GARP | Global Association of Risk Professionals

5 March 2026

Mr. Neil Esho
Secretary General
Basel Committee on Banking Supervision
Bank for International Settlements
Centralbahnplatz 2
CH-4002 Basel, Switzerland

Re: Machine-Readable Pillar 3 Disclosure

Response to Consultative Document d604

Dear Mr. Esho:

The Global Association of Risk Professionals (GARP[1]) appreciates the opportunity to respond to the Basel Committee on Banking Supervision (BCBS) Consultative Document on Machine-Readable Pillar 3 Disclosure (Consultation).

Executive Summary

GARP strongly supports the goals of the Consultation and the mandate of the Pillar 3 framework. Providing machine-readable Pillar 3 data from internationally active banks across all BCBS member jurisdictions would significantly enhance its usefulness for stakeholders in the banking sector.

We base this support upon our own experience as a stakeholder and our history as a consumer of Pillar 3 data, mostly in non-machine-readable formats and across multiple jurisdictions.

The GARP Benchmarking Initiative (GBI[2])® team expended considerable effort building a global Pillar 3 database and visualization platform from scratch. We use the platform extensively to deliver original research and insights to our global membership of risk professionals and to support quantitative impact studies we perform for our institutional clients.

[1] ***ABOUT GARP*** *| The Global Association of Risk Professionals is a non-partisan, not-for-profit membership organization focused on elevating the practice of risk management. GARP offers the leading global certification for risk managers in the Financial Risk Manager (FRM®), as well as the Sustainability and Climate Risk (SCR®) Certificate, Risk and AI (RAI)™ Certificate, and ongoing educational opportunities through Continuing Professional Development. Through the GARP Benchmarking Initiative (GBI)® and GARP Risk Institute, GARP sponsors research in risk management and promotes collaboration among practitioners, academics, and regulators. Founded in 1996 and governed by a Board of Trustees, GARP is headquartered in Jersey City, N.J., with offices in London, Hong Kong, and Mumbai. For more information, visit garp.org.*

[2] ***ABOUT GBI*** *| GARP Benchmarking Initiative (GBI) ® is an industry-led, independent, non-partisan data platform that works with financial services firms globally to conduct cross-border benchmarking studies with efficiency, security, and transparency. GBI is a trusted partner for collecting and analyzing sensitive data and has completed over 100 quantitative and qualitative studies on a range of timely risk management topics.*

Our experience developing this platform speaks to the need for reliable Pillar 3 data in machine-readable formats and provides us with a unique perspective relevant to this BCBS initiative, particularly Section 6 of the Consultation.

The solutions implemented to address metadata issues — such as bank unique identifiers, corporate actions, multiple reporting currencies, reporting units, and reporting dates, as well as taxonomy issues we encountered working with table structures across multiple jurisdictions — can be leveraged to support this effort.

Our response to the Consultation is delivered in two parts. We respond first to the questions listed in Section 8 and then provide several key observations on the Consultation as a whole.

Consultation Questions

Q1. **What are your views on the scope of the requirement for machine-readable Pillar 3 disclosure, in particular the proposed initial focus on quantitative disclosure regarding the templates marked as "Maybe" in Table 4?**

We agree with the template scope as outlined in Table 4 of Annex 2 and, furthermore, recommend that the following templates marked as "Maybe" be moved to "Yes".

- DIS25: Composition of capital and TLAC
  - CC2 – Reconciliation of regulatory capital to balance sheet

- DIS30: Links between financial statements and regulatory exposures
  - LI1 – Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories
  - LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements

Each table promotes the philosophy behind Pillar 3, and, based upon feedback from our own Pillar 3 based research, market discipline is significantly enhanced by affording stakeholders the ability to clearly reconcile regulatory capital to other sources of publicly available financial information.

- DIS40: Credit risk
  - CRB – Additional disclosure related to the credit quality of assets
  - CRB-A – Additional disclosure related to prudential treatment of problem assets

Credit risk is the largest consumer of bank capital. Both tables provide important information related to the breakdown of credit risk at the lower end of the credit spectrum where capital demand is most intense.

Q2. **Do you have any comments on the technical data formats and standards, the API structure and the general concept of the taxonomy proposed for quantitative machine-readable Pillar 3 disclosure? Are there other formats and solutions that should be considered?**

We support the goal of Section 4.1 of the Consultation in ensuring that Pillar 3 data be available in a standardized way. Issues we have encountered under the existing paradigm — including structural changes to, and the relabeling of, data tables — make system ingestion of Pillar 3 data extremely challenging.

