

Regulatory Blog

By PwC Deutschland | 06. Oktober 2023

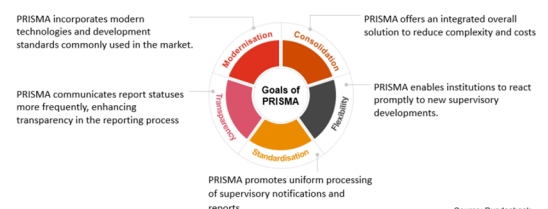
Navigating the Future of Regulatory Reporting for Investment Firms: PRISMA and XBRL

The landscape of regulatory reporting is always evolving, and staying ahead of these changes is crucial for banks and investment firms.

Recently, the Deutsche Bundesbank has announced upcoming changes to report submission requirements for investment firms covered by the Investment Firms Regulation (2019/2033) and its implementing regulation (2021/2284). For a comprehensive overview of these regulations, see the following [post by the Legal Blog](#).

Bundesbank's Project PRISMA

The upcoming changes to reporting are part of PRISMA, the Bundesbank's new supervisory reporting solution. PRISMA is aimed at improving the digitalization of the reporting process. It implements several changes to the reporting process, including a new customer test environment and the requirement to submit exclusively in XBRL format. With our extensive experience in preparing IFR reports, we are well equipped to help your firm to prepare for the new XBRL reporting requirements and integrate any Bundesbank feedback to ensure that your reporting submissions are compliant with the latest requirements.



In order to accomplish these goals, PRISMA introduces significant changes in submission requirements that institutions need to be aware of:

- Submission in XBRL format becomes mandatory.
- Legal Entity Identifier (LEI) is the identifier of choice.
- EBA taxonomy is to be followed for reporting.
- New file naming conventions are introduced.
- A separate customer test environment is established

New Requirements for Investment Firms

Previously, investment firms had the flexibility to submit their regulatory reports using Excel documents. However, a critical transition is on the horizon. According to the Bundesbank, regulatory reporting submissions will only be accepted in the XBRL format exclusively starting from January 1, 2024 for reports with the reporting reference date of December 31, 2023.

XBRL, or eXtensible Business Reporting Language, is a uniform electronic reporting format designed to enhance the accuracy and transparency of financial and regulatory reporting. Creating XBRL reports can be

technically demanding, and it often requires specialized software or the assistance of a corresponding service. While the shift to XBRL can be daunting, PwC has the tools and experience required to support your institution in making a smooth transition to XBRL reporting.

PwC Solution: The Automated Reporting Tool (ART)

To ease the upcoming transition to XBRL, we can leverage our Automated Reporting Tool (ART). ART is a comprehensive solution designed to support your regulatory reporting process. It's more than just a tool; it's an invaluable asset for your institution's compliance efforts. ART is widely used by many institutions within Europe and has a proven track-record of success and reputation.

ART offers XBRL reporting, validation, and analysis capabilities through a user-friendly web-based tool. The tool can validate regulatory reports with validation rules from the supervisory authorities, local regulators or your own custom validation rules. This ensures accuracy and compliance before the submission to the relevant authorities.



ART allows users to perform periodic analyses and offers additional dashboard functions. With this feature, key risk data can be analysed based on the EBA risk indicators and valuable insights can be gained for informed decision-making. We already help many investment firms to prepare their IFR reports. PwC also offers IFR reporting as a full managed service - from preparation to validation and submission - ensuring a smooth reporting process.

If you have any questions or require assistance with the reporting needs, please do not hesitate to contact us. We will help you to be successful in this dynamic environment. In our flyer "Navigating the Future of Regulatory Reporting for Investment Firms" you will find a compact summary of your challenges and our solutions.



Get ongoing updates on the topic via regulatory horizon scanning in our research application, PwC Plus.
Read more about the opportunities and offerings here.

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Regulatory Reporting, XBRL, investment firms

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