ECB Banking Supervision initiatives to minimise the reporting burden

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Supervisory Reporting Conference
# SSM wide Data Collection Database

## Purpose of the database
- Improve the **measurement** and **monitoring** of **reporting burden**
- Increase **discoverability** of microprudential data requests and **transparency** towards Significant Institutions (SIs)

## Scope of the database
- Microprudential requests originating from the SSM (JSTs, ECB/NCA Horizontal Functions) and external bodies (EBA, BIS) towards SIs
- Descriptive information of the request & empty template(s): **NO actual data stored**
- Updated on-demand & semi-annually through recurring communication with stakeholders
- Contains 819 data requests in total (426 currently active)
Stakeholders, roles and responsibilities of the database

**Key users of the database**
- Allowed to search, filter, view existing data collections and related metadata (including empty template)
- Take advantage of the available information before issuing a new reporting request

**Input is crucial** to make sure the latest information is reflected in the database:
- Reporting requestors required to inform the SSM-wide database team about any changes
- Stakeholders are contacted twice a year to confirm content

**SSM**
- NCAs Horizontal functions
- ECB Horizontal functions
- JSTs

**Banks**
- Recipients of list of active data requests semi-annually. **Feedback welcome**

**ESCB**
- ECB Central Banking & NCBs also have access to the database

**Banking Supervision Data Division**
- Responsible for assessing and registering new information in the database as communicated by SSM stakeholders
Database enables further analysis on reporting burden (example)

- Allows monitoring of reporting burden
- Enables reporting burden analysis on several dimensions
- Informs SSM decision-making bodies

Annually SSM requested datapoints (2022) by business model

- Each point represents a Banking Group
- Excludes ITS and Stress test
Overview of closely linked products/processes

Harmonising

**Thematic Reviews**
Collaboration with SSM Expert Groups to reduce reporting burden by:

- Topical Analysis
- Assessing data usability
- Standardizing templates

**New Data Requests**
- Reporting Developers can consult it before issuing a new data request.
- Used in the review process for ECB BaSu Horizontal Requests before approval

Measuring

**SSM Wide Data Collection Database**

Communicating

**Simplified SEP towards banks**
List of upcoming data collections to each SI (twice a year).
→ Addressed to banks through JSTs

Modelling

**Duplicate Identification**
Model selected SSM data collections in the ECB Single Data Dictionary (SDD) in line with EBA’s DPM modelling

Reporting Burden
Simplified SEP

- Provides a tentative high-level outline of the main planned supervisory activities (off-site and on-site) that require the institutions’ direct involvement.

- Shared by Joint Supervisory Teams with the Banks at the beginning of each year, with an updated version provided mid-year.
  - On-going activities + On-site activities
  - Upcoming SSM data collections

![2023 Planned Data collection]

<table>
<thead>
<tr>
<th>Name of Request</th>
<th>Requester</th>
<th>Frequency</th>
<th>Submission (Month)</th>
<th>Submission (Quarter)</th>
<th>Requested before 2023?</th>
<th>No. of Submissions</th>
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</thead>
<tbody>
<tr>
<td>Leverage Finance Dashboard</td>
<td>ECB Horizontal</td>
<td>Quarterly</td>
<td>3, 6, 9, 12</td>
<td>Q1; Q2; Q3; Q4</td>
<td>Yes</td>
<td>4</td>
</tr>
<tr>
<td>SSM Liquidity Template</td>
<td>ECB Horizontal</td>
<td>Annually</td>
<td>9</td>
<td>Q3</td>
<td>Yes</td>
<td>1</td>
</tr>
<tr>
<td>Management Report on Data Governance and Data Quality</td>
<td>ECB Horizontal</td>
<td>One-off</td>
<td>2</td>
<td>Q1</td>
<td>No</td>
<td>1</td>
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<tr>
<td>Short Term Exercise (STE) for SREP</td>
<td>ECB Horizontal</td>
<td>Quarterly</td>
<td>2, 5, 8, 11</td>
<td>Q1; Q2; Q3; Q4</td>
<td>Yes</td>
<td>4</td>
</tr>
<tr>
<td>Regulatory Backtesting - Market Risk</td>
<td>ECB Horizontal</td>
<td>Quarterly</td>
<td>1, 4, 7, 10</td>
<td>Q1; Q2; Q3; Q4</td>
<td>Yes</td>
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<tr>
<td>IT Risk Questionnaire</td>
<td>ECB Horizontal</td>
<td>Annually</td>
<td>3</td>
<td>Q1</td>
<td>Yes</td>
<td>1</td>
</tr>
</tbody>
</table>

This document is provided for general information purposes only. The supervisory requests listed therein are not exhaustive and may be changed as necessary without prior notice.

Benefit for supervised entities

Transparency
Internal review process for new/amended data requests

**Description and purpose**

- **Peer review process** for ECB BaSu new or amended horizontal data request that ensures data requests to banks are efficient, effective, structured, forward-looking and proportionate across the ECB Banking Supervision business areas

**Who is involved in the process?**

An internal ECB team comprised by members from:

- Horizontal Supervision
- Vertical Supervision
- Banking Supervision Data

**What is the outcome?**

Recommendations relating to:

- Structure and content
- Clarity of Reporting Instructions
- Consistency with regulatory definitions
- Avoidance of data duplication

**Benefit for supervised entities**

*Streamlining of data requests*
Thematic Review on Liquidity Reporting - Methodology

Independent review of every active SSM liquidity data collection by a joint SSM team

Review of criteria similar to new/amended data collections:
  a) Use of standard concepts & definitions
  b) Proportionality

Interviews & individualised recommendations for every active SSM liquidity data collection requester (53)
Thematic Review on Liquidity Reporting - Outcome

Recommendations to each data collection

- Streamlining definitions with regular supervisory reporting (ITS)
- Leveraging on SSM Liquidity Crisis Template
- Cater for proportionality
- Clearer instructions

Discontinued data collections

- 1 ECB Horizontal collection
- 4 NCA Horizontal collections
- 6 JST collections

Benefit for supervised entities

Streamlining of data requests

Discontinued data points

- 0.85M
- 2.34M
- 12.90M

Data points unaffected by the thematic review

Note: The figures represent annually SSM requested data points (in mio) – excludes ITS and stress test
The SSM wide Data Collection Database

What is the database?
An internal SSM/ESCB database
Contains metadata on data requests used for microprudential purposes

What is the benefit for the supervised entities?
Streamlining of data requests
Thematic reviews
Review of new/amended data requests
SSEP communication of upcoming data requests

Relevant SSM reporting related processes

Transparency
Thank you
Questions or observations

Contact us: ssm_data_request@ecb.europa.eu