



# 19<sup>th</sup> XBRL International Conference

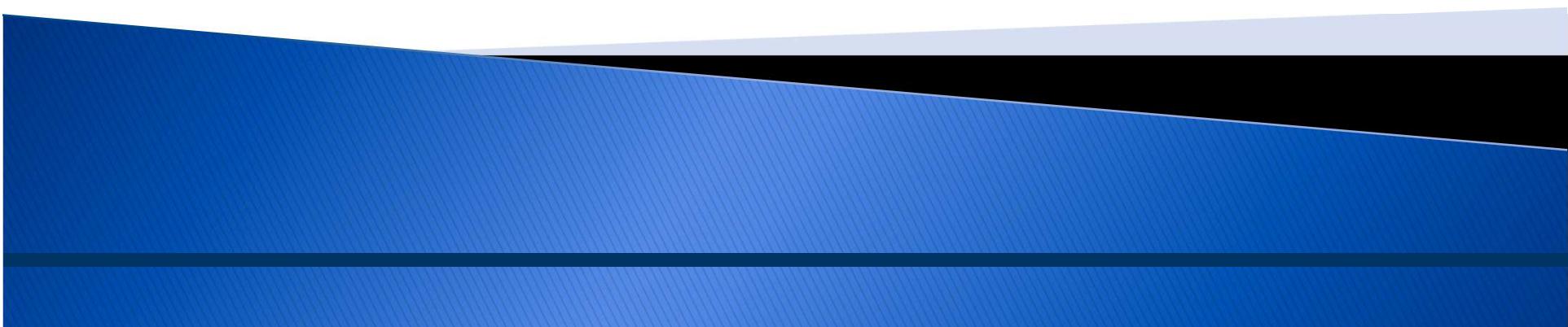
“Reducing regulatory burden with XBRL: a catalyst for better reporting”  
June 22-25, 2009  
Paris, France

