



EUROPEAN CENTRAL BANK

BANKING SUPERVISION

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Banking Supervision Data Division

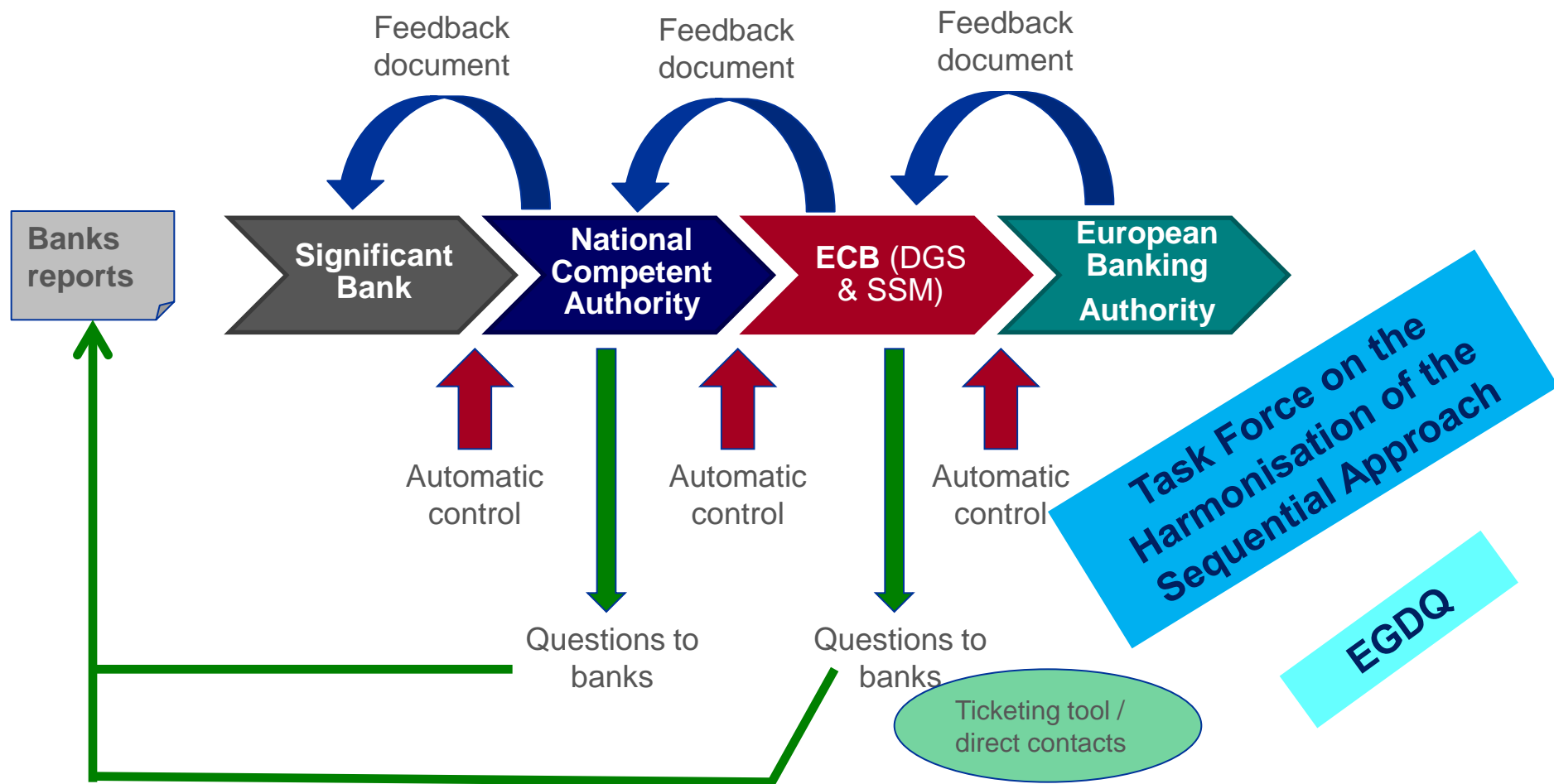
DG Statistics

Harmonisation of Supervisory Data Quality Assessment within the SSM

- *Workshop : BETWEEN NATIONAL AND
EUROPEAN HARMONIZED REPORTING -
STRENGTHENING COOPERATION BETWEEN
INTERMEDIARIES AND AUTHORITIES”*

