



## Towards a PoC for BIRD and XBRL?

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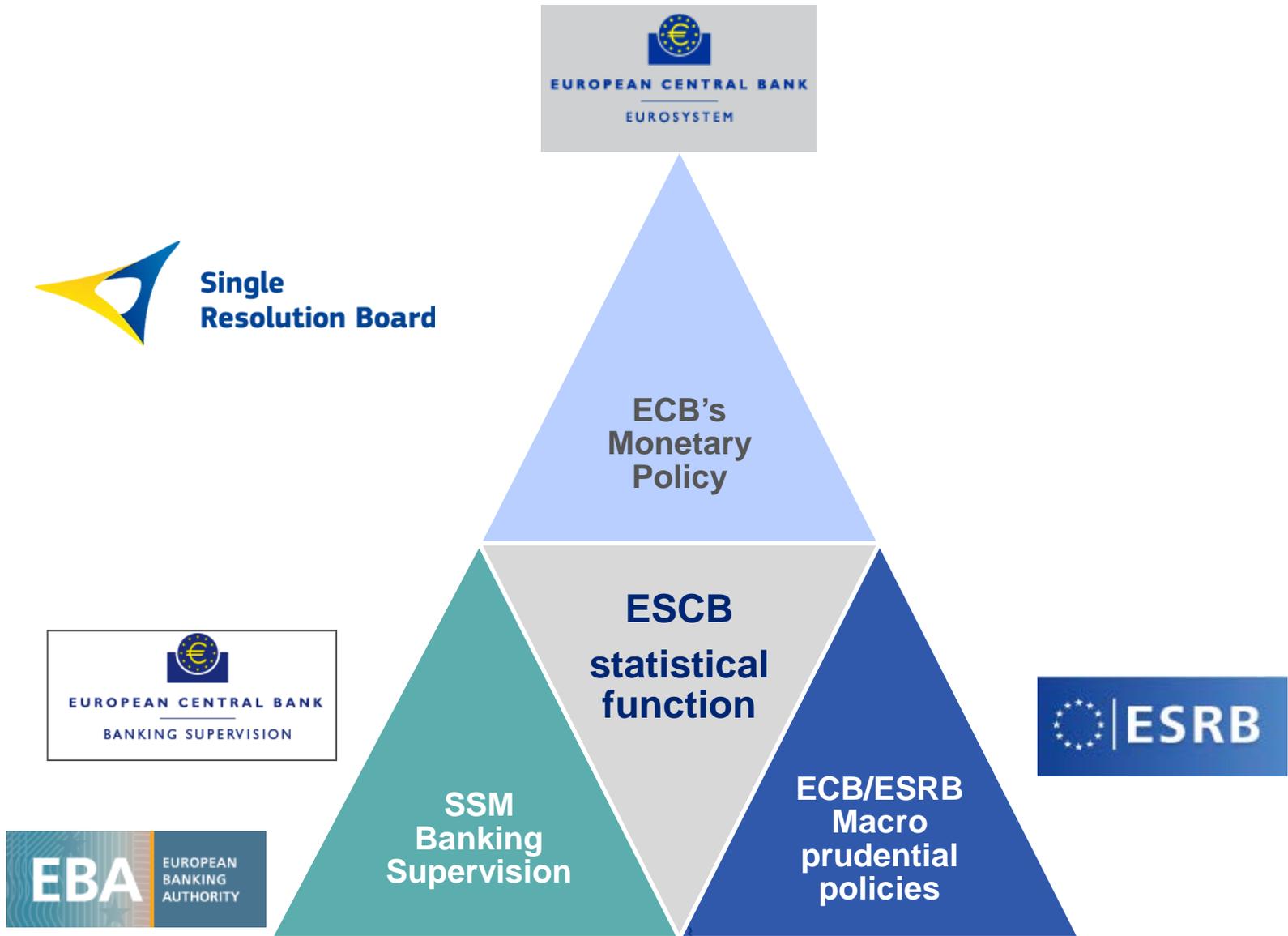
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# Overview