Track 1 – Banking Supervision

XBRL Europe: COREP & FINREP Harmonization

Derek De Brandt, AGUILONIUS

Thursday, June 25, 2009



# XBRL Europe – working group

## ► COREP/FINREP Harmonisation working group

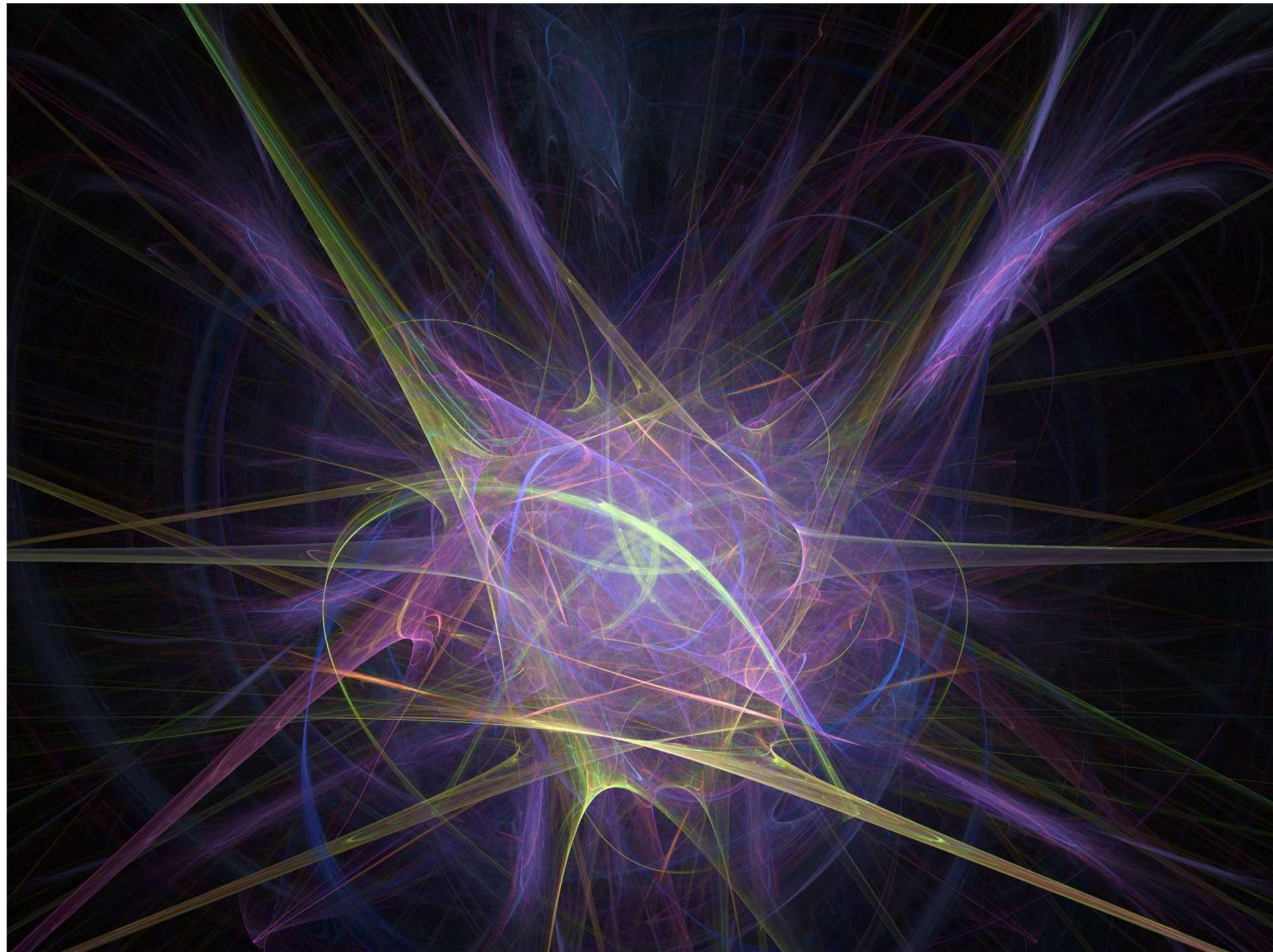
- Start in September 2008
- Purpose: contribute to next CEBS COREP and FINREP frameworks with focus on preparer's viewpoint
- Resources: volunteers



# About harmonisation, genesis or the next step in evolution

- ▶ COREP & FINREP 2006–2007 frameworks
  - Functional frameworks (MS Excel)
  - Technical frameworks (XBRL)
- ▶ Adoption rate
- ▶ Implementation variances
- ▶ National discretions
- ▶ Lessons learned
- ▶ Current status





