

ESAs workshop on DORA dry run lessons learnt and data quality

Wednesday, 18 December 2024, 10:00 – 13:00 CET

Online



Housekeeping

1. Go to [slido.com](https://www.slido.com), enter event code #DORA2024 and your full name and organisation (e.g. *“Mario Rossi (EIOPA)”*)
2. Submit written comments/questions through Slido and upvote questions of interest submitted by other participants.
3. If your question is very popular, we will read it during the meeting

The moderator will not accept inputs which are offensive or are specific to one entity

Inputs related to areas of DORA not covered during this event, will be given a lower priority compared to those in scope

We will try to archive all inputs



Please note that the meeting will be recorded on the basis of Article 29(1)(e) of Regulation (EU) 1094/2020. The recording will be published afterwards on the websites of EBA, EIOPA and ESMA for the purpose of facilitating the implementation of DORA. If you do not wish to be recorded, please send your question/s, if any, without stating your name.



Agenda

1. Opening remarks by Marc Andries, ESAs Director for DORA Joint Oversight
2. Overview of the dry run exercise
 - Focus on data quality assurance process and key findings
3. Key lessons learnt from the dry run exercise
4. Preparations for official reporting of the registers of information in 2025
 - Key changes in the requirements for the registers following the adoption of the ITS
5. Questions and answers

1. Opening remarks

Marc Andries, ESAs Director for DORA Joint Oversight



Objectives and key take-aways of the dry run exercise

To help financial entities and competent authorities with their preparations for establishing and reporting the Registers of Information (on ICT outsourcing arrangements), the ESAs ran a dry-run exercise



High **participation rate**: 1,039 financial entities from most DORA entity types and from all EU Member States

Objectives of the exercise achieved!

- Participating FEs were provided with feedback on the **data quality issues**
- The ESAs **provided** tools, material, workshops and 'frequently asked questions' framework to support the exercise that would also help with formal reporting of the registers
- The ESAs **published a report with high-level observations about data quality** and also **organise this workshop** to share their general findings and observations with the wider industry

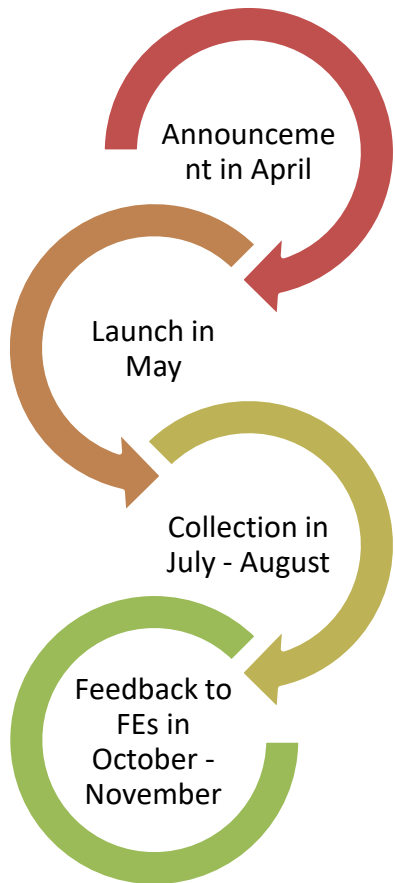
Key take-aways

- With 6.5% of submitted registers having passed all data quality checks and 50% of the remaining registers having failed less than 5 out of 116 data quality checks, **the objective** of having good quality data that can also be used for the designation of critical ICT third-party service providers (CTPPs) **is within reach!** However, additional efforts from industry are still needed
- Financial entities are encouraged to **follow instructions provided in the final ITS**
- Where a trade off between data quality or completeness needs to be made, financial entities should **prioritise data quality**
- The **use of identifiers is crucial** for the registers and CTPP designation

2. Overview of the dry run exercise



Timeline and milestones



- **30 April** – introductory workshop for the industry
- **31 May** – launch for the industry: materials, specifications and tools made available to the participating FEs, and list of involved FEs confirmed by the CAs
- **10 June** – Workshop for the industry on the tools and materials
- **4 July** – Updated FAQ published (additional updates on 29 July)
- **1 July-30 August** – registers of information collected (no resubmissions envisaged) from participating FEs through their competent authorities
- **6 September** – Data frozen for the analysis
- **31 October** – end of the data cleaning and quality checks. Feedback provided to the participating FEs via their competent authorities
- **17 December** – publication of aggregated data quality report
- **18 December** – Summary workshop for the industry



