



EUROPEAN CENTRAL BANK

BANKING SUPERVISION

Data Quality Developments

Giancarlo Pellizzari

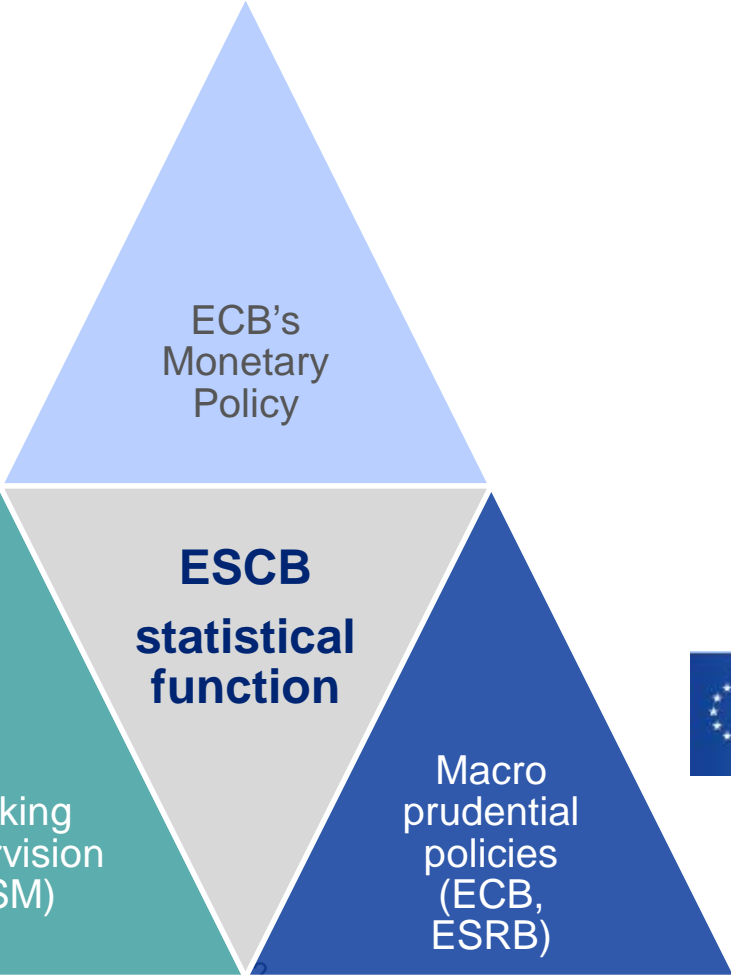
Head of Banking Supervision Data Division