# Let there be Light...

COREP

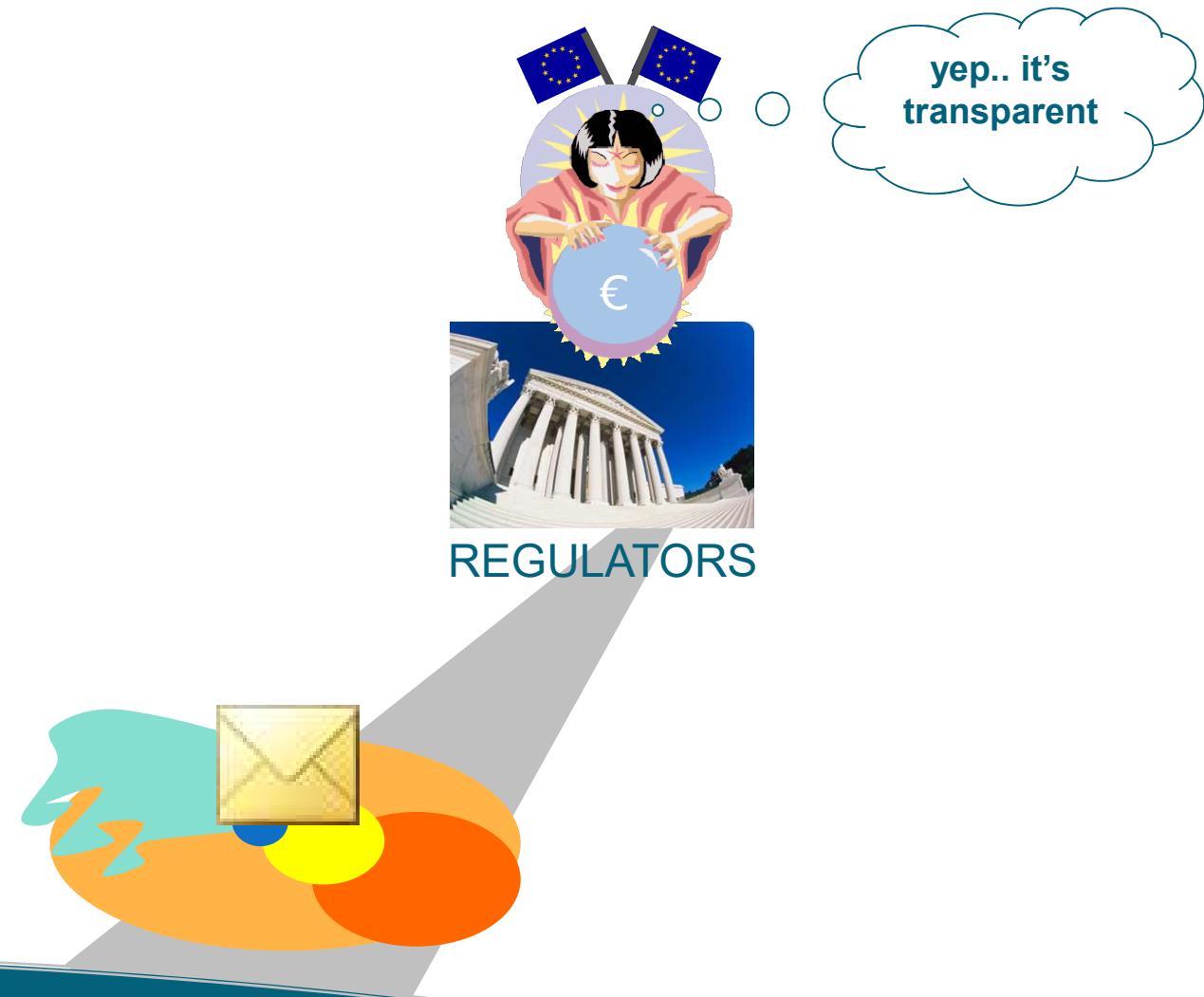
Project



FINREP

Project

# Standard way of reporting



# to dream of transparency



please use this framework please use this framework please use.. allo?