While we take no specific position regarding the proposed data formats and data exchange standards, we agree that "supervisors should make one of these options mandatory in their jurisdiction in order to reduce the burden on data users."

The new structured file standards will allow for a smooth flow of data to consumers. For jurisdictions that adopt a Decentralized approach, we recommend for the national or regional supervisor to regularly audit the structural integrity of bank machine-readable files to ensure continued compliance.

We feel Section 4.3 is sufficient for the purposes of API management, but for jurisdictions that adopt a Centralized approach we recommend a process whereby the national or regional supervisor make available a centralized record of data restatements. We expand upon this in the first item under Key Observations.

We welcome the efforts of the BCBS in developing and making accessible a machine-readable version of the standardized taxonomy and mapping table, particularly as it relates to bridging differences in national implementation of policy standards.

Q3. **Are there formats other than PDF that should be considered for human-readable disclosure?**

Stakeholders will continue to rely upon human-readable disclosure documents to supplement and enhance the analysis they construct using machine-readable data. While we are most familiar with PDF-formatted documents, we support other formats provided they lend themselves to AI tools and are "native" PDF documents (i.e., documents generated from software with full convertibility as opposed to an "image-based" PDF, which is not searchable).

Q5. **Do you believe the proposed effective data would provide sufficient time for implementation of machine-readable Pillar 3 disclosure? Would smaller internationally active banks need additional time?**

We support the proposed timeline for implementation but do not necessarily feel all jurisdictions need to go live simultaneously. The sooner data in machine-readable format can be made available to stakeholders, the better.

Our own analysis and research frequently focuses on systemic risk, in particular the G-SIBs, D-SIBs, and banks designated as otherwise systemically important at a regional level, such as Other Systemically Important Institutions (O-SII) in the EU — essentially the "main sample" and "additional sample" of banks used by the BCBS for the annual G-SIB assessment.

We feel jurisdictions that represent a preponderance of systemic risk should be required to meet the proposed timeline for implementation. We also recommend the BCBS maintain an implementation timeline on its website.

Finally, we support the BCBS in not setting a mandatory requirement for backfilling of machine-readable Pillar 3 disclosure for earlier reporting dates.

Q6. **How useful would data users consider a global database on the BCBS's website? Would visualization tools and industry aggregates make a global repository meaningfully more useful?**

We fully support the concept of a global database of Pillar 3 data and believe it would bring significant value to stakeholders, particularly those that have a need for data either in jurisdictions that do not adopt a Centralized approach and/or for cross-border analysis and benchmarking.

A global database hosted on the BCBS website would further underscore the work of the BCBS as a monitor of the Basel framework implementation and reinforce the taxonomy approach outlined in Section 4.2.

Given the effort involved in creating and maintaining a global database, one approach could be to start with a small cohort of banks — such as the "main sample" and "additional sample" of banks used by the BCBS for the annual G-SIB assessment — and build from there.

GARP's own global database and analytics platform supplements bank Pillar 3 data with data the BCBS makes available on its website. We see first-hand the utility the platform brings to our stakeholders who rely upon the data for benchmarking, portfolio analysis, management reporting, and risk-decisioning but, out of necessity, have previously relied upon manual processes.

Regarding a few specific points made in the Consultation around metadata, a global database would also need to address several key operational issues.

- **Multiple reporting currencies** – A global database will consume machine-readable Pillar 3 data in local currency and therefore will need to offer conversion from local currency to a base currency for analysis purposes.

- **Multiple reporting units** – A global database should offer data with the utmost granularity, and we recommend banks or national and regional supervisors be required to make machine-readable Pillar 3 data available in whole units as a counter to reporting conventions applicable to human-readable Pillar 3 disclosures.

- **Multiple reporting dates** – A global database needs to recognize that not all jurisdictions observe the same 'as of' date reporting cycle and offer a solution that normalizes reporting dates on a proximate basis.

Based upon our experience, we see utility in both providing visualization tools and making the underlying raw data available. Standardized and customizable dashboards showcase the breadth of available data while enabling stakeholders to quickly identify potential anomalies and, where appropriate, drill down online to their specific drivers.

A global database also brings economies of technological scale to the stakeholder community. Requiring banks to make Pillar 3 disclosure data available in a machine-readable format without centralization, whether at the national, regional, or global level, requires stakeholders either to continue sourcing data bank-by-bank manually or to build out their own infrastructure and access layers, resulting in duplicative efforts.

