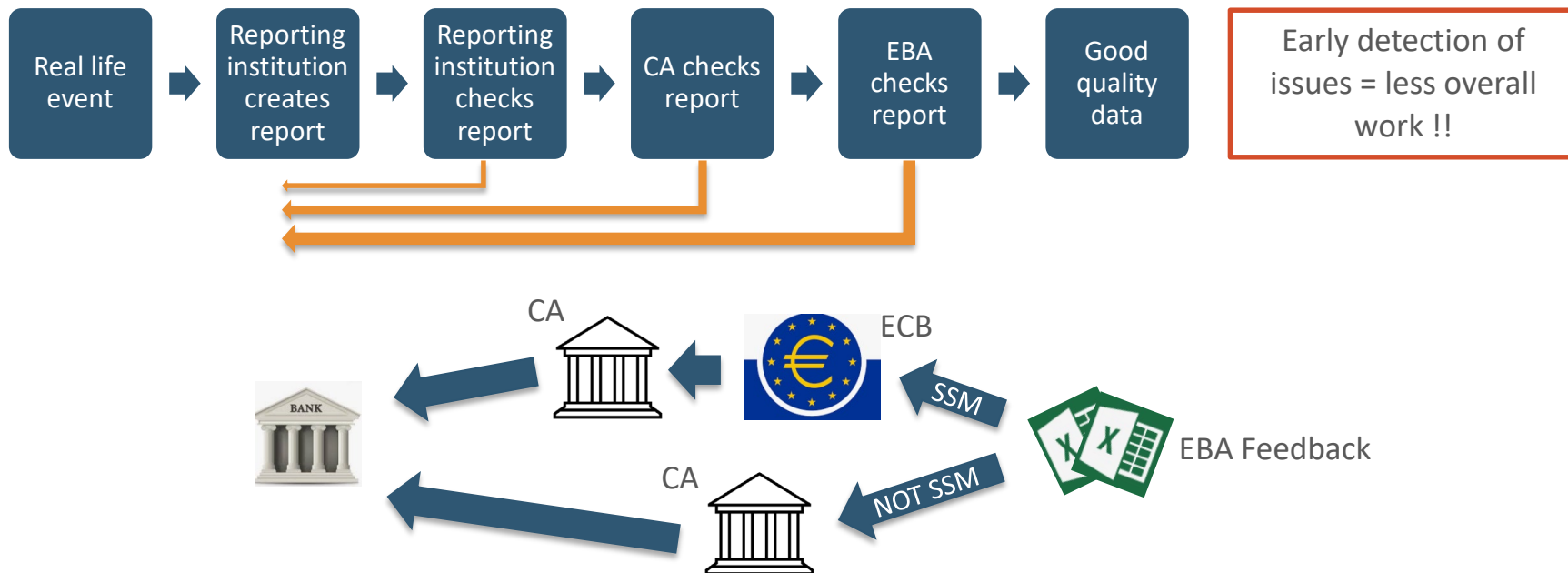
Outcome

Calculated Values

P	Q	R	S	T	U	V	W	X	Y	Z	AA
TABLE_BASED_FORMULA	OPEN_VALUE_1_IDENTIFIER	OPEN_VALUE_1	OPEN_VALUE_2_IDENTIFIER	OPEN_VALUE_2	PASSED	EFT_SIDE_REP	RIGHT_SIDE_REP	LEFT_SIDE_LB	LEFT_SIDE_UB	RIGHT_SIDE_LB	RIGHT_SIDE_UB
sum([C 09.02, r020, c010, (sNNN)]) = sum([C 08.01.a, r010, c020, (s005-006)])	ALL	ALL	ALL	ALL	0						
sum([C 09.02, r020, c105, (sNNN)]) = sum([C 08.01.a, r010, c110, (s005-006)])	ALL	ALL	ALL	ALL	0						
(c190) = (c200) + (c210) + (c220) + (c230) + (c240) + (c250) + (c260) + (c270) + (c280) + (c290) + (c300) + (c310) + (c320)	ALL	ALL	ALL	ALL	0						
sum([C 09.02, r010, c010, (sNNN)]) = sum([C 08.01.a, r010, c020, (s003-004)])	ALL	ALL	ALL	ALL	0						
sum([C 09.02, r070, c010, (sNNN)]) = sum([C 08.01.a, r010, c020, (s013-014)])	ALL	ALL	ALL	ALL	0						
sum([C 09.02, r070, c105, (sNNN)]) = sum([C 08.01.a, r010, c110, (s013-014)])	ALL	ALL	ALL	ALL	0						

