



EUROPEAN CENTRAL BANK

BANKING SUPERVISION

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EBA Transparency exercise

Supervisory Reporting Conference,
06 November 2018

Publication by the EBA of a sub-set of ITS data

Objectives

- Foster **market discipline**
- Improve the **understanding of the EU banking system**
- Ensure both a **detailed snap shot** and **consistent time series**

Overall approach

- **EBA pre-populate templates** based on ITS data available
- Pre-populated templates are circulated to banks via the Competent Authorities
- **Banks review** the pre-populated templates and provide feedback to the EBA via the Competent Authorities
- In case of mistakes, **banks** are expected to **resubmit** ITS via regular channel
- **2 cycles**
- **Banks** confirm templates and **give consent for publication**

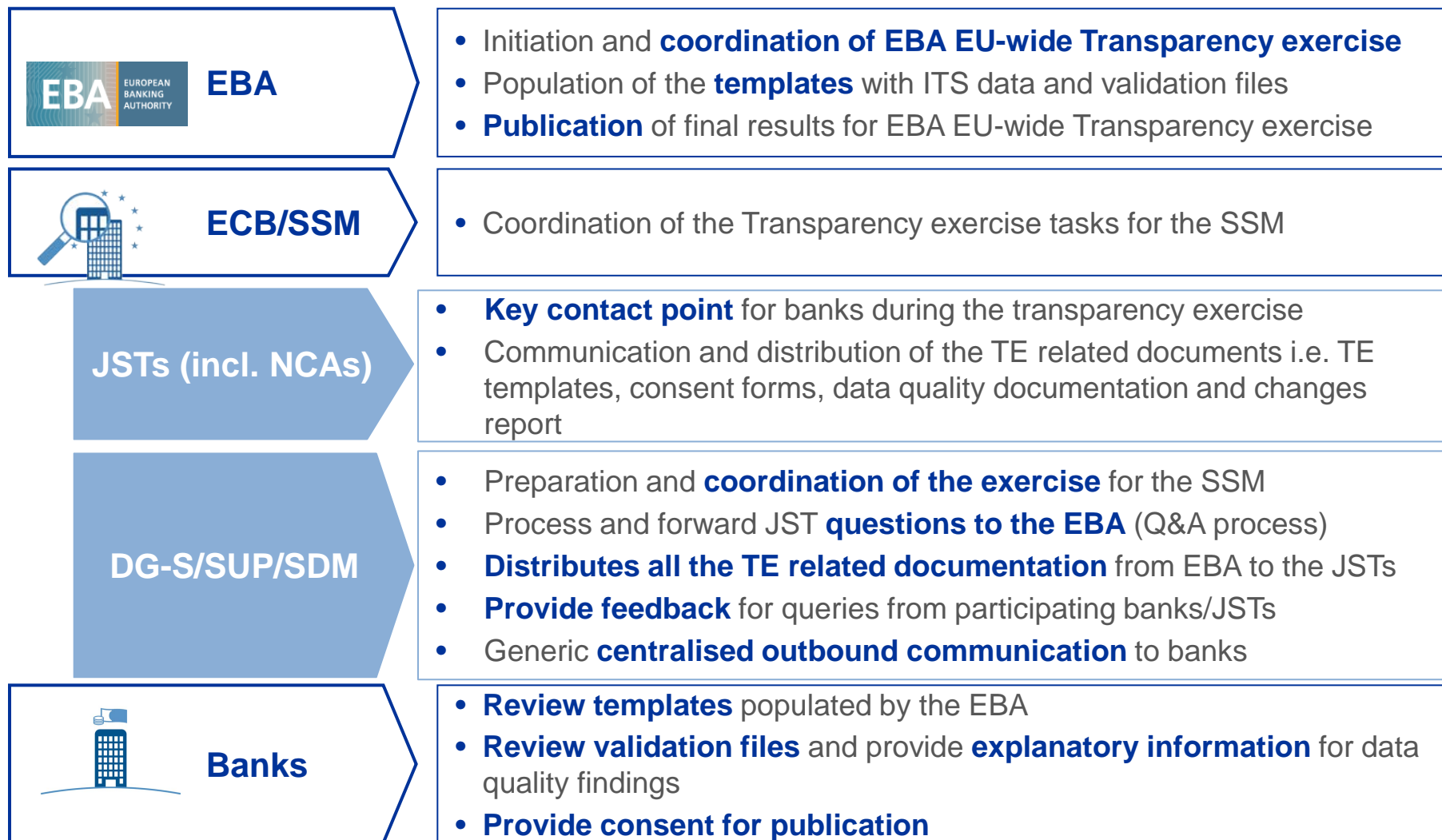
Scope

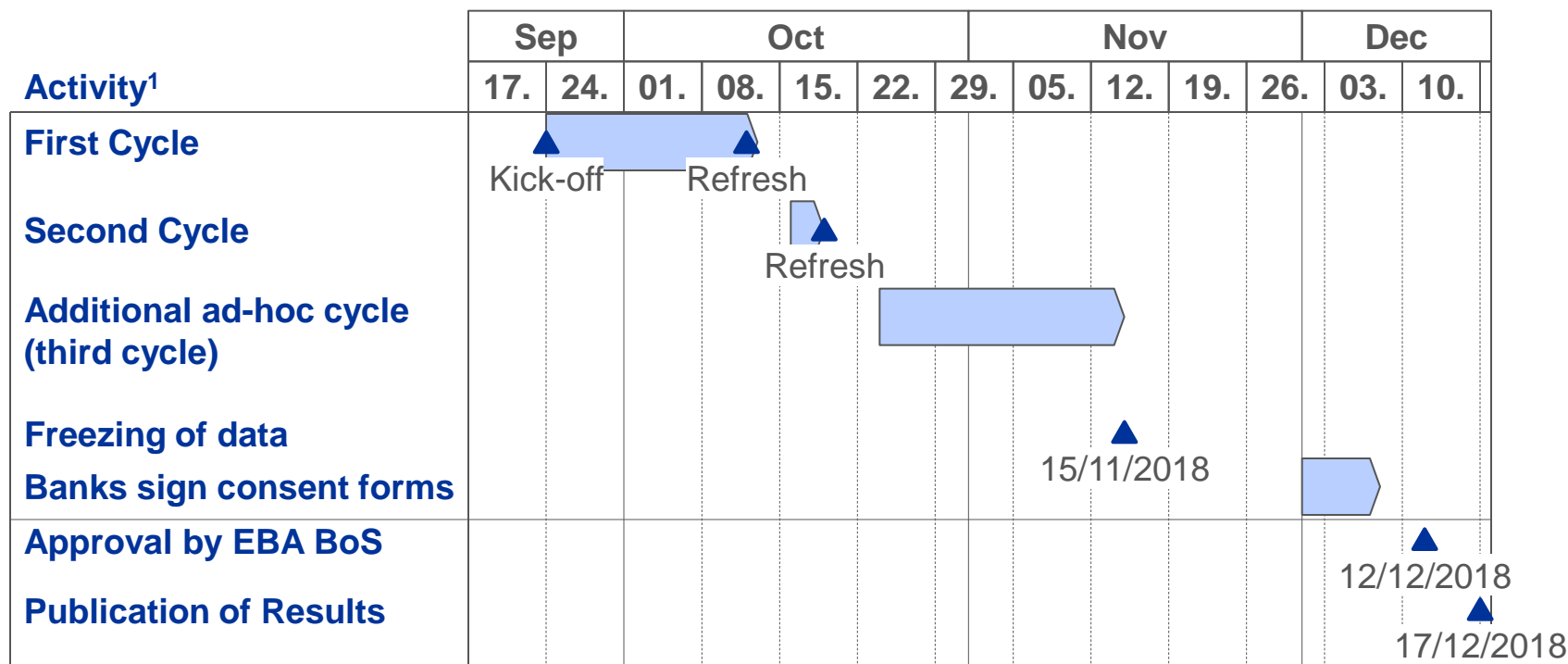
- **~130 banks** at the highest level of consolidation in the EU
- **COREP** and **FINREP** data
- Reference Dates: **2017 Q4** and **2018 Q2**

