



EUROPEAN CENTRAL BANK

EUROSYSTEM

Towards European integrated reporting:

An Introduction and outlook

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Item 2.1
Dialogue with the banking industry on ESCB statistics

European integrated reporting

Major achievements by end 2021:

- EBA Feasibility Study published
- Supervisory data Strategy published by the EC
- Launch of IReF program i.e. ESCB harmonised statistical reporting
- Re-launch of the BIRD process

Close collaboration between authorities (EBA, SRB, EC and the ESCB)

- The publication of the above corner stones to European integrated reporting has been also the start for closer collaboration between the authorities

Initial priority

- Development of common data model and data dictionary
- Governance of integrate reporting

1. Follow-up on the EBA feasibility study



DATA DICTIONARY

- Integrate business glossary, business concepts, validation and transformation rules
- Define a common data model
- Define unique data exchange formats



CENTRAL DATA COLLECTION POINT

- Increase the efficiency of the data collection process
- Promote data sharing and reuse of collected data
- Uniformly define sets of reporting rules and align processes



GOVERNANCE

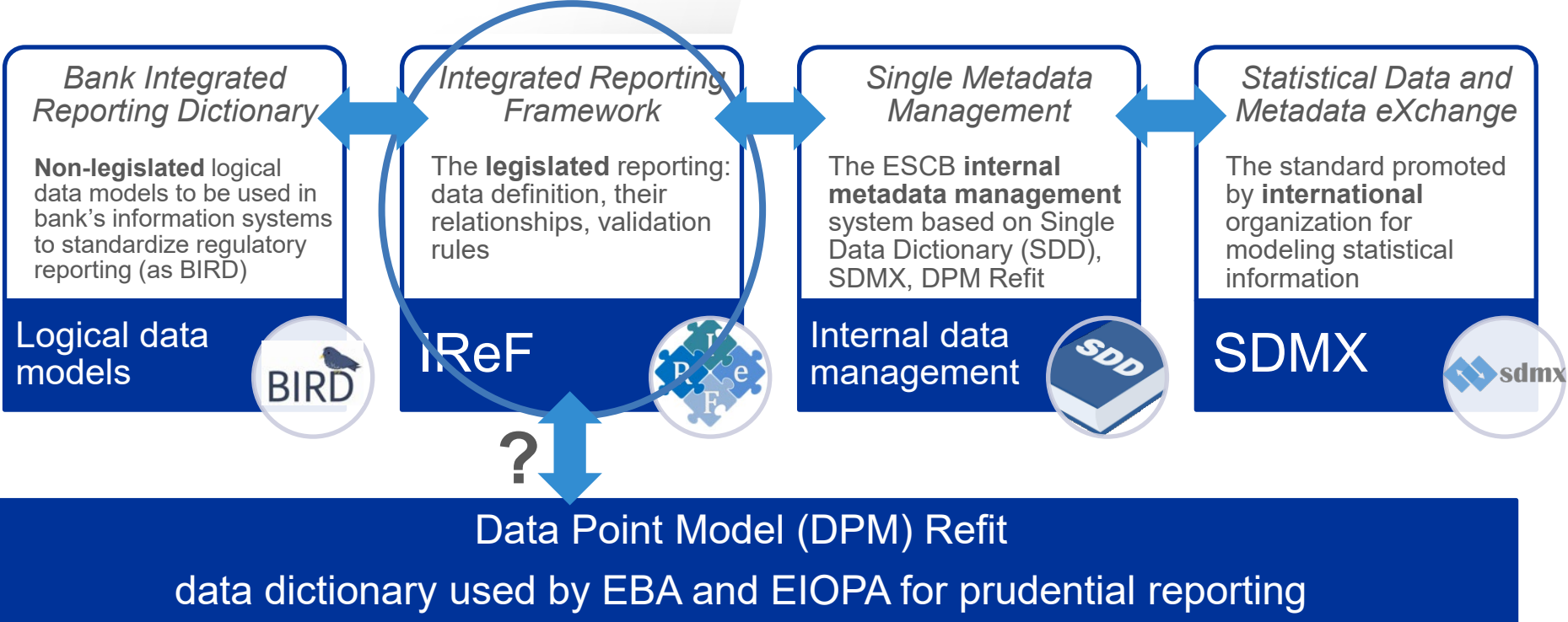
- Foster collaboration among authorities for an efficient implementation and development of the integrated system
- Enhance coordination of authorities along the reporting process chain
- Define a legal framework for data sharing

2. An ECB strategy for a common data dictionary

- **Agree on a common Data Dictionary across statistical, resolution and prudential purposes from the beginning to prevent undue changeover costs:**
 - Data Point Model (DPM Refit) already used by EBA to be assessed for IReF reporting
 - To investigate if it can also fulfil ECB-ESCB internal requirements
- **Technical discussions between ECB and EBA in the Informal Coordination Group (ICG)**
 - Assess the ability of DPM Refit to serve as the dictionary to report IReF
 - Devise if new functionality will be needed in DPM Refit
 - Run a proof of concept (clarify, how the PoC ensures its compatibility to alternative collaboration models)
 - Make progress on semantic integration
 - ECB present a first use case for EBA to examine statistical data with a supervisory perspective