- 1 *Overall approach to statistical reporting*
- 2 *BIRD and IReF*
- 3 *AnaCredit*
- 4 *RIAD*
- 5 *Supervisory Statistics*
- 6 *Securities Issues and Holdings Statistics*

# Introduction: the ESCB Statistical Function



# 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 statistical reporting (2/3)

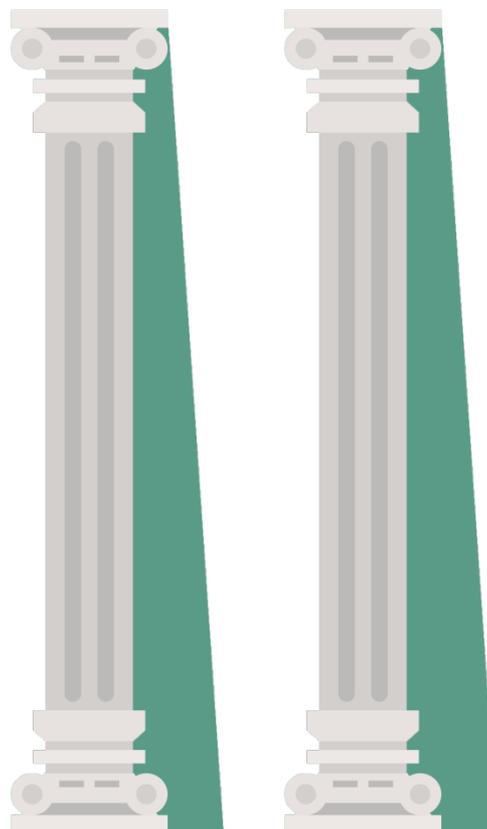
- *Approach to data collection from banks:*
  - *Standardise and integrate existing frameworks* for banks' reporting across domains and across countries
  - *Presented to the industry (EBF; EBIC) in the Dialogue meeting on 16.3.18*

