



EUROPEAN CENTRAL BANK
BANKING SUPERVISION

Template for comments

ECB Guide on effective risk data aggregation and risk reporting

Institution/Company

European Banking Federation

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Please tick here if you do not wish your personal data to be published.

General comments

Please refer to our comment letter for general comments on the Guide.

Template for comments

ECB Guide on effective risk data aggregation and risk reporting

Please enter all your feedback in this list.

When entering feedback, please make sure that:

- each comment deals with a single issue only;
- you indicate the relevant chapter/ section/ paragraph, where appropriate;
- you indicate whether your comment is a proposed amendment, clarification or deletion; and
- you include a rewording suggestion in case of a proposed amendment.

Deadline: 6 October, 2023

ID	Chapter/ section	Sub-point/ bullet/ paragraph	Page	Type of comment	Detailed comment	Concise statement as to why your comment should be taken on board	Name of commenter	Personal data
1	1 Introduction		1	Clarification	Based on the July 2023 draft of "Guide on effective risk data aggregation and risk reporting". Is it anticipated that this will drive an update to the original BCBS 239 guidance?		European Banking Federation	Publish
2	1 Introduction		1	Clarification	Given the global nature of the BCBS 239 guidance, how are other peer global regulatory agencies being engaged in the dialogue?		European Banking Federation	Publish
3	1 Introduction			Clarification	<p>1. Overall there's is no consistency in the terms used across the document</p> <p>2. It is also not very clear whether it applies to the RDARR framework or only Data Governance Framework.</p> <p>3. The roles as defined in BCBS239 are not complete here like the Senior Management or Data User role.</p> <p>4. No proper structure e.g. in terms of reporting. There is only Timeliness of reporting while it should cover all elements of Risk and finance reporting: accuracy, clarity and usefulness, distribution.</p> <p>5. Governance is also not very clear. It is a mixture of data governance and other BCBS 239 related roles. They should be : Risk Governance, Reporting Governance and Data Governance; all three contributing to the RDARR Governance.</p>	<p>There is no clarity in the document to what type of structure follows in terms of RDARR Governance and application in line with BCBS 239.</p> <p>Terms are used differently that could lead to interpretation in the application and scope.</p>	European Banking Federation	Publish

4	1 Introduction		2	Clarification	What is the scope of application of this guide? Will it only be applicable for the G-SIBs/D-SIBs or will the requirements also be enforced to other banks?	Other banks are also subjected to the SREP. Therefore, it must be clear on which basis and requirements they will held accountable to and to which extent they are subjected to the elements in this guide.	European Banking Federation	Publish
5	1 Introduction		3	Clarification	The last paragraph suggest that the guide does not impose new requirements however in some other sections of the Guide, some "minimum" requirements have been suggested or the word "prerequisites" has been used. As such, it is not always clear whether the Guidelines are not imposing new requirements or not.	Avoid misinterpretation of whether the guidelines bring new requirements or not.	European Banking Federation	Publish
6	1 Introduction		1	Clarification	In the wording it is often referred to as risk data, however, the scope also implies that for example regulatory reporting is also expected to be in scope. However, the scope in BCBS239 (article 18) is refering to risk data only and says that "banks may also benefit from applying the Principles to other processes, such as financial and operational processes, as well as supervisory reporting." The word "may" in this BCBS 239 article seems to be replaced by "must" in the current Guide. If this interpretation is correct, then this could be phrased more clearly. If this interpreattioin is incorrect, and the scope is still "risk data" could that be explicitly stated?	The guidance provides expectations on BCBS 239 as risk data, however, regulatory reporting is also expected to be in scope. To avpoid confusion there should be a consistent wording.	European Banking Federation	Publish
7	2 References		4	Amendment	For several controls in, for example, the DQ area, banks can rely on other control frameworks, like SOx and the measures taken in the accounting environment. Instead of performing the same checks twice, it is recommended to allow for re-using of other controls (control frameworks). We suggest this is explicitly mentioned in the ECB Guide.	To increase effectiveness and efficiency. This will avoid duplication of work, without added value.	European Banking Federation	Publish
8	3 Supervisory expectations		5	Clarification	The seven key areas of concern are "intended to be addressed within a reasonably short time frame". What is in this case considered a "reasonably short time frame"?	Ensure consistency in intrepretation by all institutions.	European Banking Federation	Publish

