



EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB-Public

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ERF, BIRD and AnaCredit

***DISCLAIMER:** The views and opinions expressed in this presentation are those of the author and do not necessarily represent official policy or position of the ECB.*

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du big data au service de tous

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Overview

- 1 ERF
- 2 BIRD
- 3 The implementation of AnaCredit

1. Envisaged approach to statistical reporting (1/3)

- In *moving beyond the aggregates*, the ESCB is targeting a **holistic approach to data reporting**

Integration

managing areas of statistical and supervision reporting as parts of a single system



Harmonisation

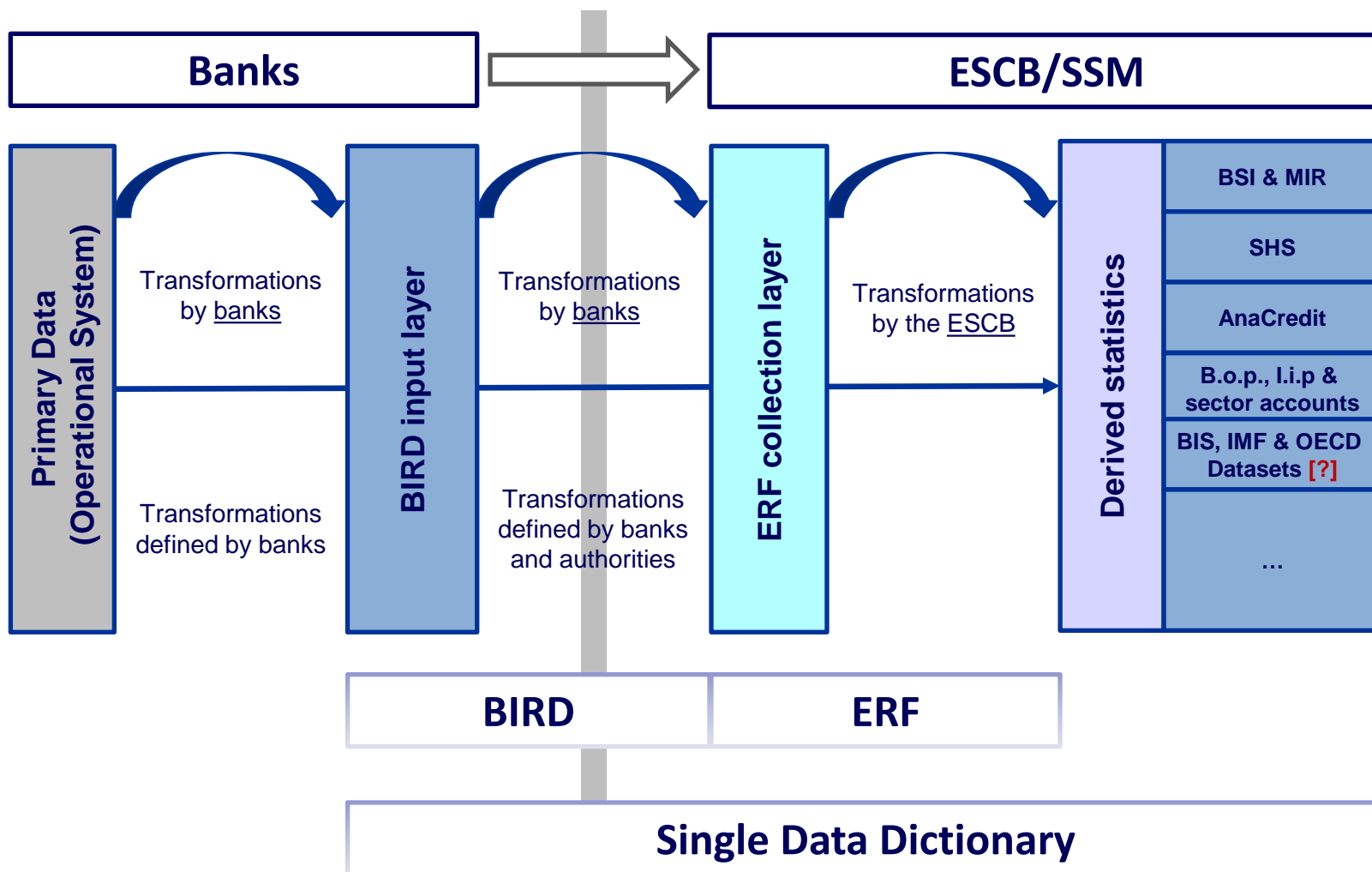
of practices, methodologies and processes followed for data production (longer-term objective)

- **Goal:** *extract the most out of existing data* (high value for analysis) and *minimise reporting burden*

1. Envisaged approach to reporting from banks (2/3)

- ESCB long-term strategic approach to data collection from banks:
 - Standardise and integrate existing frameworks for banks' reporting across *domains* and across *countries* with a focus on ***ECB statistical requirements***
 - Two pillars:
 - *European Reporting Framework* (ERF), focusing on statistical requirements and within the boundaries of ECB legislation
 - *Banks' Integrated Reporting Dictionary* (BIRD)
 - Development of a new comprehensive data model, as background the ECB *Single Data Dictionary*