IReF

*Integrated Reporting Framework*

*Collect the data only once,*  
via an integrated reporting  
scheme

Focus on *ESCB*  
*statistical requirements*



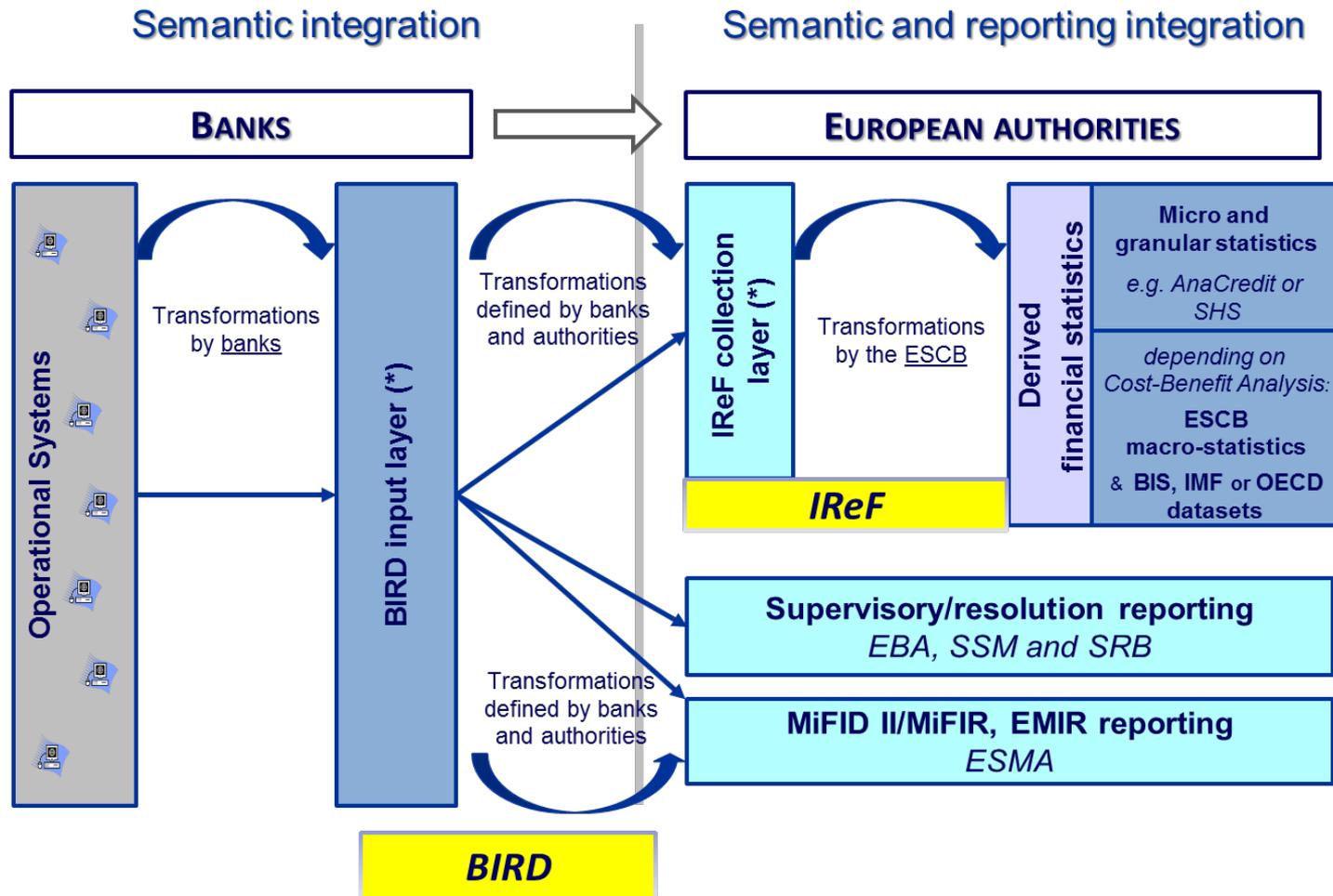
BIRD

*Banks' Integrated Reporting Dictionary*

*Support reporting agents*  
to optimally organise the  
information available  
in their internal systems

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

## The role of the BIRD in the reporting process



(\*) Using the ECB Single Data Dictionary

### BIRD in a nutshell



#### What is BIRD

- BIRD as set of definitions & transformation rules, jointly developed with and applied by banks to help the regulatory reporting



#### Main characteristics

- The BIRD documentation is on a public website <http://banks-integrated-reporting-dictionary.eu>
- Use of BIRD is free & voluntary for reporting agents



#### Work done

- AnaCredit Manual
- SHS Group reporting
- Integrate FinRep
- Implement a governance
- Define a work plan



#### Current and next steps

- Integrate CoRep
- Integrate new/other supervisory templates

## 2.1. BIRD: towards a proof of concept with XBRL?



### *Aim*

***Assess jointly with the banking industry***  
the possible use of BIRD to help implement XBRL

- Various scenarios will be evaluated
  - combining *production* and *reporting* aspects
- Two main steps are envisaged
  - starting with a *identifying candidates for a prototype*, and
  - continuing with a *concrete attempt to implement XBRL reporting*
- *PoC* is expected to run over 2019 H2 and 2020 H1