+ 2 added columns for EBA and NCA comments

Quality checks flow



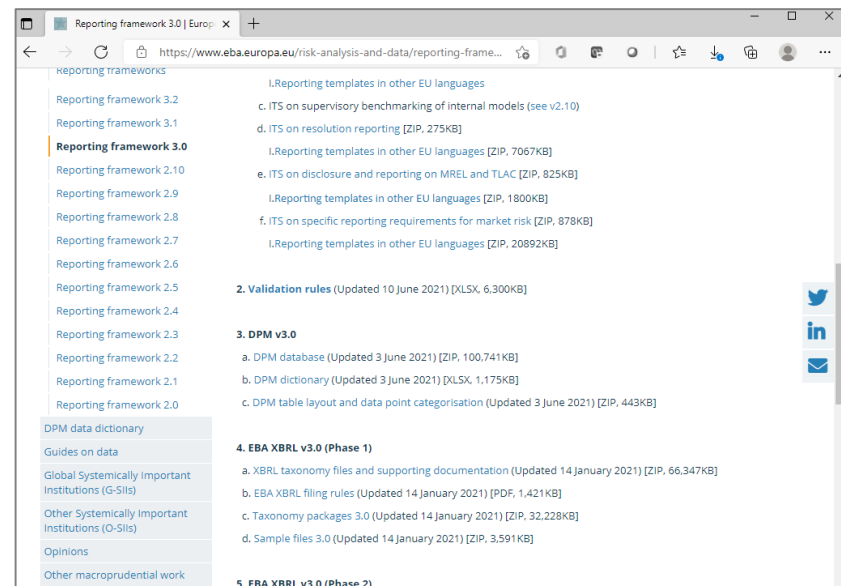
Where can I get a list of the official Validation Rules

To manage the frequent changes in the validation rules the EBA publishes on its website, in Excel format, the list of all valid validation rules:

[https://www.eba.europa.eu/](https://www.eba.europa.eu/risk-analysis-and-data/reporting-frameworks/reporting-framework-#.##)
 > risk-analysis-and-data
 > reporting-frameworks
 > reporting-framework-#.##
 > 2. Validation rules

- This file is updated at least once every quarter.
- In this file you will find all the official validation rules.

Note: *not all the official validation rules can be implemented in XBRL. However, even if a rule is not part of the published XBRL taxonomy it should be observed.*