Supervisory Reporting Conference

Frankfurt 15 November 2017

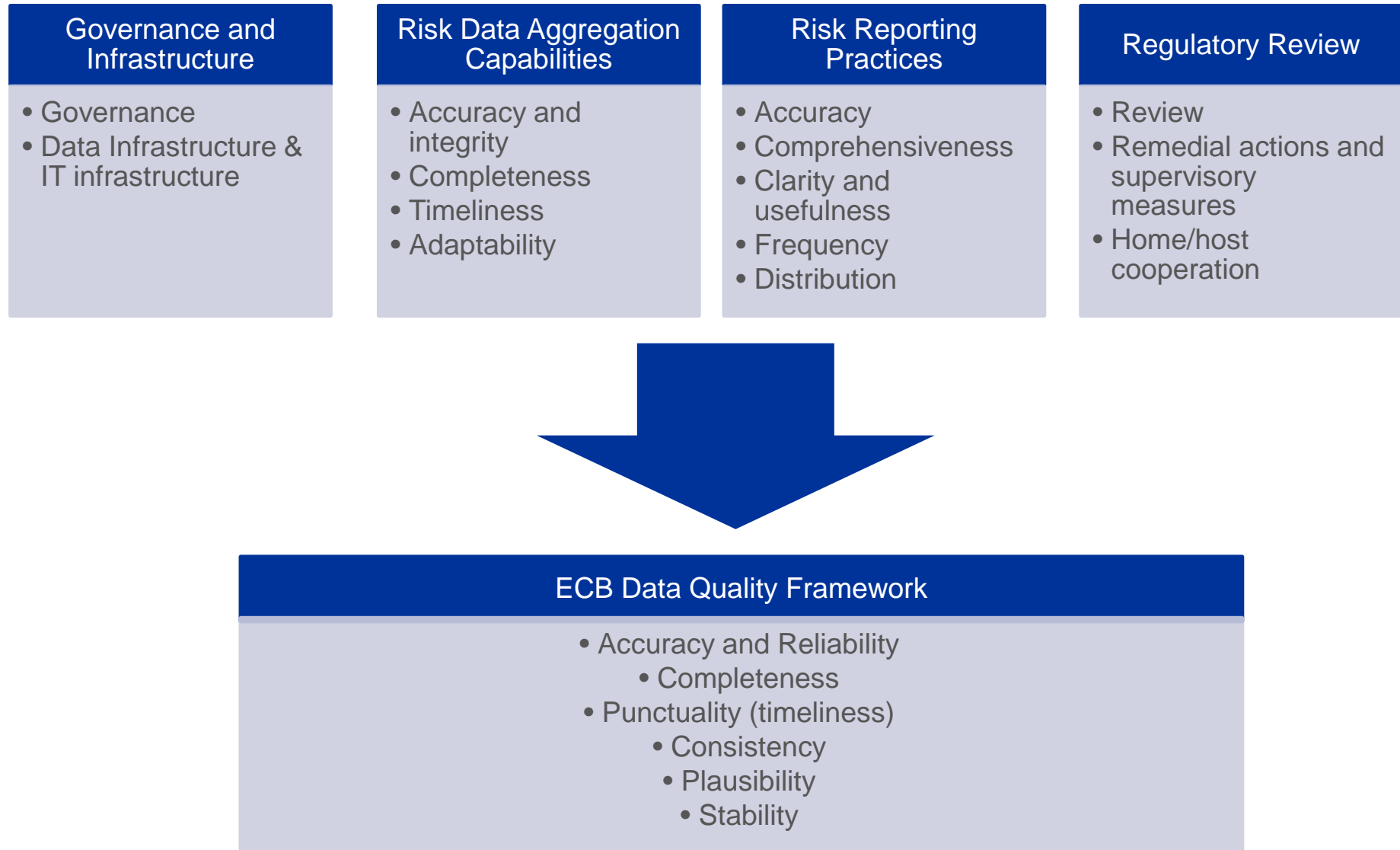
European Central Bank, Frankfurt

Banking Supervision Data Division



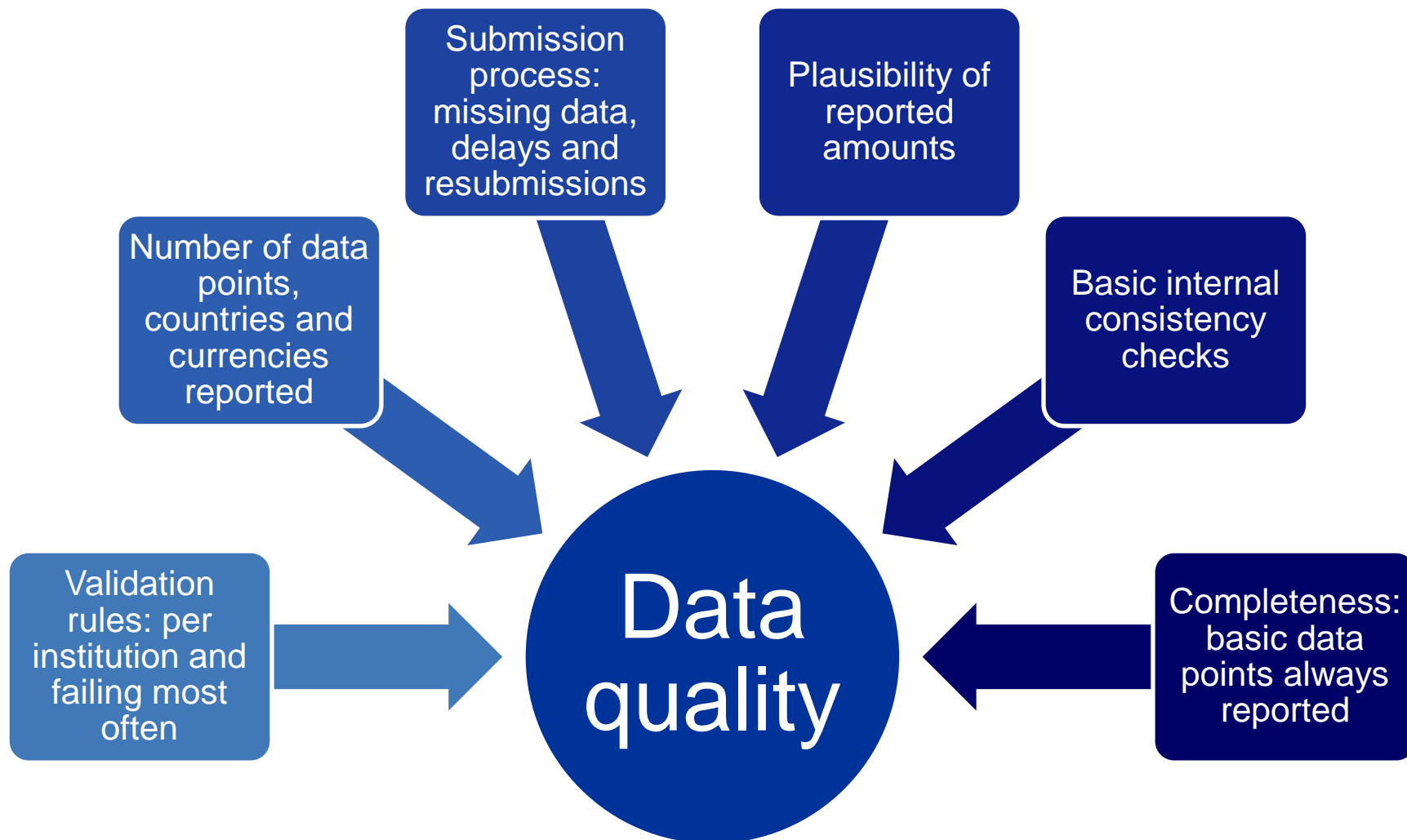
Introduction

- **Supervisory data are the backbone of the supervisory work and data quality of supervisory reporting is key**
 - ECB's data quality framework ensures that **supervisory assessment is based on reliable and high quality data**, in terms of punctuality, completeness, stability, plausibility and accuracy
- **The data quality of supervisory reporting (ITS and STE data) has improved over the last years**
 - A set of tools to monitor, assess and improve the data quality has been implemented effectively
 - Several initiatives on data quality – like the BCBS 239 Thematic Review – are used in the SREP Element 2 Internal Governance assessment
 - Statistics on data quality show an improvement in the current situation, compared to the status at the inception of the SSM.
 - However, just minor progress in case of new DQ checks or thematic reviews could be achieved and a considerable number of banks still fail systematically in providing data of good quality.