Tools and materials provided

Tools for the registers

- Templates for the register of information (.xls for filling)
- Two examples of filled-in templates
- FAQ covering dry run and filling the registers

Tools for reporting

- Draft data point model (DPM) annotated table layout
- Draft taxonomy
- DORA *plain-csv* sample reporting package
- XLS to CSV conversion tool (VBA macro) plus instructions

All materials are available on the dedicated webpage: [Preparation for DORA application | European Banking Authority](#)

Important disclaimer: materials and tools published on 31 May and later in the context of the dry run exercise were meant solely for the purposes of the dry run exercise as they:

- (1) were based on the Final report on the Draft ITS on registers of information published and submitted in January 2024 by the ESAs and, therefore, do not reflect the final legal act adopted by the EU Commission,
- (2) were presented in a draft form (DPM and validation rules). The final technical package for the steady-state reporting, which will start in 2025, will be published in December 2024.



Participation and coverage

- 1,139 FEs originally declared their interest to participate
- 1,039 FEs submitted their registers
- **947 registers were analysed** with data quality feedback provided to them
- Most of the registers have been submitted at the consolidated level (over 58%) → increasing **total number of FEs covered to 3,447**
- Among the 3,447 entities covered through the consolidated registers:
 - credit institutions (30%)
 - insurance and reinsurance undertakings (19.3%)
 - Non-financial entities (other than ICT intra-group service providers) (19%)
 - investment firms (8%)
 - asset management companies (6%)

Type of entity	Number of financial entities	Share in total
Credit institutions	260	27.46%
Insurance and reinsurance undertakings	225	23.76%
Investment firms	122	12.88%
Asset management companies	86	9.08%
Payment institution	50	5.28%
Managers of alternative investment funds	40	4.22%
Institutions for occupational retirement provision	36	3.80%
Electronic money institutions	30	3.17%
Other financial entity	21	2.22%
Trading venues	18	1.90%
Insurance intermediaries, reinsurance intermediaries and ancillary insurance intermediaries	17	1.80%
Central security depository	7	0.74%
Central counterparties	6	0.63%
Crowdfunding service providers	5	0.53%
Account information service providers	4	0.42%
Administrator of critical benchmarks	3	0.32%
Credit rating agency	3	0.32%
Crypto-asset service providers	3	0.32%
Non-financial entity: Other than ICT intra-group service provider	3	0.32%
Trade repositories	3	0.32%
Data reporting service providers	2	0.21%
Non-financial entity: ICT intra-group service provider	2	0.21%
Securitisation repository	1	0.11%
Total	947	100.00%

Country	FE count
AUSTRIA	137
MALTA	72
HUNGARY	67
ITALY	65
GERMANY	60
FRANCE	59
POLAND	57
LUXEMBOURG	57
NETHERLANDS	50
SPAIN	47
PORTUGAL	46
IRELAND	39
BELGIUM	38
LIECHTENSTEIN	31
GREECE	17
CROATIA	17
FINLAND	14
BULGARIA	13
CZECH REPUBLIC	11
SLOVAKIA	10
SWEDEN	10
SLOVENIA	9
ROMANIA	6
CYPRUS	6
LITHUANIA	3
LATVIA	3
ESTONIA	3



Key observations

Coverage

- 18,387 functions were reported, of which 14,768 were assessed as critical (80%)
- Around 25,000 unique contractual arrangements were reported
- Around 10,000 unique TPPs identified

Support and interaction

- Extensive support materials and tools provided through a dedicated webpage
- Three workshops with the industry
- Three updates of FAQ document (127 questions)
- Individual data quality feedback provided
- More than 350 emails from FEs and 190 emails from CAs answered
- Extensive lessons learnt for ESAs → updates made in the ITS on the Registers of information

Data quality

- 6.5% successfully passed all data quality checks,
- 50% of the others failed less than 5 out of 116 data quality checks
- Missing mandatory data fields most common error – in line with ‘best efforts’ basis
- Use of identifiers is very important
- Follow the instructions provided

2. Data quality assurance process and key findings



Data quality assurance process

Two-step data quality assurance process run by the ESAs on each submission received

1: Integration checks

- **3** technical checks run upon **reception**. Ensure the submission could be processed:
 - Naming convention respected
 - No test submission / dummy files
 - Submission included completed template b_01.01 (entity maintaining the RoI)
- If **integration checks failed**, submission **discarded** and not processed further

