

# Discussion paper on Pillar 3 Data Hub

---

*Public hearing - 23rd January 2023*



# Contents

1	Welcome and introduction	12:00 – 12:05
2	Process for institutions	12:05 – 12:15
3	EBA process for P3DH	12:15 – 12:20
4	Process for users of information	12:20 – 12:25
	<i>Discussion per topic</i>	12:25 – 12:55
5	Other policy developments	12:55 – 13:00
6	vLEI	13:00 – 13:10
7	Next steps	13:10 – 13:15
	<i>Discussion per topic and closing of the session</i>	13:15 – 13:30



# 01

---

## Welcome and introduction

---

P3DH

# 1. Welcome and introduction

## Objectives of the Public Hearing

- Introduce the [Discussion Paper](#) under consultation until 29 March and main aspects on which feedback would be welcomed. Presentation of the planned next steps.
- Opportunity to discuss questions from participants and provide clarifications needed to respond to the consultation.
- Collection of early feedback to be considered in the next phases of the project. To note, the public hearing does not replace written responses to the Discussion Paper.

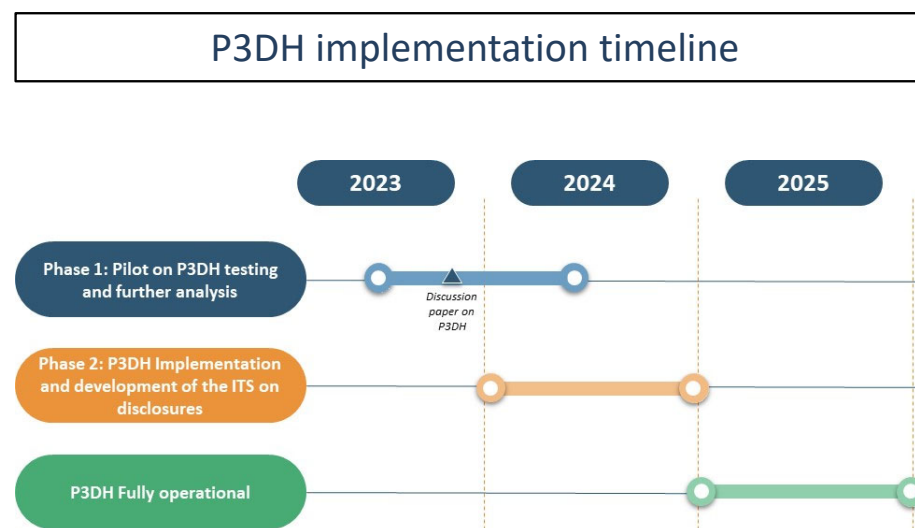
## EBA CRR3 Roadmap – Disclosures

- **Phase 1 - Step 1:**
  - Pillar 3 disclosures ITS: credit risk; output floor; CVA risks; market risk and operational risk.
  - Pillar 3 Data Hub (P3DH).
  - ITS on IT solutions for P3DH.
- **Phase 1 - Step 2:**
  - Pillar 3 disclosures ITS: extension of ESG requirements and non-performing and forborne exposures in a proportionate manner to the broader scope of institutions under CRR3. Any other needed amendments to disclosure requirements (under CRR3 / CRD IV) or deriving from level 2 policy mandates.
  - ITS on resubmission policy for P3DH.
  - Extension of P3DH for SNCIs.
- **Phase 3:** P3DH feasibility study for large and other institutions.

# 1. Welcome and introduction: objectives of the discussion paper

## Main objectives of the Discussion Paper

1. Describe the **processes** from the **institutions** side (Large and Other institutions and SNCIs). These processes are complemented with the **main challenges** identified so far by the EBA, to collect feedback from the industry.
2. Provide **information** in terms of **tools and functionalities** that would be made available to the **users of information**, to collect views on aspects that could be further considered.
3. Describe the **EBA processes** on **reception and publication** of the Pillar 3 reports, providing a detailed overview of the P3DH functioning and synergies with other ongoing projects.