Banca d'Italia, Roma : 15 May 2018

Levels of data quality validation under the lead of DG Statistics



BCBS 239 and Data Quality

Governance and Infrastructure	Risk Data Aggregation Capabilities	Risk Reporting Practices	Regulatory Review
<ul style="list-style-type: none">• Governance• Data Infrastructure & IT infrastructure	<ul style="list-style-type: none">• Accuracy and integrity• Completeness• Timeliness• Adaptability	<ul style="list-style-type: none">• Accuracy• Comprehensiveness• Clarity and usefulness• Frequency• Distribution	<ul style="list-style-type: none">• Review• Remedial actions and supervisory measures• Home/host cooperation

Scope of application!

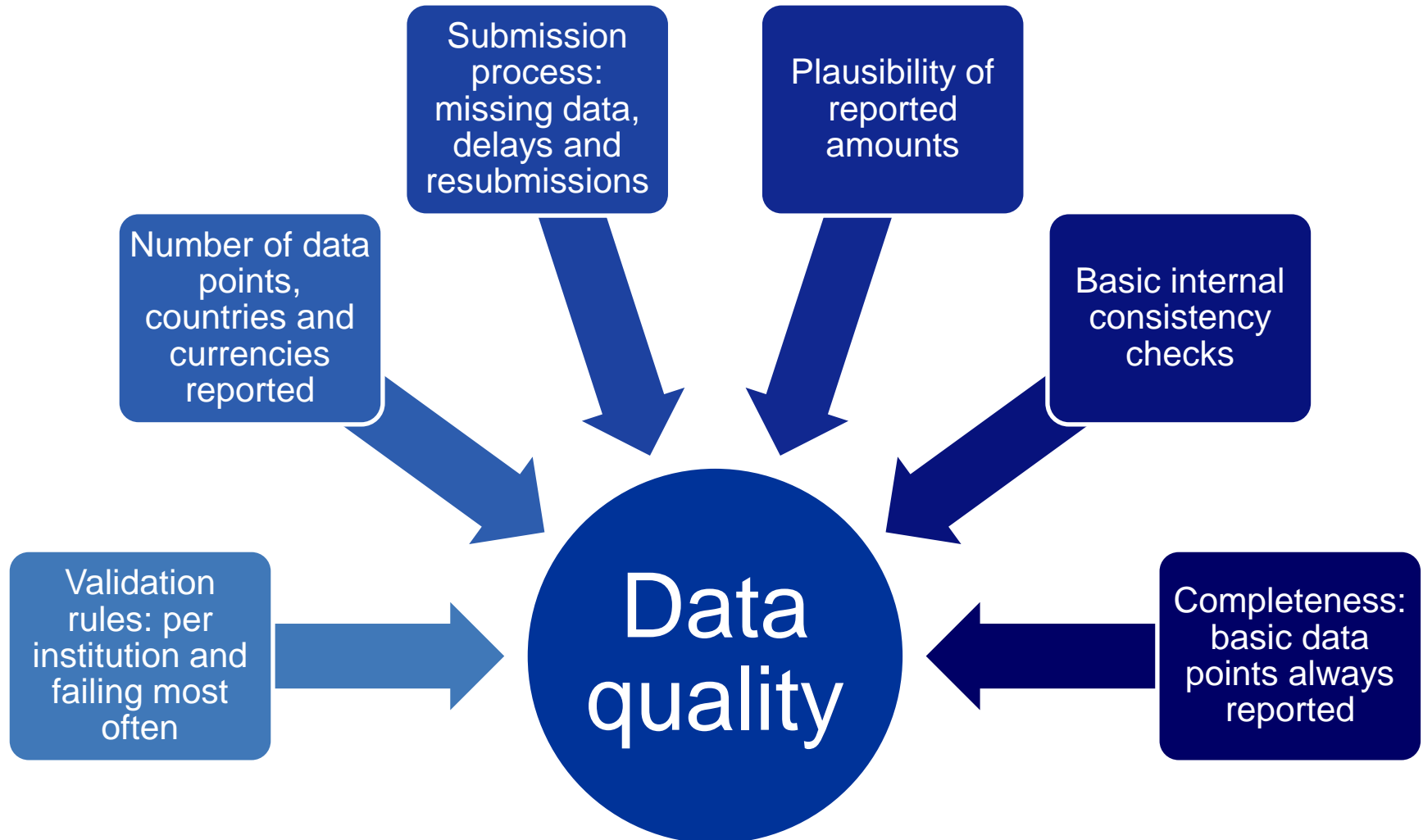


ECB Banking Supervision Data Quality Framework

Hard checks

Soft checks

Comprehensive approach to data quality



Data Quality Framework – How is DQ assessed?