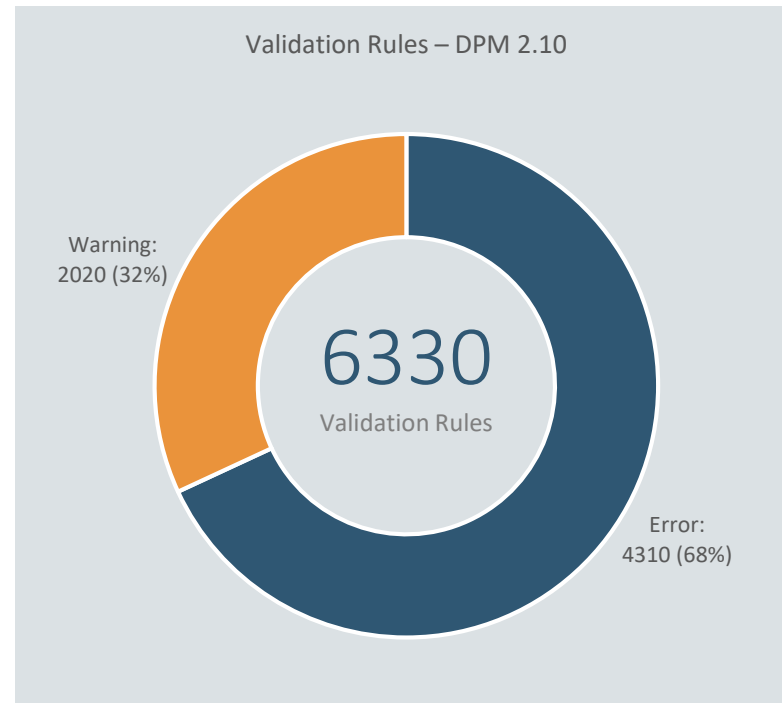
The screenshot shows a web browser window displaying the EBA website page for reporting framework 3.0. The page is titled "Reporting framework 3.0" and lists various reporting frameworks and validation rules. The "2. Validation rules" section is highlighted, showing a list of rules in Excel format (XLSX) with their respective update dates and file sizes. The page also includes a sidebar with navigation options like "DPM data dictionary", "Guides on data", and "Opinions".

Reporting framework	Description
Reporting framework 3.2	I.Reporting templates in other EU languages
Reporting framework 3.1	c. ITS on supervisory benchmarking of internal models (see v2.10)
Reporting framework 3.0	d. ITS on resolution reporting [ZIP, 275KB]
Reporting framework 2.10	I.Reporting templates in other EU languages [ZIP, 7067KB]
Reporting framework 2.9	e. ITS on disclosure and reporting on MREL and TLAC [ZIP, 825KB]
Reporting framework 2.8	I.Reporting templates in other EU languages [ZIP, 1800KB]
Reporting framework 2.7	f. ITS on specific reporting requirements for market risk [ZIP, 878KB]
Reporting framework 2.6	I.Reporting templates in other EU languages [ZIP, 20892KB]
Reporting framework 2.5	2. Validation rules (Updated 10 June 2021) [XLSX, 6.300KB]
Reporting framework 2.4	3. DPM v3.0
Reporting framework 2.3	a. DPM database (Updated 3 June 2021) [ZIP, 100,741KB]
Reporting framework 2.2	b. DPM dictionary (Updated 3 June 2021) [XLSX, 1,175KB]
Reporting framework 2.1	c. DPM table layout and data point categorisation (Updated 3 June 2021) [ZIP, 443KB]
Reporting framework 2.0	4. EBA XBRL v3.0 (Phase 1)
DPM data dictionary	a. XBRL taxonomy files and supporting documentation (Updated 14 January 2021) [ZIP, 66,347KB]
Guides on data	b. EBA XBRL filing rules (Updated 14 January 2021) [PDF, 1,421KB]
Global Systemically Important Institutions (G-SIIs)	c. Taxonomy packages 3.0 (Updated 14 January 2021) [ZIP, 32,228KB]
Other Systemically Important Institutions (O-SIIs)	d. Sample files 3.0 (Updated 14 January 2021) [ZIP, 3,591KB]
Opinions	5. EBA XBRL v3.0 (Phase 2)
Other macroprudential work	

Severity of a Validation Rule

We defined 2 types of severity:

- **Error:** this rule should always be observed.
- **Warning:** in some exceptional cases this rule might be breached.