Deliverables

- Bank's individual templates
- Risk Assessment Report (RAR)

ECB is coordinating for the SSM





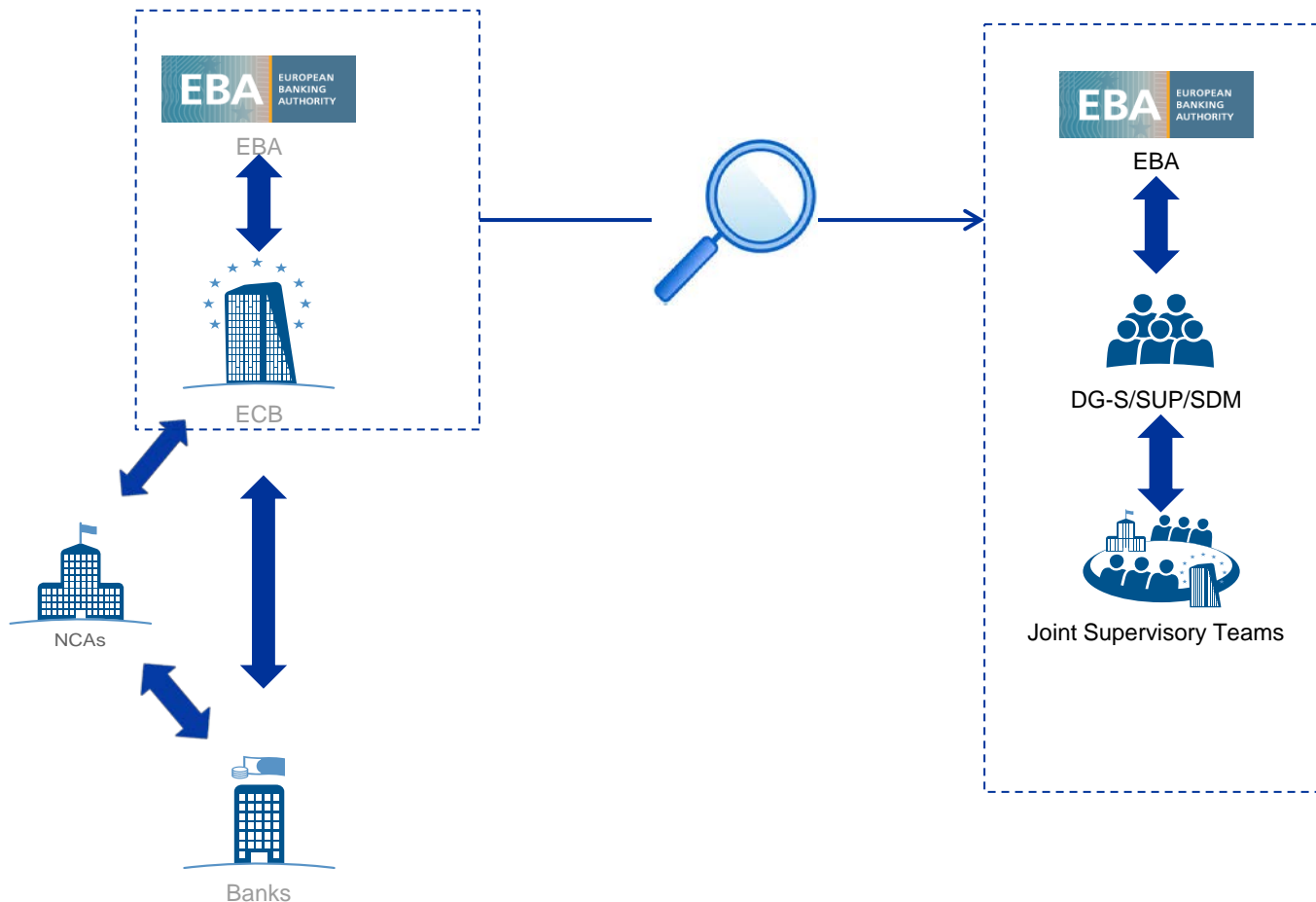
(1) Deadline for completion indicated are EBA deadlines. To ensure EBA deadlines are met, banks are requested to provide feedback at least 2 working days before the EBA deadline.

