



BANGKO SENTRAL NG PILIPINAS

MEMORANDUM NO. M-2021-052

OFFICE OF THE DEPUTY GOVERNOR FINANCIAL SUPERVISION SECTOR

To : **ALL BANKS**

Subject : **Submission of Prudential Reports Using Application Programming Interface (API)**

The Bangko Sentral continues to enhance its supervisory reporting platforms and tools to strengthen surveillance activities. This is in line with its thrust to promote the sustained safety and soundness of the financial industry. In this respect, the BSP has adopted initiatives to efficiently gather and process information from BSP supervised financial institutions (BSFIs), which include the migration to the Application Programming Interface (API)-based prudential report submission.

This memorandum aims to provide information on the general requirements to migrate to API-based submission and enable Banks to plan and prepare the necessary resources for the API adoption. Cognizant of the varied stages of information technology maturity of banks, the migration to API-based submission will be implemented in phases, which shall be designed based on the readiness of banks.

Detailed guidelines on the implementation of API-based submission as well as the schedule and frequency of submission of covered reports shall be provided in a separate issuance.

I. General Description, Scope and Purpose

The API is a set of standard messages between two (2) computer systems (i.e., BSP and submitting banks) that makes possible machine-to-machine submission and validation of reports. This will eliminate significant human intervention in the reporting process.

While it utilizes the more current and advanced Extensible Markup Language (XML) reporting format, the API accepts other file formats (e.g., MS Excel, PDF, CSV, etc.). However, the use of the XML format is preferred as it enables the restructuring of various reports to a single report resulting in a more streamlined reporting process. Moreover, the multiple spreadsheet-based report templates (e.g., MS Excel) would be converted into a single XML-based format that could hold more memory than MS Excel files.

The BSP plans to fully migrate to API-based submission in the future to promote efficiency in data preparation and in the validation and processing of information.

II. Procedural Overview

The migration to API-based submission will require changes in the reporting process, as described below:

1. Map the FRP and FRP-related reports to the XML Schema Definition (XSD) format that will be provided by the BSP. The Data Entry Template (DET) in MS Excel format will be replaced by XSD structure, which identifies the data requirements of the reports. With the said structure, the 19 FRP and FRP-related reports enumerated in item V.1 will be combined in a single XML report. The mapping needs to be done only once at the start of the migration. Modifications will be done whenever there are changes in the required information to be submitted.

The rationalization of these reports to a single report may entail the alignment of all submission deadlines to a single deadline. Changes in the deadline of submission of covered prudential reports will be covered by a separate issuance.

2. Generate XML version of the reports. The file format that will be submitted to the BSP will be in XML which already contains the 19 FRP and FRP-related reports. Banks can either convert existing MS Excel working file into XML using any designer tool or generate XML report directly from the data sources using any programming language.
3. Ensure network connectivity with BSP server. The machine-to-machine submission will require the use of Public Key Infrastructure (PKI) digital certificates for identification and authentication that the submission is from the bank.
4. Submit XML report via API. Banks must check the completeness and accuracy of the single XML report before submission to BSP. Once processing and validation are completed, the validation results will be sent to the BSP registered e-mail address of the bank. These results can also be requested via API in XML, PDF, and MS Excel file.

III. Minimum Technical Requirements

The minimum technical requirements for the use of API are as follows:

1. Internet access;
2. Facility to generate XML report from the BSFIs' data sources using any designer tool or programming language as mentioned in item II.2;
3. Latest versions of web browser such as Microsoft Edge, Internet Explorer, Firefox and Google Chrome; and
4. Utility for using PKI Certificates to connect to the BSP server.

IV. Skill Sets Required

Bank personnel who will be involved in the API project are expected to demonstrate the following capabilities:

1. Expertise in XML and XSD to map and match the DETs to the new XSD structures;
2. Understanding of the BSP validation rules; and
3. Knowledgeable in utilizing API and PKI Certificates for the connectivity set up with the BSP server.

V. Implementation

1. The API shall initially cover the following prudential reports:
 - a. Financial Reporting Package (FRP)
 - b. Report on Compliance with the Mandatory Agri Agra Credit (AGRA)
 - c. Basel III Leverage Ratio (BLR)
 - d. Report of Selected Branch Accounts (BRANCH)
 - e. Basel III Capital Adequacy Report (CAR BASEL 3)
 - f. Computation of the Risk-Based Capital Adequacy Ratio Covering Combined Credit, Market and Operational Risks (CAR 1.5)
 - g. Expanded Report on Real Estate Exposures (ERREE)
 - h. Report on Electronic Money Transactions (E-MONEY)
 - i. Financial Reporting Package for Trust Institutions (FRPTI)
 - j. Basel III Liquidity Coverage Ratio (LCR)
 - k. Report on Microfinance Products (MBS) and Income Statement on Retail Microfinance Operations (MIS) [MICRO]
 - l. Minimum Liquidity Ratio (MLR)
 - m. Report on Compliance with Mandatory Credit Allocation Required Under RA 6977 (MSME)
 - n. Basel III Report on Net Stable Funding Ratio (NSFR)

- o. Published Balance Sheet (PBS)
- p. Stress Testing Reports Covering Credit and Market Risks (STRESS TEST)
- q. Report on Cross-Border Financial Positions (RCBP)
- r. Report on Repurchase Agreements (REPO)
- s. Report on Project Finance Exposures (RPFE)

Other prudential reports being submitted using other platforms will subsequently be scheduled for migration to the API-based submission.

- 2. Banks are expected to complete the requirements under items III and IV within six months from start of development. The BSP shall closely coordinate with banks and industry associations to facilitate the migration process and build awareness and capacity on this initiative.
- 3. Banks that are not yet capable to migrate to API-based submission of prudential reports shall be allowed to submit the single XML report through the web portal¹ for a defined time period.

For Information.

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¹ The web portal is a web-based platform that shall provide banks a single access point for report submission, validation results, and reporting violations of enrolled reports.