9	3.1 Responsibilities of the management body		5	Clarification	<p>The concept of management body is used in its wider sense. As a result, it could mean the management body in its supervisory function and the management in its management function or either of them. To avoid misinterpretations, it would be very helpful if the ECB could clarify explicitly that the distribution of responsibilities between the management body in its supervisory function and the management body in its management function depends on the corporate structure and the internal governance of each bank, in the same way that the ECB did in the guides on ICAAP and ILAAP: "The management body comprises a supervisory function and a management function that may be performed by a single body or two separate bodies. Which key elements of the ICAAP are approved by which function depends on the internal governance arrangements of the institution. This will be interpreted by the ECB in accordance with national regulations and in line with relevant Union law and EBA guidelines" (Par. 16 of the ECB guide on ICAAP). Another suggestions is for the Guide to adopt or explicitly refer to the relevant definition as provided for in the Capital Requirement Directive IV (i.e. Directive 2013/36/EU or "CRD IV") which allows for a distinction to be made in each legal system between the responsibilities typically allocated to the Board in its Supervisory Function and those relating to the day-to-day management activities which are attributable to the body in its management function. In any case, the ECB Guidance should specify that the select of one member is without prejudice to collective responsibility.</p>		European Banking Federation	Publish
10	3.1 Responsibilities of the management body		5	Clarification	<p>It is stated the management body is responsible for setting (ii) detailed key performance indicators for monitoring data quality. The text refers to Key Performance Indicators, but in discussions we also come across the requirement to set Key (Risk) Indicators for Data Quality. Please clarify if there is a difference between Key Performance and Key Risk Indicators as part of this guidance document.</p>	Avoid misinterpretation.	European Banking Federation	Publish

11	3.1 Responsibilities of the management body	3.1.1 - 3.1.2 - 3.1.3	5	Amendment	In this respect, the ECB Guidance does not take into account the various responsibilities with which the members of the Management Body and the Managing Director are already vested, while adding other far-reaching ones and also requiring that a member is identified to exercise these responsibilities. To address this issue, we consider it useful for the ECB Guidance to allow the Management Body to delegate the most operational and non-strategic tasks to other different organizational functions.		European Banking Federation	Publish
12	3.1 Responsibilities of the management body	3.1.2	5	Amendment	Data quality is listed here "in terms of accuracy, completeness, timeliness and adaptability". While accuracy, completeness and timeliness are characteristics of the data and can be monitored as part of a data quality management process, adaptability is an overall characteristic of the institution's risk data aggregation capabilities and cannot be monitored as data quality. Text sections such as 3.3.1, bullet 2 are more precise in this respect. We would suggest to keep data quality dimensions restricted to characteristics that can be monitored on the data.		European Banking Federation	Publish
13	3.1 Responsibilities of the management body	3.1.3	5	Amendment	We propose a redrafting to: "The management body in its management function* should select at least one of its members to exercise this responsibility or select a member of the Senior Management to exercise this responsibility".		European Banking Federation	Publish
14	3.1 Responsibilities of the management body	3.1.4	5	Amendment	This statement can be interpreted as if there must be special RDARR roles and responsibilities, while institution may choose to assign clear RDARR responsibilities to existing roles. The main purpose should be that responsibilities are clearly assigned, not to introduce new roles.	Avoid misinterpretation of what roles and responsibilities are needed.	European Banking Federation	Publish
15	3.1 Responsibilities of the management body	3.1.5	5	Clarification	Could a link to significant or key risks be made? In other words this related to the risk profile of the individual institution.	Individual institutions may have different risk profiles as also discussed in the ECB call at 15/9. This is a key consideration and should be added to the guidance.	European Banking Federation	Publish

