



**Single
Resolution Board**

09/03/2018 | XBRL Workshop – Reporting in the context of bank resolution
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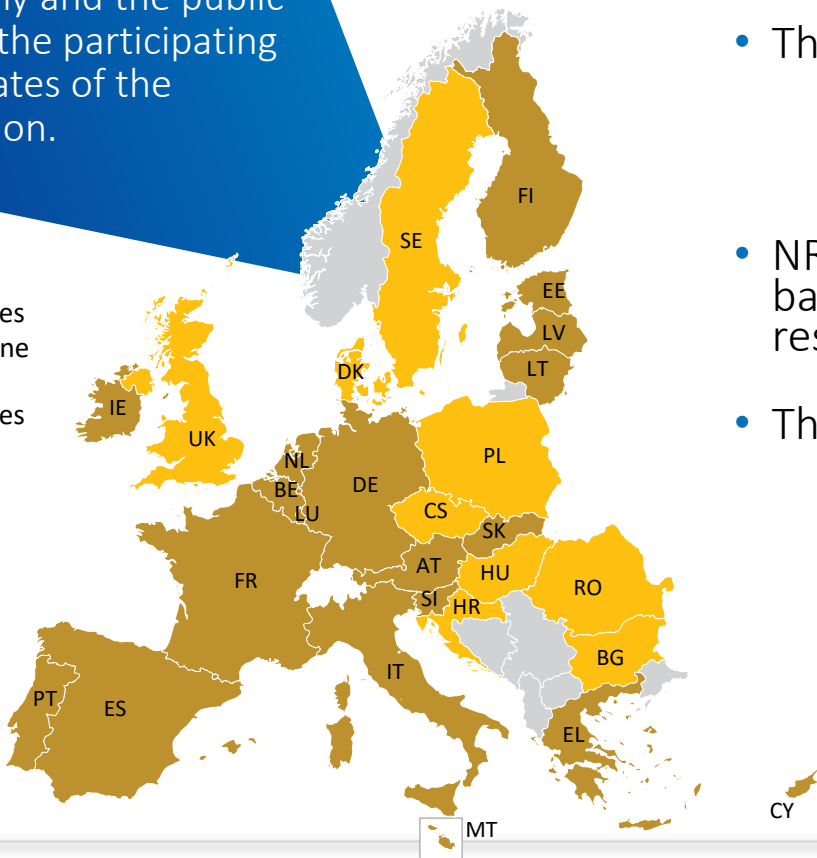
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SRB MISSION & DIVISION OF TASKS WITHIN THE SRM

The mission of the SRB

is to ensure an orderly resolution of failing banks with minimum impact on the real economy and the public finances of the participating Member States of the Banking Union.