# 1. Background: the Pillar 3 Data Hub (P3DH) proposal in CRR3

## CRR 3 proposal

### Pillar 3 Data Hub

- Centralise the prudential disclosures and make prudential information readily available through a single electronic access point (on EBA's website)
- Scope of data: all information necessary to comply with the disclosure requirements set out in **Part Eight** of the CRR, including quantitative and qualitative information
- Includes EU parent institutions at highest level of consolidation but also, and only for certain disclosures, large subsidiaries of EU parent institutions at individual/sub-consolidated level

*It is expected that the P3DH centralises all disclosures and hence **be the single/centralised source of information**. Institutions may still publish on their websites their P3 reports. Accuracy of the reports relies on the institutions.*

## Main benefits

*Promote market discipline by facilitating access to Pillar 3 information, increase data usability and comparability*

### 01

Serve as a **single platform** for users of information to **have common access to the data** disclosed by institutions in their Pillar 3 reports and **increase the use of data**

### 02

Possibility to **download simultaneously** and compared **Pillar 3 quantitative information for multiple banks in a harmonised format**, benefiting from **interactive / visualisation tools**

### 03

Contribute to further **reduce costs of compliance with Pillar 3** disclosure obligations for certain institutions, particularly for small and non-complex institutions

### 04

Pillar 3 published in EBA **P3 Hub will feed into ESAP** with EBA acting as collection body