Hard checks

Punctuality

- Refers to the lag in time between the ECB remittance date and the actual reception date of the data.

Accuracy

- Is interpreted as the absence of mistakes and exact correspondence of the reported values with the underlying concept for each data point.
- Accuracy is ensured by a set of validation rules that have to be respected by the reported data.

Completeness

- Is defined as the availability of the required information.
- Completeness checks are carried out to detect missing information.

Stability

- It is examining changes between periods in the total number of data points reported per module and template.
- In addition to key data points for supervision, the number of countries that have been reported in the geographical breakdowns are analyzed.

Plausibility

- Plausibility checks aim to detect outliers in the reported data.
- We look at values with:
 - extremely high (or extremely negative) growth rates and
 - extremely high (or extremely negative) levels.

Reliability

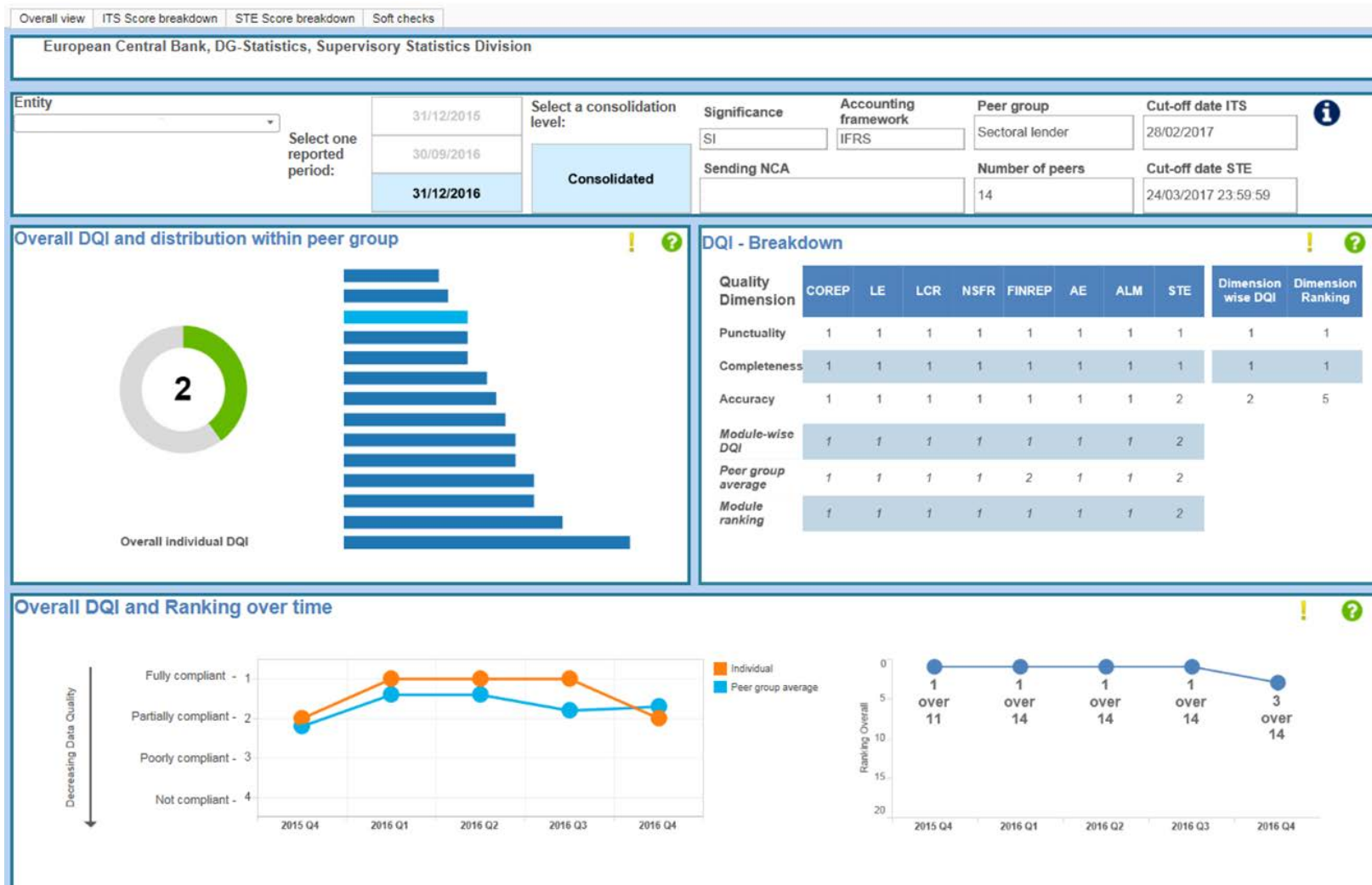
- Also referred to as resubmissions analysis.
- Based on the analysis of the difference between preliminary and revised reported values

