DEUTSCHE BUNDESBANK
EUROSYSTEM

PRISMA

Refining and improving supervisory reporting

Kick-off meeting with representatives of the German banking industry on **17 January 2023**

PRISMA

Our team

Karsten Födisch

Christoph Hammann

Bianca Schönfelder

Eike Scholz

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Agenda

Kick-off meeting of working group on 17 January 2023

1. Welcome and introduction of the team	10.00 – 10.15
2. Background to PRISMA	10.15 – 10.30
Questions	10.30 – 10.45
3. PRISMA and implications for reporting process	10.45 – 11.45
Questions	11.45 – 12.15
4. Detailed questions concerning the design of the technical connection	12.15 – 12.45
5. Next steps	12.45 – 13.00

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Housekeeping

- Possibility for questions after each presentation
- Please use the chat for questions
- Please switch off video and sound if not participating
- Presentation available on our website
- Email your questions to us at prisma@bundesbank.de

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Introductory remarks

In scope today

- Only PRISMA basic release
- Only harmonised European reporting (“ITS”) and AFR reporting

Looking ahead

- 2023: Information with respect to supervisory reporting, basic release

After kick-off

- List of contact persons (preparatory discussion until Q2 2024)

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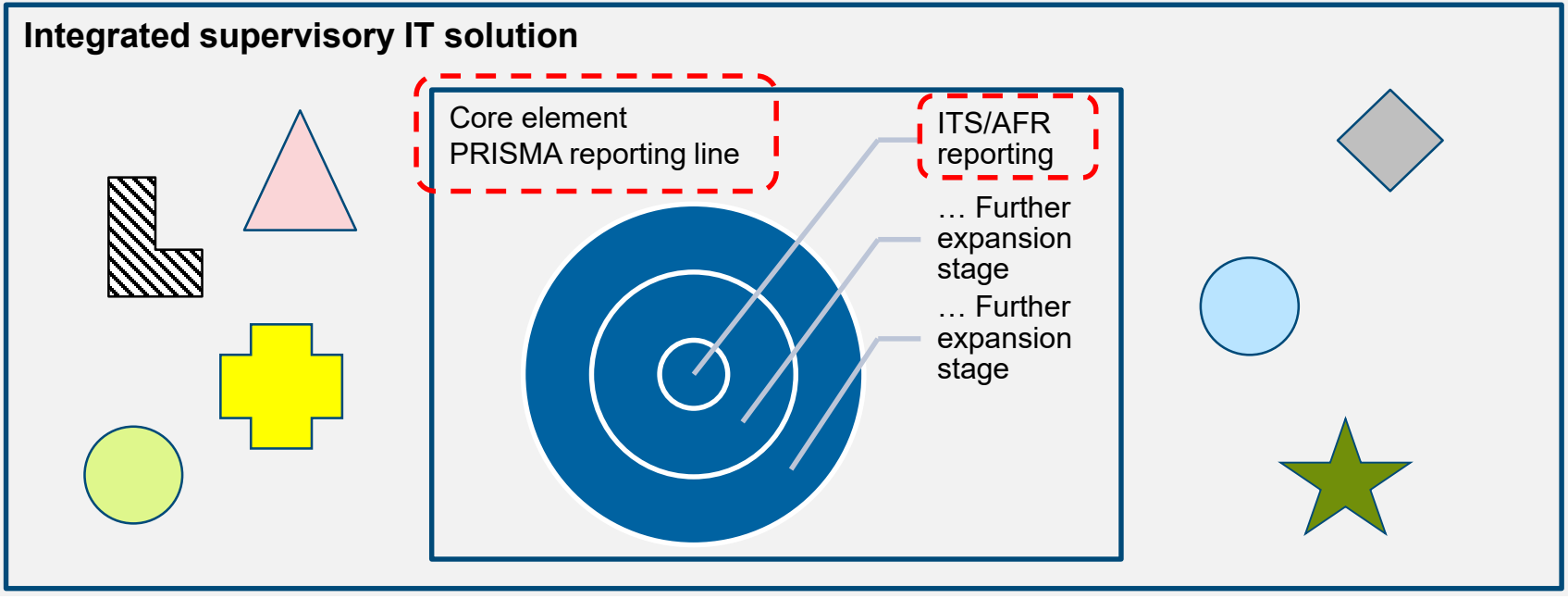
Project mandate

Design, implementation and go-live of a modern solution for the processing of supervisory reporting which will meet all current and emerging requirements in line with needs.