## 2.2. The cost-benefit analysis for IReF



### *Aim*

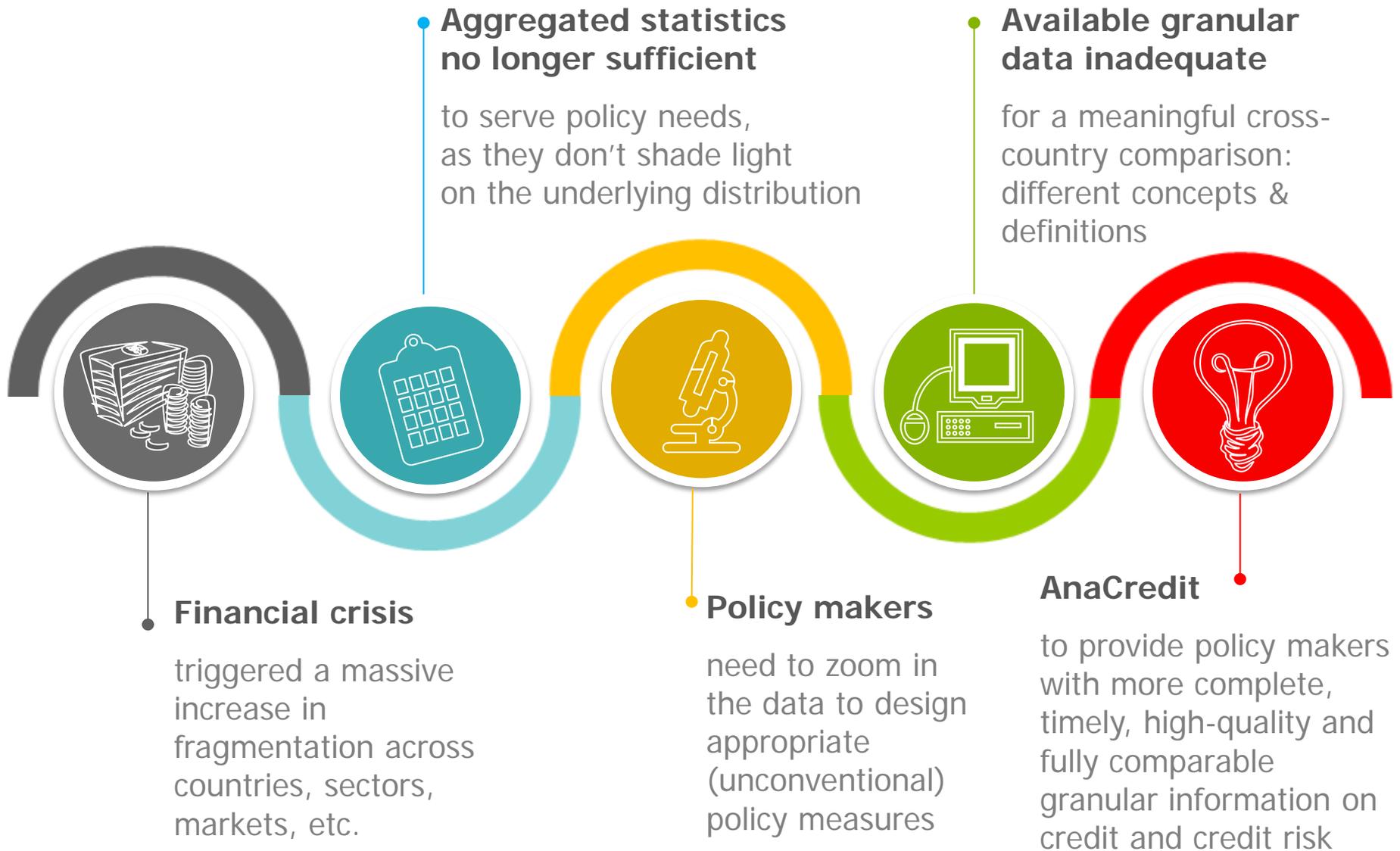
***Assess jointly with the banking industry***  
the IReF impact prior to any decision on implementation

- Various scenarios will be evaluated
  - combining *reporting*, *production* and *dissemination* aspects
- Different from the *ESCB procedure for establishing a legal act*
- Two main steps are envisaged
  - starting with a *qualitative stock-taking exercise*, and
  - continuing with a (more quantitative) *cost-benefit questionnaire*
- *Cost-benefit analysis* is expected to run over 2018 and 2019

## 2.2. Main features of the IReF

- The draft scheme
  - *Integrated set of reports*
    - Actual number and structure depend on outcome of the cost-benefit analysis
  - *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

