

Instructions for Quality Data Reporting in eCIB of State Bank of Pakistan

1. Quality Data Reporting Standards

Despite the issuance of repeated instructions by SBP from time to time regarding the quality data reporting, still some inconsistencies in the eCIB reported data were witnessed.

Such inaccuracies in data can result in adverse selection by the FIs such as the inadvertent refusal of credit application of a good borrower or extension of credit to a bad borrower. Besides, it may also expose the member FIs to legal and regulatory implications.

Therefore, to ensure high-quality credit reporting of credit data, all the member FIs are advised to ensure that the financial and non-financial data should be:

- i. **Accurate** (i.e. correct, up-to-date, having strong validation process for identification of data subjects and other information as per prescribed data formats).
- ii. **Sufficient**, relevant, and collected on a systematic basis from all reliable, appropriate, and available sources.
- iii. **Timely** (updated on a continuous basis and reported to eCIB).
- iv. **Retained safely** for at least five years or otherwise specified in the relevant law/regulations issued by SBP from time to time.

2. Instructions for Correct Data Reporting in eCIB

In order to strengthen the integrity and reliability of the reported eCIB data, the member FIs are further directed to ensure compliance with the following instructions to avoid the recurrence of inaccurate data submission in future:

- 1) The member FIs should develop well documented Standard Operating Procedures (SOPs) for the eCIB data feeding, compilation, validation, and its reporting. The SOPs should be duly approved by the President/ CEO. It should be either part of the relevant existing SOPs or an independent document.
- 2) The FIs should adequately staff the relevant function/department responsible for data reporting by providing adequate systems and human resources commensurate with the nature, size, and complexities of their business needs and requirements. Besides, there should be proper succession planning and backup in case of any eventuality for the staff dealing with eCIB reporting.
- 3) The member FIs should ensure that there should be an independent mechanism for data validation before its submission to the eCIB. In case, the persons/functions responsible for data reporting reside under the reporting line of operations, independent validation should be made by the risk management function before submission. However, in case, the persons/functions responsible for data reporting reside in the reporting line of the Risk Management function, then the data validation must be made either by compliance function or by the internal audit of the member FIs.
- 4) The FIs should ensure to establish a proper complaint and redressal mechanism for resolving the complaints related to misreporting in eCIB lodged with either bank/ SBP/ BMP or court for its timely redressal. The contact details of officials dealing with such complaints should be made available in offices/ branches and websites of member institutions for the facilitation of their customers.
- 5) The member FIs should ensure to create awareness of the rules & regulations of eCIB related to negative reporting (reporting of overdues/latepayments, write-offs/waivers, etc.) and its implication among their customers to avoid unnecessary complaints/ legal proceedings.

Instructions for Quality Data Reporting in eCIB of State Bank of Pakistan

- 6) The internal audit of the member FIs should conduct an audit of the eCIB reporting mechanism at least on a half-yearly basis and check the quality of submitted data in line with SBP's instructions issued from time to time.
- 7) The banks/ DFIs/ MFBs should also conduct an independent assessment through an external auditor once in every three years of their eCIB data reporting mechanism in place to assess their compliance with relevant instructions issued by SBP from time to time and share their findings with BC & CPD accordingly. The first such assessment and its findings should be submitted to BC & CPD by 31-12-2021.
- 8) In case of any discrepancy (s) identified in the reported data either by the FI itself, or its internal audit or external audit, the FIs should immediately inform BC&CPD and ensure its amendments & updations on a priority basis to avoid any legal/ regulatory implications.
- 9) The FIs should arrange and impart adequate training periodically to the relevant staff involved in the eCIB data preparation and reporting.
- 10) The FIs are advised to designate a Senior Level Officer for ensuring quality data reporting in eCIB. The FIs will submit the contact details of the designated officer to BC&CPD i.e. Name, Designation, Phone Number, Cell Number, Fax Number and e-mail address. Besides, the FIs will also share contact details of the Group Head to whom he/she is reporting and his/her respective backup person(s). In case of any change, the FIs will inform the BC&CPD accordingly.