# 02

---

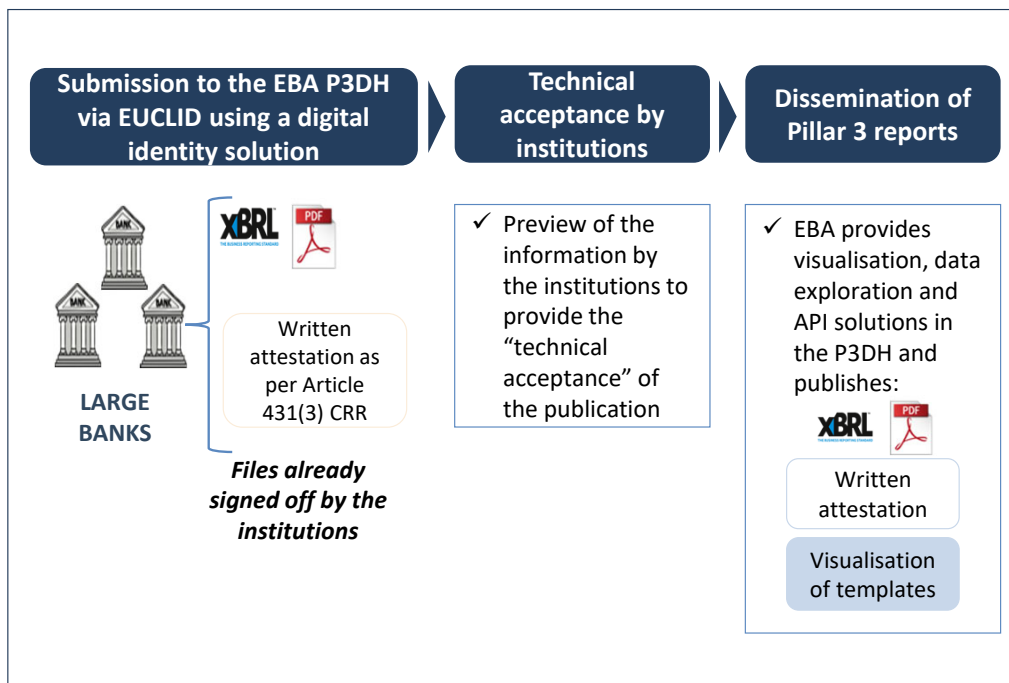
## Process for institutions

---

P3DH

## 2. Discussion paper: Process for institutions under P3DH

### Large and Other Institutions



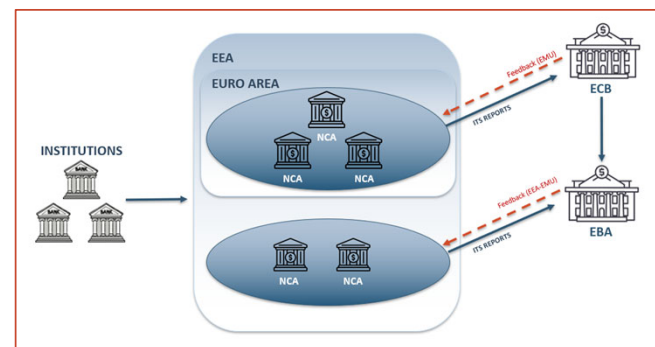
### SNCI

#### Quantitative information

- Computed centrally by the EBA based on the supervisory reporting data

#### Challenges being assessed by the EBA:

- Cases where supervisory data may not be available
- Qualitative information
- Verification of data by institutions



Building on EBA IT infrastructure: EUCLID  
EDAP dissemination platform



## 2. Discussion paper: Process for institutions under P3DH

### Large and Other Institutions

#### Quantitative information

- Sent in XBRL.csv format. Data shall be subject to the internal verification process (Art 431 CRR, “sign-off” for quantitative information)



- No specific date for submission. Indicative timeframe (until end-June).

#### Qualitative information

- Submitted to the EBA in PDF format.
- Data extractable PDF files (machine readable formats under investigation)
- Accompanying narrative to templates - DPM as free text
- Data shall be subject to the internal verification process (Art 431 CRR, “sign-off” for qualitative information)

#### PROCESS FOR QUALITATIVE DATA

##### Qualitative information – Explanatory notes

- This explanatory notes could be added as comments to each data point but needs to be considered when including templates in DPM as free text

##### Qualitative information provided in the PDF report

- The EBA does not receive yet this type of information
- DPM Refit could be explored in order to satisfy this need
- Other options could be investigated in parallel ( i.e: block tagging as it is being used by institutions also for other purposes)

## 2. Discussion paper: Process for institutions under P3DH

### Large and Other Institutions: main aspects and questions

#### 1 Internal verification (Art. 431 (3)CRR)

- Institutions have the ownership of the data submitted “shall be subject to the same level of internal verification as that applicable to the management report”

#### 2 Submission and sign-off

- Submission of information (**PDF and XBRL-CSV for republication without changes**) to the P3DH **once the sign-off is complete and accompanied by confirmation**

#### 3 Additional sign-off before dissemination

- Additional sign-off needed before opening the portal to the public, beyond the preview for the technical acceptance step?
- How much time would be needed for this additional sign-off?
- Or just technical acceptance?

#### 4 Consistency of information

- Consistency between P3DH and institutions websites
- Consistency of information between XBRL-CSV file and PDF report

#### 5 Submission / Publication date

- Possible end- date to receive reports: which one would be more appropriate?
- End-June as limit date for year-end submissions?

#### 6 Qualitative information

- To be included in the PDF report
- Machine-readable format
- Would other possible formats be more adequate ( blog tagging, Open document format)?

#### 7 Other

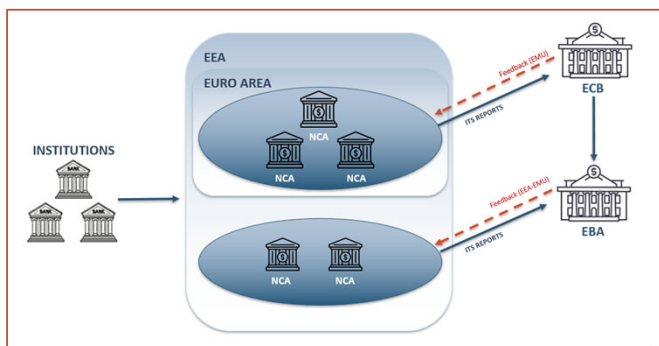
- **Language for publication:** national language, English or both?
- **Incorporation of audit findings:** number of resubmissions, more relevant for those MS where this requirement exists

## 2. Discussion paper: Process for institutions under P3DH

### Small and Non-Complex Institutions (SNCIs) – Process and main challenges

#### Quantitative information

- Computed centrally by the EBA based on the supervisory reporting data
- Still to be seen what to do when supervisory data is not available