### 3. AnaCredit: why did we go for it?



### 3. AnaCredit in a nutshell

- AnaCredit = *Analytical Credit Datasets*
- *Loan-by-loan* information on (euro area) **banks' credit exposures** to *all legal entities* – including Small and Medium size Enterprises
- All euro area (19) and (27) *EU countries*
  - ❑ *Reporting from Credit institutions*
- Basic features:
  - ❑ *88 data attributes per loan* (e.g. credit and credit risk, interest rate), plus 7 *identifiers* (→ link to *business register*)
  - ❑ Reporting frequency: *monthly* (quarterly for some attributes)
  - ❑ *Proportionality* with possibility for NCBs to grant (full or partial) *derogations to smaller institutions* and €25,000 *reporting threshold*
  - ❑ *First reporting in November 2018* → 1<sup>st</sup> reference period *Sept. 18*

### 3. A magnifying glass for several Central Banks' tasks



AnaCredit will support several key functions of the **ECB**  
→ multi-purpose dataset for many potential uses

#### *Monetary policy*

Demand & supply in credit markets and access to finance of SMEs

#### *Monetary policy implementation*

Collateral and leverage of financial intermediaries

#### *Risk management*

Sectoral risk analysis/monitoring for macro stress testing

#### *Financial stability / Macro-prudential policies*

Risk exposures, interconnectedness and potential contagion

#### *Developing new / enhanced statistics*

Micro-macro data comparison, derivation of aggregates

### 3. AnaCredit also beneficial for reporting agents



After the initial investment, *reporting agents* will also get a return and benefit from AnaCredit

#### ***Lower reporting burden***

*more stable* reporting requirements and less ad-hoc surveys

#### ***Easier compliance with regulatory requirements***

- definitions and transformation rules in the BIRD
- requirements *closer to data as available* in the banks' systems

#### ***Better assessment of credit-worthiness***

with feedback information (possibly) provided by NCBs

#### ***Benchmarking***

meaningful comparison with clusters of banks

#### ***Increased standardisation***

allows more *automation* and banks to 'speak a common language' between themselves

### Comprehensive data model



. reference data on individual units plus relationships among them

- A. *Identification* e.g. *identifiers, address*
- B. *Stratification* e.g. *industrial activity, geographical allocation*
- C. *Demographic developments* e.g. *birth/closure date, corporate actions*
- D. *Relationships between units* e.g. *ownership, control, (fund) management*



