



Strategy on supervisory data in EU financial services

Progress and next steps

Virtual workshop, 21 March 2024

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Outline

- Strategy objectives and approach
- Implementation progress: key deliverables
 - targeted improvements
 - sectoral mandates
 - horizontal building blocks
- Lessons for the next phase



Supervisory data strategy objectives

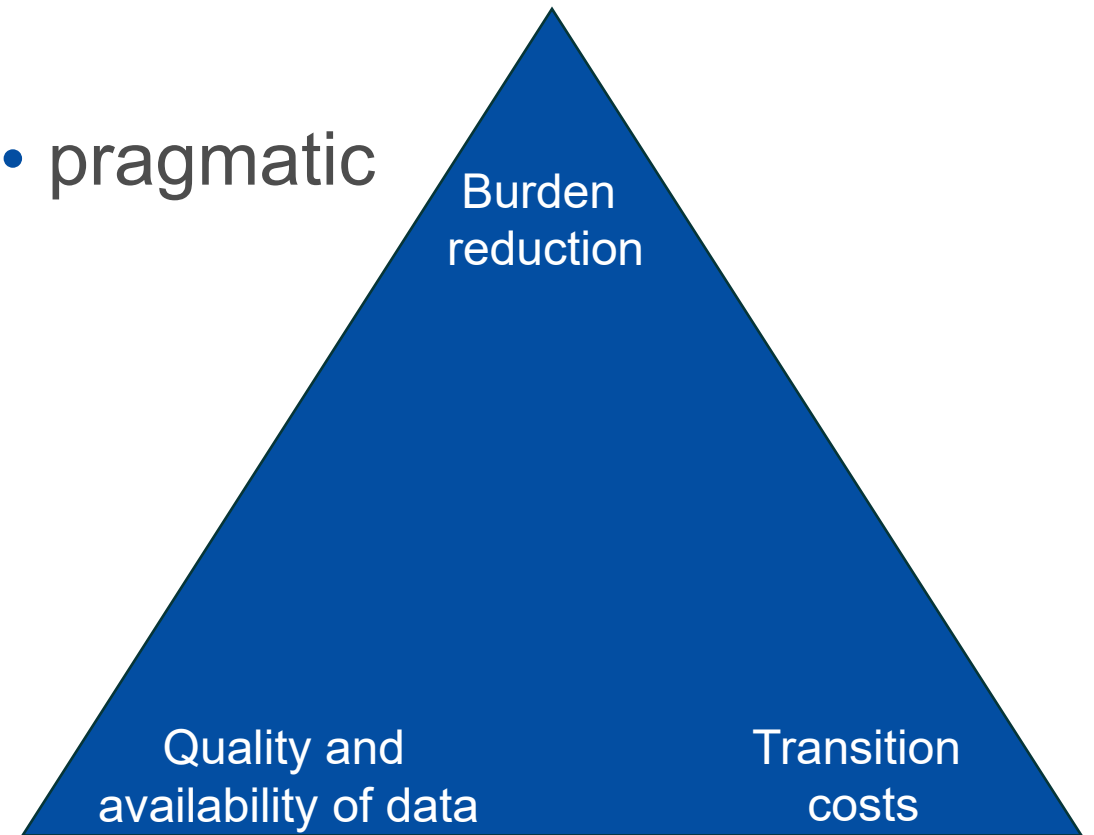
- modernise and simplify EU-level supervisory reporting
 - deliver accurate, consistent, and timely data to supervisory authorities at EU and national level
 - minimise the aggregate reporting cost and burden for all parties
- set out a broad implementation framework
 - overall approach and key building blocks

[Strategy on supervisory data in EU financial services](#), COM(2021) 798 final

Approach

- gradual and balanced
 - targeted sectoral improvements
 - integrated reporting within the sectors
 - cross-sectoral improvements