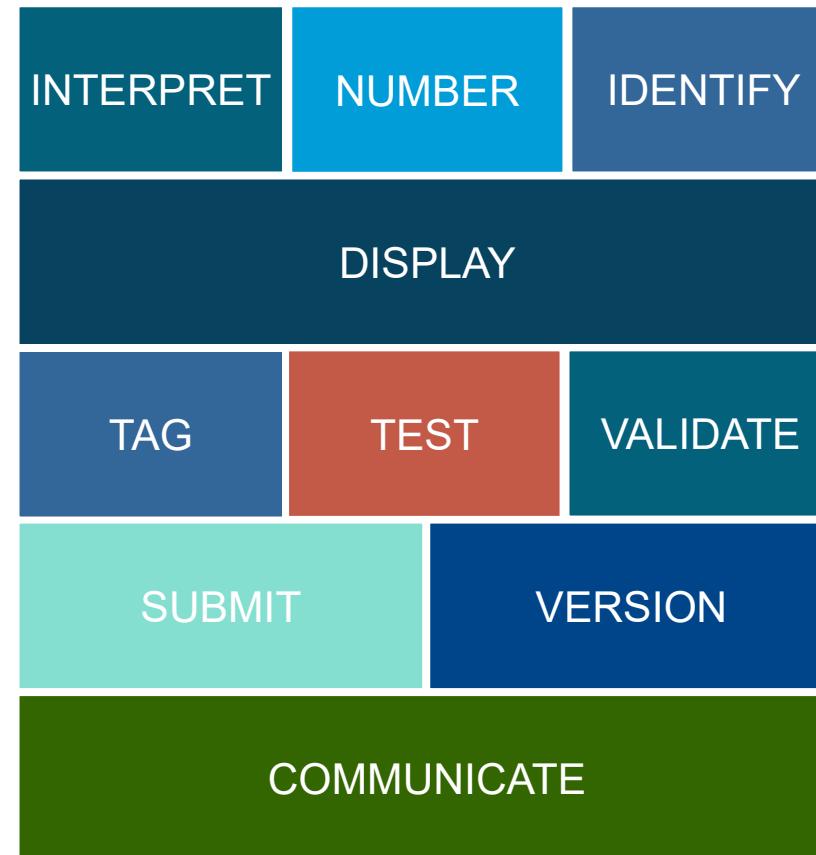
# evolution ..or extension?



# Harmonisation has started



# “Please use” and the day after



# Work for the preparer (details)

## ▶ CONTENT & LAY-OUT

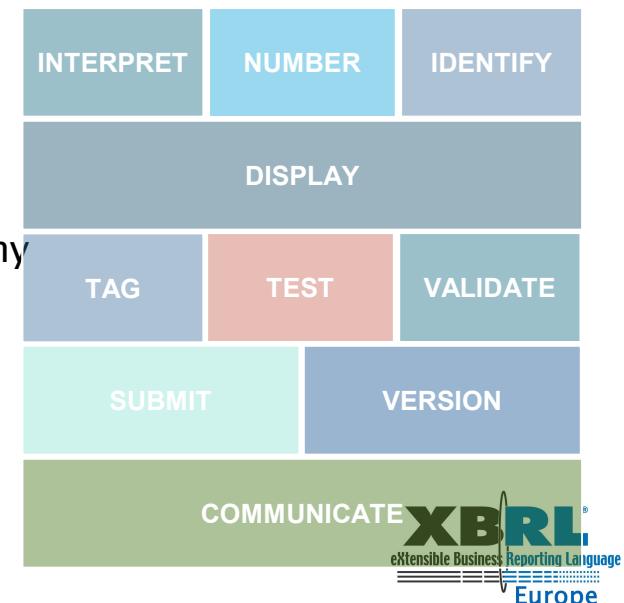
- location of element in table lay-out
- new element added
- elements removed
- codification/numbering of elements

## ▶ INTERPRETATION

- definition or calculation of a reported element
- clean – dirty value

## ▶ TAGGING

- XBRL-mapping of reported fact (p-, d-, decimals, ..)
- elements representing a formula (eg. a subtotal)
- additional XML elements not referenced in the taxonomy
- one schemaref, two schemarefs