16	3.1 Responsibilities of the management body		5	Clarification	Is it the expectation that subsidiaries may deviate from the group-wide policies and standards, provided that consolidated reporting is not jeopardized? Deviations must be aligned with the group authority which is responsible for the groupwide policies and standards.	Obtain clarity on impact subsidiaries.	European Banking Federation	Publish
17	3.1 Responsibilities of the management body	3.1.7	6	Clarification	The ECB Guidance should clarify that the assessment of members of the management body and internal control functions is satisfied by the fit & proper assessment according to CRD.	Avoid duplications	European Banking Federation	Publish
18	3.1 Responsibilities of the management body	3.1.6	6	Amendment	We propose a redrafting to include "monitoring" instead of "confirming".		European Banking Federation	Publish
19	3.2 Sufficient scope of application		6		Improved clarity on expectations should be incorporated. Is the focus on the RDA report or a collection of key risk figures?		European Banking Federation	Publish
20	3.2 Sufficient scope of application		6	Clarification	It is stated 'and cover the entire lifecycle of the data, i.e. all processes from data origination, capture and aggregation to reporting'. Please clarify the difference between origination and capture, because in paragraph 3.4 data capture is included for data lineage, but origination is not.	Avoid misunderstanding.	European Banking Federation	Publish
21	3.2 Sufficient scope of application		6	Clarification	The 2nd paragraph and further in chapter 3.2 talks about Data Framework application rather than risk data aggregation and risk reporting. It is not fully correct as when banks scope for application, banks need to apply also the processes and controls and quality checks on the reports and risk aggregation. By referring only to data framework it leaves out the complete BCBS239 framework.	The name of the paper is Guide on effective risk data aggregation and risk reporting. However this is not very consistently applied as in some chapters it states only data governance framework.	European Banking Federation	Publish
22	3.2 Sufficient scope of application		6	Clarification	It is stated that the data governance framework should cover the entire lifecycle of the data, including all processes from data origination. Could additional clarity be provided how this applies to data that is purchased or retrieved from external sources?	Clarity on external data is lacking.	European Banking Federation	Publish
23	3.2 Sufficient scope of application		6	Clarification	"The data and critical data elements should also be explicitly identified." The concept of a critical data element is not defined in BCBS239 nor in this Guide. Could you please elaborate on above sentence?	Consistent understanding by all institutions.	European Banking Federation	Publish

24	3.2 Sufficient scope of application		6	Clarification	1st par., last sentence with "i.e. all processes from data origination, capture and aggregation to reporting". Please elaborate on the definition of what is meant with "capture".	Avoid misunderstanding.	European Banking Federation	Publish
25	3.2 Sufficient scope of application	3.2.2 - 3.2.3	6	Clarification	As stated elsewhere, risk metrics and indicators and performance metrics and indicators are not clearly distinguished. There should be a link to the risk appetite or risk profiles of individual institutions.	Avoid misunderstanding.	European Banking Federation	Publish
26	3.2 Sufficient scope of application		6	Clarification	Regarding internal models, a specific framework is already in place to manage model risk, including those related to data. Could you please confirm that no organisational change is expected to cover specifically data issues ? Or else, there will likely be overlaps in the coverage of data-related risk		European Banking Federation	Publish
27	3.2 Sufficient scope of application	§2	6	Clarification	The reference to risk data is clear, but are reports and models expected to be in the scope of a data governance framework or a dedicated risk reporting framework? What does it entail to have reports in scope of a data governance framework?		European Banking Federation	Publish
28	3.2 Sufficient scope of application	3.2	6	Clarification	The paragraph states that the framework should be applicable to "all material legal entities, risk categories, business lines and financial and supervisory reporting processes, and cover the entire lifecycle of the data, i.e. all processes from data origination, capture and aggregation to reporting". Given the huge scope of application (Pillars I, II and III, reporting and financial statements), it is important to clarify if the bank can define internally reasonable / intermediate consistency points which can guarantee the data quality of the upstream processes, so as not to push the widespread application of the framework (in other words a reasonable limit to data lineage can be envisaged).		European Banking Federation	Publish
29	3.2 Sufficient scope of application	3.2.1.a	7	Clarification	In Section 3.2.1.(a), please clarify the term "main overall risk reports."		European Banking Federation	Publish
30	3.2 Sufficient scope of application	3.2.1.b	7	Clarification	How are you defining "financial reports?"		European Banking Federation	Publish