**Linking** different datasets: **a key feature for data integration!**

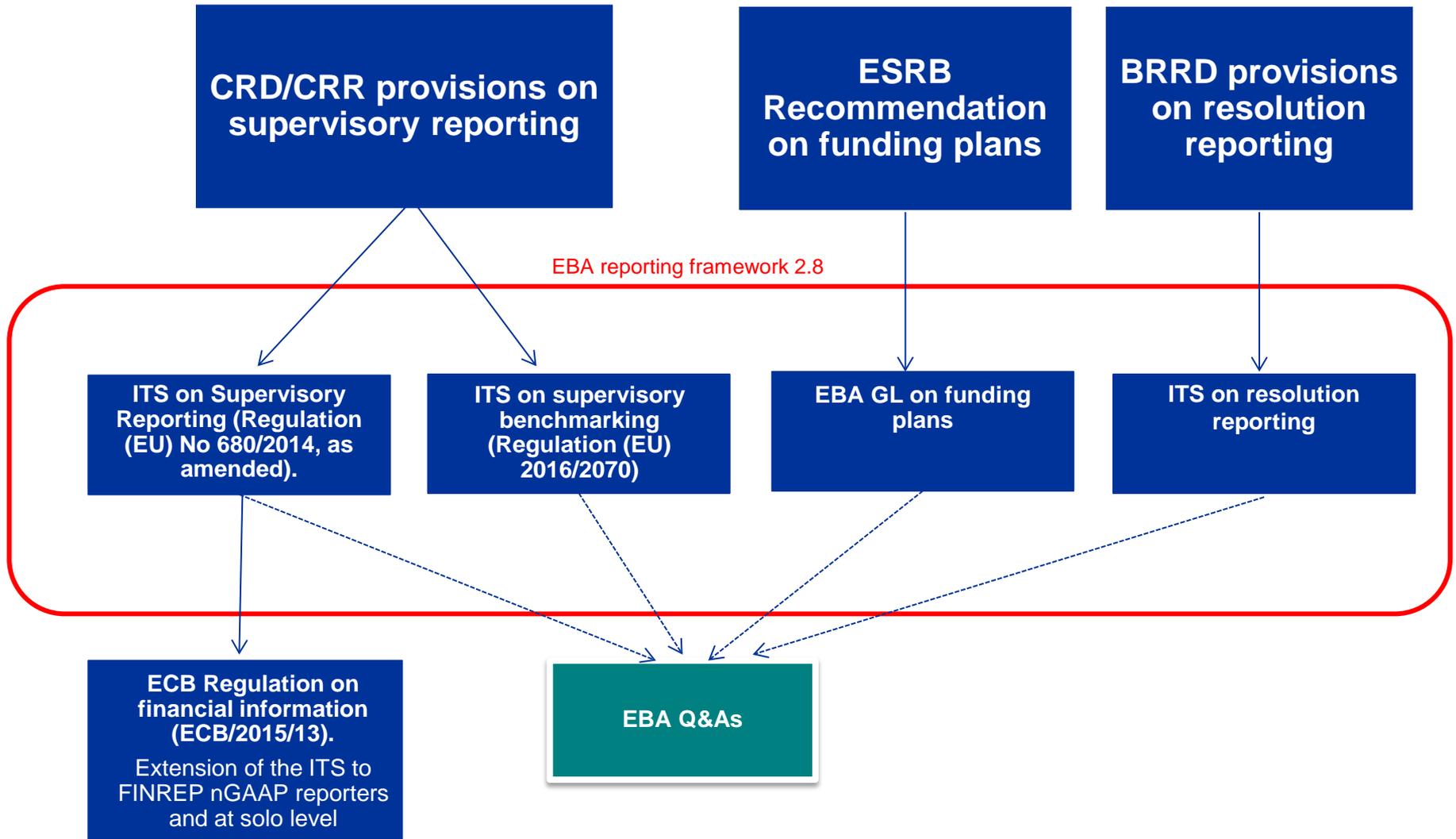


Full **historisation** of all data ...