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Background PRISMA - status quo

- The supervisory application landscape has grown over many years and consists of various individual applications
- The end of the life cycle of some components of the application landscape is foreseeable
- Maintenance, care and improvement are becoming increasingly difficult and time-consuming
- The use of modern technologies is currently still under-represented
- User-friendliness (internal/external) suffers

Need for a fundamental modernisation of the supervisory application landscape

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Background PRISMA – core objectives

- **Modernisation:** Use of modern technologies and development standards that are common market practice
- **Consolidation:** Development of an integrated overall solution, reduction of complexity and costs
- **Flexibility:** Possibility of being able to react to new supervisory developments in a targeted and rapid manner
- **Standardization:** Uniform processing of supervisory notifications and reports
- **Transparency:** The status of a report is communicated more frequently; reply message is provided more quickly and, if possible, without media breaks. New communication channels are planned for the future.

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PRISMA – Background: Questions

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PRISMA and impact on the reporting process (1)

Future accepted taxonomy versions

a) Transition framework:

- Reporting areas affected:
  - Published EBA taxonomy on the **ITS on Supervisory Reporting**
  - Published Bundesbank taxonomy on **AFR reporting**

- Reporting dates Affected:
  - All XBRL reports on ITS and AFR reporting submitted to the Bundesbank from 1 January 2024 onwards (irrespective of the underlying reporting reference date)

- Background:
  - Shorter preparation time for new EBA taxonomies and faster transmission of ITS reports to the ECB/EBA

PRISMA and impact on the reporting process (2)

b) Other technical changes (1/3):

- Adjustment of mailbox addressing in the Deutsche Bundesbank's ExtraNet:

  New inboxes (incoming and outgoing) will be set up for the submission of supervisory reports for further processing with PRISMA in order to ensure the unique submission control of reports in XBRL format and other reporting file formats.

- New content-related reporting process specification (relevant for the harmonised European ITS reporting system):

  ➔Mandatory **specification of the legal entity identifier (LEI code) of the reporting entity in the XBRL reporting file**, i.e. the unit subject to supervisory reporting (institution or institution/financial holding group)

  IMPORTANT:

  - It is still possible, of course, for authorised technical submitters (third-party submitters) to operationally submit XBRL report files in the Deutsche Bundesbank's ExtraNet in accordance with the valid specifications
  - All AFR reports must still be submitted in the XBRL report file, specifying the creditor number

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PRISMA and impact on the reporting process (3)

b) Other technical changes (2/3):

- Transmission of contact data of the reporting party:
  It is envisaged that institution-specific contact data for reports in XBRL format will be transmitted separately via a report in ExtraNet (instead of as previously part of the national header) for ITS and AFR reporting from 2024 onwards.

- Technical format for submitting reports:
  Group submissions of multiple XBRL report files or multiple ZIP archives in a ZIP archive are generally no longer permitted. This means that each ZIP file submitted always contains only one XBRL file (see the figure below).

PRISMA and impact on the reporting process (4)

b) other technical changes (3/3):

- Adjustment for the **submission of correction reports (ITS and AFR)** as of 1 January 2024:

New requirement:

➔as of 1 January 2024, **correction reports** – i.e. any XBRL submission for reporting reference dates prior to 31 December 2023 – **will only be possible in the new manner described above (according to the taxonomy valid as at the reporting reference date without national headers)**.

What this means for submitters:
From 2024 onwards, we will no longer process correction reports in the technical XBRL format of the currently valid Bundesbank taxonomy specifications.
In particular, any corrections are to be submitted in the XBRL file exclusively using the LEI code of the reporting entity.
The time of submissions as from 1 January 2024 onwards is the determining factor, i.e. from this time of submission onwards, reports are to be submitted in the new form for all reporting reference dates.

PRISMA – Accepted taxonomy/resubmissions: Questions

Expanded and restructured reply message

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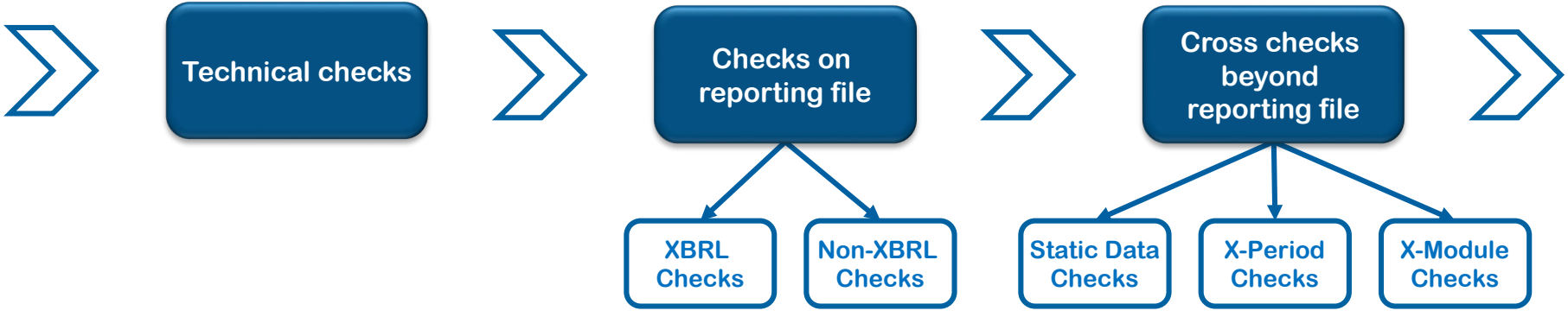
Standardised report processing with 3-stage validation