DQIs

Individual Dashboard

Soft checks

Individual Dashboard (ITS remittance date +10 days) : an example



Data quality of supervisory reporting

Individual Dashboard (ITS remittance date +10 days) : an example

European Central Bank, DG-Statistics, Banking Supervision Data Division

Overall view

ITS score
breakdown

STE score
breakdown

2

Entity

Name

Select one
reported
period:

- ☐ 2016 Q4
☐ 2017 Q1
☐ 2017 Q2
☒ 2017 Q3

Select a consolidation
level:

☒ Consolidated

Significance ID

SI

Accounting
framework

IFRS

Peer group

Cut-off date ITS

28/11/2017

Country

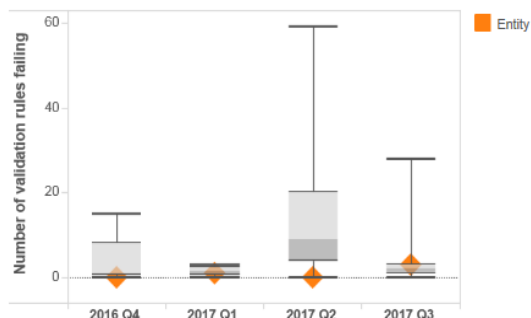
Number of peers

15

Cut-off date STE

01/12/2017 23:59:59

Accuracy over time



Accuracy

	COREP	LE	LCR	NSFR	FINREP	AE	ALM
Validation rules failing	3	0	0	0	0	0	0
peer-group average	0.9	0.0	0.0	0.0	1.6	0.0	0.0
of which: blocking	0	0	0	0	0	0	0
peer-group average	0.3	0.0	0.0	0.0	1.5	0.0	0.0
Data points failing	4	0	0	0	0	0	0
peer-group average	17.0	0.0	0.0	0.0	25.9	0.0	0.0
Ras impact	3			0	0	0	
peer-group average	0.5			0.0	2.6	0.0	

Punctuality

	COREP	LE	LCR	NSFR	FINREP	AE	ALM
Delay With Errors (days)	0	0	0	0	0	0	0
peer-group average	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Delay Fully Valid (days)	1	0	0	0	0	0	0
peer-group average	0.4	0.0	0.0	0.0	0.1	0.0	0.0
Rejections	0	0	0	0	0	0	0
Accepted Submissions	1	1	1	1	1	1	1

Completeness

	COREP	LE	LCR	NSFR	FINREP	AE	ALM
Missing templates	0	0	0	0	0	0	0
peer-group average	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missing data points	0	0	0	0	1	0	4
peer-group average	1.5	0.0	0.1	0.7	1.3	0.9	1.7
Missing data points involved in RAS	0	0	0	0	0	0	0

Improved feedback to banks on data quality issues – individual feedback to banks

4 steps escalation procedure:

- In case of data quality issues, banks will first be approached informally via NCAs to provide or resubmit data (Step 1).
 - In case the issues remain, the bank will receive letters from the ECB to raise and remind of the data quality issues.
 - *Step 2: Letter signed by ECB manager
 - *Step 3: Letter signed by ECB manager (higher hierarchy)
 - In case the issues still remain, ECB seek to apply enforcements measures or sanction proceedings (Step 4)
 - When a bank receives a letter the, Data Quality Dashboard per institution will be attached (including rating).
- **SREP rating:** Several initiatives on data quality – like the BCBS 239 Thematic Review – are used in the SREP Element 2 Internal Governance assessment.

THANK YOU