# Work for the preparer (details)

## ▶ TESTING AND VALIDATION

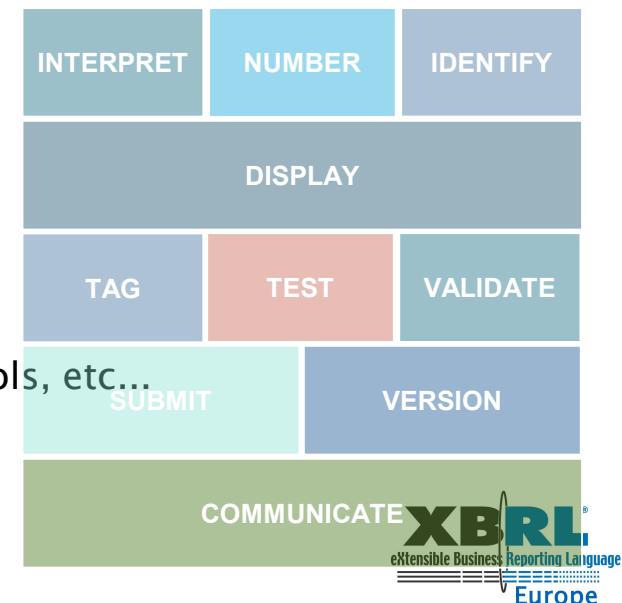
- Transparency of non-xbrl validation rules
- Calculation linkbases partially useful
- Tolerance margins
- Regulatory Feedback F2P

## ▶ SUBMITTING

- Each regulator has another submission protocol  
(Same gateway is used for other (non-xbrl) reports)
- File name convention, rename .xbrl to .xml,  
embed instance in XML envelope, additional data  
(e.g. admin data), encrypt and digital signature

## ▶ VERSIONING AND COMMUNICATION

- Online newsletters
- Find out via via
- Layout, taxonomy, validation rules, submission protocols, etc...
- English



# Example 1: content & layout analysis COREP-BE versus COREP-LU



# Example 1: content & layout analysis **COREP-BE** versus **COREP-LU**

- ▶ BE: 8.941 elements
    - 2.371 common elements
    - 6.570 BE elements
  - ▶ LU: 4.771 elements
    - 2.371 common elements
    - 2.400 LU elements

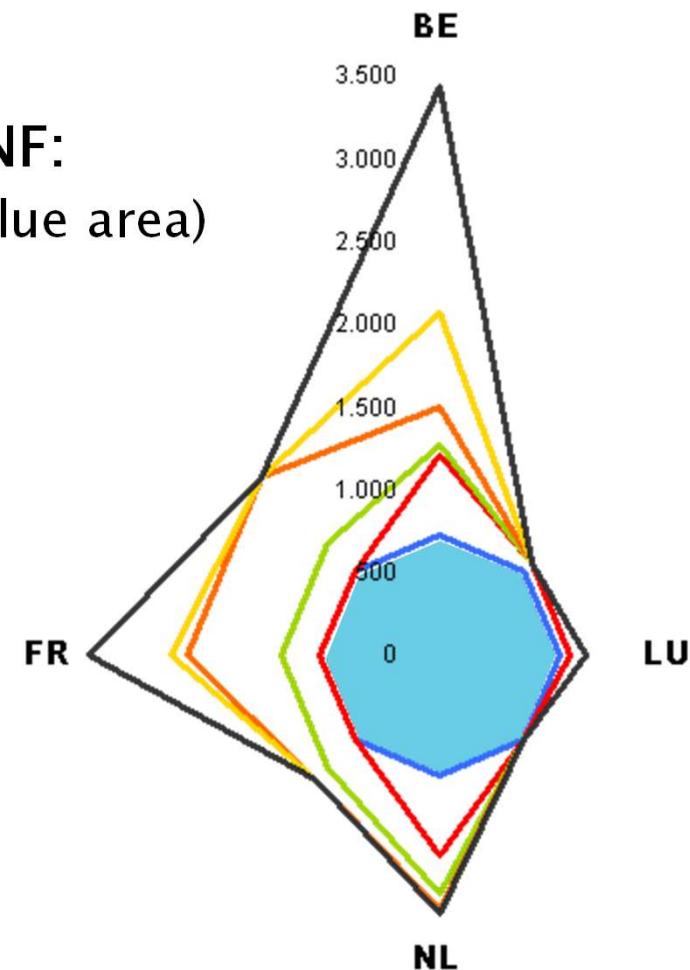
Common elements: 2.371

Note: these numbers vary by Reported Entity and by scope through dynamic tables with typed or explicit dimensions



