

In case of discrepancies between the French and the English text, the French text shall prevail

Reporting instructions for the «SHS-Group» report

Banque centrale du Luxembourg

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1 Introduction

1.1 Legal basis and scope of declaration

The legal basis for the SHS-Group report is Regulation (EU) 2016/1384 of the ECB of 2 August 2016 amending Regulation (EU) no. 1011/2012 (BCE/2012/24) on securities holdings statistics (BCE/2016/22) (hereinafter “the Regulation”). The Regulation defines the reporting entities’ obligations, and the below reporting instructions are merely meant to further detail the technicalities.

1.2 Reporting population and reporting obligations

In accordance with Article 2 of the Regulation, the reporting agents for group data are those in charge of banking groups identified by the Governing Council in accordance with paragraph 4, and informed of their reporting obligations in accordance with paragraph 5.

To this end, it should be noted that all banking groups located in Luxembourg have been informed of their future reporting obligations in July 2016. New banking groups will be contacted swiftly following the ECB’s decision on their inclusion in the list of banking groups.

The reporting obligation lies in particular with those institutions responsible for banking groups and which can be any of the following entities:

- 1 A parent institution in the Union, as defined by Article 4(1)(29) of the Regulation (EU) no. 575/2013, in which any reference to a member state shall be interpreted as reference to a participating member state;
- 2 A parent financial holding company in the Union, as defined by Article 4(1)(33) of the Regulation (EU) no. 575/2013, in which any reference to a member state shall be interpreted as reference to a participating member state;

- 3 A parent mixed financial holding company in the Union, as defined by Article 4(1)(33) of the Regulation (EU) no. 575/2013, in which any reference to a member state shall be interpreted as reference to a participating member state;
- 4 A central agency, as defined by Article 10 of the Regulation (EU) no 575/2013, of a participating member state.

1.3 Reporting frequency and deadline

The SHS-Group report is composed of an SDMX file. The reporting frequency is quarterly.

The first reporting instance of group data executed in accordance with article 3bis of the Regulation starts with the data concerning the reference period of September 2018.

The BCL establishes a calendar of the due dates for the submission of the SHS-Group report and publishes it on its website.

2 Data to report

The data to report as well as the requirements that the reported instruments need to fulfil are defined by the Regulation, namely in Article 3 a. Furthermore, Appendix I of the Regulation provides detailed information about the characteristics of the data to report.

More detailed information and guidance on the data to report are available on the European Central Bank's website at the following link:

https://www.ecb.europa.eu/pub/pdf/other/guidance_notes_to_reporting_agents_on_shs_regulation201705.en.pdf

It is important to note that all the data reported by a banking group must be submitted in a single SDMX message.

3 Processing of the data collection

3.1 Transmission channels

The data must be submitted to the BCL through the usual secured transmission channels, namely:

- the data transmission platform « E-file »
- the application «SOFIE»

3.2 Transmission principle

3.2.1 Transmission standards

The standard exchange of statistical information used for the SHS-Group data collection is SDMX¹ (*Statistical Data and Metadata eXchange*). This standard describes and formalises the way to exchange statistical data and provides standard formats for data, content guidelines as well as the IT architecture needed for the exchange of data. Regarding SHS-Group, data should be filed using the basic SDMX-ML standard (under XML syntax).

A specific technical paper («*Technical specifications SHSgroup*») is available on the BCL's website. This document aims at describing the SDMX-ML formats to use for the SHS-Group data collection.

The SDMX schemes as well as the technical paper have been published on the BCL's website and are available at the following link:

http://www.bcl.lu/fr/reporting_reglementaire/Etablissements_credit/Groupes_bancaires/Instructions/Groupe_Bancaire_Schemas_SDMX.zip

¹ Statistical Data and Metadata eXchange (SDMX) is an initiative sponsored by seven institutions (BIS, ECB, Eurostat, IMF, OECD, UNO and the World Bank) aiming at providing standards for the exchange of statistical information.

3.2.2 Submission of SDMX-ML files

Each banking group must send a single SDMX-ML file per period.

For each reference period, the file can be sent several times if need be to correct errors. The new files must however contain the complete set of data for the reference period.

3.2.3 Receipt of the SDMX-ML files

The receipt of the files will lead to checks. As a first step, the files will be checked with regards to the legibility of the XSD files. In the case where the files fail this first check, they are rejected and the reporting agent is informed accordingly. If they pass, the files are passed on to the SHS-Group system without any notification to the reporting agent at this stage.

Once the first legibility checks have been carried out, the files are downloaded into the BCL's internal application, where a quality check of the entire data set is performed. The detailed list of checks can be consulted on the BCL's website:

http://www.bcl.lu/fr/reporting_reglementaire/Etablissements_credit/Groupes_bancaires/Instructions/index.html

3.2.4 Transmission modes

The technical details of these transmission modes are available in the document «**Technical specification SHS-Group**» available in the SDMX bundle.

4 Data quality management

4.1 Raising the reporting agents' awareness on the quality of the data

We would like to stress the importance of the quality of data supplied to the BCL. Only a rigorous check carried out right from the production will enable the data to fulfil all the quality criteria and to be submitted within the given deadlines. This point is all the more important given that ECB staff will check the collected data.

4.2 Data validation check

The BCL applies three main principles to the data validation check:

- 1 Technical checks are carried out upon receipt of the data.
- 2 Formal checks are required to guarantee the processing of the data by the BCL's system. In particular, the BCL makes sure that the reported data correspond to the formats and contents described in the SDMX bundle in the files «LU_SHS_CUBE_STRUCTURES" and "LU_SHS_SUBDOMAINS".
- 3 In principle, the data submitted through this report must be consistent with the prudential reports FINREP/COREP. The ECB has established a set of validation rules to this effect.

The set of validation rules is available at the following link:

http://www.bcl.lu/fr/reporting_reglementaire/Etablissements_credit/Groupes_bancaires/Instructions/index.html

4.3 Notification of errors

In response to the data sent to the BCL, each reporting agent will receive a quality report specifying which (if any) of the validation rules have not been complied with.

4.4 Time-limits for data storage

The reporting agents are required to store the SHS-Group data as well as the related documents during twenty-four months. The BCL reserves the right to request corrections during twenty-four months.

5 Test phase

The BCL is planning a test phase, which will run from 1 June 2018 to 15 August 2018

Participation in these tests will be voluntary. Nevertheless, it is recommended that the banks participate. Additional information on the type of tests and on the conducted verifications will be communicated in due course.

6 Correspondence with the BCL

In case of questions, the reporting agents are kindly requested to contact the External Statistics section by e-mail: reporting.shsgroupe@bcl.lu.