31	3.2 Sufficient scope of application	3.2.1.b	7	Clarification	Reports alone can be large and cumbersome. Oftentimes, data in financial reports are the basis for additional calculations and analysis to better understand what is happening. Should banks be focused on the entire financial report or the key risk figures derived from the financial report?	The annual financial statements according to national GAAP on solo-level (single-entity level) should be excluded as long as the group financial statements according to IFRS are basis for the management of the group.	European Banking Federation	Publish
32	3.2 Sufficient scope of application				Banks should have the possibility to refer or, alternatively, reuse existing DQ processes already in the audit review of financial statements.	For example, in Germany, the audit of the consolidated financial statements to be prepared in accordance with the German Commercial Code as of 31.12. is carried out in accordance with § 317 HGB. For this purpose, banks in Germany receive a confirmation statement from the external auditor, which banks publish in the annual report.	European Banking Federation	Publish
33	3.2 Sufficient scope of application	3.2.1.c	7	Clarification	Given the large volume of supervisory reports submitted, can you provide additional guidance on expectations?		European Banking Federation	Publish
34	3.2 Sufficient scope of application		7	Clarification	Can you clarify the scope of models? Is the scope referring to models supporting the key risk figures applicable to the RDA Reports identified? Please add clarification language.		European Banking Federation	Publish
35	3.2 Sufficient scope of application		7	Clarification	The scope is much wider than before; when adding also more financial and supervisory reports to the internal risk reports compared to the focus which was chosen before, a realistic, multi year timepath needs to be taken into account.	Applying all the required controls to all data is expected to be a huge effort.	European Banking Federation	Publish
36	3.2 Sufficient scope of application	3.2.1b	7	Clarification	We understand that Stress Testing and Pillar 2 are in scope of the consultation paper. However it is important that the workload for these (new) items is proportional/can be applied with lighter regimes i.e. to reflect that these do not relate to CET1 ratio / P1 models. Would it be possible to distinguish between requirements/severity of regime between Pillar 1 reporting and Pillar 2/Stress testing in the updated guidance?	Consistent interpretation.	European Banking Federation	Publish
37	3.2 Sufficient scope of application	3.2.1.a - 3.2.3	7	Clarification	Could the paper be more specific on the expectations about scope? What is the difference between "risk metrics" mentioned in sections 1.a and 3.		European Banking Federation	Publish
38	3.2 Sufficient scope of application			Clarification	During the ECB call on 15/9 on the scope of application it was stated that physical risk reports with regard to ESG are not in scope of this guide. Could you confirm this?	Consistent interpretation.	European Banking Federation	Publish

39	3.2 Sufficient scope of application			Clarification	Third paragraph as well, instead of data framework it should be risk data aggregation and reporting framework. Which is in line with the scope of the paper.		European Banking Federation	Publish
40	3.2 Sufficient scope of application			Amendment	The scope of application in terms of data and risk indicators is not only for the risk appetite indicators but also for the finance reports and supervisory reports as mentioned above. Also for models.	When it talks about the applicability in future chapters it does not follow the scope as described in the scope chapter. E.g. in this case mentions only the risk appetite indicators.	European Banking Federation	Publish
41	3.3 Effective data governance framework	1	7	Amendment	Data owners cannot be the most important individuals defining data controls and classifications. That is up to the data users.	Assume data owners set lower standards than data users require, e.g. on regulatory reporting; this will lead to serious problems. Also the other way around, too high standards make it impossible to scale up.	European Banking Federation	Publish
42	3.3 Effective data governance framework	1	7	Clarification	Reference is made to "data owners". What definition do you use for this role (e.g., Dama DMBok) and do you expect responsibilities to shift between data owners (or data stewards) throughout the (front to end) data aggregation process (e.g., when data is aggregated at multiple occasions (from front to end) where often departmental units are crossed?	Avoid misunderstanding.	European Banking Federation	Publish
43	3.3 Effective data governance framework	3.3.1	7	Clarification	Does it mean that, for example, person in charge of calculating a final metric such as VaR, is responsible for monitoring and ensuring DQ since transaction recording until VaR metric calculation? Or is also valid a data ownership model where different data owners, each of them focused on a section of the chain, has its own responsibility on the data they capture or generate?		European Banking Federation	Publish

44	3.3 Effective data governance framework	3	9	Amendment	<p>Complete and up to data lineage for ALL data, for the complete data chain is impossible for (larger) banks to achieve and maintain, given the hundreds of sources, reports, critical data elements and N:M relations between data and reports. Unless you keep data lineage at the high level of 'architectural diagrams'.</p>	<p>Data lineage can be achieved via a layered approach. The overview of the data landscape need to be clear and up to date at any time, it is always needed to know what systems are in place, how these are connected, in what order data travels through the whole data chain.</p> <p>When in cases of DQ issues, stress or other reason the need arises to trace back critical data elements, i.e. how data is calculated and transformed, banks should be able to describe this based on the architectural diagrams. The processing in the relevant systems will be based on system documentation, the connections on interface descriptions, mapping tables or other change- or build related documents. This way, an end-to-end data-trace can be composed of the various pieces available.</p> <p>For new flows, for ongoing change- or development initiatives, banks describe and maintain the systems and interfaces for maintenance purposes, so lineage will be available. For existing flows and flows crossing borders in the architectural landscape, it is needed to build an end-to-end actual lineage on request.</p>	European Banking Federation	Publish
45	3.3 Effective data governance framework		7	Amendment	<p>We think that in most banks the data front-to-end process is way too long and complex to be properly mastered only by the Data owners. From capturing the data, harmonizing the content into the internal databases, transforming it to fit for purpose for all the internal and supervisory reporting, the data flow steps are mastered by different roles and banking specialties that must collaborate for effectively stewarding it in all the steps of the risk data aggregation process.</p>	<p>Need for some discretionality in the way each reporting agent organizes the responsibilities throughout the end-to-end data processing in order to achieve the final goal of having an effective data governance framework</p>	European Banking Federation	Publish

