



EUROPEAN CENTRAL BANK

EUROSYSTEM

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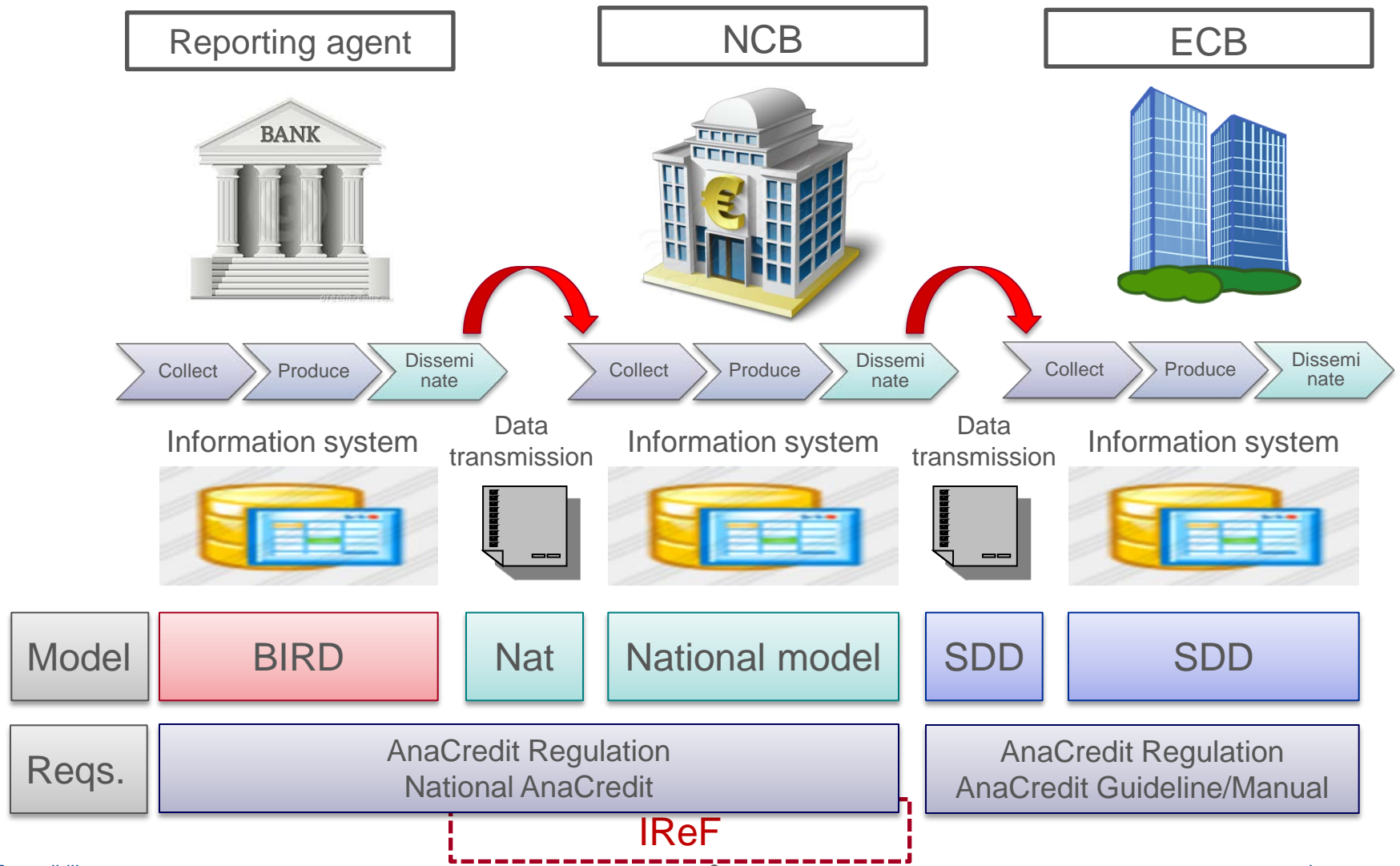
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# **BIRD methodology – Extensibility**