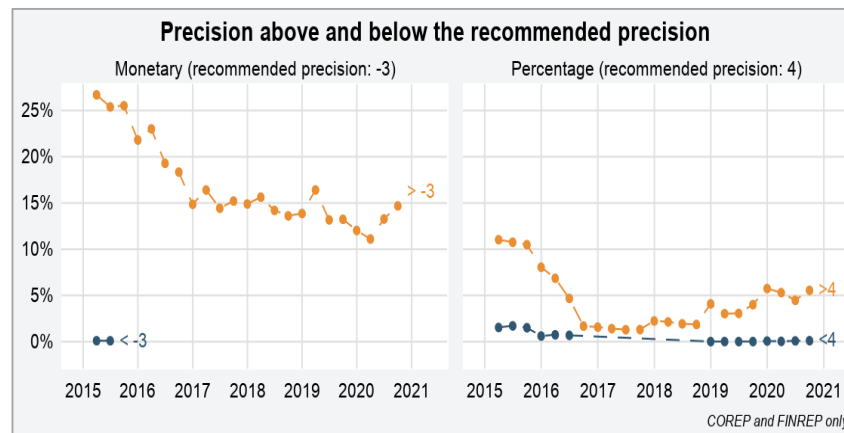
Precision of a Validation Rule

- Incorrect definition of precision might cause validation rules to fail.
- Recommended precision for:
 - Monetary: -3
 - Percentage: 4
- Precision values show that after many quarters of values closer to the recommended values, in the recent quarters we face a slight stagnation / divergence.

Precision Calculation Example

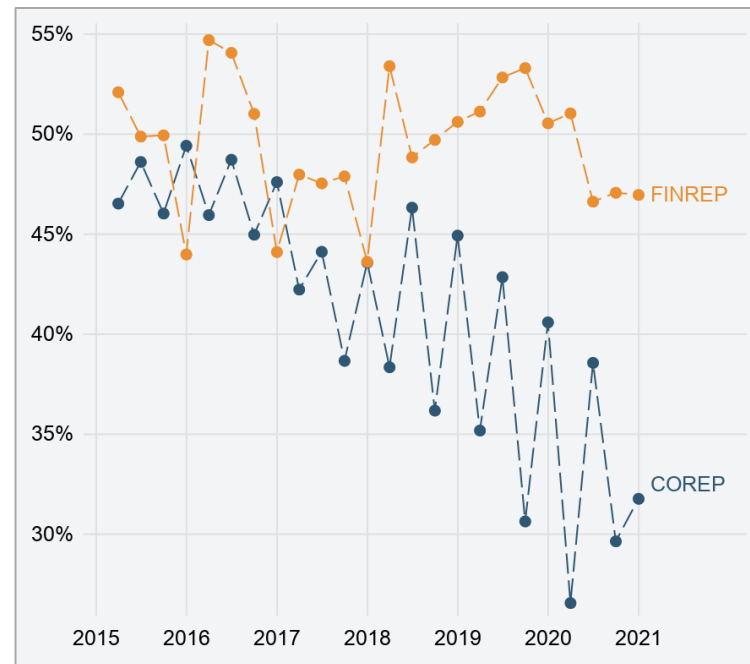
ID	Value	Precision	Lower Bound	Upper Bound	Amplitude
A	12.34%	4	12.335%	12.345%	0.0001
B	1,000	-3	500	1,500	1,000

Formula	Lower Bound	Upper Bound
A+B	500.12335	1,500.12345
A*B	61.67500	185.17500



Handling of zeros vs missing values

- The ITS says that information that is not required or not applicable shall not be included in a data submission.
- To avoid having a database filled with mostly zeros, by default, if a value is not reported the value is either assumed to be a non-interesting 0 (zero) or not applicable.
- Some progress has been done, but there is still room for improvement.
 - COREP shows an improvement in the number of zeros reported with time.
 - FINREP not so much.



Cross Modules Validation Rules (XBRL vs Non-XBRL checks) and the need for DB checks

XBRL technical limitations

When validating an instance the XBRL engine can only make use of values from that file, hence:

- No across modules validation rules are run.
- No across time validation rules are run.

Uniqueness of open values.

More complex rules, for example, grouping using pattern matching.

Very long lists of possible values.

Thank you.

If you have a question, please raise your hand or use chat.