2. The ECB tested strategy for a common data dictionary

To position IReF in a context of existing standards and data models



3. Technical requirements extracted from ECB analysis

Outcome of the Cost Benefit Analysis for IReF

- Rejection of template-based approach for the IReF by all stakeholders -> Preference for Entity Relation Model (ERM) (or flat table)
- Overwhelming support to use the same model both for granular and aggregated data
- The ERM for implementation should not be fully normalised, as this could increase implementation and operational costs

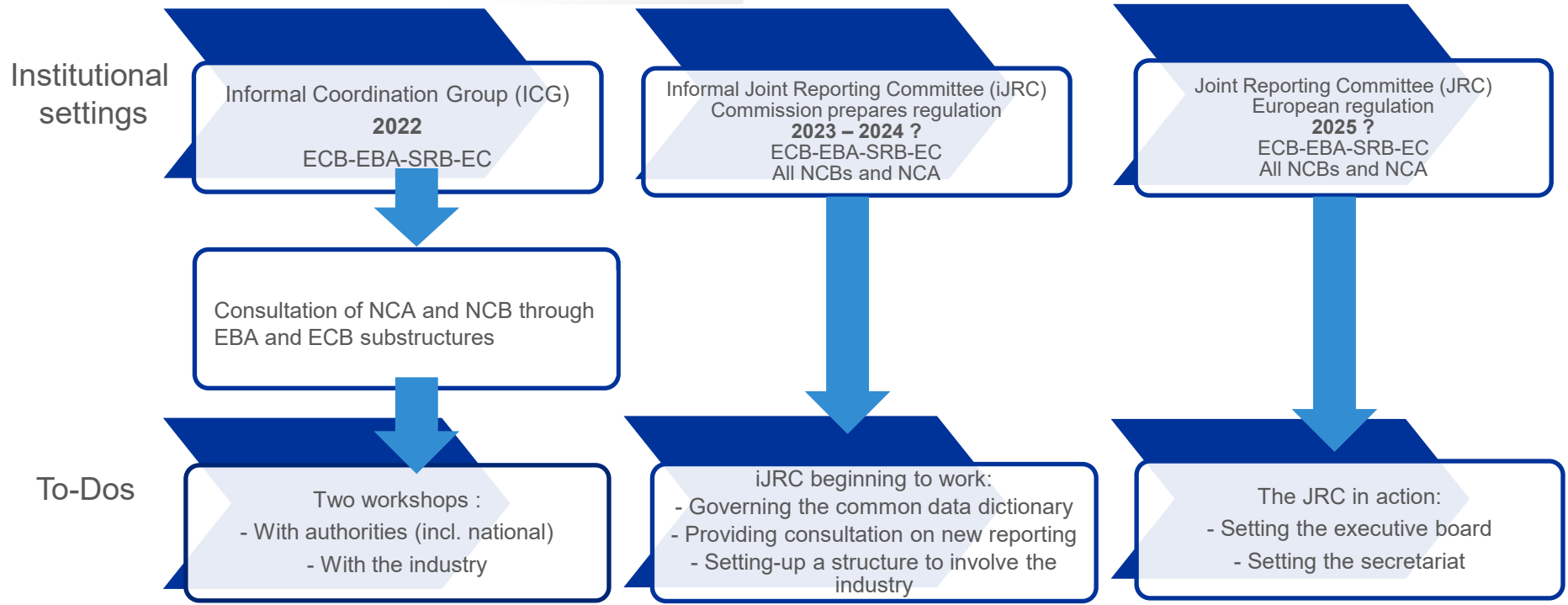
Requirements identified in the BIRD Steering Group

- Validation rules embedded in the reporting model
- Scalable Data Model from granular to aggregated data
- Fully documented transformation rules from granular to aggregated level

Wish expressed by the banks:

- Legislated Data Dictionary for the IReF regulatory reporting developed hand-in-hand with the non-legislated Logical Data Model developed for BIRD

4. Setting a common Governance – tentative



5. Involvement of the Industry

Dedicated Workshop with authorities and industry

- Foreseen for autumn 2022
- Envisaged focus on data dictionaries

Continued involvement via BIRD

- IReF working groups such as the CBA assessment
- IReF data model/schema developed together with/by BIRD
- Further involvement planned depending on the progress and subject envisaged

Ensure preparedness to the IReF

- While saving cost in the long run integrated reporting require initial investment

European Integrated Reporting: further agenda items

Item	Title	Presenter
2.1	Towards European Integrated reporting	ECB
2.2	The ESCB's Integrated Reporting Framework (IReF)	ECB
2.3	Way forward for a more Integrated Reporting (post-feasibility study)	EBA
2.4	Banks' Integrated Reporting Dictionary (BIRD): report from the BIRD Steering Group	BIRD co-chairs
2.5	The view by the industry	EBF
2.6	Exchange of views	

Annex: The ECB tested strategy for a common data dictionary reporting