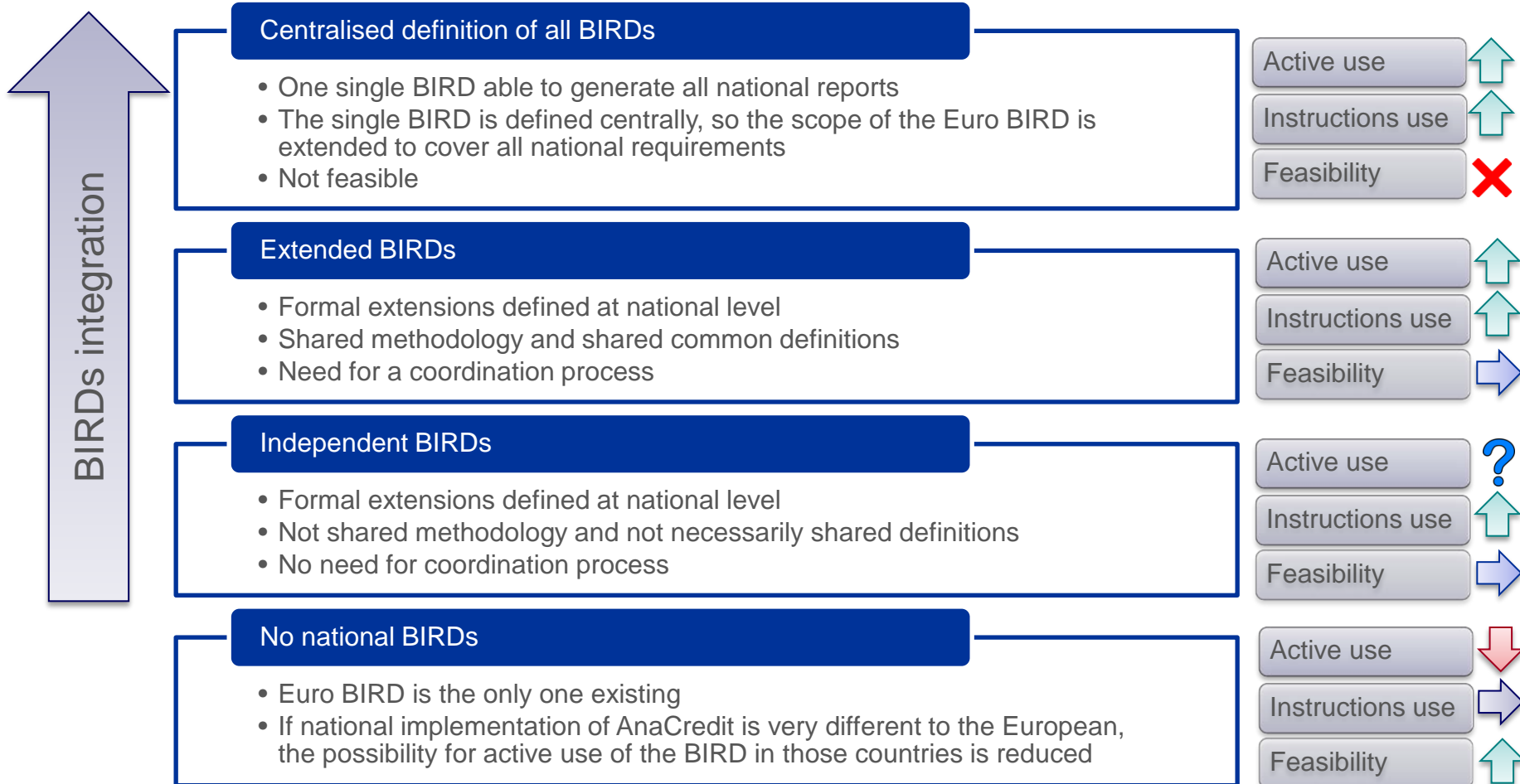
## What is extensibility?

- Difference between **primary** (i.e. reporting agents → NCBs / NCAs) and **secondary reporting** (NCBs / NCAs → ECB)
- Extensibility allows **(maintenance) agencies** to refer to (i.e. **reuse**) objects maintained by other **(maintenance) agencies**, specifically reference objects
  - **Same methodology** for extended content
  - Maintenance (of core objects) only once