46	3.3 Effective data governance framework		8	Clarification	<p>In respect of the line "The adequate segregation of duties. This can involve (i) the separation of the validation function into two different units that each report to different members of senior management, (ii) the separation of the function into two different units that both report to the same member of senior management, or (iii) separate staff within the same unit."</p> <p>Clarification needed what is meant here. Examples would help. As it is, it can be understood as implying that there should be multiple validation units teams, which generally is the case within 2LoR risk management.</p>		European Banking Federation	Publish
47	3.3 Effective data governance framework	3.3.1	7	Amendment	<p>This is mainly the role of the data producers who ensure data quality and remediations through their production and control processes. Data owners & stewards have other roles on data quality. So we suggest to mention "data producers" instead of "data owners (or data stewards)" in the existing text to avoid any confusion, and to add the roles of the data owners (provide the definition of the data, define the usages of the data, determine the quality requirements for every usage of the data) and the roles of the data steward (animate the whole process of the data quality on his perimeter).</p>		European Banking Federation	Publish
48	3.3 Effective data governance framework	3.3.1 - 3.3.2	7	Clarification	<p>Overall, whereas we acknowledge the need for an adequate risk governance framework involving LOD 1 to 3, ECB expectations under point 1. And 2. in this section appear (i) very prescriptive and (ii) potentially excessive to some extent (i) the responsibilities of the data owner appear very extensive on a front-to-end basis, this may raise implementing difficulties if the operational responsibility cannot be delegated (the data owner remaining accountable, it is mainly the role of the data producers to ensure data quality) (ii) It is unclear to us if the 'central data governance function' referred to in point 2 is necessarily aimed at being within the Head Office Function. In many cases, there are better knowledge and skills of data elements locally, where the data element is typically produced.</p>		European Banking Federation	Publish
49	3.3 Effective data governance framework	3.3.1	8	Clarification	<p>The data owner (or data steward) should "manage metadata relating to the data lineage and data dictionary". Why is this 'limited' to data lineage and the data dictionary and what metadata do you specifically refer to?</p>	Ensure consistent understanding.	European Banking Federation	Publish

50	3.3 Effective data governance framework	3.3.2	8	Clarification	What is concretely expected behind "ensuring the evaluation and monitoring of data quality"? Could it be more elaborated in the text?		European Banking Federation	Publish
51	3.3 Effective data governance framework	3.3.2	8	Deletion	We welcome the clarification on the responsibilities of the central data governance function which is close to our observation of industry best practices. However, different effective solutions exist regarding the split of responsibilities between the central function and the decentral data owners or data stewards as described in section 1. In particular, regarding point (iv), it should be left at the discretion of the institution whether the central function directly participates in the relevant change management processes, or whether the central function ensures that a member of the data governance organization, such as a data steward responsible for the affected area and with more direct knowledge of the circumstances, participates in the process.		European Banking Federation	Publish
52	3.3 Effective data governance framework	3.3.3	8	Amendment	We understand that the phrase "the separation of the validation function into two different units" is not meant to imply two units within the validation function, but rather the separation of the central data governance function in section 2 from the independent validation function in section 3. We suggest to review the wording used here.		European Banking Federation	Publish
53	3.3 Effective data governance framework	3.3.3	8	Clarification	In respect of the sentence "A validation function within the second line of defence that is independent of the first line and ensures that an institution's RDARR processes are functioning as intended" Clarification needed regarding the word 'Ensures'. This sentence is prone to misinterpretation. As it is, it can be understood as implying that the validation function is ensuring proper functioning , which likely isn't the intended meaning (since this would be responsibility of the first line).	Avoid misunderstanding.	European Banking Federation	Publish