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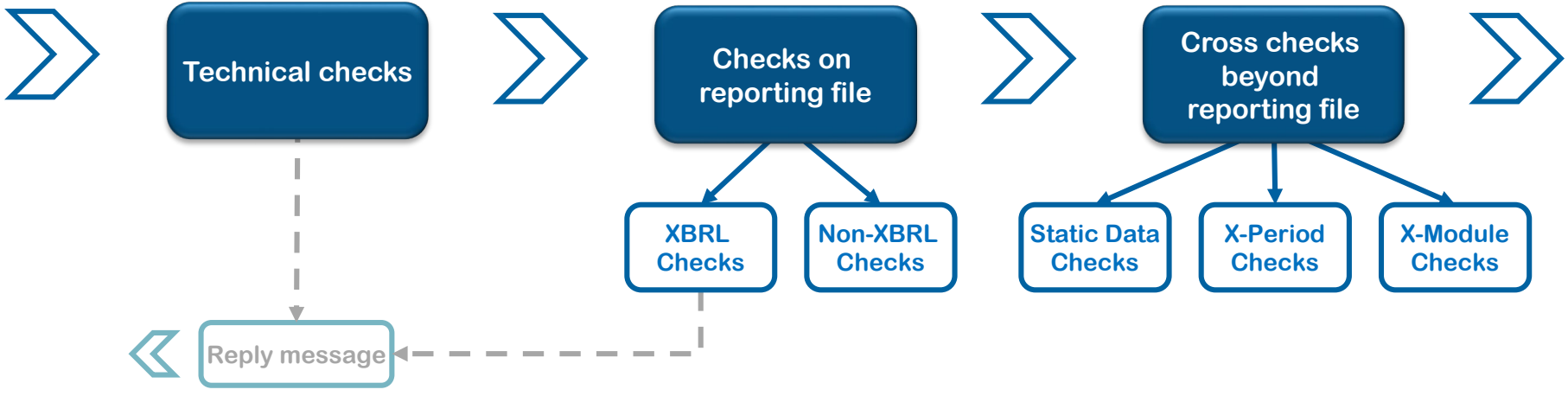
Current reply message behaviour



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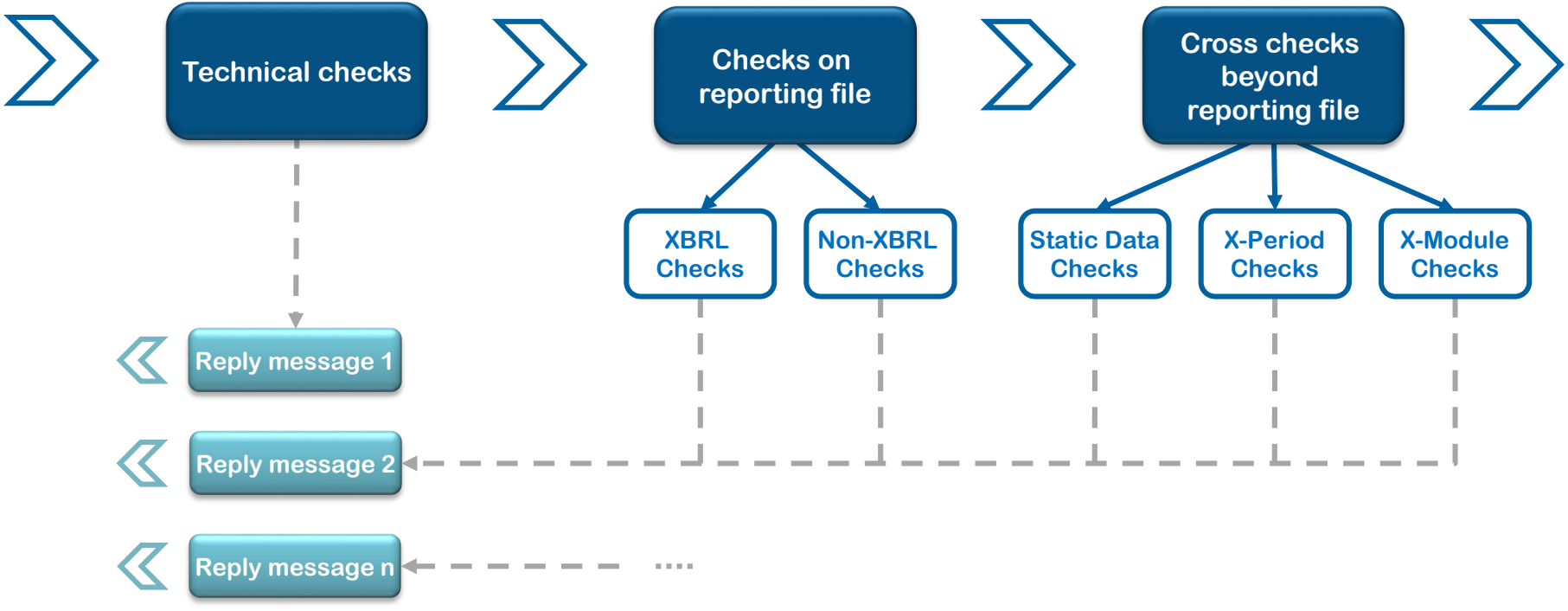
Planned reply message behaviour (1)