1. Envisaged approach to reporting from banks (3/3)



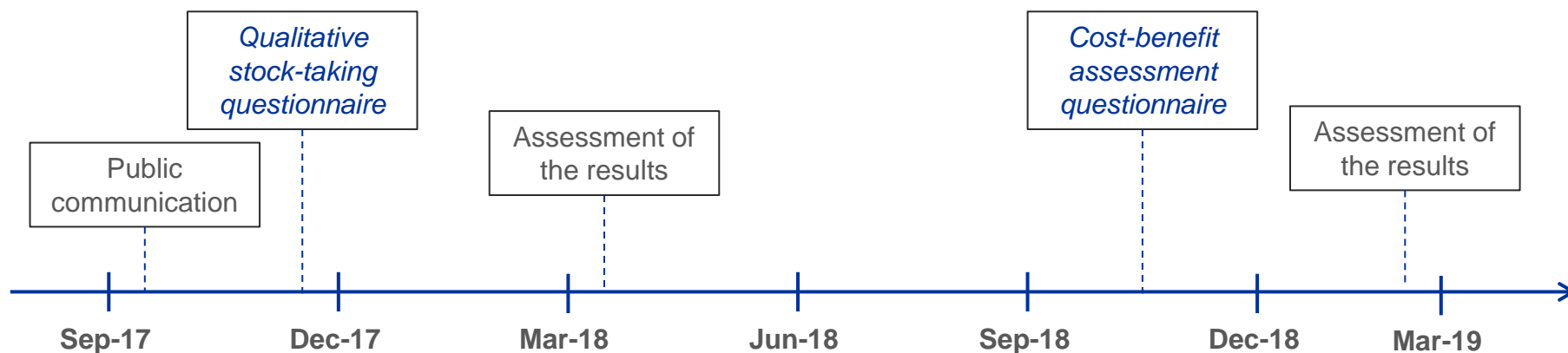
2. Main features of the ERF (for banks)

- The draft scheme
 - **Integrated set of reports**
 - Actual number and structure will depend on the outcome of the CBA
 - **Higher granularity** only if required for the multipurpose use of data
 - Combination of different granularity levels, plus anchor values
 - **Minimise reporting burden**, through
 - Less redundancy in reporting
 - More stability over time
 - **Proportionality** to be ensured via a suitable derogation scheme
- No single taxonomy or standard for reporting, left to NCBs to assess

2. The ERF Cost-Benefit Analysis

Aim: Assess the ERF impact and define its features and format

- The exercise goes beyond the *standard merits & costs procedure*:
 - Not assessing a new statistical regulation... *but*
 - Evaluating the *eagerness of stakeholders* to move towards an ERF
- In *close cooperation* with the **banking industry** (and ESCB users / producers)
- Various scenarios will be evaluated combining *reporting* and *production* aspects



2. Banks' Integrated Reporting Dictionary (BIRD)

State of play



Current activities:



- The BIRD is a set of definitions & transformation rules, freely developed and applied by banks
- The BIRD group focused on **AnaCredit** and **SHS**
- The BIRD documentation is on a **public website** <http://banks-integrated-reporting-dictionary.eu>

Next Steps:



- Integration of FinRep reporting into BIRD
- Definition of a formal governance of the BIRD
- Workshop with different stakeholders
- software house, consultants -

1. The AnaCredit project, in a nutshell

- AnaCredit = *Analytical Credit Datasets*
- *Multipurpose* granular dataset on credit and credit risk

Basic features

- ❑ *What?* **88 data attributes** on bank loans to legal entities non-financial corps, government agencies - **not** households
- ❑ *In which case?* total exposure at borrower level above €25,000; proportionality further ensured through derogations
- ❑ *When?* as of **September 2018** (ref. period), mostly monthly
- ❑ *Who?* all **banks** in the euro area (incl. resident foreign branches) as reporting agents; other EU countries might also decide to join
- ❑ *To whom?* data transmitted to the ECB via **National Central Banks**

1. AnaCredit – granular credit data (1/2)

- *High attention to reporting burden:*
 - common threshold (EUR 25,000) *low enough* to cover SMEs while leaving out many very small exposures
 - only necessary data to *minimise the set-up and regular costs*
 - reduced reporting requirements for counterparties *outside the EU*
 - national discretion in granting (in part or in full) *derogations to small banks*
- Data-model designed to allow *high flexibility*:
data can be aggregated according to user needs → cost effective!
- *Continuous support to industry in implementation*: website, Q&As, encompassing *reporting Manual* - published together with the *BIRD*

1. AnaCredit – granular credit data (2/2)

- *Several key central banking functions* to benefit from the new dataset
 - ✓ Monetary policy analysis and operations
 - ✓ Financial stability and macro-prudential policies – incl. ESRB
 - ✓ Micro-prudential supervision
- *Reporting banks to also benefit from AnaCredit*
 - ✓ Standardisation of data definition and description
 - ✓ Feedback loops, incl. cross-border links
 - ✓ Stability of reporting over time –
also expecting less (costly) ad hoc data requests