Key Observations

Data Assurance

We support the BCBS in its belief that the responsibility for data accuracy resides with the owners of the data: the banks. We also understand that stakeholders will have questions related to the data and support the proposal that banks be required to provide an email address where data users can report issues. We feel strongly, though, that data assurance should be enhanced further through additional transparency around data restatements.

While we recognize that a great deal of effort is spent in the preparation of Pillar 3 disclosure documents, we also know that data values in these documents are periodically subject to restatement but not flagged as such. Analysis and reports prepared by stakeholders based upon the data could be inaccurate and therefore need to be amended and explained, should updated data be discovered manually, if at all.

Pillar 3 data for U.S. banks have been available in a machine-readable format for many years, and the system we built tracks these changes via an online report. To illustrate, there were a total of 1,555 individual data restatements over the two-year period from Q1 2024 to Q4 2025 posted by 41 banks. The restatements impacted 328 individual metrics; 16% of these restatements were more than 50% of the prior value.

Providing a systematic solution for data restatements enables stakeholders to easily identify when a machine-readable file has been updated and to consume that information efficiently.

National supervisors in jurisdictions that adopt a Centralized approach, in addition to the requirements proposed in Section 4.3.2 of the Consultation, could make available on a quarterly basis a machine-readable file containing information on data restatements.

The national or regional supervisor could also define a bitmask to capture all the tables with changes (e.g., KM1 corresponds to bit 1 and has value "1" if KM1 any KM1 value(s) change, "0" otherwise) that could be converted to hex and displayed with all data restatements.

Banks themselves, in jurisdictions that adopt a Decentralized approach, should provide a timestamp with each machine-readable file whereby a change in the timestamp alerts the consumer to updated information. In addition to the requirements proposed in Section 4.3.1 of the Consultation, banks can share on a quarterly basis a machine-readable file containing information regarding data restatements.

A global database, such as envisioned in Section 6 of the Consultation, would enhance the process even further by making a machine-readable change file available on demand in combination with change reporting and other analytics.

Disclosure Access Points

We support both a Decentralized approach and a Centralized approach but feel strongly that there would be no loss in transparency under a Centralized approach. Under a Centralized approach where the national or regional supervisor republishes Pillar 3 data submitted by banks in its jurisdiction, a download of data from the supervisory database should provide the same level of detail as a download of that data were it to be downloaded directly from each of the banks' own websites.

We also feel that, under a Centralized approach, the supervisory database should provide access to the human-readable Pillar 3 disclosure.

The Consultation takes the "view to allowing automatic retrieval of the machine-readable disclosures." We strongly feel there should be no system limitations on downloads imposed upon stakeholders by either the banks under a Decentralized approach or the national or regional supervisor under a Centralized approach.

Under a Decentralized approach, banks are required to submit changes to their machine-readable file website URLs to the national or regional supervisor. These updates should be submitted to the national or regional supervisor in real-time and made available by the national or regional supervisor to stakeholders in real-time.

We also support the requirement that, under a Decentralized approach, national or regional supervisors maintain a machine-readable list of bank names and Legal Entity Identifiers to support stakeholders' efforts to build systems and processes to retrieve information.

Qualitative Disclosure

We support the BCBS's proposal "not to introduce a mandatory requirement for structured machine-readable disclosure of qualitative information." Introducing this requirement concurrently with the adoption of machine-readable disclosure of quantitative information would likely delay the proposed timeline for January 2029 implementation. We would, of course, support further discussion on the topic and support a proposal for machine-readable disclosure of qualitative information in the future.

Minimum Information Required

We support the proposal that the BCBS Secretariat maintain a machine-readable list of base URLs. Such a repository would make it easy for Pillar 3 data consumers to program their own systems for machine-readable file access.

We are comfortable with the API endpoint approach but would like to stress the need for these connections to be 'live' to ensure an uninterrupted flow of data to the consumer.

Possible Phase-Out of Document-Based Pillar 3 Disclosure

We support the BCBS's approach to "maintaining the requirement for disclosure in the current formats for the time being." Focusing on delivering machine-readable quantitative data will get Pillar 3 data into the hands of consumers sooner.

Provided stakeholders have the right tools to leverage non-structured data from the existing human-readable reports, there is enormous value in having the ability to explain the quantitative side of the picture using the qualitative side. However, we support a later phase effort to integrate qualitative content into machine-readable formats.

We thank you for allowing us the opportunity to comment on this important topic. Should you require any additional information, or have any inquiries, please feel free to contact us at the following.

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Yours truly,

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