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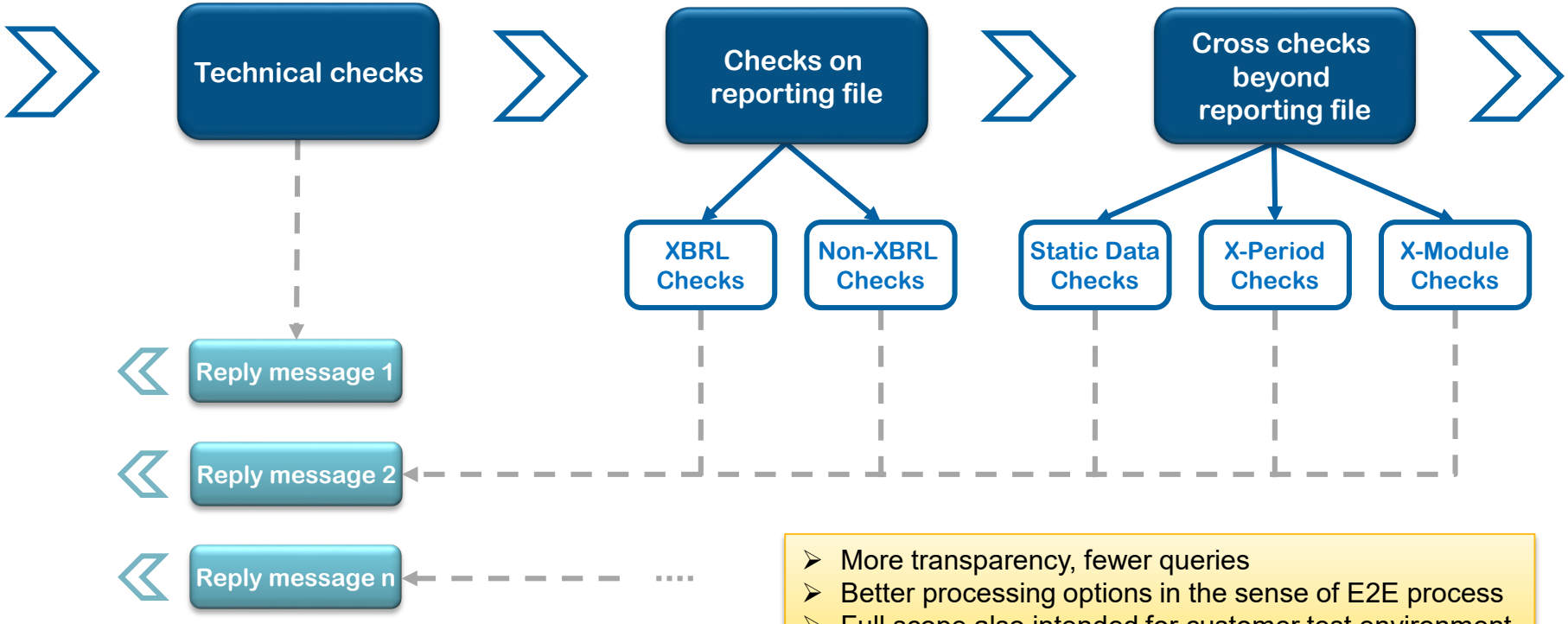
Planned reply message behaviour (2)



- More transparency, fewer queries
- Better processing options in the sense of E2E process
- Full scope also intended for customer test environment