#### Two main challenges

- **Sign-off by institutions:** how to design the process to comply with the requirement in Art 431 CRR (Data shall be subject to the internal verification process), having also in mind the objective of proportionality and costs reduction?
- **Qualitative data:** Quantitative data will be produced by the EBA based on supervisory reporting. However, in the DP we will seek feedback on how to meet the requirements applicable to SNCIs regarding the qualitative information and the accompanying narrative to the quantitative templates, not available in supervisory reporting

## 2. Discussion paper: Process for institutions under P3DH

### Small and Non-Complex Institutions (SNCIs): main aspects and questions

#### 1 Timeframe for publication

- Defining a common date for the publication of the P3 reports for the SNCI - Possible alignment with reporting dates?
- Other options/views to ensure disclosures on a timely manner?
- Could end-June be a possible date, also having in mind the timelines for the audit procedures?

#### 2 Sign-off the P3 reports developed by the EBA

- As the reports will be prepared by the EBA relying on the mapping tool, do you have some views on how could the sign-off of the Pillar 3 reports prepared by the EBA be done by SNCIs?
- Calculations used by the EBA could be based on a signed-off version.

#### 3 Language

- Pillar 3 disclosures being provided in the national language.
- In the case of SNCIs, this seems a more relevant issue (when comparing, for instance, to Large institutions) due to the fact that the EBA is in charge of producing these disclosures and also because of the relative importance of the regional investors.

#### 4 Submission of qualitative information

- Feedback is asked on how to set up the process for the submission of qualitative information by SNCIs: qualitative tables + accompanying narrative.
- Which formats could be considered? PDF or other? Views?

## 2. Discussion paper: Feasibility Study



### Feasibility Study

#### Issue at stake

- Article 434c of the CRR mandates the EBA to prepare a **report** (36 months after the enter into force of the CRR) on the possibility to **extend the process for SNCIs to Large and Other institutions**. Important to start collecting information / views on this

#### Main challenges

- **Amount of information** to be disclosed by Large and Other institutions is **significantly higher** than for SNCIs;
- Principle of **materiality** and confidential or proprietary nature of that information – Article 432 of the CRR → how to apply?
- **How to comply with required verification** under Article 431(3)?
- Possible **extended timeframe for publication** would be needed or more delays would be observed;
- **Substantial increased efforts** if process for deriving quantitative data (centralised) is separated from the process to produce qualitative information;
- Deriving disclosure figures for Large and Other institutions would possibly lead to the need to defined **fixed timelines**, potentially linked to the ones established for supervisory reporting;
- Incorporation of **audit findings**;
- Publication in **different languages**