- pragmatic



Many workstreams – cohesive framework

Framework-specific

- Targeted improvements
 - reduce overlaps or inconsistencies
 - remove redundant or outdated reporting requirements
 - streamline data flows, facilitate data-sharing
 - strengthen proportionality of reporting requirements

Sectoral

- Sectoral mandates to ESAs
 - advance integration of reporting
 - improve consistency and data standardisation

Cross-sectoral

- Horizontal building blocks
 - consistent and standardised data
 - data sharing and reuse
 - design of reporting requirements
 - governance
 - modern technologies

Targeted improvements



- review of EU banking rules and CMDI proposal
 - reduce frequency, disclosure burden, improve data sharing
- Solvency II review in insurance
 - removes, simplifies and/or makes more proportionate several requirements
- AIFMD/UCITS review in investment funds sector
 - reduces complexity, harmonises reports and aligns concepts, improves data sharing
- other reviews in financial markets
 - relieves significant number of entities from reporting (Benchmark Regulation review), improve information sharing (EMIR 3.0), and other reviews
- in addition to workstreams by the ESAs and other authorities

Sectoral integration mandates



- EBA/ECB progress on bank integrated reporting
 - Joint Bank Reporting Committee
 - workstreams on semantic integration and syntactic integration to prepare for a common data dictionary in banking
- mandates to ESMA and EIOPA following sectoral reviews
 - ESMA setting up a task force to prepare the report on integrated reporting under AIFMD/UCITS
 - EIOPA assessing integration of EMIR data into Solvency II reporting

Standardisation and consistency



- technological progress on sectoral dictionaries
 - EBA/EIOPA DPM 2.0, ESMA DATAD, ECB BIRD 6.0
- common data dictionary
 - discussion paper and workshop (October 2023)
 - glossary of regulatory concepts pilot project testing
- identifiers
 - identified and closed main gaps in LEI reporting by financial entities

Data sharing and reuse



- proposal to amend ESA/ESRB regulations to enhance data sharing and avoid redundant reporting
 - sharing among EU and national authorities
 - for research and innovation with third parties
- ESA workstreams on reuse of data, including
 - EBA advanced work on building a Pillar 3 data hub (P3DH)
 - ESMA launched its Data Platform in 2022 (as part of ESMA Data Strategy)
 - EIOPA/ECB work on further re-use Solvency II data

Design of requirements



- simplification of ITS
 - separate reporting templates and instructions
 - faster adoption/revision, facilitate use of modern reporting technology
- proposal to amend ESA regulations to require regular reviews and removal/simplification of requirements
- comprehensive internal guidelines for designing reporting requirements in financial sector legislation

Governance



- EBA/ECB governance of the integrated reporting system
 - Joint Bank Reporting Committee comprising EBA, ECB, SRB, COM and national authorities
 - Reporting Contact Group to bring industry expertise
- continued informal cross-sectoral cooperation
 - Supervisory reporting roundtable comprising ESAs, ESRB, SRB, ECB and DG FISMA
- proposal to strengthen cross-sectoral coordination on reporting within Joint Committee of the ESAs

Modern technologies



- machine readable and executable reporting (MRER)
 - proof of concept completed
 - industry motivation and interest in contributing to further work led by ESMA
 - Need for appropriate public/private governance and the adapted legal framework
- Digital Finance Platform
 - data hub with synthetic supervisory data launched in 2023
- DLT pilot regime
 - in force since March 2023 - regulators engaging with interested applicants.

Lessons for next phase

- long-term, but urgent project that requires commitment and cooperation of all stakeholders
- link between supervisory reporting and other reporting and disclosures
- resource constraints and competing tasks and priorities
- impact of legislative framework and institutional set-up

Next steps

- adoption of legislative proposals by the co-legislators
- preparation of reports by the ESAs under the sectoral mandates
- technical work in all sectors to operationalise measures taken to date
- assessment of priorities based on your feedback on the progress report

Follow updates on progress and developments at [DG FISMA website on supervisory data collection](#)

Thank you!

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