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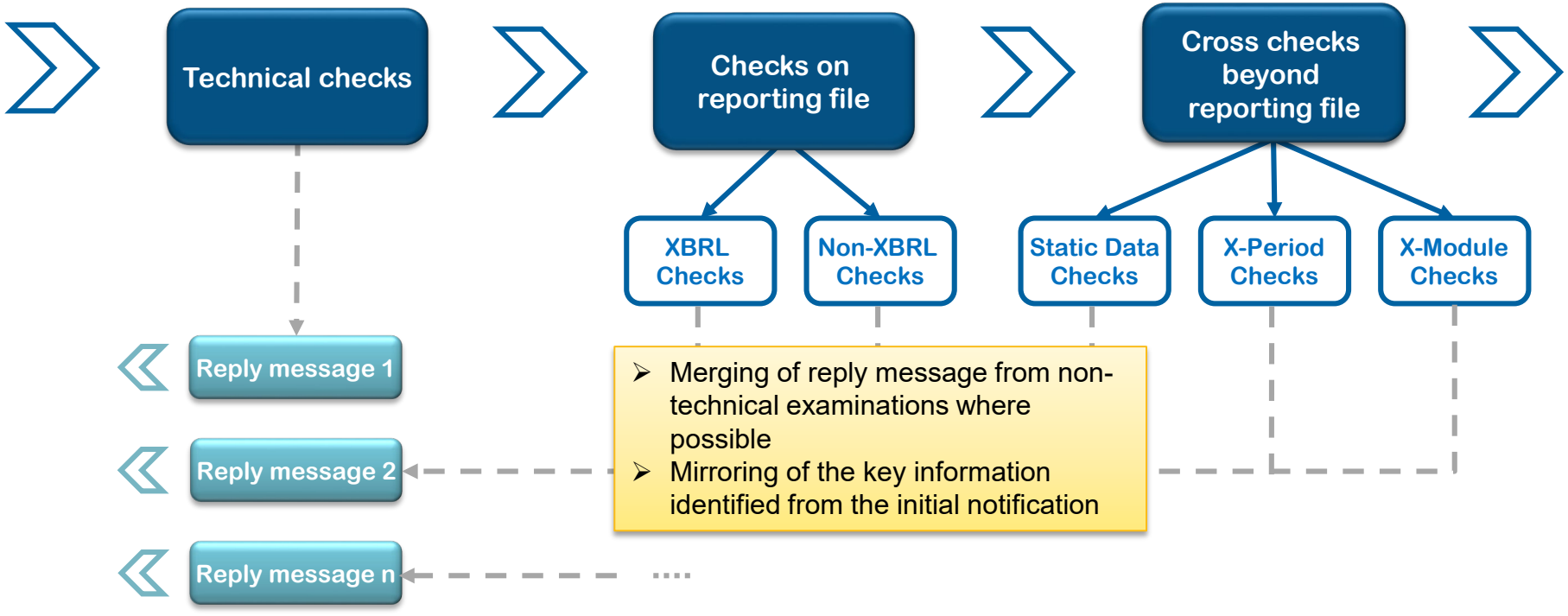
Planned reply message behaviour (3)



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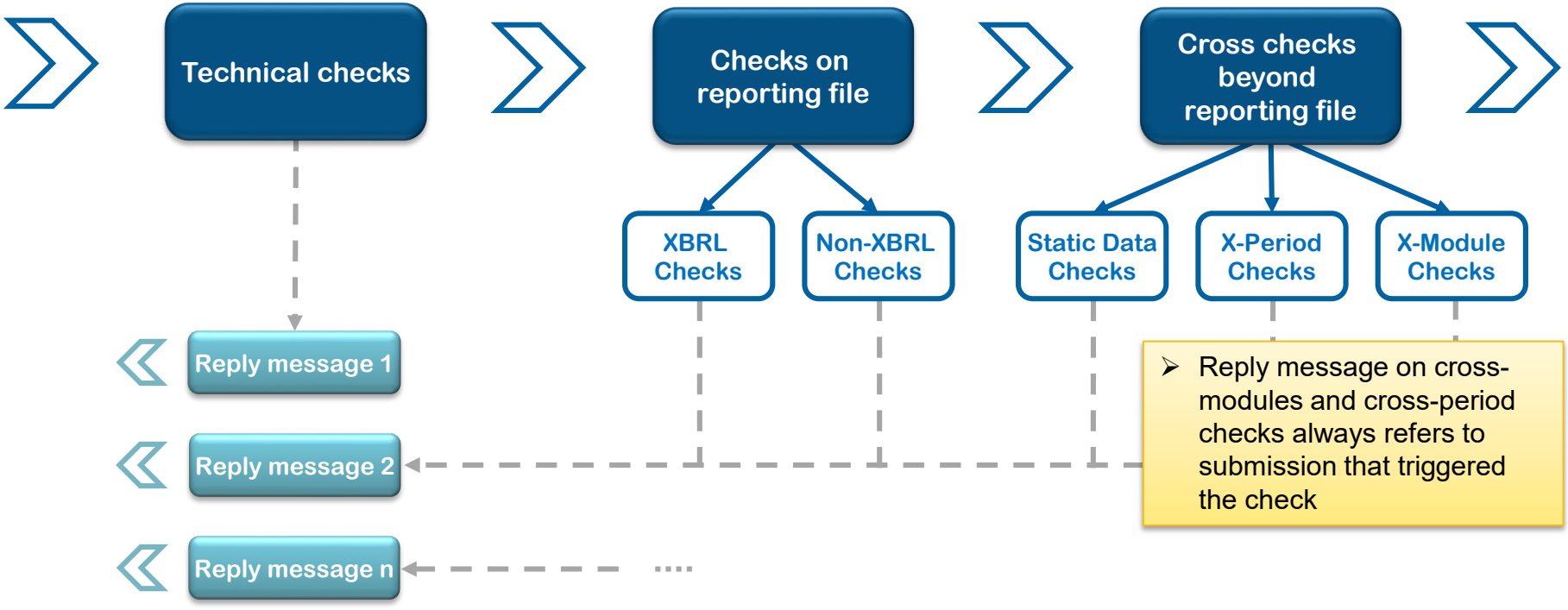
Planned reply message behaviour (4)