## BIRD, primary & secondary reporting

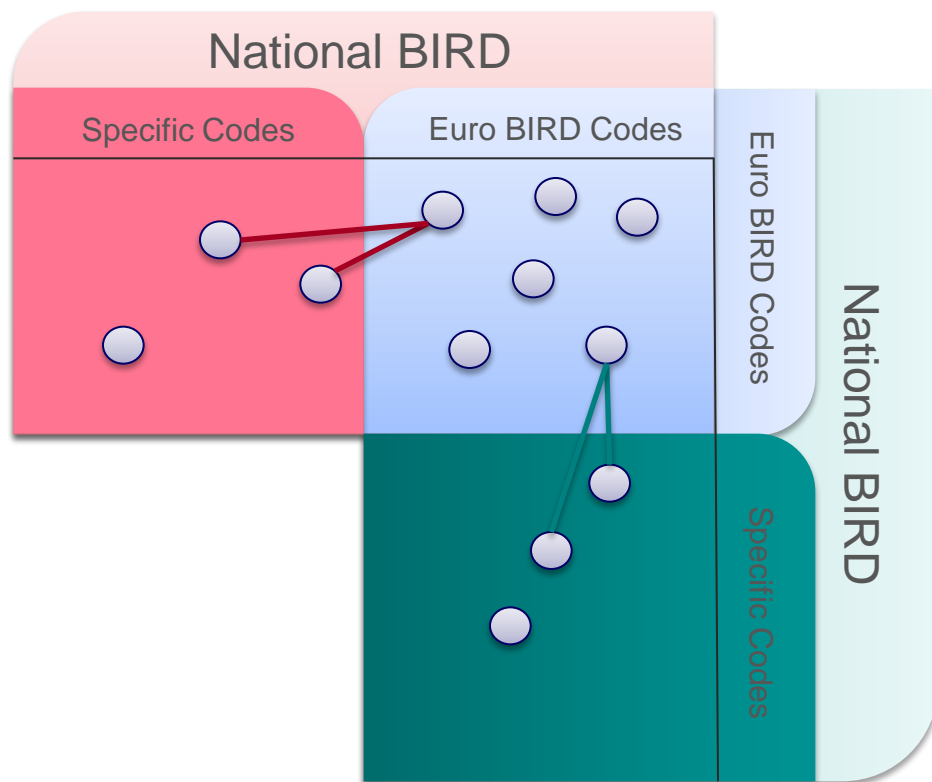


## How to create national BIRDs?

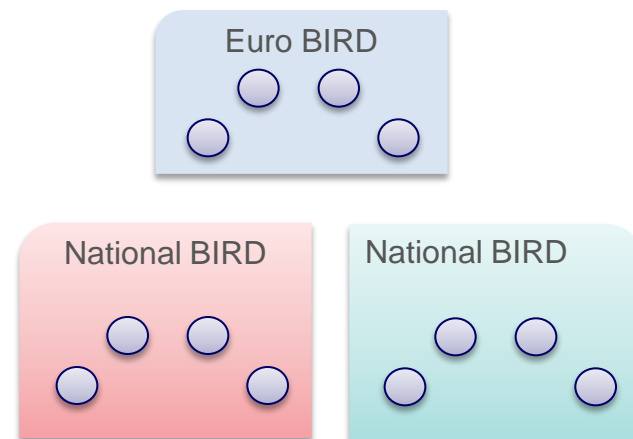


# Extended BIRD vs. Independent BIRDs

Extended BIRDs



Independent BIRDs



## Extensibility example: Different granularities at national level

### Example of different granularities

| code   | definition  |
|--------|---|
| 11000Z | Non-financial corporations  |
| 12100Z | Central banks   |
| 12200A | Credit institutions   |
| 12200D | Electronic money institutions   |
| 12200E | Deposit-taking corporations except the central bank other than credit institutions      |
| 12300Z | Money Market Funds (MMFs)   |
| 12400Z | Non-MMF investment funds  |
| 12500B | Financial Vehicle Corporations (FVCs)   |
| 12500A | Central Clearing Counterparties (CCPs)  |
| 12500C | Securities and derivatives dealers  |
| 12500D | Financial corporations engaged in lending   |
| 12500E | Specialised financial corporations, except CCPs   |
| 12500L | Financial corporations other than MFIs, non-MMF investment funds, financial auxiliaries |
| 12600Z | Financial auxiliaries   |
| 12700Z | Captive financial institutions and money lenders  |
| 12800Z | Insurance corporations  |
| 12900Z | Pension funds   |
| 13110Z | Central government (excluding social security funds)                                    |
| 13120Z | State government (excluding social security funds)                                      |
| 13130Z | Local government (excluding social security funds)                                      |
| 13140Z | Social security funds   |
| 14000A | Sole proprietorships/partnerships without legal status                                  |
| 14000B | Households other than sole proprietorships/partnerships without legal status            |
| 15000Z | Non profit institutions serving households  |

| 12200A | Credit institutions   |
|--------|---|
|        | 1211000 - Bancos  |
|        | 1212000 - Cajas de ahorros  |
|        | 1213000 - Cooperativas de crédito   |
|        | 1214000 - Instituto de Crédito Oficial  |
|        | 1221001 - Sucursales de entidades de crédito extranjeras. Entidades de depósito         |
|        | 1222001 - Sucursales de entidades de crédito extranjeras. Resto de entidades de crédito |

| 13110Z | Central government (excluding social security funds)               |
|--------|--|
|        | 2110000 - Administración central. Estado                           |
|        | 2121000 - Administración Central. Organismos autónomos y similares |
|        | 2122000 - Administración Central. Empresas                         |