9 million legal entities; 10,000 group structures

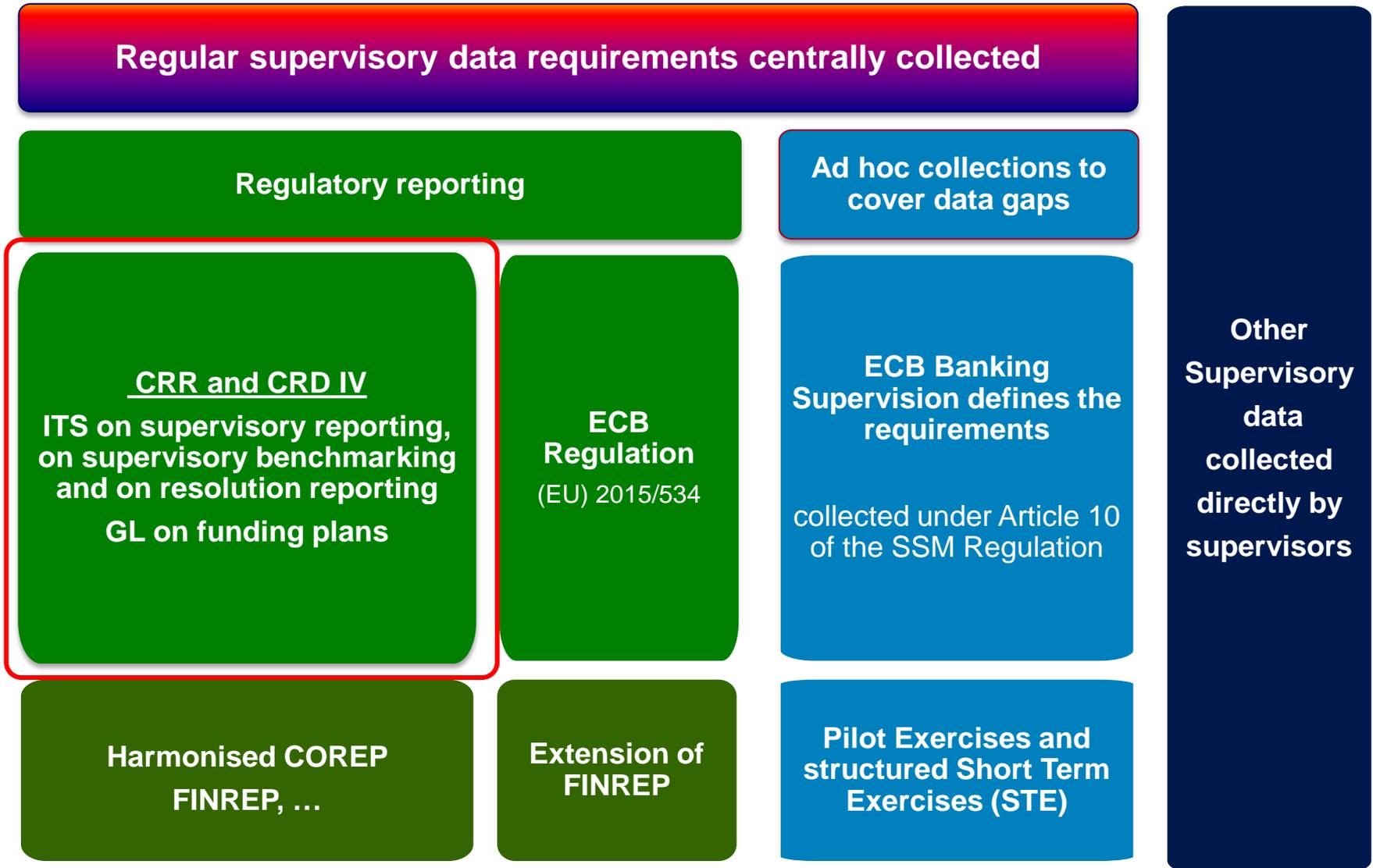
*No direct access by the industry, but **facility envisaged** by some NCBs for supporting “**Know your customer**” and data quality on counterparts*

# 5. Legal framework for supervisory data – EU-wide requirements



# 5. Legal framework for supervisory data – ECB additional requirements

EBA reporting framework 2.8



- Collecting data on holdings on a *security-by-security basis*
- ESCB/Eurosystem joint project *by ECB and Deutsche Bundesbank*
- As for most ESCB statistics, decentralised reporting with **NCBs** receiving input files from reporting agents (*input validation and contact to reporters*)
- *Legal basis* concerning statistics on holdings of securities
  - **Regulation** of the European Central Bank of 17 October 2012 concerning statistics on holdings of securities (amended by ECB/2015/18)
  - **Guideline** of the European Central Bank of 22 March 2013 concerning statistics on holdings of securities (amended by ECB/2015/19)

## 6. Securities Holdings Statistics Database (SHSDB) (2/2)

- **25 (EU) countries** participate
- Reporting on a *quarterly or monthly frequency*
- ***Integrated into BIRD***
- Holdings of *debt securities, quoted shares and investment fund shares*
- *Positions and transactions*
- At *market value* or *nominal value/number of shares*
- *Classified by investors*
  - institutional sector (sector data module)
  - banking groups (group data module)
- *Direct reporting (financial sectors)* or via *custodians (non-financial sectors)*

thank you!



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