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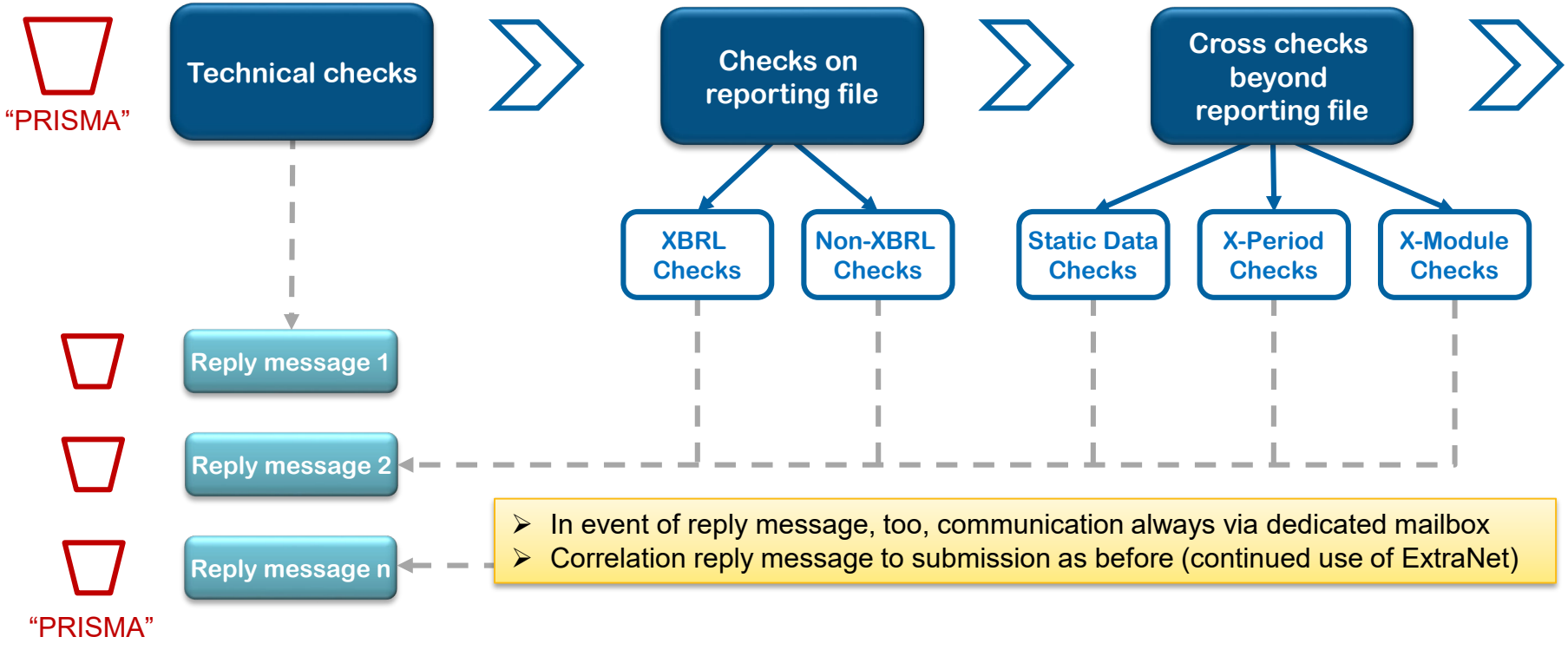
Future inboxes in ExtraNet