- Member States in the Eurozone
- Member States not in the Eurozone

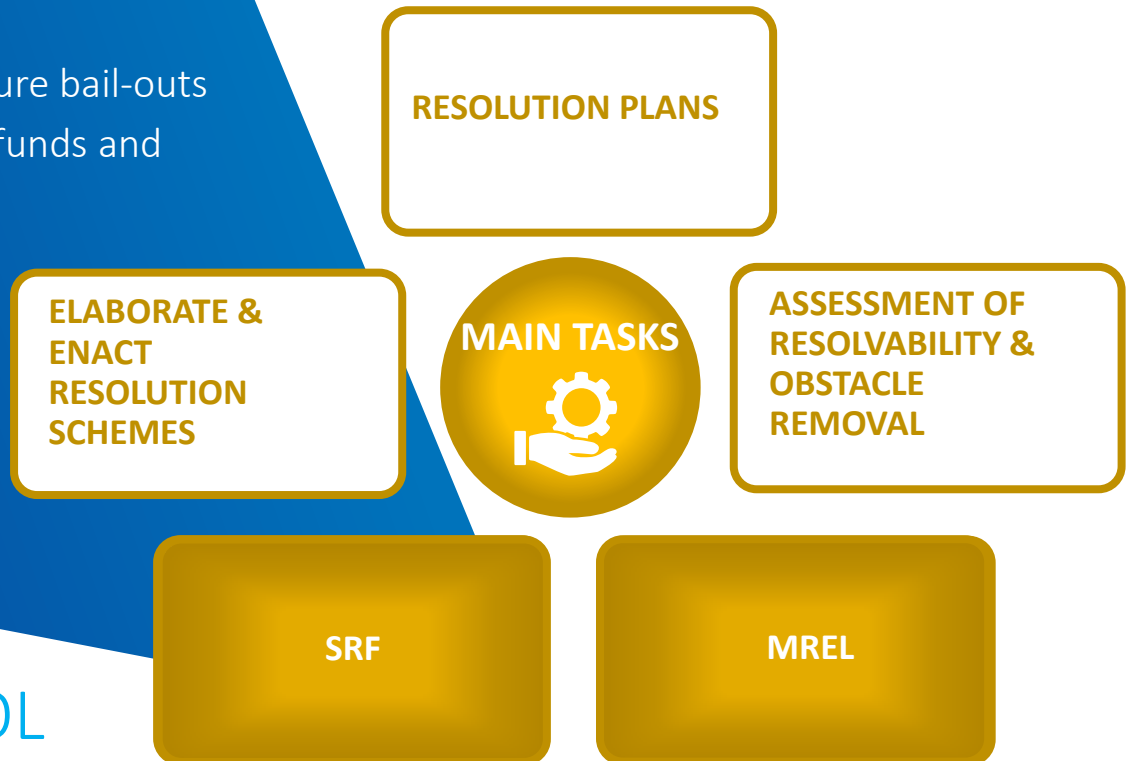


- Created in November 2014, the SRB together with the National Resolution Authorities (NRAs) forms the Single Resolution Mechanism (SRM).
- The SRB is directly responsible for:
 - 114 Significant banking groups
 - 15 Cross-border banking groups
- NRAs are directly responsible for all other banks. SRB could 'take over' direct responsibility.
- The SRB closely cooperates with
 - Banking Union NRAs,
 - Non-Banking Union authorities (colleges)
 - Third country authorities (Crisis Management Groups).

OBJECTIVES & MAIN TASKS

Objectives

- **Ensure continuity** of critical functions in case a bank must be resolved
- **Safeguard financial stability** at Member State or higher level
- **Protect taxpayers** from potential future bail-outs
- **Protect depositors**, investors, client funds and client assets