- **3 cycles for banks to review pre-populated templates**
 - Launch (1st template population) – 24/09
 - 2nd template population – 15/10
 - Additional ad-hoc 3rd template population – 24/10
- **Freezing of data – 15/11**
- **Production of final templates and circulation of consent forms – 30/11**
- **Publication of Results – mid-December**

Overarching guidance

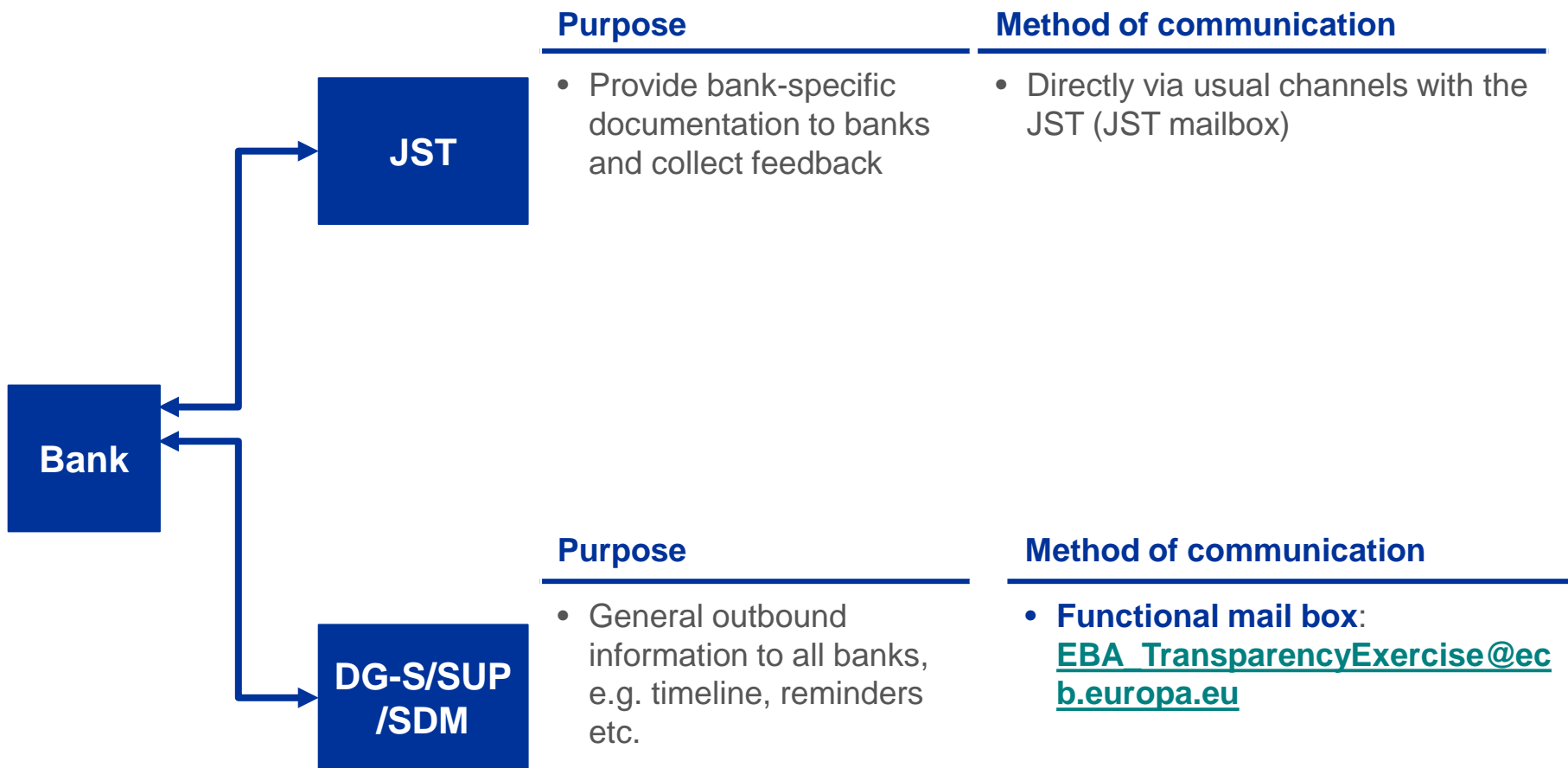
- As the EBA Transparency Exercise is **very similar to the EBA stress-tests** in terms of organisational set-up and overall process (coordinated by the EBA, several quality assurance cycles, publication of final results by the EBA), **similar communication modalities will be implemented**, as for the stress-tests:
 - Horizontal coordination function (**DG-S/SUP/SDM**) ensures the **communication with the EBA** for the SSM;
 - **Two contact points for banks**, depending on the object of the communication :
 - central communication for generic outbound communication to all banks;
 - JSTs for bank-specific communication;
 - **English as official language** of the exercise for generic outbound communication on timeline. As for stress tests, banks which have chosen another language than English for official communication have been asked to sign a waiver to agree to use English for the daily communication during the Transparency Exercise.