# 03

---

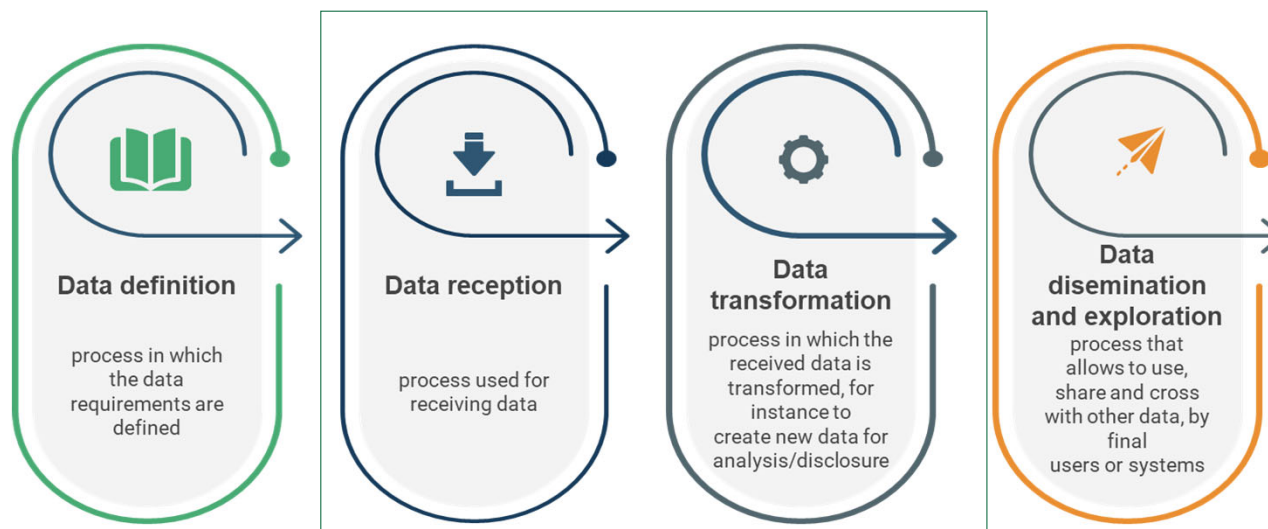
## EBA process for P3DH

---

P3DH

### 3. Discussion paper: P3DH process - EBA

- The process below shows the different steps of the data in the EBA process
- Some steps are different depending on the type of institutions. Specially with regards to Data reception and data transformation where the process is different for large and other institutions and for SNCI



- With the new P3DH process, the EBA needs to define not only the ITS, templates and instructions but also to **provide technical documentation** for the Pillar 3 templates implementation by institutions:
  - DPM, XBRL taxonomies, Validation rules

## 3. Discussion paper: P3DH process – EBA

### Main aspects and questions

#### 1 Data dissemination

- P3DH significantly reducing the time of searching and downloading the data. Increase in the usage of data, better promoting market discipline.

#### 2 Requirements under Article 432 CRR

- How to deal with the requirements on non-material, proprietary and confidential information under the proposed processes?

#### 3 Archive of information

- What would be the more adequate period to consider for storage of information, also in line with national regulation on financial information?

#### 4 Other challenges

- Any other challenges identified that would deserve further consideration by the EBA?





# 04

---

## Process for users of information

---

P3DH

## 4. Providing the tools for the users of information

The EBA aims to better understand what type of tools, search, visualization and downloading features would be more useful from the users' perspective to perform their own analysis

### Access to data

Users will have access, in the EBA dissemination portal, to the information as submitted by the institutions: PDF and XBRL files

### Downloading options

Users may be interested in bulk downloading options (API, automatic downloads), to create their own comparisons, charts, etc.



### Visualisation and exploration tools

Visualisation and exploration tools will be made available to users, to facilitate comparison of information across institutions, disclosure periods or at aggregated level

### Tools would evolve over time

The tools would evolve over time, and most likely be plainer and simpler when the P3DH is launched, but the intention would be to provide interactive tools similar to the EBA tools made available for the annual transparency exercise

## 4. Key questions to the users of information

### ➤ Timeline for availability of information to users:

What are users of information views on how the timeline for availability of information in the EBA P3DH should look like? Some options could be further explored by the EBA, if considered useful, like automatic alerts or the preparation of dashboard of reports for specific periods

### ➤ Approach for visualisation of data

What are the users views on the approach proposed in terms of visualization and bulk downloading tools? What kind of functionalities and tools would be useful for users in this regard?

### ➤ Development of P3DH interface

Would you have any other suggestions, from a user perspective, that could be considered by the EBA when developing the P3DH and the users' interface?

## Discussion per topic

Topic	Main aspects	Time allocation
Process for institutions	<ul style="list-style-type: none"><li>• Submission of documents / format of the documents</li><li>• Sign-off and technical acceptance</li><li>• Date of submission / publication</li><li>• Submission of qualitative information</li></ul>	12:25 – 12:40
EBA process for P3DH	<ul style="list-style-type: none"><li>• Requirements on non-material, proprietary and confidential information</li><li>• Archiving of information</li></ul>	12:40 – 12:45
Process for users of information	<ul style="list-style-type: none"><li>• Access to data / exploration tools / main functionalities</li></ul>	12:45 – 12:55



# 05

---

## Other policy developments

---

P3DH

## 5. Other policy developments in parallel



### ITS on IT solutions

- The ITS to be developed will also specify the IT solutions used in the implementation of the P3DH:
  - **DPM data model** for the common definition of the information required
  - **xBRL-CSV taxonomy** (based on the EBA DPM data dictionary) for the submission of the quantitative data and related accompanying narrative in a common electronic format that would facilitate data usage and comparison across templates, institutions and/or disclosure periods
  - **Comprehensive PDF report** including all the institutions' Pillar 3 disclosures.
  - **Possible use of VLEI** for the direct submission of information to institutions