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Session 6

EBA publications

Luis Garcia, Statistics Unit

Joanna Cinal, Statistics Unit

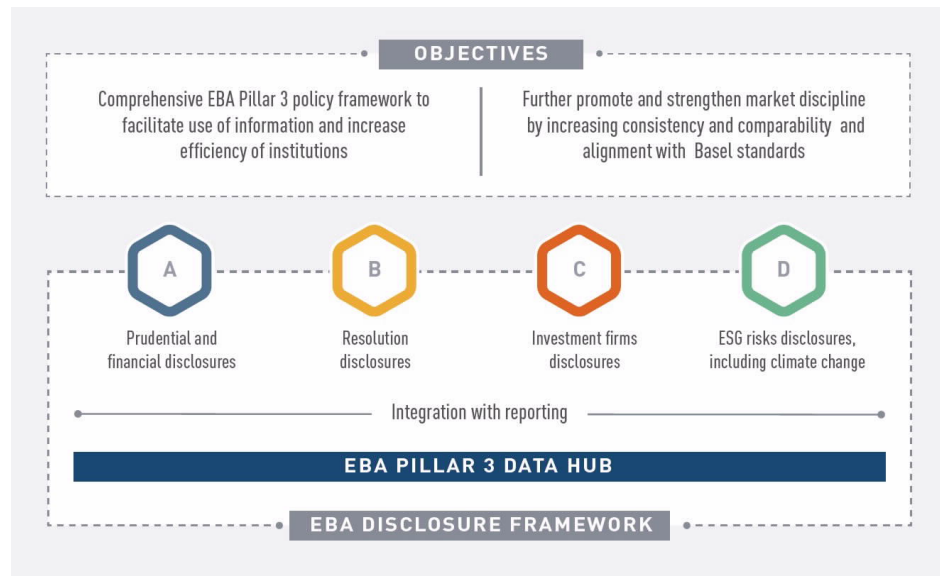
Salvatore Corvasce, Statistics Unit

Joao Duarte, Statistics Unit

EBA EU-wide Transparency exercise

The world's most valuable resource is no longer oil, but data (The Economist, 2017)

- **EBA's mission** to serve the EU and all its citizens, in particular the banking & financial sector, as well as its consumers and investors.
- EU-wide Transparency is an **annual exercise** providing an overview of the EU banking sector with detailed bank-level information on capital positions, risk exposure amounts, leverage exposures and asset quality.



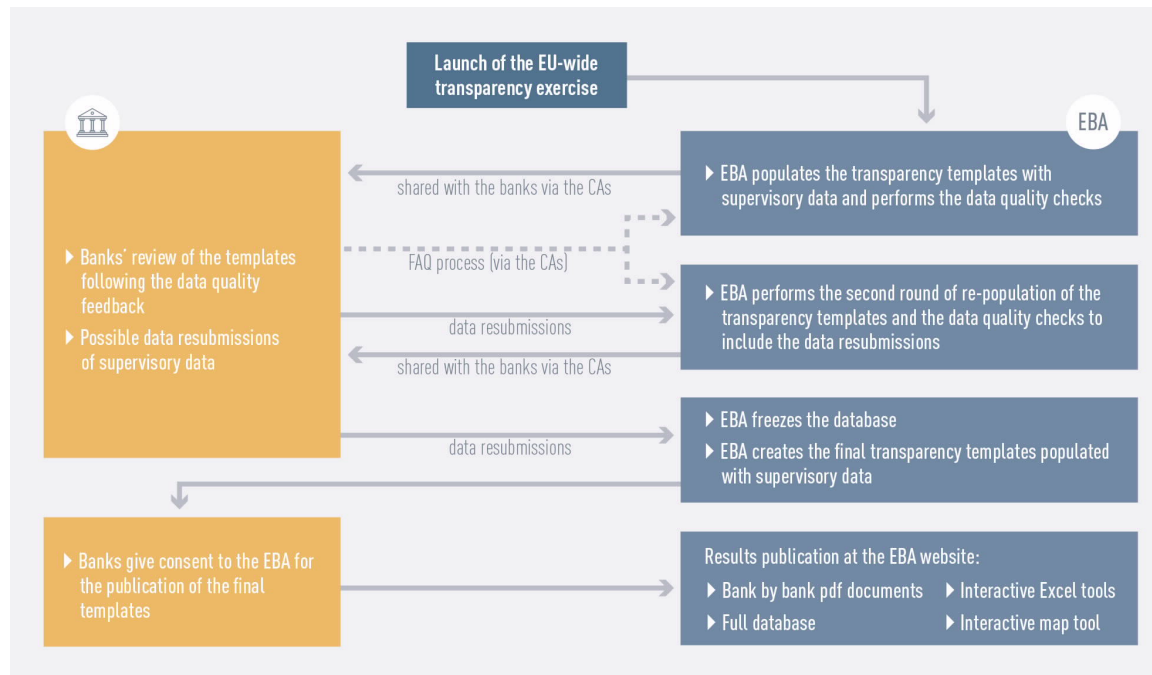
EBA EU-wide Transparency exercise – key facts