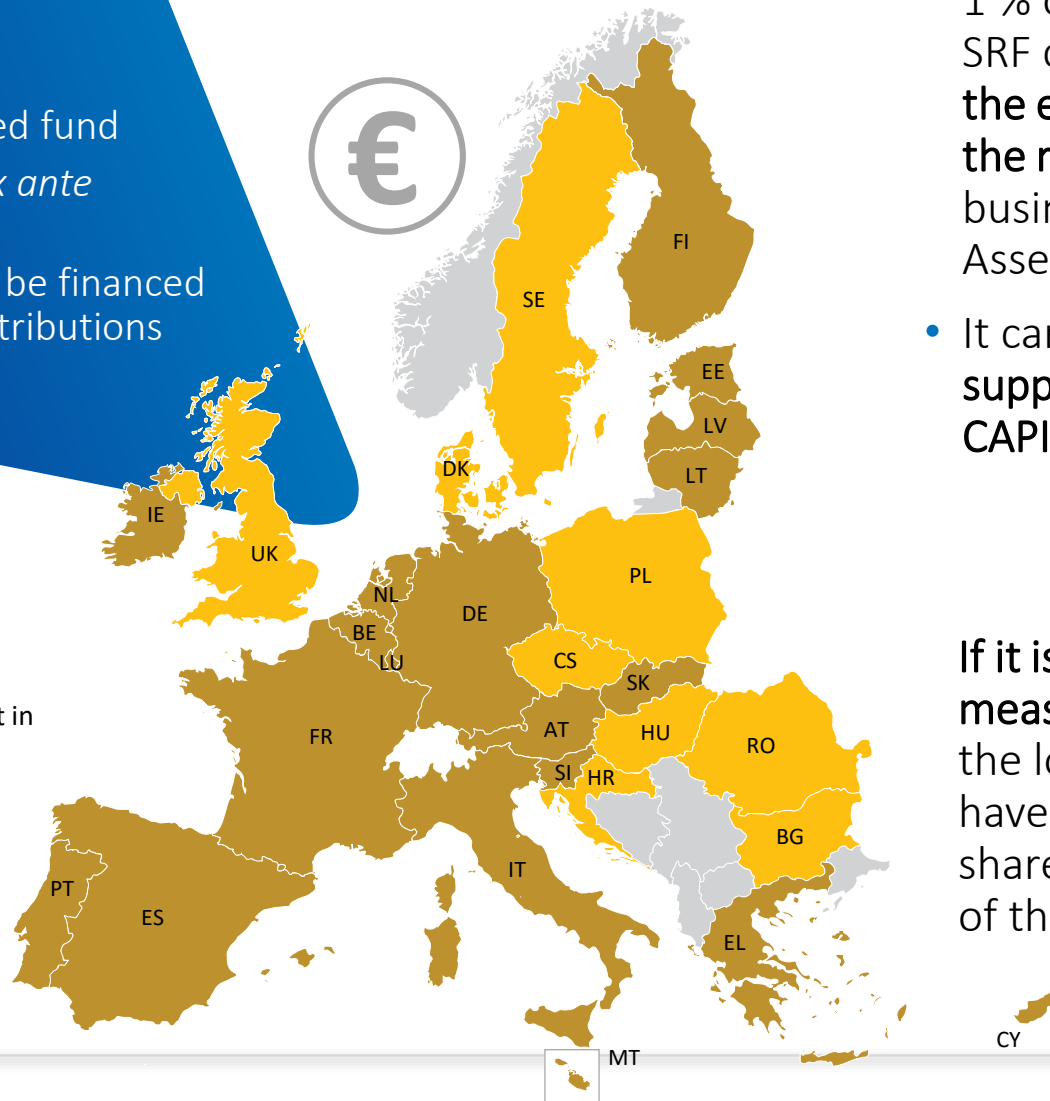
PROTECT AND CONTROL

SINGLE RESOLUTION FUND

TARGET

- A single, fully-mutualised fund
- Financed by *ex ante* contributions
- Shortfalls may be financed by *ex post* contributions or borrowing

- Member States in the Eurozone
- Member States not in the Eurozone



- Funded until 2024 to at least 1 % of covered deposits, the SRF can be used to **ensure the effective application of the resolution tools** (sale of business, Bridge bank tool, Asset separation tool, Bail-in)
- It can be used for **liquidity support or for CAPITAL MEASURES**

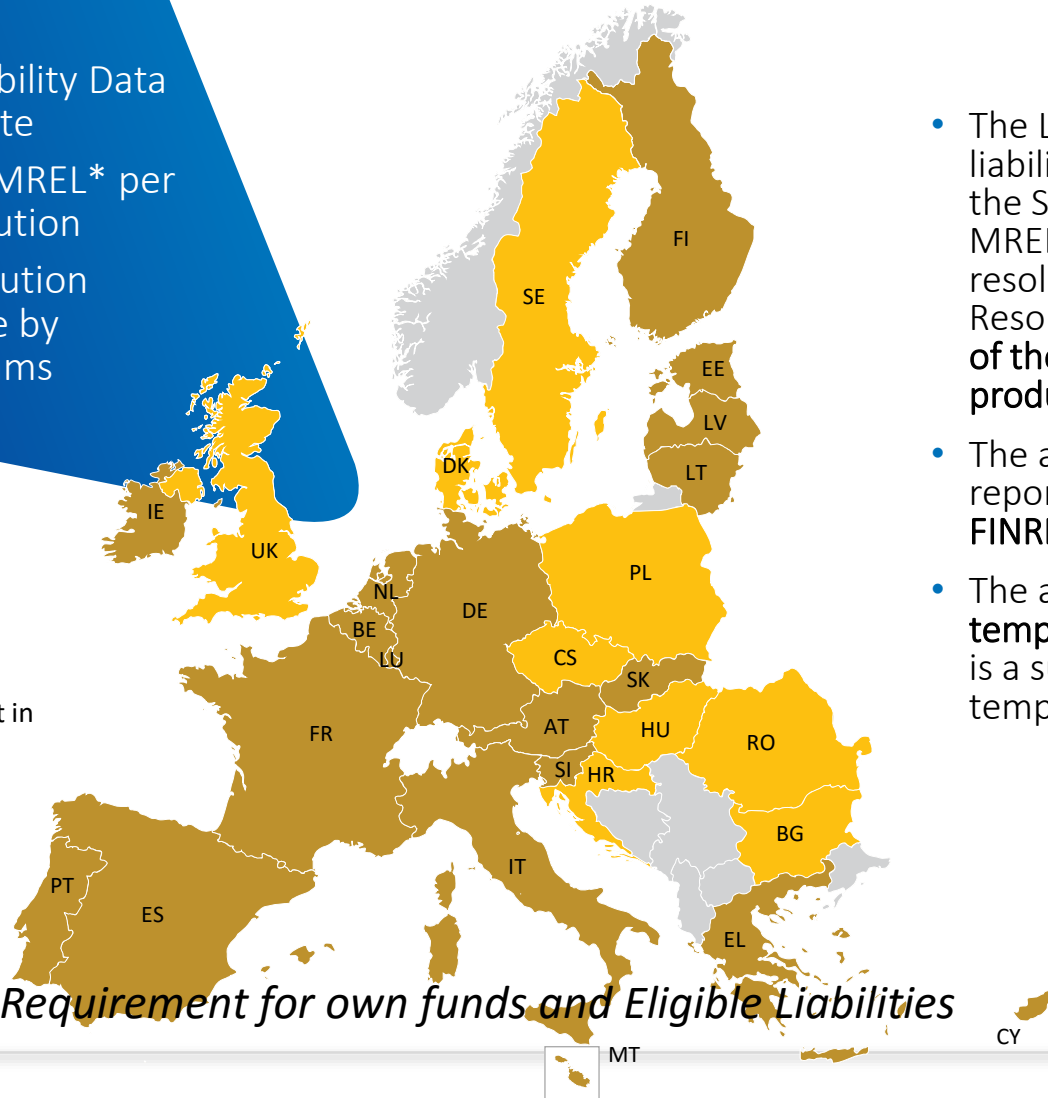
If it is used for capital measures, at least 8% of the losses of the bank must have been absorbed by shareholders & creditors of the bank first