### Mapping tool in the form of guidance

- The mapping tool has been so far provided by the EBA on own initiative and on a best effort basis to foster alignment between supervisory reporting and Pillar 3 requirements, improve quality of disclosures and support all institutions in the preparation of their required disclosures
- Under the CRR3: keep up-to-date a tool specifying the mapping of the templates and tables for disclosures with those on supervisory reporting
- **Some guidance will be provided with regard on the mapping updates and how to align the mapping among the different reporting and disclosure frameworks.** This guidance will be a separate product and not as part of the Pillar 3 ITS to allow flexibility when providing updates or possible amendments in the mapping

## 5. Other policy developments in parallel



### Resubmission policy

- Institutions shall have the right to resubmit the information in accordance with the technical standards to be developed by the EBA
- This information would need to be readily available in the P3DH in order to minimize the time frame that outdated information would still be available for downloading
- Some further feedback is needed with regard to
  - ✓ Scope of the information to be resubmitted
  - ✓ Key metrics involving more than one period
  - ✓ Materiality approach
  - ✓ SREP and external audit
  - ✓ Quantitative vs qualitative information

### Key questions to stakeholders

- Do you have any comments regarding the resubmission of disclosure data and the process of the publication via the EBA?
- Do you see specific requirements regarding the process and timing EBA will republish updated disclosure figures?
- Do you identify any other aspects that would need to be taken into account when defining the final resubmission policy? Which ones and why?

The EBA is in the process of finalising the Guidelines on resubmission of historical data under the EBA reporting framework, following a public consultation. The two resubmission frameworks (disclosure and reporting) should be consistent to the needed extent, especially having in mind the importance of having consistent supervisory and disclosure data



06

---

vLEI

---

P3DH



# vLEI is a solution developed by GLEIF to create a new global ecosystem for organizational digital identity

LEI Reference Data

Global Legal Entity Identifier Foundation  
as of 2023-07-15T00:00:00Z

Current Data Events and Changes Show XML **vLEIs**

LEI Code 506700GE1G29325QX363

<b>(Primary) Legal Name</b>	Global Legal Entity Identifier Foundation
<b>Other Names</b>	Global Legal Entity Identifier Stiftung
<b>Registered At</b>	UID-Register (Federal Statistical Office) In French: Registre IDE; In German: UID-Register; In Italian: Registro IDI (In French: de la statistique; In German: Bundesamt für Statistik; In Italian: Ufficio federale di statistica)
<b>Entity Status</b>	ACTIVE
<b>Entity created at</b>	2014-07-31T00:00:00Z
<b>S&amp;P Global Company ID</b>	537250307

**Global Legal Entity Identifier Foundation**  
LEI Code *506700GE1G29325QX363*

- 20-character, alpha-numeric code based on the ISO 17442 standard
- It is THE Global Legal Identity Standard
- Gives answers to “who is the Legal Entity” and “who owns whom”
- ...

## Legal Entity Credentials

Back to search results

LEI Reference Data

Data Challenge

Global Legal Entity Identifier Foundation  
as of 2023-07-15T00:00:00Z

Current Data Events and Changes Show XML **vLEIs**

Verifiable LEIs

**Legal Entity Credentials (1)**

Global Legal Entity Identifier Foundation  
*EB5yGdW30n\_MtQ3H7tFCASn1WxgdnPzQ14r6C1e*

- **Stephan Wolf, Chief Executive Officer**  
*EJhtyGdo1AatzAg-G2gDtXJ8D\_Sn0ByRegNs4BnNLtnP*
- ...

- Based on LEI
- Digitally trustworthy version of the 20-digit LEI code (**Verifiable Credentials**)
- Can be automatically verified, without the need for human intervention
- Combines information on the Legal Entity and the person acting on behalf of it
- Gives additional answers to “who send me / signed this document/message” and “is the person authorized to do it/what is his role”
- ...