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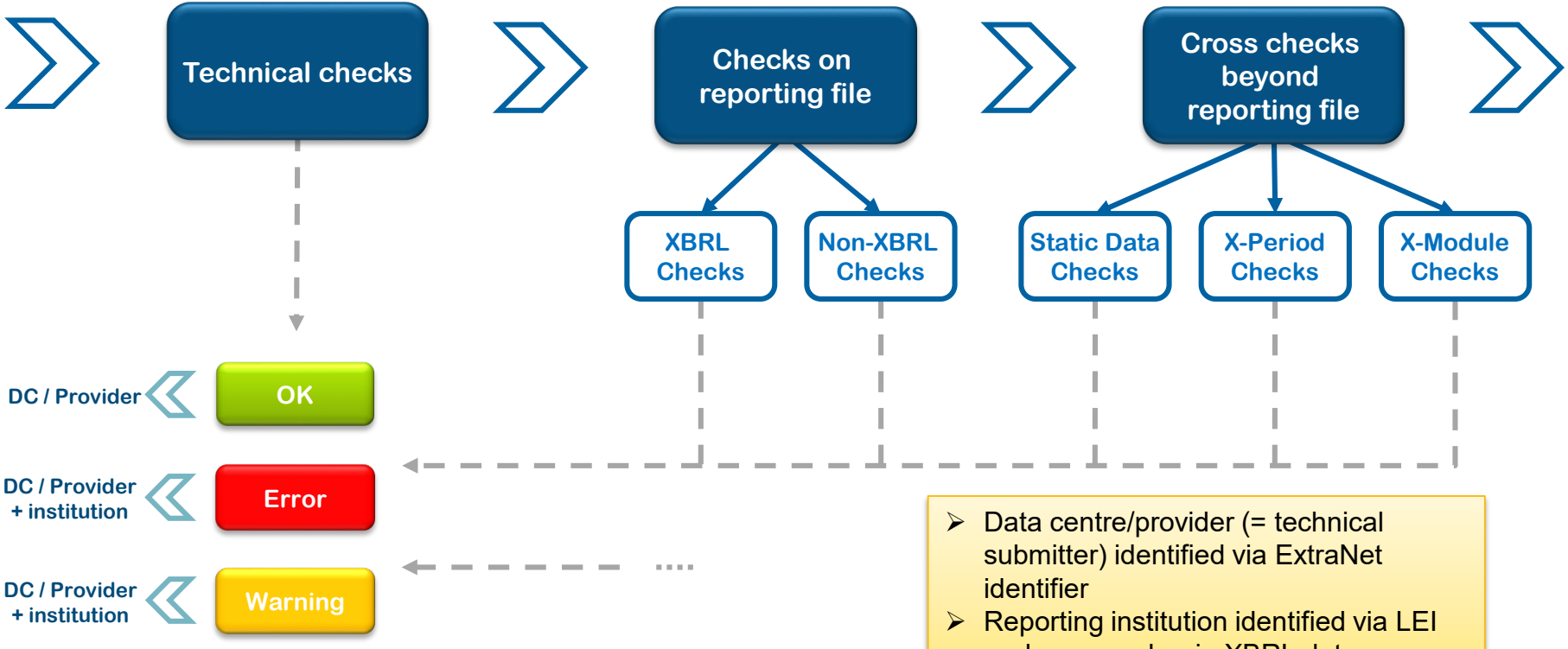
Reply message behaviour for third-party submission (data centres, providers)



- Data centre/provider (= technical submitter) identified via ExtraNet identifier
- Reporting institution identified via LEI or donor number in XBRL data