- **Legal basis:** process approved by the EBA's Board of Supervisors (BoS). Results disclosed based on consents provided by banks.
- **Sample:** Largest banks at the highest level of consolidation in the EU/EEA.(e.g. 2020 exercise – 129 banks).
- Transparency exercise is solely based on the **supervisory reporting data (FINREP/COREP)** and, starting from the 2020 exercise, also on **Covid-19 measures reporting data** submitted in accordance with EBA Guidelines EBA/GL/2020/07.
- Transparency exercise **templates:** Key metrics, Leverage, Capital, RWA OV1, P&L, Assets, Liabilities*, Market risk, Credit risk IRB/STA, Sovereign, NPE, Forborne exposure, NACE*, Collateral valuation*, Covid-19* [**added in 2020*].

Exercise	N_bank	N_Datapoints
1_TRA13	64	953,728
2_STR14	123	1,480,674
3_TRA15	105	1,314,476
4_TRA16	131	381,564
5_TRA17	132	388,142
6_TRA18	130	880,677
7_TRA19	131	1,767,112
8_TRA20S	127	959,702
9_TRA20	135	1,064,568

<https://www.eba.europa.eu/risk-analysis-and-data/eu-wide-transparency-exercise>

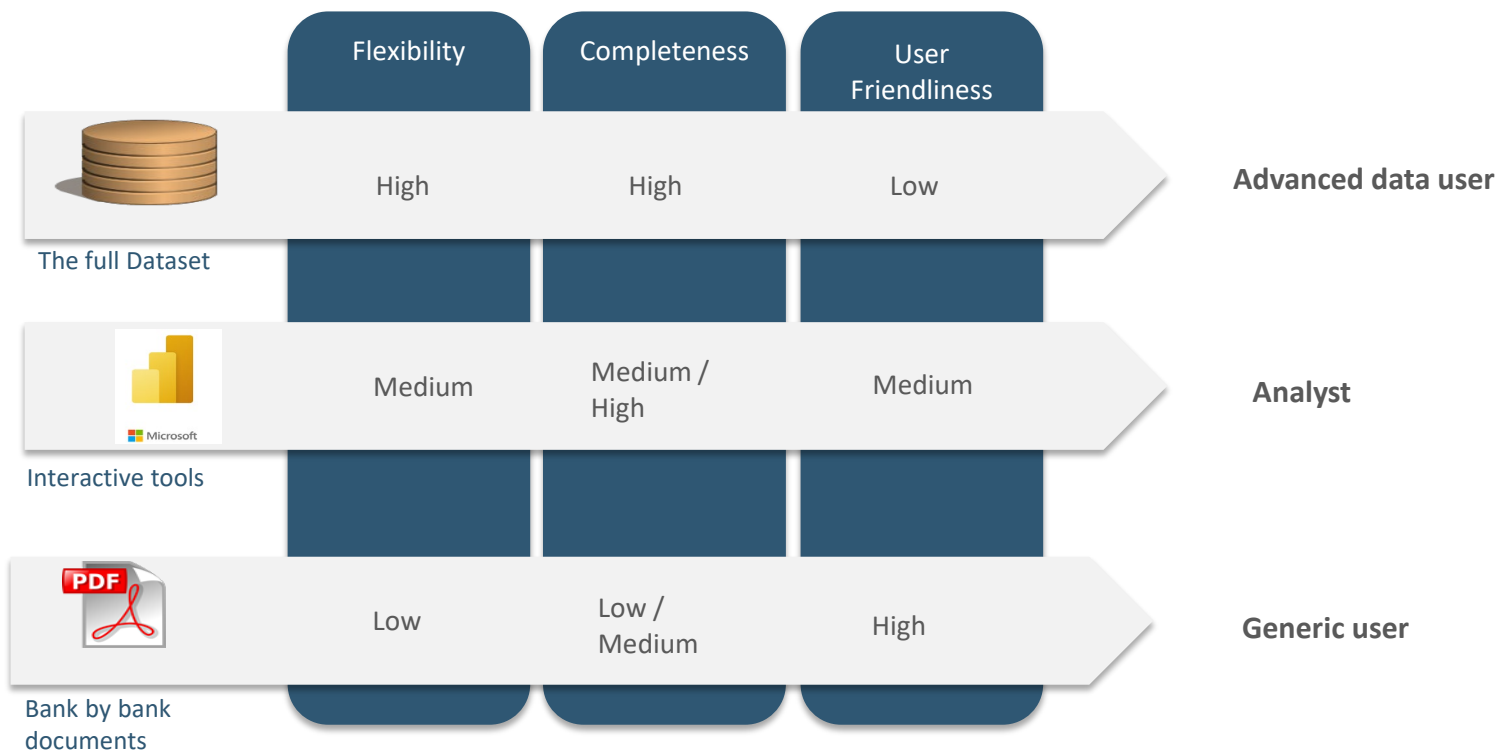
EBA EU-wide Transparency exercise - process