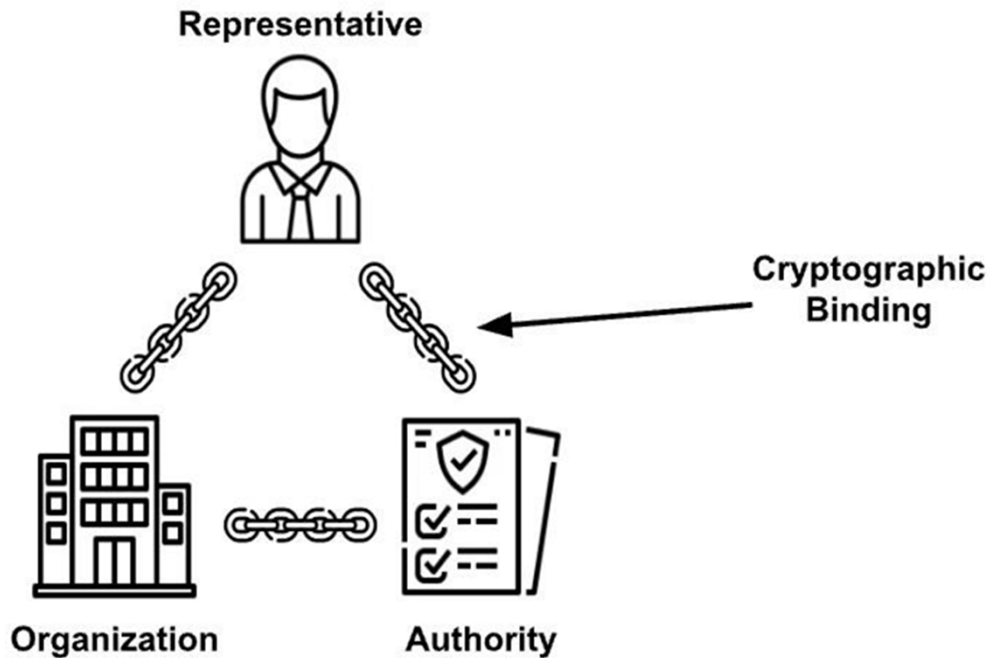
**Stephan Wolf, Chief Executive Officer**

*EJhtyGdo1AatzAg-G2gDtXJ8D\_Sn0ByRegNs4BnNLtnP*

Source: <https://search.gleif.org/#/record/506700GE1G29325QX363>



# The Verifiable LEI (vLEI)



## Example:

<b>Name</b>	Mario Rossi
<b>Organization</b>	Bank xyz
<b>Employee ID</b>	123ABC
<b>Role</b>	CEO
<b>Signing Authority</b>	Full

## Could vLEI help for Pillar 3 DH ?

- allows to know who the company is you are interacting with... but also, who is acting in the name of the company and is this person (or AI?) authorised to do it. Based on vLEI, the EBA could **validate regulatory reports signed by authorized persons** on the bank side without having to worry about the hassle of managing all the required credentials
- based on Key Event Receipt Infrastructure (KERI), a new innovative identity system, which aims to move from centralized and administrative roots of trust to decentralized and cryptographic roots of trust. Potentially it would solve many problems: security, privacy, scalability, performance, cost, governance
- has the potential to create significant economical value for the whole community, by providing a fundamental component for efficiently automating cross-enterprise business processes

### Open questions:

- Is vLEI the right concept and already mature enough?
- vLEI is ecosystem driven (e.g., Qualified vLEI issuer (QVIs)) and the ecosystem needs to be built. How to get this started? (chicken and egg effect)

## Possible benefits from vLEI for Financial Institutions and Regulators

### Supervisors / Regulators

- **Trust:** enabling the validation of regulatory reports signed by authorized persons on the bank side without having to worry about the hassle of managing all the required credentials
- **Transparent view of entities:** access to an aggregated view of legal entities across their hierarchies, increasing ability to evaluate systemic risk and manage stability
- **Data processes standardisation:** Data collection authentications could be standardised across all FIs, enabling smarter, less costly, and more reliable data workflows

