Factsheet

Elevating governance and quality for better risk risk management

Complying with BCBS 239

The Basel Committee on Banking Supervision 'Principles for effective risk data aggregation and risk reporting' outlines 14 key principles to improve banks' risk data aggregation and internal reporting. This quick reference guide provides you an at-a-glance view of the 14 outlined principles banks must comply with and which ones Collibra can help you with.

Collibra helps financial institutions meet BCBS-239 requirements by providing a unified view of governance controls, data quality, risk data aggregation lineage and reporting processes. We elevate transparency and auditability so you can be confident in your compliance.

To learn more, visit collibra.com/financialservices

Section, principle	BCBS 239 principle	Collibra can help
Section I: Overarching governance and infrastructure **Principle 1:** Governance	A bank's risk data aggregation and reporting processes must be rigorously governed, consistent with Basel Committee principles and guidelines.	✓
Section I: Overarching governance and infrastructure **Principle 2:** Data architecture and IT infrastructure	A bank's data architecture and IT infrastructure must reliably support its risk data aggregation and reporting, both under normal conditions and during stress or crises.	✓
Section II: Risk data aggregation capabilities **Principle 3:** Accuracy and integrity	Banks must produce accurate and reliable risk data using mostly automated processes to minimize errors in data aggregation.	✓
Section II: Risk data aggregation capabilities **Principle 4:** Completeness	Banks must capture and aggregate all material risk data across business lines, legal entities, and asset types to identify and report exposures, concentrations and emerging risks.	✓
Section II: Risk data aggregation capabilities **Principle 5:** Timeliness	Banks must generate timely data, based on risk reporting frequency requirements and the risk's nature, volatility and criticality to the bank's overall risk profile.	✓
Section II: Risk data aggregation capabilities **Principle 6:** Adaptability	A bank's risk data aggregation system must confidently provide data for a wide range of reporting needs, including ad-hoc requests, responses to supervisory inquiries and those arising from internal needs or crises.	✓
Section III: Risk reporting practices **Principle 7:** Accuracy	Risk management reports must be reconciled and validated to accurately and precisely reflect aggregated risk.	✓
Section III: Risk reporting practices **Principle 8:** Comprehensiveness	Risk management reports must cover all material risk areas within the bank. The detail and scope should be appropriate to the bank's size, complexity and risk profile.	✓
Section III: Risk reporting practices **Principle 9:** Clarity and usefulness	Risk management reports should be tailored to recipients' needs and must clearly and concisely convey information, enabling informed decision-making.	✓
Section III: Risk reporting practices **Principle 10:** Frequency	The frequency of risk management reports will be determined by the board and senior management, considering recipient needs, the nature and volatility of risk and its importance for sound risk management practices. Reporting frequency will increase during crises.	✓
Section III: Risk reporting practices **Principle 11:** Distribution	Risk management reports should be distributed to the relevant parties while maintaining confidentiality.	✓
Section IV: Supervisory review, tools and cooperation **Principle 12:** Review	Supervisors should periodically review and evaluate a bank's compliance with the eleven principles above.	
Section IV: Supervisory review, tools and cooperation **Principle 13:** Remedial actions and supervisory measures	Supervisors should have and use the appropriate tools and resources to promptly remediate deficiencies in risk data aggregation reporting practices.	
Section IV: Supervisory review, tools and cooperation **Principle 14:** Home/host cooperation	Supervisors must cooperate across jurisdictions to oversee adherence to these principles and implement any necessary remedial actions.	