LIABILITY DATA REPORT & MREL

TARGET

- Collect the Liability Data Report template
- Compute the MREL* per financial institution
- Facilitate resolution planning made by Resolution Teams

- Member States in the Eurozone
- Member States not in the Eurozone



- The LDR reporting aims at collecting liability data from Institutions under the SRB remit, thereby enabling MREL determination and facilitating resolution planning by the Resolution Teams. **The first version of the system was released in production in April 2017.**
- The aim is to align with other reporting requirements, such as **FINREP and COREP.**
- The aim is to align with **EBA Liability template** (i.e: EBA Liability template is a sub-set of the SRB LDR template)

* *The Minimum Requirement for own funds and Eligible Liabilities*

DATA COLLECTION AT THE SRB USING XBRL

SHARED DATA COLLECTION CHARACTERISTICS SRF - LDR

- Data collected for the first time by the SRB in 2016 in Excel format, and in 2017 for the first time in XBRL.
- Reporting provided indirectly to SRB from Banks via National Resolution Authorities (NRAs)
- Coordination of data collection with 19 NRAs
- Reporting in Excel and XBRL format accepted by the SRB
- Conversion from Excel to XBRL format enabled by the SRB's data collection system
- Manual and Automated data delivery from NRAs to the SRB enabled
- SRB XBRL taxonomy aligned with that of EBA (COREP and FINREP reporting)

DATA COLLECTION AT THE SRB USING XBRL

SINGLE RESOLUTION FUND: EX-ANTE CONTRIBUTIONS COLLECTION

RESOLUTION PLANNING: LIABILITY DATA REPORTING & MREL COMPUTATION



- Ex-ante Contributions to the Single Resolution Fund calculation

- Minimum Required own funds and Eligible Liabilities (MREL) calculation



- Annual data collection

- Minimum annual collection, ad-hoc collections possible in Resolution



- 3500+ banks in scope
- 1 reporting scope (individual)

- 1000+ reports (800+ banks)
- 4 reporting scopes



- Static data template: 82 data points collected per report

- Granular / contract level data required (large data volumes)