54	3.3 Effective data governance framework	3.3.3	8	Clarification	<p>The paragraph states that second level activities (Data Quality, Data Governance, BCBS239 compliance, IT infrastructure) should be all performed by Internal Validation.</p> <p>It is important to clarify whether:</p> <ul style="list-style-type: none"> - the Internal Validation Function should centrally perform all data controls, including specialized controls that are already currently performed by specialized second-level Control Functions, or - Internal Validation can delegate such specialized controls to specialized Second-level Control Functions. <p>In the latter case (i.e., the delegation is allowed), given the independence requirements that characterize the Internal Validation Function, should the delegation include special safeguards / features? (e.g., special checks that Internal Validation must perform on the activities of the delegated Functions).</p>		European Banking Federation	Publish
55	3.3 Effective data governance framework	3.3.3	8	Clarification	<p>Need better guidance on the validation function as the validation function nowadays basically deals with validating models whereas the "validation function" the Guide seems to be focused on seems more associated to usual 2LoD functions that may be performed by Compliance Office or Risk Office teams.</p>		European Banking Federation	Publish
56	3.3 Effective data governance framework	3.3.3.	8	Amendment	<p>The concept of 'materiality' could be also applied to the RDARR process; the sentence could therefore be amended as followed: "for all material entities, types of risk, and components of RDARR processes".</p>		European Banking Federation	Publish
57	3.3 Effective data governance framework	3.3.3.1	8	Clarification	<p>In respect of the line "The adequate segregation of duties. This can involve (i) the separation of the validation function into two different units that each report to different members of senior management, (ii) the separation of the function into two different units that both report to the same member of senior management, or (iii) separate staff within the same unit."</p> <p>Clarification needed what is meant here. Examples would help. As it is, it can be understood as implying that there should be multiple validation units teams, which generally is the case within 2LoR risk management.</p>	Ensure consistent understanding.	European Banking Federation	Publish

58	3.4 Integrated data architecture		8	Clarification	The expectation to have "complete and up-to-date data lineages (including data capture) for all risk indicators and metrics within the scope of application" seems very ambitious at this stage.		European Banking Federation	Publish
59	3.3 Effective data governance framework			Clarification	The chapter refers to data governance framework while paragraph 3 refers to RDARR Process. Across the document is not clear whether refers to the data governance framework and scope or Risk Data Aggregation and Reporting Framework.	The name of the paper is Guide on effective risk data aggregation and risk reporting. However this is not very consistently applied as in some chapters it states only data governance framework.	European Banking Federation	Publish
60	3.3 Effective data governance framework			Amendment	RDARR Framework as framework has more components.	RDARR process would be quite limited. Framework is broader.	European Banking Federation	Publish
61	3.3 Effective data governance framework			Amendment	In terms of data governance it does not mention the role of management body, the Senior Management and the Report Owners as well as the role of the Data User.	Governance roles not complete.	European Banking Federation	Publish
62	3.3 Effective data governance framework			Clarification	Guide on effective risk data aggregation and risk reporting- the roles of Management body not very clear. The role of Senior Management RTO is missing as well as the role of Report Owner. □	In BCBS 239 Management body has the responsibility of making requirements in terms of data	European Banking Federation	Publish
63	3.3 Effective data governance framework			Clarification	Not clear what exactly is meant here. Can other "risk management" functions within 2 LoD also be deemed validation functions in this case ?(as such functions do also perform regular assessments on RDARR processes or implementation programs for instance.)	Ensure clarity on the expected set up for validation units as such expectations	European Banking Federation	Publish
64	3.3 Effective data governance framework			Clarification	In ECB's Report on Thematic Review on RDARR (May 2018), a central data governance function is foreseen in 2nd LoD, whilst in the draft guidelines this provision has been removed. Can this be explicitly confirmed that this central governance function does not have to be within 2nd LoD?	To ensure that this specific expectation on this function's place within the organisation has been removed.	European Banking Federation	Publish
65	3.3 Effective data governance framework			Amendment	The goal should not be to include 'clear roles for RDARR' but rather focus on specifying the expected activities clearly. Institutions should be able to translate activities & responsibilities to their governance framework and hence make sure the roles that are most suited shall pick up these activities.	Focus on getting RDARR roles in place will not add any value. Clear activities and mapping these activities to roles + people with the most suitable profile will.	European Banking Federation	Publish

