

03 April 2023

Circular to Less Significant Institutions on ECB Data Quality Checks

Further to the MFSA [Circular to Credit Institutions on the Implementation of Additional Data Quality Controls on Supervisory Reporting Submissions](#) dated 21 February 2022, the Authority is hereby providing an update to Less Significant Institutions ('LSIs') on the action required with respect to failing EGDQ checks.

Since February 2022, LSIs have been requested to rectify EGDQ checks on a best effort basis. This approach was aimed at allowing sufficient time for institutions to familiarise and adapt to these data quality controls. The Authority is hereby notifying LSIs that **as from 1 June 2023, all institutions will be expected to take any action deemed necessary to resolve failing EGDQ checks.** Rectification of these checks is required through resubmissions and/or justified detailed explanations, without undue delay. In case an explanation is due, institutions are reminded to make use of [Annex II](#) to the *LH Portal for Credit Institutions* guidelines, accessible through the [MFSA dedicated webpage](#). **This approach applies to both submissions and resubmissions made on or after 1 June 2023, regardless of the reference date.**

A number of EGDQ checks require the input of a zero figure in specified data points, in cases where the institution has no activity to report. These specific EGDQ checks are implemented by the ECB following assessments aimed at identifying data points in which a zero figure would constitute an interesting zero. The Authority would like to inform LSIs that such EGDQ checks are also in-scope of this Circular, and hence required to be satisfied, as the Authority takes on the same approach as that applied by the ECB in terms of such interesting zeros.

The Authority encourages institutions to implement the EGDQ checks in their internal processes and procedures and ensure compliance before submission of data to the Authority. The ECB makes available the list of EGDQ checks together with other relevant details in a [dedicated ECB webpage](#). To note that the list of EGDQ checks is updated periodically, usually twice a year. In this respect, it is highly recommended that institutions keep abreast of such developments.