Comprehensive approach to data quality

- **Several approaches are taken to assess data quality in SUBA.**



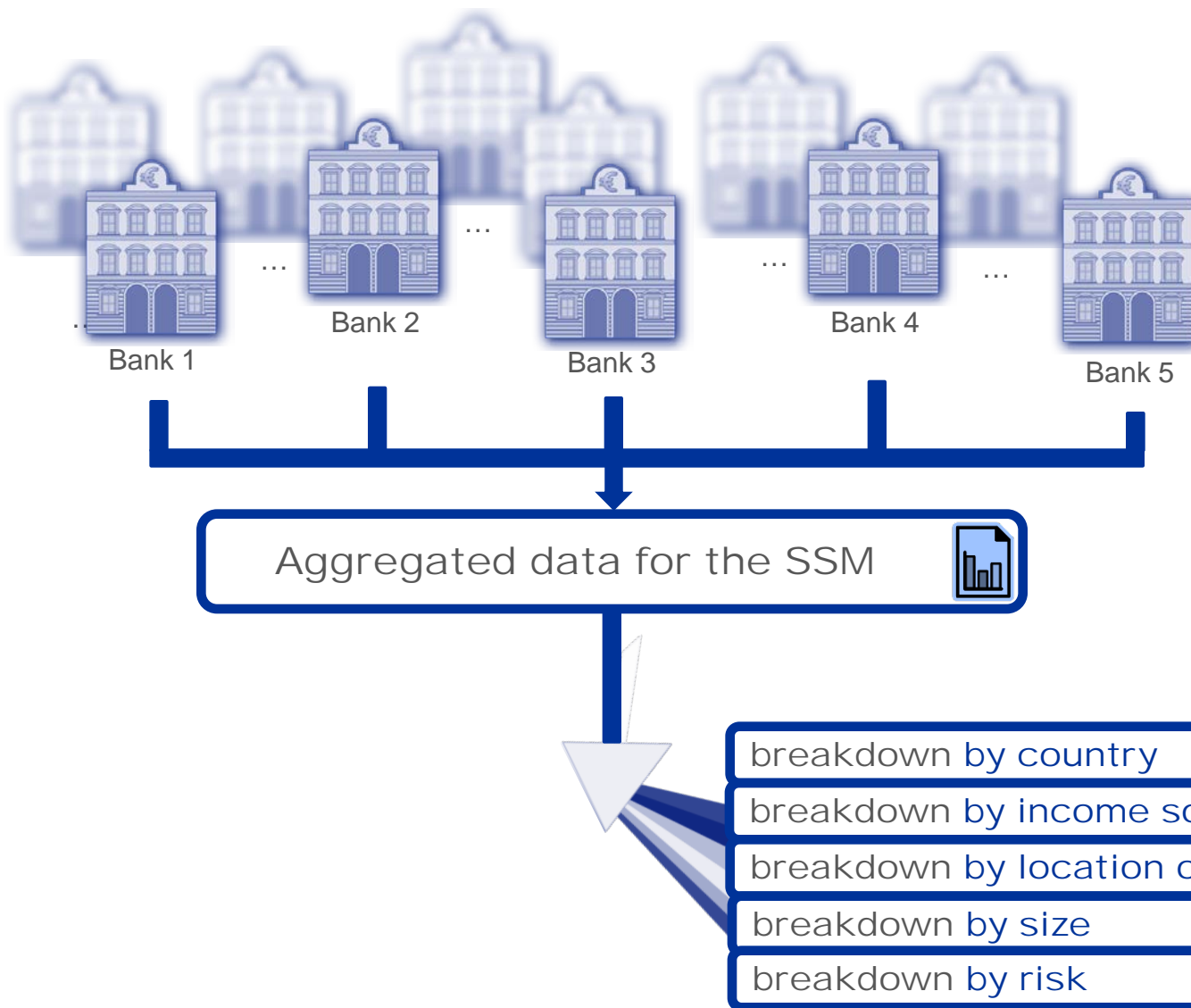
Data Quality Dashboard and Indicators

- Booklet with the methodology has been shared with JSTs coordinators.
- Data Quality Indicators (punctuality, accuracy, completeness, overall) published in IMAS in a quarterly basis.
- Data Quality Dashboard is sent on Tableau to JST coordinators in a quarterly basis.
- JSTs may decide to share the dashboard (including scoring) with the institution they supervise in the context of their supervisory duties and bilateral discussions they have with them
- Banks can request their JSTs to share their individual dashboard.
- Dashboard and Data Quality Indicators are key to start escalation process.

Improved feedback to banks on data quality issues – Escalation Process

- Broad set of tools to tackle data quality provides **more information**.
- This means ECB will **interact more** with banks – also with ECB letters:
 - In case of data quality issues, banks will first be approached informally via NCAs to provide or resubmit data (Step 1).
 - In case the issues remain, the bank will receive letters from the ECB to raise and remind of the data quality issues.
 - *Step 2: Letter signed by ECB manager
 - *Step 3: Letter signed by ECB manager (higher hierarchy)
 - In case the issues still remain, ECB could apply enforcements measures or sanction proceedings (Step 4-5)
 - When a bank receives a letter the, **Data Quality Dashboard per institution will be attached (including rating)**.

Data Quality Developments: Banking Statistics



The state of play for ITS data quality is shared at aggregated level with the industry in a quarterly basis via the publication of Banking Statistics

Data from **banks** and **banking groups** directly supervised by the ECB.

... is combined

... and split again by banks' classifications.

Thank you!