Timeline: the exercise is launched each year in autumn (September) and the results are published early December.

*Exception in 2020 when two exercises have been conducted (one in spring and one in autumn).

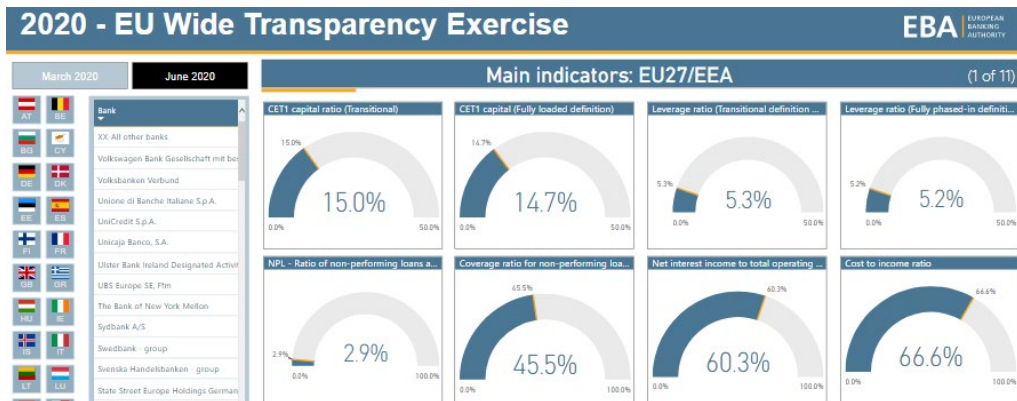
EBA EU-wide Transparency exercise - outcomes



EU-wide Transparency exercise – interactive tools

Online data exploration tools: allowing country/banks comparison through transparency template based tables, maps and advanced charts.

- Banks data.
- Country aggregates.
- EU-27/EEA aggregates.



