HLR034: The bank must have a systematic process for incorporating external operational loss event data into its operational risk data and assessment systems.

- HLR034				
HLR034	HLR034	ELD - External Loss Data	COMPLETE	View GAP Assessment De
	FR-R_0325	ELD - External Loss Data	COMPLETE	View GAP Assessment De

Current State:
(1) Combined entity moved to single public data vendor (i.e., SAS), which
(2) Both legacy entities had joined ORX
(3) Relevant external news are currently being distributed on a weekly basis to managers across the organization

Summary Thoughts: The ELD Document contains sufficient detail with the right parts and references in place. Although not fully completed yet (i.e. comments from author(s) still exist), determining how much more information to ask for can be done on the basis of risk. That is, risk of the CRD possibly having missing information that are material and significant. In this context, the ELD under review is not at risk but do need additional information.

- Background Section – Sufficient Description.
    - May need to add Gap Description write-up. *Agree*
- Compliance Rationale Section – Sufficient Description.
    - An explanation of UoMs and how ELD is inputted to RCSA and AMA will further clarify things.
    - An explanation of ELD failure along the 7 Basel Categories of Operational Risk is needed. ?
- Continuing Compliance Section – Sufficient Description.
    - An explanation of five effectiveness criteria and its usage as monitoring controls is needed. :)
- LLR & Evidence Table – In Progress
    - Program Office is still reviewing to ensure that evidence matches up to the CRD language, as they are posted to share point.

Extra Check – Evidence Library Verification & Validation:
- ELD Process Documents – Do we have these in share point and is it reference in the CRD language? Status – Awaiting Submission
- ELD System Documents – Do we have these in share point and is it reference in the CRD language? Status – Awaiting Submission
- ELD Interface Documents – Do we have these in share point and is it reference in the CRD language? Status – Awaiting Submission
- ELD Failure of PPT Documents along the ELD 7 Categories – Do we have these in share point and is it reference in the CRD language? Status – Awaiting Submission
- ELD Standards, Guidance, User Guide, &/or Procedure – Do we have these in share point and is it reference in the CRD language? Status – ELD Standards.pdf under Review
- ELD RCSA Data – Do we have these in share point and is it reference in the CRD language? Status – Awaiting Submission

- Audit Assessment - Do we have these in share point and is it reference in the CRD language? Status – ~~ILD-ELD Audit Report under Review~~
  - At Risk Audit Items '10 Audit Report
    - Lack of five years of historical loss data – Sufficiently addressed/Needs more info/Lacking detail
    - Expansion of the guidance provided for identification of boundary events – Sufficiently addressed/Needs more info/Lacking detail
    - Strengthening processes for identifying and recording legal events – Sufficiently addressed/Needs more info/Lacking detail
    - Recording of legal accruals – Sufficiently addressed/Needs more info/Lacking detail

Other:

Tracking Reference

Base → Categories : Is all operational loss event reflected in ELD

- IF
- XF
- HR
- Practices
- Physical Asset
- BCP/Sys Fail
- BPM