2: Data quality checks

116 checks belonging to **5 main areas**:

- Unique identifier: keys of each template are not repeated
- LEI code validity: checked against GLEIF
- Drop-down list value: use of the DPM members respected
- Mandatory fields: checks if information needed for the designation are reported
- Validity of date values reported



Results of the data quality assurance process (1/2)

- At the end of September 2024 the ESAs shared **individual feedback** with the competent authorities, including:
 - failing integration checks: feedback on which integration check led to exclusion
 - data quality checks: detailed feedback with each record affected by the data quality issue
 - list of all checks run shared for transparency.
- Feedback transferred to participating entities from their competent authorities – no direct sharing from ESAs to participating entities
- **If no feedback received until now, please contact your competent authority**
- Out of **1,039** submissions received:
 - **92** (9%) discarded due to failing integration checks → no resubmissions were included in the dry run
 - **947** (91%) remaining submissions accepted, processed and screened for 116 data quality checks. Conclusive report based on these submissions
 - **6.5%** of submissions did not fail any data quality check
 - **50%** of the remaining registers failed less than **5** data quality checks
 - The maximum number of checks failing for a given entity is **43 out of 116**



Results of the data quality assurance process (2/2)

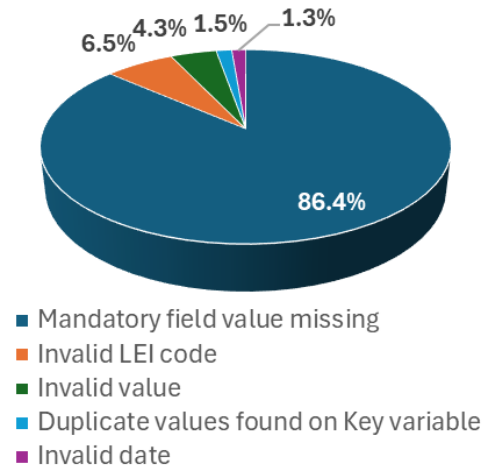
- Total number of failed data quality checks: **235,000**
- Volume of failed data quality checks is proportional to the number of data points submitted. Overall ratio of **2.5%**
- Proportion varies by type of financial entity. Some examples:
 - credit institutions: **1.9%**
 - investment firms: **2.4%**
 - insurance and reinsurance undertakings: **3.3%**

Type of financial entity	Submissions received	Data quality checks failed	Data points submitted	Share of checks failed
Insurance and reinsurance undertakings	225	97,289	2,935,579	3.3%
Credit institutions	260	56,511	2,931,767	1.9%
Institutions for occupational retirement provision	36	10,434	344,283	3.0%
Investment firms	122	6,078	248,988	2.4%
Asset management companies	86	2,170	209,306	1.0%
Managers of alternative investment funds	40	1,124	90,016	1.2%
Payment institution	50	1,877	63,318	3.0%
Insurance intermediaries, reinsurance intermediaries and ancillary insurance intermediaries	17	1,417	49,906	2.8%
Electronic money institutions	30	1,073	42,320	2.5%
Central security depository	7	466	38,150	1.2%



Failed data quality checks by type

Distribution of failures by type of check



- Most problematic check: **mandatory information missing**
 - In line with “best-effort” nature of exercise, **but**
 - 2025 official reporting: all fields mandatory. **Missing values will trigger resubmission request**
 - Most problematic field: provision of identification codes for ICT TPPs and their parent undertakings
- Second most problematic: **invalid LEI codes**
 - All codes checked for validity against GLEIF
 - Unexpected finding: more invalid LEIs (national codes, other types of codes) provided for financial entities than for TPPs
 - Low % of invalid LEIs for parent undertakings: issue is that LEIs are missing more than invalid