## Example 2: content variances FINREP BE-LU-NL-FR

- ▶ Total number of elements in BLFN:
  - 727 common elements (inner blue area)
  - 1.983 unique elements
  - 3.146 elements in total
- ▶ Country breakdown:
  - BE: 3.442 elements
  - LU: 897 elements
  - NL: 1.570 elements
  - FR: 2.128 elements



# Example 3: tagging variances FINREP BE versus FINREP FR

## ▶ BE extended modular FINREP taxonomy

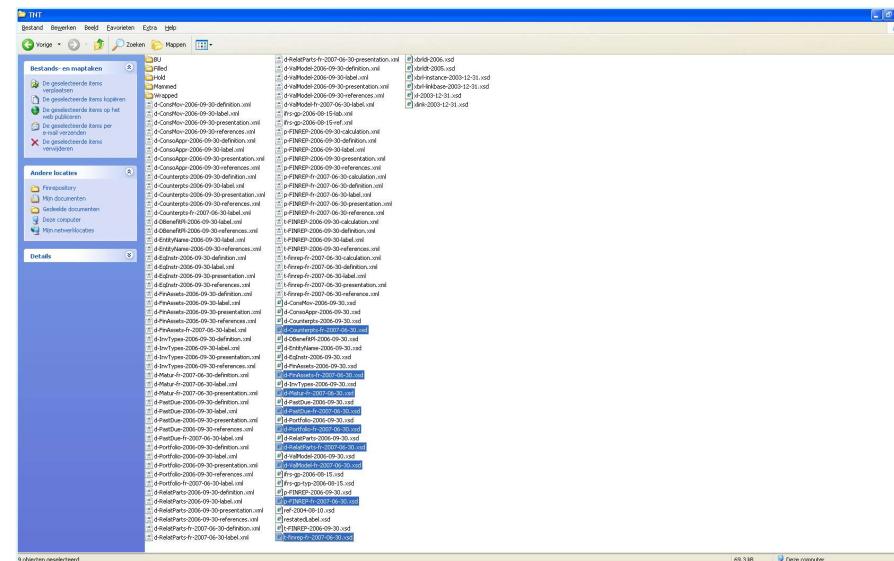
- DTS holds 484 files
  - of which: 169 schema.xsd
    - of which: 49 BE extensions
- Modular taxonomy doesn't facilitate cross-template validation rules
- New dimensions increase number of reported elements to 3.442 for FBB



# Example 3: tagging variances FINREP BE versus FINREP FR

## ► FR extended monolithic FINREP taxonomy

- DTS holds 109 files
  - of which: 33 schema.xsd
    - of which: 9 FR extensions
- One template taxonomy



