

# **THIRD DIALOGUE MEETING**

## **BETWEEN MEMBERS OF THE ESCB STATISTICS COMMITTEE AND REPRESENTATIVES OF THE BANKING INDUSTRY**

Wednesday, 4 November 2020

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**Minutes**

### **1. WELCOME AND ADOPTION OF THE AGENDA**

The Chair of the European System of Central Banks (ESCB) Statistics Committee (STC) welcomed the participants to the meeting. The Chair explained that due to the WebEx format of the meeting, there would not be sufficient time for a presentation on payments statistics. She highlighted that the preparations for the draft ECB Regulation amending the Regulation on payments statistics were in their final stages. The ECB had taken the feedback from the public consultation on the draft Regulation, as well as the exchanges with the European Banking Federation (EBF), as much as possible on board and would like to continue with the close dialogue and fruitful exchange of views with the EBF on technical matters.

One of the representatives of the EBF thanked the STC Chair on behalf of the banking industry for the invitation to the meeting. He welcomed the extensive communication on integrated reporting between authorities and the banking industry since the second Dialogue meeting and indicated that he looked forward to the discussions during and after this meeting.

### **2. INTEGRATED REPORTING (PART 1)**

*Summary of the presentations*

#### **2.1 State of play of the EBA feasibility report**

The European Banking Authority (EBA) gave a short presentation on the preparations for the feasibility study on the integrated reporting of statistical, prudential and resolution data that was being carried out under the amended Capital Requirements Regulation. The EBA described a common data

dictionary as a key element of an integrated reporting system. Ongoing initiatives, such as the Banks' Integrated Reporting Dictionary (BIRD) and the ECB's Standard Data Dictionary, would be taken into consideration for the EBA feasibility study, as well as the ESCB's input into the EBA feasibility report. The EBA expected that at the beginning of 2021 a first draft of its report on integrated reporting would become available. The final report was expected to be published in the second half of 2021.

## **2.2 The ESCB input to the EBA feasibility report and the Integrated Reporting Framework**

The ECB presented the main messages of the ESCB input into the EBA feasibility report (which had been published on the ECB's [website](#) on 21 September 2020). The ESCB report proposed to reduce the reporting burden for banks in the fields of statistical, resolution and prudential reporting without losing the information content that is indispensable to monetary policy, resolution and supervision. This could be achieved through:

- a common standard data dictionary and common data model for statistical, resolution and prudential information requirements;
- smarter procedures, the removal of duplications and improved data sharing between authorities;
- increased cooperation between European authorities and between authorities and the banking industry in a "joint committee" as put forward by the European Parliament and Council.

These efforts should help to reduce the reporting burden for banks and increase the quality of the data received by authorities. As a result, banks would be able to reduce costs, and authorities could better monitor developments in the banking industry and counterpart sectors.

The ECB also presented the envisaged timetable for the next steps in developing the ESCB's Integrated Reporting Framework (IReF) over the subsequent months. As an immediate next step, banks were requested to complete the IReF cost-benefit assessment (CBA) questionnaire, to be submitted in February 2021.

## **2.3 The banking industry's views on integrated reporting**

The EBF identified the essential principles for integrated reporting: requirements should be defined once (in a single data dictionary), and data should be reported once by banks to one of the authorities and shared among authorities within an appropriate governance framework. The EBF expressed the willingness of the banking industry to cooperate with European authorities on how best to implement the reporting requirements using a single data dictionary, and expressed its hope that this cooperation could commence in a timely manner, as the EBF called upon the EBA to share its views and engage

with the industry ahead of the release of its draft report. The EBF moreover indicated that the ESCB input to the EBA feasibility report largely reflected the banking industry's views on integrated reporting.

## **2.4 Exchange of views**

### *Summary of the discussion*

An exchange of views on integrated reporting took place after the presentations under items 2.1 – 2.3 of the agenda had been given. The participants agreed on the need to intensify progress on reducing the reporting burden for banks, while keeping the information content for authorities. The participants encouraged a close cooperation among European and national authorities with the involvement of the banking industry, where appropriate, and they welcomed the idea of the European Parliament and Council to establish a joint committee, in which stakeholders would cooperate, and supported its establishment as soon as possible. Representatives from the banking industry indicated that they stood ready to cooperate with the authorities on setting up an integrated reporting system. There was broad agreement that a first priority and a necessary condition for the design of an integrated reporting system for statistical, resolution and prudential data would be the development of a common standard data dictionary and a common data reporting model. The participants favoured commencing with the development of a common standard data dictionary in 2021.

The banking industry was keen to respond to the CBA questionnaire on the IReF thoroughly and asked therefore for an extension of the current deadline in mid-February. The ECB signalled its willingness to assess the request.