Deactivated/problematic data quality checks

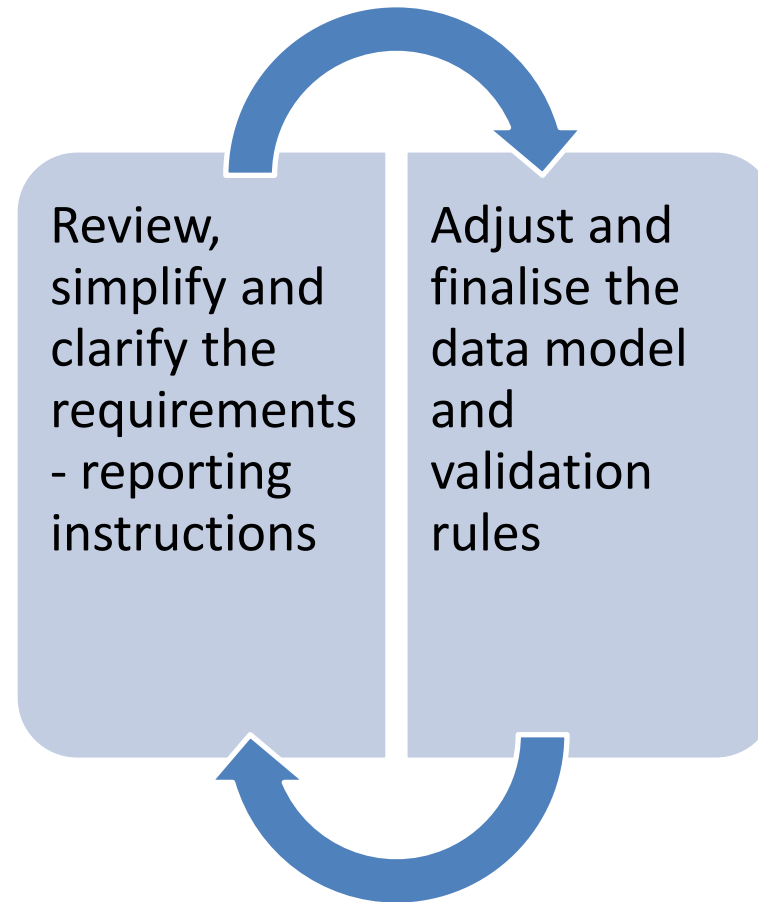
- Some checks were **deactivated** and excluded from the results presented in the conclusive report:
 - DOR_0021: key values in b_02_02, columns 0010 to 0060 should not be repeated.
 - » In the FAQ, instructions were given to multiply the entries for these fields when multiple locations for data storage / data management.
 - DOR_0094: value in b_06_01 column 0060 should not be missing
 - » The field was indicated as optional in the instructions
 - DOR_0117: value in b_06_01 column 0060 should not be missing if value in column 0050 is populated with “Yes”
 - » The field was indicated as optional in the instructions
- Other checks can be **disregarded** depending on specific conditions:
 - DOR_0091 and DORA_0092: parent undertaking’s identifier (b_05.01.0080) and type of identifier (b_05.01.0090) considered mandatory fields.
 - » Should be mandatory only when the TPP reported in b_05.01 is not already a parent undertaking
 - DOR_0052: currency (b_05.01.0060) of the amount reported in b_05.01.0070 (total annual expense or estimated cost of the ICT TPP) considered mandatory field
 - » Field b_05.01.0070 is not applicable to subcontractors

The experience from the data quality checks, in particular, in problematic checks have been reflected in designing the data quality checks for the official reporting