## Extensibility example: Reconciliation

|               |   |   |                    |  |
|---------------|---|---|--------------------|--|
| <b>11000Z</b> | <b>Non-financial corporations</b>   |   |                    |  |
| +             | 3211000 - Sociedades no financieras públicas vinculadas a Administraciones Locales  | } | national breakdown |  |
| +             | 3222000 - Sociedades no financieras privadas. Resto   |   |                    |  |
| <b>12100Z</b> | <b>Central banks</b>  |   |                    |  |
| +             | 1130000 - Bancos centrales y autoridades monetarias. Resto  | } | national breakdown |  |
| +             | 1110000 - Banco de España   |   |                    |  |
| <b>12200A</b> | <b>Credit institutions</b>  |   |                    |  |
| +             | 1211000 - Bancos  | } | national breakdown |  |
| +             | 1212000 - Cajas de ahorros  |   |                    |  |
| +             | 1213000 - Cooperativas de crédito   |   |                    |  |
| +             | 1214000 - Instituto de Crédito Oficial  |   |                    |  |
| +             | 1221001 - Sucursales de entidades de crédito extranjeras. Entidades de depósito   |   |                    |  |
| +             | 1222001 - Sucursales de entidades de crédito extranjeras. Resto de entidades de crédito   |   |                    |  |
| <b>12200D</b> | <b>Electronic money institutions</b>  |   |                    |  |
| <b>12200E</b> | <b>Deposit-taking corporations except the central bank other than credit institutions, except electronic money institutions</b>   |   |                    |  |
| <b>12300Z</b> | <b>Money Market Funds (MMFs)</b>  |   |                    |  |
| <b>12400Z</b> | <b>Non-MMF investment funds</b>   |   |                    |  |
| +             | 3122111 - Fondos de inversión mobiliaria, excepto los FMM   | } | national breakdown |  |
| +             | 3122112 - Fondos de inversión libre (Hedge Funds)   |   |                    |  |
| +             | 3122201 - Fondos de inversión inmobiliaria  |   |                    |  |
| +             | 3122121 - Sociedades de inversión mobiliaria (SIM y SICAV)  |   |                    |  |
| +             | 3122122 - Sociedades de inversión libre   |   |                    |  |
| +             | 3122203 - Sociedades de inversión inmobiliaria  |   |                    |  |
| +             | 3122202 - Otras instituciones de inversión colectiva de carácter no financiero  |   |                    |  |
| <b>12500B</b> | <b>Financial Vehicle Corporations (FVCs)</b>  |   |                    |  |
| <b>12500A</b> | <b>Central Clearing Counterparties (CCPs)</b>   |   |                    |  |
| <b>12500C</b> | <b>Securities and derivatives dealers</b>   |   |                    |  |
| <b>12500D</b> | <b>Financial corporations engaged in lending</b>  |   |                    |  |
| <b>12500E</b> | <b>Specialised financial corporations, except CCPs</b>  |   |                    |  |
| <b>12500L</b> | <b>Financial corporations other than MFIs, non-MMF investment funds, financial auxiliaries, captive financial institutions and money lenders, insurance corporations and pension funds, Central Clearing Counterparties (CCPs), Financial Vehicle Corporations (FVCs), Securities and derivatives dealers, Financial Corporations engaged in lendings, Specialized financial corporations except CCPs</b> |   |                    |  |

## Technical solution for extensibility

- A maintenance agency (MA1) wants to create a new concept (in this case a variable) **Country of ultimate risk (CNTRY\_ULTMT\_RSK)** in the dictionary, based on the already existing (reference) domain **Geographical area (GGRPHCL\_ARS)**.

| MAINTENANCE_AGENCY_ID | VARIABLE_ID         | CODE            | NAME                     | DOMAIN_ID   | DESCRIPTION                               | PRIMARY_CONCEPT |
|-----------------------|---------------------|-----------------|--------------------------|-------------|---|-----------------|
| MA1                   | MA1_CNTRY_ULTMT_RSK | CNTRY_ULTMT_RSK | Country of ultimate risk | GGRPHCL_ARS | The country exposed to the ultimate risk. | CNTRY           |

Definition of the variable **Country of ultimate risk (CNTRY\_ULTMT\_RSK)** based on the reference domain **Geographical areas (GGRPHCL\_ARS)**



# Extended BIRDs – practical issues that need to be addressed

- **Centralization of dictionaries?**
  - **Sound tool** for managing the dictionaries
  - **Interim solution** in the **meantime**
- **Need for coordination** (e.g. several countries want to add the same concept to the dictionary)
- **Member identifiers** – avoiding conflicts