# Example 3: tagging variances FINREP BE versus FINREP FR

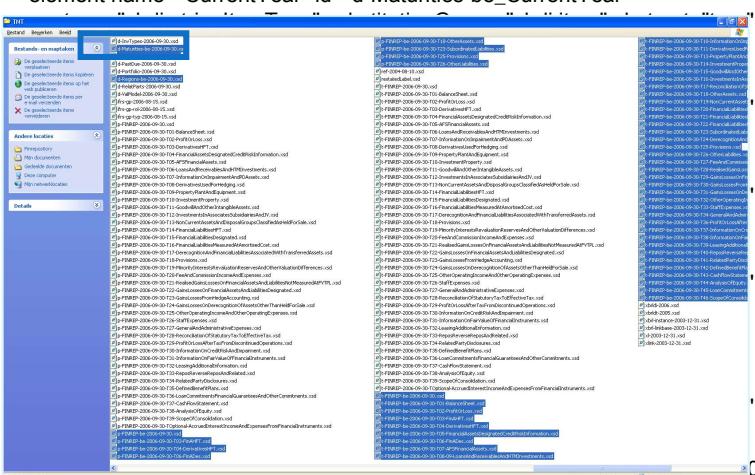
## Maturity dimension extension for BE d-Maturities-be-2006-09-30.xsd

```
<element name="CurrentYear" id="d-Maturities-be_CurrentYear"
      type="xbrli:stringItemType" substitutionGroup="xbrli:item" abstract="true"
      nullable="true" xbrli:periodType="instant"/>

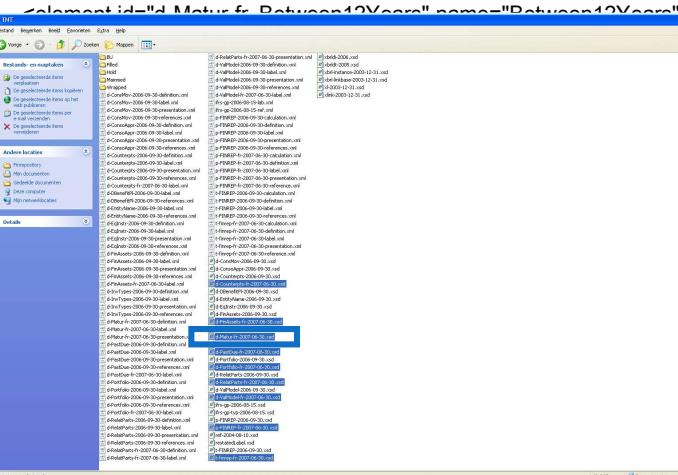
<element name="MoreThanCurrentYearPlus10" id="d-Maturities-
      be_MoreThanCurrentYearPlus10" type="xbrli:stringItemType"
      substitutionGroup="xbrli:item" abstract="true" nullable="true"
      xbrli:periodType="instant"/>

<element name="Perpetuals" id="d-Maturities-be_Perpetuals"
      type="xbrli:stringItemType" substitutionGroup="xbrli:item" abstract="true"
      nullable="true" xbrli:periodType="instant"/>

<element name="TotalMaturities" id="d-Maturities-be_TotalMaturities"
      type="xbrli:stringItemType" substitutionGroup="xbrli:item" abstract="true"
      nullable="true" xbrli:periodType="instant"/>
```