3. Key lessons learnt from the dry run exercise



Key lessons learnt for the ESAs and the competent authorities

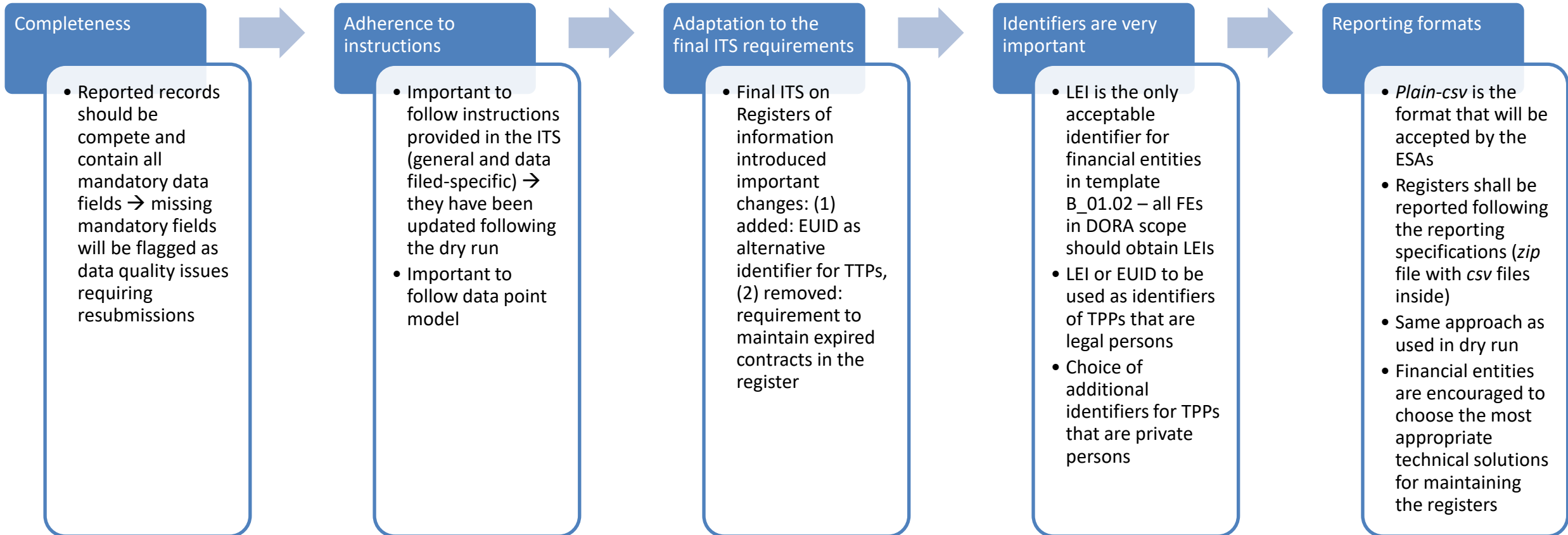


Changes to the reporting instructions based on the industry feedback and questions throughout the dry run have been reflected in the ESAs Opinion on the rejection of the ITS on Registers of Information published on 15 October (available [here](#)) → **final ITS incorporates all those changes**

Revised data model and draft validation rules reflecting the dry run experience and questions/feedback on the data quality checks were published on 15 November (available [here](#))



Key lessons learnt for the industry

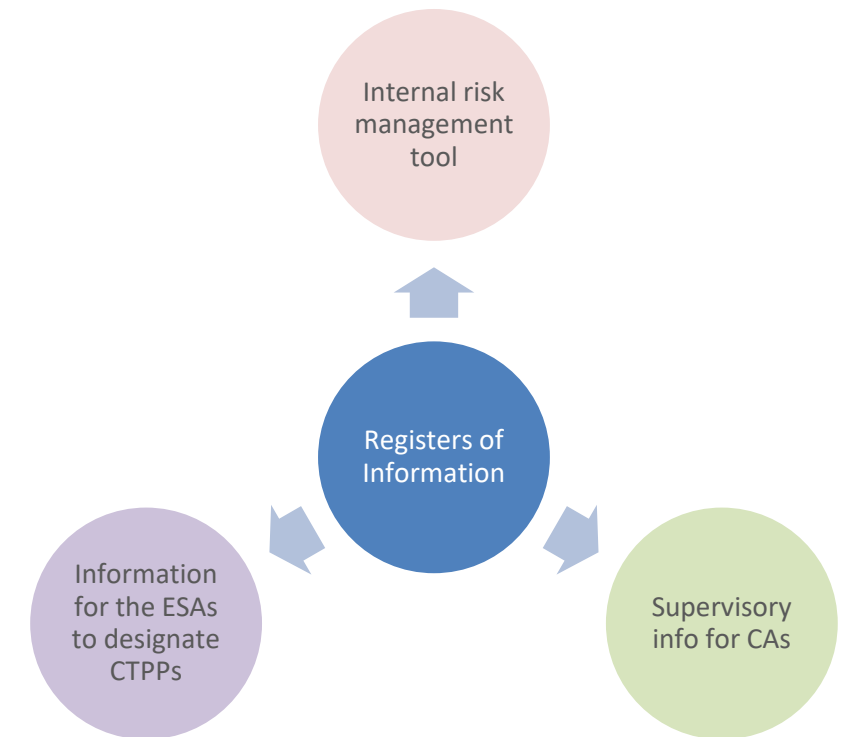


4. Preparations for official reporting of the registers of information in 2025



Registers of information - reminder

- DORA requires all financial entities (FE) in its scope to have a **register of information of all their contractual arrangements with ICT third-party providers** available at entity, sub-consolidated and consolidated levels (Article 28(3) of DORA)
- The content of the registers of information is specified in ITS developed by the ESAs which has been adopted by the European Commission on 29 November as **Commission Implementing Regulation (EU) 2024/2956** (see [here](#))
- FE will need to keep the registers up-to-date and be ready to report them to the competent authorities (CA) starting from early 2025
- The **CAs will use the registers for their supervisory purposes** and will report them further to the ESAs
- The ESAs will use the registers as a main source of information for the **designation of critical ICT third-party service providers (CTPPs)** that will be subject to the DORA oversight by the ESAs