## **3. INTEGRATED REPORTING (PART 2)**

### *Summary of the presentations*

#### **3.1 Banks' Integrated Reporting Dictionary (BIRD): report from the BIRD Steering Group**

The co-Chairs of the BIRD Steering Group gave a short presentation on the progress achieved since the BIRD Steering Group meeting in October 2019 and on the work planned for 2021. In particular, they provided an overview of the development of a Logical Data Model (LDM) and its possible integration into the BIRD data process. Given the need to improve the banking industry's familiarity with the LDM and, more generally, with the concept of data modelling required in order to build a stable input layer that is easy to use and maintain, a dedicated workshop would be organised in the coming months. The workshop would aim to provide the opportunity to the participants to achieve a common understanding about the goals and deliverables of BIRD, considering and balancing the business as well as the technical views and needs.

### **3.2 Data quality assurance of granular reporting: the ECB approach**

The ECB gave a presentation on the data quality framework for AnaCredit and securities holdings statistics. An overall quality framework had been developed in close cooperation with the banking industry through technical workshops. Given the different states of development of the two sets of statistics, the priority for 2021 would be to implement the specific set of quality metrics for securities holdings statistics for banking groups.

### **3.3 Exchange of views**

#### *Summary of the discussion*

An exchange of views took place after the presentations under items 3.1 and 3.2 of the agenda. The participants welcomed the report of the BIRD Steering Group and supported making BIRD compliant with the principles “define once” and “report once”. The participants thanked the BIRD Steering Group for the progress achieved and looked forward to the envisaged follow-up. They also agreed with the proposed way forward for the data quality assurance of granular reporting.

## **4. CONCLUSIONS**

The STC Chair thanked the participants for their interventions during the meeting. She expressed her wish that the cooperation on integrated reporting between authorities and between authorities and the banking industry would continue after the meeting.

**ANNEX 1 List of participants**

<b>Participating institutions</b>	<b>Name of participants</b>
European Central Bank	Silke Stapel-Weber – Chair Julia Catz – Dialogue Secretary
Nationale Bank van België/Banque Nationale de Belgique	Martine Druant
KBC Group	Mark Behets
Komerční banka, a. s.	Aleš Rieger
Deutsche Bundesbank	Stefan Brunken
Association of German Banks	Silvia Schütte
German Association of Public Banks	Caner Gel
German Savings Banks Association	Michael Engelhard
DZ Bank	Marc Ziegler – co-Chair of the BIRD Steering Group
Eesti Pank	Ain Paas
Central Bank of Ireland	Patrick Haran
Permanent TSB	Jan de Chaumont
Bank of Greece	Nikolaos Tsaveas
Alpha Bank / Hellenic Bank Association	Stylios Maridakis
Banco de España	Eloísa Ortega
BBVA	Eduardo Avila
Banque de France	François Mouriaux
French Banking Federation	Isabelle Huard
BNP Paribas	David Leclerc
Banca d'Italia	Laura Mellone
Italian Banking Association	Massimo Casa – co-Chair of the BIRD Steering Group
Unicredit	Alessandra Amici
Central Bank of Cyprus	Bonifacio Di Francescantonio
Latvijas Banka	Eliana Psimolophitou
Lietuvos bankas	Agris Caune
Magyar Nemzeti Bank	Rytis Likša
De Nederlandsche Bank	János Gerendás
ABN AMRO	Lucie Pennings
Rabobank	Rolf Otten
Oesterreichische Nationalbank	Mike Velthaak
Erste Group Bank AG	Johannes Turner
Narodowy Bank Polski	Markus Cevela
Polish Bank Association	Józef Sobota
Banco de Portugal	Joanna Tylińska
	Luís Teles Dias

Portuguese Banking Association	Vera Flores
Banca Națională a României	Gabriela Buculei
Banka Slovenije	Matjaž Noč
Nova Ljubljanska Banka	Franc Bračun
Národná banka Slovenska	Gregor Bajtay
Suomen Pankki – Finlands Bank	Elisabeth Flittner
OP Financial Group	Elina Erkkilä
Sveriges Riksbank	Olivia Hauet
Swedish Bankers' Association	Christian Nilsson
European Association of Co-operative Banks	Marco Mancino
European Banking Authority	Meri Rimmanen
European Banking Federation/BBVA	Julen Amuriza Orozco – co-Chair of the EBF Reporting & Statistics Working Group
European Banking Federation/Deutsche Bank AG	Jörg Michael Scharpe – co-Chair of the EBF Reporting & Statistics Working Group
European Banking Federation	Francisco Saravia
European Mortgage Federation	Daniele Westig
European Savings and Retail Bank Group	Roberto Timpano
European Central Bank	Werner Bier
	Isabel Von Köppen-Mertes
	Caroline Willeke
	Remigio Echeverría
	Ioannis Ganoulis
	Frank Mayerlen