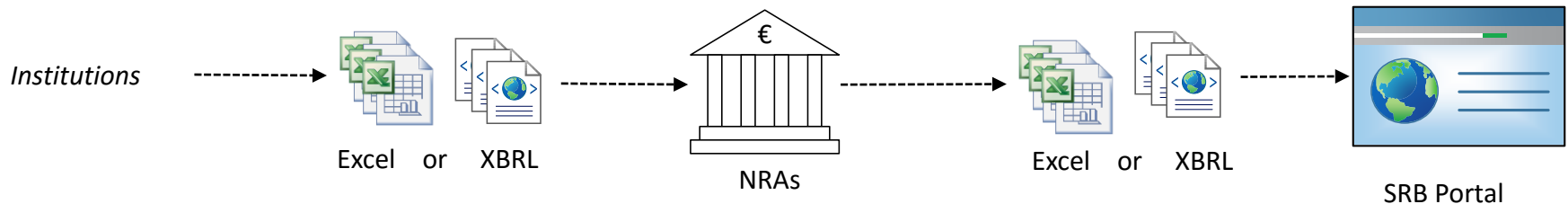
- 3 month data collection period

- 3 month data collection period (annual reporting)

HOW TO SUBMIT THE DATA

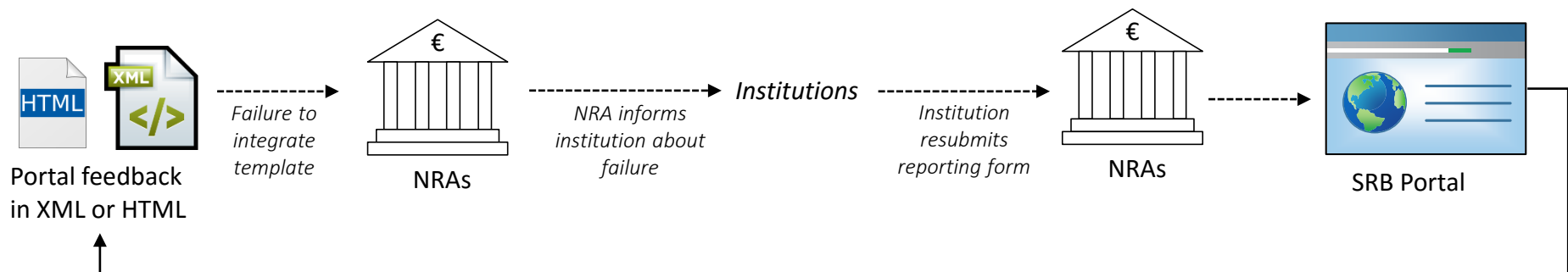
STEP 1:

Institutions send the reporting templates to the NRAs either in Excel or XBRL format and NRAs submit it to the SRB Portal in Excel or XBRL



STEP 2:

If the form fails to integrate in the Portal, NRAs will send to the institutions a feedback forms with a list of errors and institutions have to re-submit the reporting form until its accepted



MAIN BENEFITS TO THE SRB OF USING XBRL

Structures
data collection

Automates
checks,
thereby
improving
data quality

Facilitates data
sharing
between the
banks, NRAs
and the SRB

Facilitates data
analysis and
related
calculations

Adaptable to
the SRB's
evolving data
collection
needs

COOPERATION OF BANKS AND NRAS IS CRUCIAL

MAIN CHALLENGES TO THE SRB OF USING XBRL

Taxonomy creation and report adaptations	Adapting SRB ICT systems to enable secure data transfer, conversion & processing	Coordinating the data collection / conversion with 19 NRAs	Change management for new users to XBRL reporting
Ensuring coherence between the needs of the data collection template and the validation and structural constraints imposed by XBRL.	Confidential nature of the contract level data being sent by banks required development of secure data transfer system.	Differences in the approach (Excel vs XBRL templates, Manual vs Automated transfers) required close collaboration with NRAs.	Training necessary to familiarise NRA and SRB users with the changes to the collection using XBRL, in particular the automated data checks.

NEXT STEPS IN XBRL DATA COLLECTION FOR THE SRB

**MANDATORY LDR IN
XBRL FOR NRAS AS OF
2019**

**ANALYSE EVOLUTION TO
XBRL FOR OTHER SRB DATA
COLLECTION EXERCISES**

**STRENGTHEN
COLLABORATION WITH
EBA ON RESOLUTION
REPORTING**

More information on the data collection processes (templates, taxonomies, validation rules...) may be found on the SRB website:

- Single Resolution Fund data collection exercise:

<https://srb.europa.eu/en/content/data-collection>

- Liability Data Reporting data collection exercise:

<https://srb.europa.eu/en/content/liability-data-report>

READ MORE >





**Single
Resolution Board**

09/03/2018

THANK YOU

For more information, please contact:

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