Changes to the ITS on the Register of Information

- ITS developed by the ESAs which has been adopted by the European Commission on 29 November as [Commission Implementing Regulation \(EU\) 2024/2956](#) (see [here](#))
- The final ITS follows the text published by the ESAs in their Opinion on the rejection of the ITS by the EU Commission from 15 October

Simplification from the EU Commission

- Removal of the requirement to maintain the expired contracts in the register

Addition from the EU Commission

- Giving choice to FEs of identifiers for the EU-registered TPPs – either LEI or EUID, or both, if available

Simplifications and clarifications from the ESAs

- Aligned the text with the integrated Data Dictionary (use of codes and references)
- Clarified what firms should be reported and where (financial entities in templates B_01.02 and all TPPs in B_05.01)
- Additional changes to support EUID implementation (introduction of additional data fields)
- Simplified approach to reporting currencies (no need to convert to base currency)
- Clarified reporting of contractual arrangements with subcontractors, where only first external contract is to be reported for intra-group providers
- Clarified the need to add additional rows, where several values are to be reported but only one is permitted by the DPM

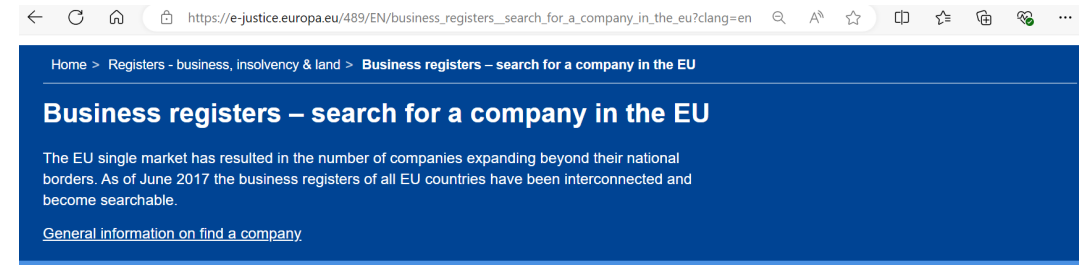


Changes to the ITS on the Register of Information: EUID implementation (1/3)

EU Commission has introduced EUID for the identification of ICT third-party service providers:

“Financial entities shall use a valid and active legal entity identifier (LEI) or the European Unique Identifier referred to in Article 16 of Directive (EU) 2017/1132 (‘EUID’), and where available both of these identifiers, to identify all of their ICT third-party service providers that are legal persons, except for individuals acting in a business capacity”

- EUID is available to most of the EU-registered companies in the national business registers then can be found using the EU Commission tool – Business Register Interconnection System ([BRIS](#))
- NB: **only manual searches on BRIS are available** and there are no API for batch processing



Refine your results

Document:

Date:

Language:

Amazon Web Services EMEA SARL (Luxembourg)

This page presents the details of the selected company and lists the documents or pieces of information available in relation to the company.

Company details

Registered office: 38, avenue John F. Kennedy, 1855 Luxembourg, Luxembourg

Registration number: B186284

Company type: société à responsabilité limitée ⓘ

Business Register: Registre de commerce et des sociétés

EUID: LURCSL.B186284

Status: economically active

37 documents





Changes to the ITS on the Register of Information: EUID implementation (2/3)

- To facilitate the implementation of EUID in the registers of information template B_05.01 has been amended → **three additional data fields** have been introduced

Data field	Data field name	Mandatory	Comment
B_05.01.0010	Identification code of ICT third-party service provider	Yes	Existing data field, instructions clarified
B_05.01.0020	Type of code to identify the ICT third-party service provider	Yes	Existing data field, instructions clarified with simplified fill-in options
B_05.01.0030	Additional identification code of ICT third-party service provider	No	New data field to allow for both LEI and EUID to be reported
B_05.01.0040	Type of additional identification code to identify the ICT third-party service provider	No	New data field to allow for both LEI and EUID to be reported. Simplified fill-in options
B_05.01.0050	Legal name of the ICT third-party service provider	Yes	Existing data point clarified for EUID implementation – Legal name in original alphabet for Latin, Cyrillic or Greek alphabets → to allow check of EUID in BRIS
B_05.01.0060	Name of the ICT third-party service provider in Latin alphabet	Yes	New data field for EUID implementation for legal names in Cyrillic or Greek alphabets → to allow check of EUID in BRIS