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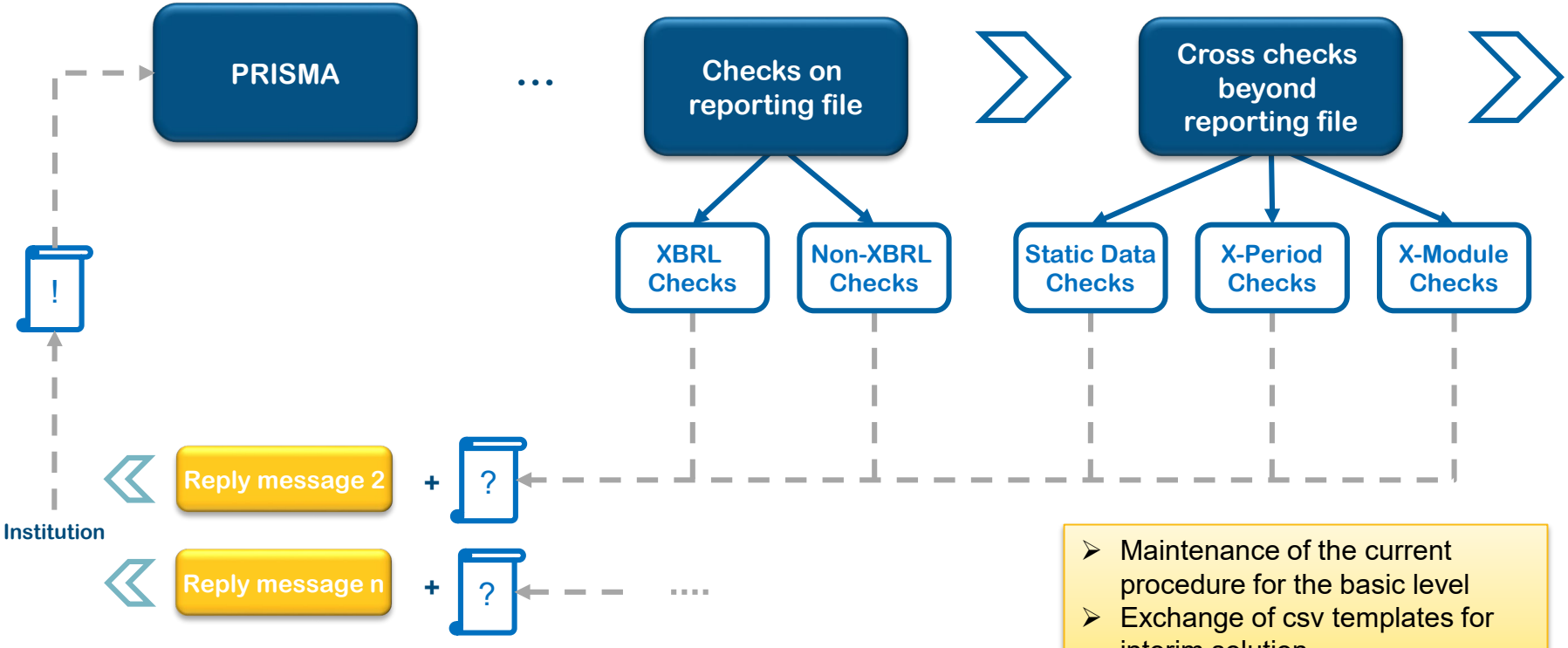
Submission of explanations



- Maintenance of the current procedure for the basic level
- Exchange of csv templates for interim solution

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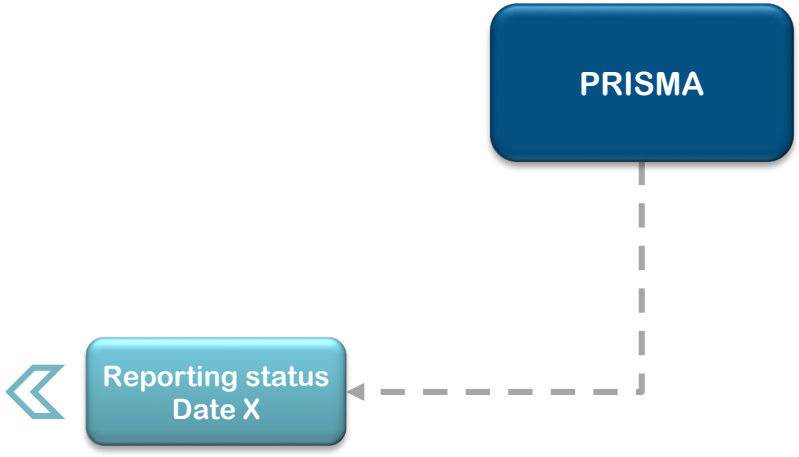
New reply message on overall status for each reporting reference date



Report contains information on

- Current validation result of submitted message instances, including cross-module status
- Pending submissions
- Correction requirements
- Status of the reasons for warnings

- Provision, for example 1x at end of day if changes have been made and/or after explicit request
- Objective: reduce number of “manual” communication steps

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PRISMA – Extended and restructured reply message: Questions

PRISMA – Customer tests / test submissions (1)

- The Deutsche Bundesbank already offers the option of test submissions
- Test submissions are used particularly intensively / often in connection with changes in taxonomy
- Test submissions are currently processed via the live environment; there is no dedicated customer test environment
- Test submissions must be explicitly marked as such (in the file name and within the report file)
- Test submissions compete with live submissions

PRISMA - Customer Tests/Test Submissions (2)

- Customer tests/test submissions are still possible (and desired!).
- You have the option of testing your applications against our reporting line (e.g. in the event of changes to taxonomies or also in the event of changes to the regulatory software solution you use).
- In future, test submissions will be processed via a dedicated customer test environment, which will be permanently available (exception: maintenance windows).
- The customer test environment is regularly updated to ensure that it is as close to the live environment as possible.
- Test submissions no longer need to be marked as such.
- Test submissions no longer compete with live submissions

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PRISMA – Customer Tests: Questions

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Detailed questions in Mentimeter

Topic: Reply message
https://www.menti.com/al6kkuzs8nfr

Topic: Machine-readable format
https://www.menti.com/al7484aeo63n

Topic: Explanations
https://www.menti.com/alu9nagn8gev

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Next steps

Information: Further dates on the subject of PRISMA (April, July, November 2023)

Customer tests begin in August 2023

Looking ahead: Expansion stages as described

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