Key Metrics	Leverage	Capital	RWA	P&L	Assets	Liabilities
March 2020	June 2020					
Leverage: all countries						
Country	Tier 1 capital - transitional definition	Tier 1 capital - fully phased-in definition	Total leverage ratio exposures - using a transitional definition of Tier 1 capital	Total leverage ratio exposures - using a fully phased-in definition of Tier 1 capital	Leverage ratio - using a transitional definition of Tier 1 capital	Leverage ratio - using a fully phased-in definition of Tier 1 capital
Austria	39,089	38,996	586,688	586,688	6.7%	6.6%

EBA Risk Dashboard (RDB) and Interactive RDB tool

The risk dashboard is a tool to support the EBA's quarterly risk assessments providing:

- an overview of **the main risks and vulnerabilities in the EU banking sector**;
- figures for **Key Risk Indicators (KRIs) for EU and country aggregates**. These are the ratios providing early warning signs of trends, potential risks and vulnerabilities of the EU banking sector.
- **Statistical Annex** based on the set of Risk Indicators and the ITS data.
- **Methodological** note, including the indicators' calculations formulas.

The underlying data for the **Risk Indicators** calculated by the EBA, is the ITS reporting data.

Sample of banks used is 161 banks (in Q1 2021, unconsolidated including 30 subsidiaries). The sample is reviewed annually by competent authorities.

Detailed information on the risk indicators can be found in the EBA Methodological guide and the List of the Risk Indicators available at: <https://www.eba.europa.eu/risk-analysis-and-data/guides-on-data>

KRIs in the EBA Risk Dashboard

Key Risk Indicators in the RDB	
1. Tier 1 capital ratio	11. Return on equity
2. Total capital ratio	12. Return on assets
3. CET1 ratio	13. Cost to income ratio
4. CET1 ratio (fully loaded)	14. Net interest income to total net operating income
5. Leverage ratio	15. Net fee and commission income to total net operating income
6. Leverage ratio (fully phased-in)	16. Net trading income to total net operating income
7. NPL ratio	17. Net interest margin
8. Coverage ratio of NPL and advances	18. Cost of risk
9. Forbearance ratio for loans and advances	19. Loan-to-deposit ratio for households and non-financial corporations
10. NPE ratio	20. Asset encumbrance ratio
	21. Liquidity coverage ratio

Solvency (Indicators 1-6)

Credit risk and Asset Quality (Indicators 7-10)

Profitability (Indicators 11-16)

Funding and Liquidity (Indicators 17-21)

Statistical annexes in the EBA Risk Dashboard

Statistical annex

1. Asset composition and volumes
2. Loans: composition and asset quality
3. Loans: NPL and coverage ratios
4. Non-trading loans and advances to non-financial corporations by sector (Distribution and NPLs)
5. Exposures to Real Estate activities and Construction
6. IFRS9 specific (loans and advances at amortised cost, stage distribution, FV assets)
7. Sovereigns
8. Liabilities composition
9. Own funds and RWAs
10. Profitability analysis: main drivers of RoE
11. EBA-compliant Moratoria and PGS

What's next for the EBA Risk Dashboard

Since Q4 2020 the EBA is collecting ITS data from the entire EU banking population.

- Analysing the best way to return back this information with quality and in a meaningful way.

New visualizations and interactions with Risk Dashboard data.

- Bring improved looks and usability to the RDB.
- Improve sharing of available data with stakeholders and end-users.

Thank you.

If you have a question, please raise your hand or use chat.



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IMPROVING REPORTING PRACTICES AND DATA QUALITY

TUESDAY 29 JUNE 2021, 09:35 - 16:30 CEST

Close of session

Luis Garcia, Statistics Unit

Meri Rimmanen, Director of Data Analytics, Reporting and Transparency Department

The logo for the European Banking Authority (EBA) is located in the top left corner. It consists of the letters 'EBA' in a large, white, sans-serif font. To the right of 'EBA', the words 'EUROPEAN BANKING AUTHORITY' are written in a smaller, white, sans-serif font, stacked vertically. The logo is set against a dark blue background with a subtle grid pattern.

EBA

EUROPEAN
BANKING
AUTHORITY

EUROPEAN BANKING AUTHORITY

Floor 24-27, Tour Europlaza
20 Avenue André Prothin
92400 Courbevoie, France

Tel: +33 1 86 52 70 00

E-mail: info@eba.europa.eu

<https://eba.europa.eu/>