Changes to the ITS on the Register of Information: EUID implementation (3/3)

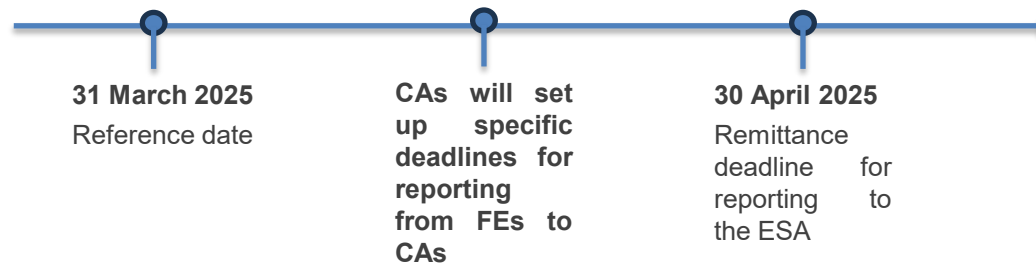
TPP type	Possible identifiers
EU-registered legal entity	LEI EUID
Third-country-registered legal entity	LEI
Individual acting in business capacity	LEI CRN – for corporate registration number VAT – for VAT number PNR – for passport number NIN – for national identity number



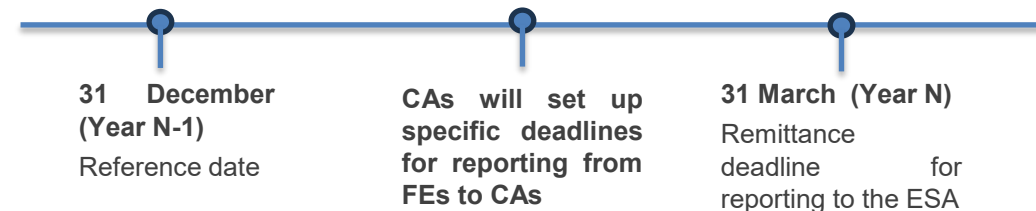
Timelines for reporting to the ESAs

- Official reporting of the registers from the competent authorities to the ESAs is done on the basis of the **ESAs Decision of 8 November 2024** (see [here](#))
- For the purposes of CTPP designation the competent authorities would need to collect the registers of information from the financial entities and **report them to the ESAs on annual basis**

First reporting in 2025



Reporting from 2026 onwards





Data point model and validation rules

- Data point mode (DPM) updated to reflect final ITS (as adopted on 29 November)
- Data model and validation rules published on 15 November (together with the reporting decision) – draft unofficial version to help with the preparations
- **Final publication of the complete technical package expected before Christmas** (will cover data point model, validation rules and taxonomies)

NB: there are some minor inconsistencies between the DPM taxonomies and the final ITS instructions (e.g. cannot have blank values in the data fields that are keys in the data model) that would be explained through official Q&A → the ESAs are working on this with the publication of the Q&As expected in January

Validation rules and data quality checks

Technical checks

- ca. 50 rules (see worksheet 'Technical checks' [here](#))
- Adaptation of the existing EUCLID checks used by the EBA for prudential reporting
- Automatic feedback to the submitter (competent authorities) in case of failures → request to resubmit

Validation rules

- Ca. 125 data quality checks covering:
 - DPM checks
 - Business checks of LEI and EUID
 - see worksheet 'Validation rules' [here](#)
- Feedback to the submitter (competent authorities) in case of failures → request to resubmit within the timeline indicated (before CTPP designation cut-off date)



Reference materials

- Dedicated dry run page with preparatory materials: [Preparation for DORA application | European Banking Authority](#)
- [ESAs Decision on reporting of information for CTPP designation](#)
- [ITS on the Registers of information \(Regulation \(EU\) 2024/2956\)](#)
- [Data model for the register of information](#)
- [Draft validation rules for reporting of registers to the ESAs](#)
- Reporting technical package (not available yet, but will be published [here](#))

Thank you for your attention!

Questions and answers

