



Solution
Primer

Financial Services

OneSumX Granular Data Reporting

In Asia Pacific, new granular data reporting (GDR) updates are overhauling traditional regulatory reporting practices, compelling financial institutions to break away from conventional form-based reporting mechanisms and upgrading to new and different regulatory compliance. Each regulator in the region is introducing its own regime with their own nuances, and each of them bringing their own challenges.

OneSumX Granular Data Reporting

The Hong Kong Monetary Authority (HKMA) is introducing GDR in phases with firms needing to comply with a broad reporting data grid for residential mortgage and corporate loans. The Bank of Thailand (BOT) is introducing the Regulatory Data Transformation (RDT) rulings which, as the name indicates, it will be a complete transformation of existing regulatory needs asking for highly granular data reporting which uses an API to ingest the report data. The Australian Prudential Regulatory Authority (APRA) continues to align the Reporting Standard ARS 220.0 (Credit Exposures and Provisions) with Prudential Standard APS 220 Credit Risk Management to strengthen the capital reforms framework.

Despite the individual differences, all GDR regime changes will affect all aspects of the reporting process, from the way data is collected, through to the way it is validated and finally submitted. If these challenges are not addressed adequately, multiple challenges related to accuracy and integrity, timeliness, and costly maintenance can occur.

To address these complex and frequent new regulatory requirements, banks and financial institutions must adopt a strategic, long-term vision and expert capabilities. Successfully

doing so will close the potentially huge gaps in existing technological infrastructures and data architectures and ease the GDR compliance journey.

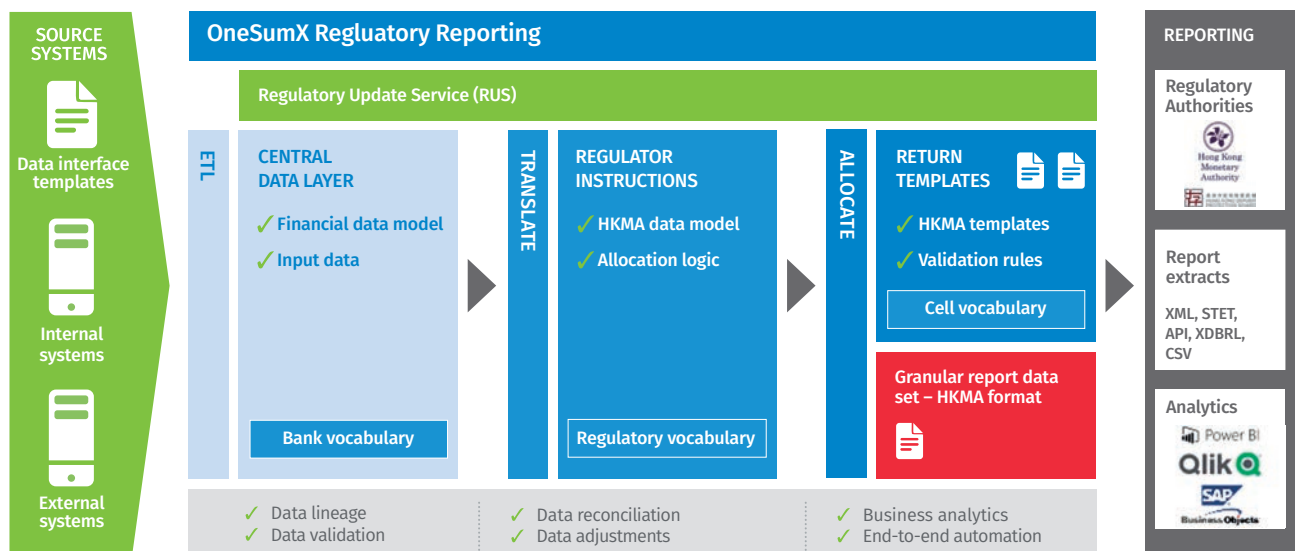
One of the main challenges associated with GDR includes the availability of data. With so many data points to source and submit for each portfolio, many banks will struggle to find the data in their existing systems. To address this issue, planning and early action for system enhancement is essential.

Banks will also need to ensure the technology they have in place is adaptable for evolving regulations as they need to adjust to the fast-moving, ever developing changes that are being made to the regulator’s platforms.

Cost and performance are two major considerations within GDR compliance as consolidation and submission of granular data will take up a lot of effort and will require highly performant systems. A manual spreadsheet-based approach is not enough to handle the requirements. If this is the approach taken, banks will spend significant budget and resource to comply.

Finally, firms need to produce full data lineage and traceability with the ability to drill-down to the underlying data source. Specific thresholds need to be in place to have necessary control over the variance, threshold and trend of the numbers that are submitted periodically.

Figure 1 Example of OneSumX GDR for HKMA





OneSumX GDR

Wolters Kluwer's OneSumX Granular Data Reporting solution is a rich platform offering support beyond regulatory submission. The platform covers several 'out-of-the-box' features providing customers with faster system rollout, earlier automation and savings in internal development and operational effort.

Some of the key GDR capabilities include:

Data validation checks

- Pre-defined picklist / technical validations as per regulatory acceptable field values
- Functional validation checks across various reporting dimensions
- User defined validation rule
- User friendly error logging
- Assignment of validation error across department

Data reconciliation

- Ability for reconciliation of transaction-level data against upstream accounting system ledger at product group level
- Reconciliation of movement of data across periods
- Scalability to cater for potential validations introduced to other aggregated reports

Data adjustments

- Transaction-level adjustment capability with proper audit trail following four-eyes principle
- Re-runnability of validations post data adjustments

Performance

- Designed to handle large data volumes with in-memory computing and grid computing capabilities
- Proven track record for similar reporting for other regulatory regimes

Wolters Kluwer's OneSumX Granular Data Reporting solution is a rich platform offering support beyond regulatory submission.

Scalability

- Future-proof design to cater for extension of granular data reporting to other dimensions
- Scalable to accommodate changes in HKMA acceptable field values

Embedded Analytics

- Strong analytical capability to help the users around data lineage, metadata lineage, variance analysis, trend analysis, exception reports, GL reconciliation and aggregation checks for granular reporting.

Our dedicated team of subject matter experts, business analysts and technical analysts actively monitor regulatory changes and provide updates within the Regulatory Update Service (RUS), allowing firms to rest assured that they are meeting the ever-changing regulatory requirements at all times.

The RUS enables firms to limit exposure to regulatory change, specifically in the form of updates to data requirements and out-of-the-box business logic as a result of changes to regulatory calculations, forms, validation rules and delivery. This not only reduces operational risk but frees up resources for other productive activities.



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Wolters Kluwer reported 2020 annual revenues of €4.6 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 19,200 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

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