### Financial Institutions

- **Operational efficiency.** Access user information in a consolidated, digital form through queries in the digital identity network; having attributes in a consolidated digital form would provide a single view of the customer and allow FIs to streamline customer-facing operations, such as onboarding, as well as many back-end processes.
- **Improved products and services.** FIs could draw on trusted information, with consent, to better manage and evaluate risk; secure digital identity protocols and digital attribute transfer would improve user experience and expand the number of services that FIs could securely provide online
- **Improved compliance:** Access to trusted identity information would increase the ability of FIs to be compliant with anti-money laundering, KYC and other regulations within their jurisdiction



07

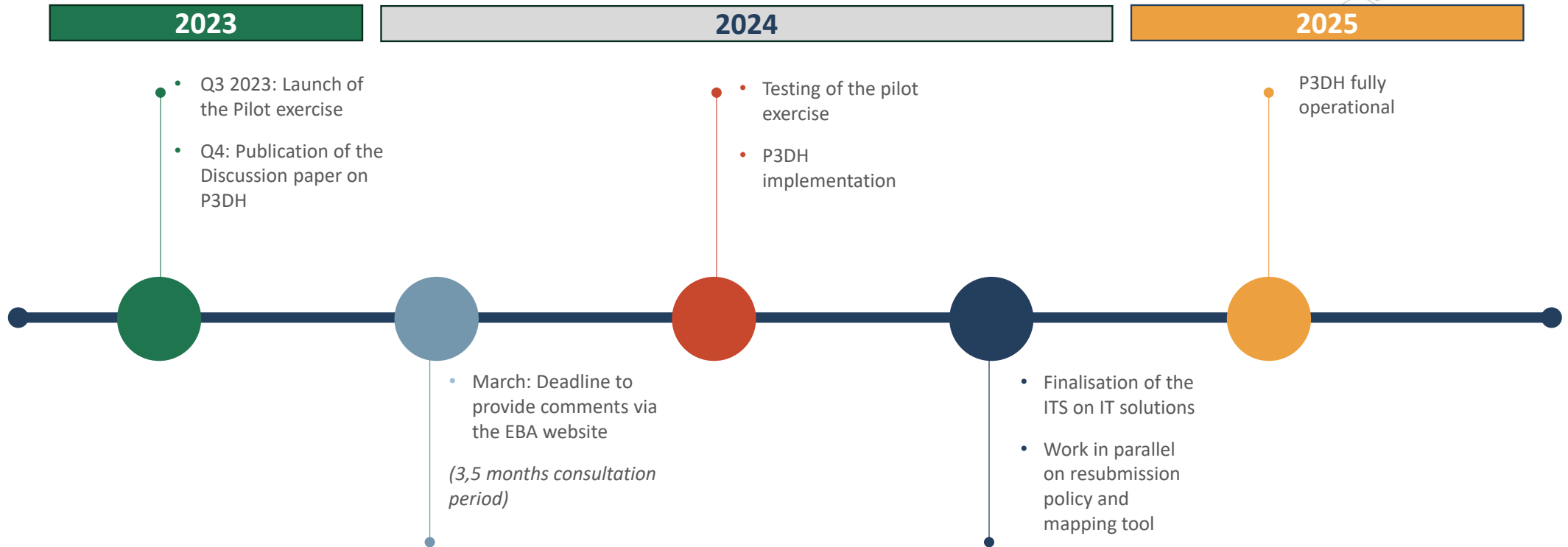
---

Next steps

---

P3DH

# Next steps



## Discussion per topic

Topic	Main aspects	Time allocation
Other policy developments	<ul style="list-style-type: none"><li>• ITS on IT tools</li><li>• Resubmission policy</li><li>• Mapping tool</li></ul>	13:15 – 13:20
vLEI	<ul style="list-style-type: none"><li>• vLEI and P3DH</li><li>• Possible benefits for financial institutions and regulators</li></ul>	13:20 – 13:30

---

Thank you!

---





Floor 24-27, Tour Europlaza  
20 Avenue André Prothin  
92400 Courbevoie, France

---

Tel: +33 1 86 52 70 00  
E-mail: [info@eba.europa.eu](mailto:info@eba.europa.eu)

---

<https://eba.europa.eu/>