Communication with the EBA



DG-S/SUP/SDM ensures the communication with the EBA for the SSM.

Communication with banks



Overall status update

Legend

✓ Step completed

⊘ Step delayed

● Step in progress

⊘ Step not started

	Initial planned dates ¹	Status	Remarks
Cycle 1	24/09 – 15/10	✓	<ul style="list-style-type: none"> All banks provided feedback
Cycle 2	16/10 – 19/10	✓	Launched on 16/10/2018 with the re-population of templates for those banks that either: <ul style="list-style-type: none"> Resubmitted ITS data since the first population Were identified as being affected by a mapping issue identified with template Credit Risk_IRB_a
Additional ad-hoc cycle 3	24/10 – 14/11	●	Launched on 24/10/2018 with the re-population of templates for those banks that: <ul style="list-style-type: none"> Resubmitted ITS data between 16/10 and 19/10 Were identified as being affected by a mapping issue identified with template Credit Risk_IRB_a
Sign-off	30/11 – 07/11	⊘	
Publication	Mid December	⊘	

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FAQs (statistics as of 25/10)

Topic	Template	Queries received	Of which Queries answered by SDM	Of which Queries transmitted to EBA ¹	Of which FAQs published by EBA
Comparison between Stress Test and TE18 reported amounts	Forborne exposures	2	1	1	1
	NPE	2	1	1	1
	P&L	1		1	1
	RWA	1		1	1
	Subtotal	6	2	4	4
Plausibility Checks	Capital	1		1	1
	Credit Risk_IRB_a	1	1		
	Credit Risk_STA_a	1		1	1
	P&L	2		2	2
	Subtotal	5	1	4	4
Questions on mapping	2017 Q4 Sovereign_a	10	3	7	6
	2018 Q2 Sovereign	6		6	4
	Credit Risk_IRB_a	126	123	3	3
	Credit Risk_STA_a	1		1	1
	Subtotal	143	126	17	14
Questions on reporting	2018 Q2 Sovereign	3	3		
	Credit Risk_IRB_a	2	1	1	
	Credit Risk_STA_a	6	6		
	Forborne exposures	1	1		
	General	1		1	1
	Market Risk	2	2		
	NPE	1	1		
	P&L	4	3	1	1
	P&L 2.6	1		1	1
	Subtotal	21	17	4	3
Timeline and process	P&L	1		1	1
	Subtotal	1		1	1
Total		176	146	30	26

(1) Questions not sent to the EBA were:

- Duplicates
- Questions that ECB could directly answer

Next Steps

- The **deadline** for banks participating in cycle 3 to confirm the accuracy of their data is **12 November**
- On the **15 November** the EBA will freeze the data for publication
- On **30 November** the EBA will provide the **final Transparency Exercise templates in pdf** for all banks which will be sent to every bank together **with the consent form to be signed.**
- **Banks** to sign and **return consent forms by 7 December**
- Final **publication** of the Transparency Exercise templates by the EBA after endorsement by the EBA Board of Supervisors in **mid December**