66	3.3 Effective data governance framework			Clarification	As regards LOD2, business/operational processes already have control frameworks for their activities. It can be viewed as appropriate that these control frameworks also embed the coverage of risk related to data for their activities. In that case, it can be relevant that the existing LOD2 function for these activities also manage the review of the coverage of risk related to data, these LOD2 functions being then not only data-focused LOD2 functions. Under which condition(s) if any, such set up could be acknowledged as compliant with § 3. ("A validation function...") of the section 3.3 "Effective data governance framework" ?		European Banking Federation	Publish
67	3.4 Integrated data architecture	3.4.2	9	Clarification	We are unsure if it is possible to define specific values or range of values in a relevant manner in all cases, except if 'implementation choices should be proportionate' applies in this specific case.		European Banking Federation	Publish
68	3.4 Integrated data architecture	3.4.3	9	Deletion	We suggest removing this paragraph: 'complete and up-to-date data lineages (including data capture) for all risk indicators and metrics within the scope of application'		European Banking Federation	Publish
69	3.4 Integrated data architecture		9	Clarification	Does "proportionate implementation" mean "implementation within the scope of application"? If yes, why introducing this notion of "proportionality"? If no, could you please clarify in the text what this concept of "proportionality" actually means?		European Banking Federation	Publish
70	3.4 Integrated data architecture		9	Clarification	Implementation of integrated data architecture requires a phased, multiple year implementation plan.	Proportionate timeliness for implementation are required	European Banking Federation	Publish
71	3.4 Integrated data architecture			Clarification	On data lineage it was stated during the ECB call on 15/9 that full front-to-end lineage should be in place for 'main risk reports and main indicators in there' implying that there is room for applying proportionality even within reports. Could this be added to the guidance and confirmed?	Ensure consistent understanding.	European Banking Federation	Publish

72	3.4 Integrated data architecture				Request to provide more clarity in original language with proposed rewording below: The management of data taxonomies should entail key data journey points such as originating source systems, systems which data moves through or is aggregated & transformed within, and systems which are the endpoints for direct data sourcing of all risk indicators and metrics within the scope of the application.		European Banking Federation	Publish
73	3.5 Group-wide data quality management and standards		9	Clarification	Here it does not say the checks are applied to risk data, or in line with the scope from above: risk reports, financial reports , supervisory reports. Also for modelling states only modelling data. Risk and financial data would be a more generic term.	the chapters do not refer to the full scope as described in the introduction making confusing in terms of application.	European Banking Federation	Publish
74	3.5 Group-wide data quality management and standards	3.5.1	9	Clarification	Since it's said "additionally", could the Guide be more specific on what this additionally means considering that first part of the paragraph already describe main ways used to perform Data Quality assurance? Is this section referring to additional controls such as "four eyes" or "sample checks"?		European Banking Federation	Publish
75	3.5 Group-wide data quality management and standards	3.5.1	10		Referring to ['and with external trusted sources like credit bureaus, land or housing registries, national authorities' lists etc.']. How do we know we can trust these outside sources? How do we ensure data is in a common format, etc?		European Banking Federation	Publish
76	3.5 Group-wide data quality management and standards	3.5.3	9	Amendment	Is missing as a point: the Root Cause analysis of DQ issue. Is missing as a point: DQ issue resolution and evidencing.	Important part missing in the issue resolution.	European Banking Federation	Publish
77	3.5 Group-wide data quality management and standards	3.5.4	10	Clarification	It should be stated the purpose and the controls surrounding it also the classifications of EUDA based on risk and complexity. Also in case of high complexity plans should exist to replace with automated solutions	Not very clear: the scope of integrating EUDA in the data framework. It should be the other way around if EUDA data and reporting framework should be controlled.	European Banking Federation	Publish
78	3.5 Group-wide data quality management and standards		10	Amendment	Measuring the quantitative impact of material data errors is not possible, unless you use a lot of assumptions you never can verify, but then you degrade it to very rough estimates without any business value. Only in very specific cases an approximation is possible, for the others it is impossible.	There is no reliable way of estimating a wrong or missing field in e.g. regulatory reporting, model development or decision making. Only sensitivity analyses can add value here, but that is part of the regular process and doesn't lead to a quantifiable impact.	European Banking Federation	Publish

79	3.5 Group-wide data quality management and standards		10	Amendment	Performing the same DQ checks in all parts of the data chain doesn't deliver any value in at least 95% of the cases, but will negatively impact the performance. It would be a better suggestion to perform checks at the end of the chain, including the possibility to check throughout the chain if something breaks, as done in the usual remediation process. Or at least leave it open and avoid a 'one size fits all approach'.	Although the price of processing dropped over the years, performing so many checks that will not add any value, is a waste of money and also increases energy consumption, hence having a negative impact on our sustainability efforts.	European Banking Federation	Publish
80	3.5 Group-wide data quality management and standards		10		The Data Guide on effective risk data aggregation and risk reporting for the 10 quality indicators should take into account systemic data quality controls placed on user interfaces as data is captured and validated and inherent data quality controls in database and data transport technologies which assure 100% data quality without explicit definition and measurement of data quality indicators and tolerance levels.		European Banking Federation	Publish
81	3.5 Group-wide data quality management and standards		10	Clarification	What does 'full integration' mean?		European Banking Federation	Publish
82	3.5 Group-wide data quality management and standards			Clarification	Not very clear to what is referred in the document RDARR Framework that is about risk data aggregation and reporting framework. It mentions risk management framework or data governance framework. Should be consistently mentioned "RDARR Framework" in general and when data specific should be data governance framework.	Clarification of the scope of applicability and in terms of governance.	European Banking Federation	Publish
83	3.5 Group-wide data quality management and standards			Clarification	Inconsistent use of terminology for risk data. Across the document E.g. critical data, risk indicators. This makes it inconsistent across the document.	Inconsistent use that will confuse the application.	European Banking Federation	Publish
84	3.5 Group-wide data quality management and standards			Amendment	It is not clear whether it covers all DQ dimensions. It mentions sometimes accuracy and there is a chapter on Timeliness Reporting-Accurate, complete and timely data are fundamental to effective risk management and identification. Not really related with the Timeliness of reporting. The DQ dimensions and requirements per dimensions should be chapter 3.5.	it does not follow a structure. the DQ dimensions an requirements for it are not included : accuracy, completeness, timeliness, uniqueness and validity	European Banking Federation	Publish

85	3.6 Timeliness of internal risk reporting		11	Clarification	What is the 20 day timeline based on and is this the standard expectation?	The definition of timely reporting should consider the formal deadlines for submission of regulatory reporting (COREP FINREP) and the fact that risk data is an extension, enrichment or further detail of this information, following the reg. reporting cycle. The production time of monthly or quarterly risk reports, as discussed in the 5th paragraph, strikes a balance between timeliness of report distribution and comprehensiveness of the included information. This can be mitigated by providing the information needed to react to changes in flash reports or other more timely reports. A strict limit of 20 working days for all such reports is considered inappropriate.	European Banking Federation	Publish
86	3.6 Timeliness of internal risk reporting		11	Clarification	Please define the term 'regular reporting'.		European Banking Federation	Publish
87	3.6 Timeliness of internal risk reporting		11	Amendment	We request ECB to provide additional guidance on risk areas/metrics that require higher than usual risk data aggregation capabilities in times of stress.	Current phrasing is considered broad to ensure effective implementation.	European Banking Federation	Publish
88	3.6 Timeliness of internal risk reporting				There is a natural trade-off between timeliness and adaptability/ flexibility/ frequency. As well as between data quality, completeness versus timeliness. This also implies, that for ad-hoc risk reporting (e.g. stress situations, special inquiries), the data quality is acceptable less that under normal conditions. Different situations require different solutions. Suggestion to add this element in the Guidance document.		European Banking Federation	Publish
89	3.6 Timeliness of internal risk reporting			Amendment	What is the reason that only timeliness of reporting is relevant compared to BCBS 239 Distribution, Clarity usefulness, Accuracy of reporting.	The Timeliness of Reporting should be replaced with Reporting Practices and should cover accuracy, distribution, clarity and usefulness.	European Banking Federation	Publish
90	3.6 Timeliness of internal risk reporting			Clarification	There is no differentiation between the ad hoc reporting and reporting under stress.	it is a bit mixed. The understanding is that ad hoc reporting equals under stress reporting which is not in line with BCBS 239.	European Banking Federation	Publish

91	3.7 Effective implementation programs		11	Amendment	We propose a redrafting to include "is responsible for" instead of "decides on". In addition, as expressed above, we propose a redrafting to include "at least one member of the management body (or a member of the Senior Management" instead of just "at least one member of the management body".		European Banking Federation	Publish
92	3.7 Effective implementation programs	§2	11	Clarification	As the number of programmes could be significant, could the ECB please clarify what 'management body' refers to here again and if some delegations from management body can be authorised?		European Banking Federation	Publish