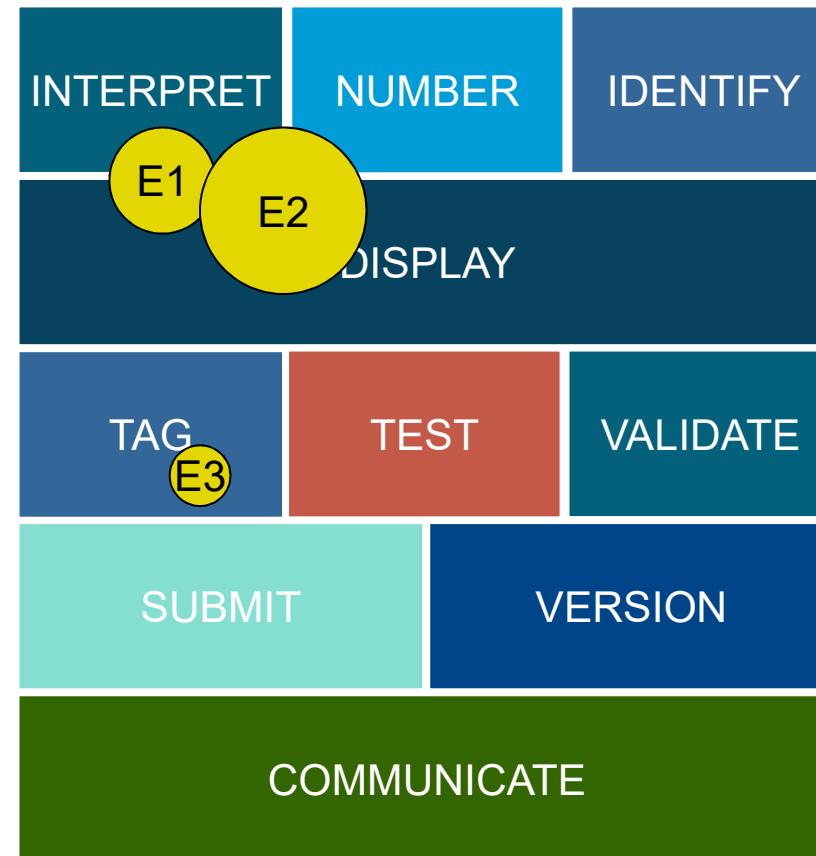


## Maturity dimension extension for FR d-Matur-fr-2007-06-30.xsd



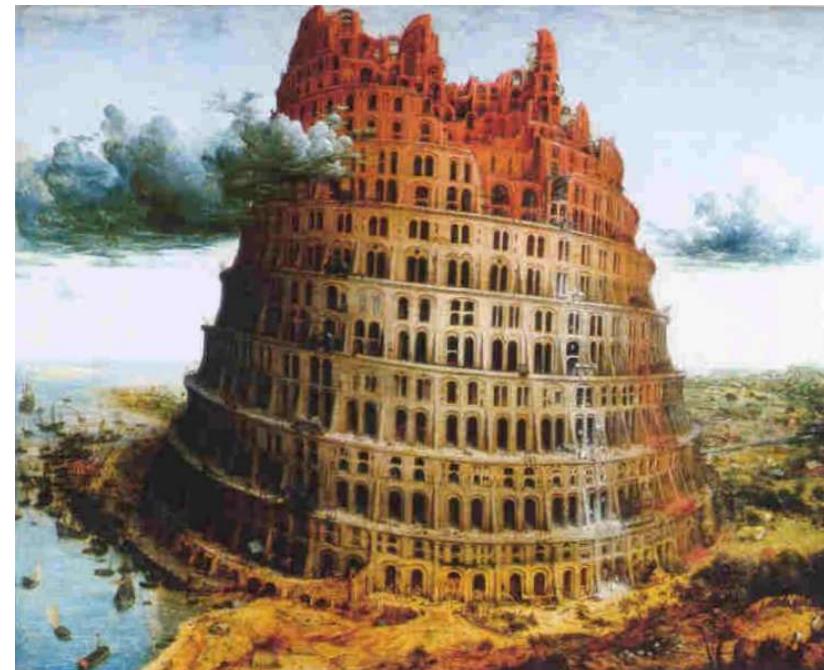
1 Year"  
nsion"

# Plenty more if you look closer



# Lesson learned

- ▶ Today's frameworks provide excellent opportunities to learn and build



*Europe, anno 2009*

# Harmonisation topics



- |                              |                                  |
|------------------------------|----------------------------------|
| Form layout                  | Preparer identification          |
| Content definition of a cell | Instance preparation timestamp   |
| Codification of line items   | Feedback parameters              |
| Tagging of a cell            | Report type                      |
| Tagging of (sub)totals       | Header attributes                |
| Duplicate elements           | Digital signature protocol       |
| Nil or nul values            | Encryption                       |
| Scale                        | Filename convention              |
| Threshold/tolerance margin   | Testing a submission             |
| Decimals                     | Transmission procedure           |
| Percentages                  | Transmission feedback            |
| schemaRef                    | Validation formulae/rules        |
| Instance or envelope         | Validation feedback              |
| Versioning                   | Exceptions to some rules         |
|                              | Communication on process changes |

# H-topics discussed so far

- ▶ CEBS XBRL Network + Experts
- ▶ [www.xbrlwiki.info](http://www.xbrlwiki.info)
- ▶ “Best practices on data definitions”

The screenshot shows a Wikipedia-like page titled "Best Practices on Data Definitions". At the top, there are links for "article", "discussion", "edit", and "history". On the right, there is a "Log in / create account" button. Below the title, there are two logos: "COREP Project" and "FINREP Project". A banner below the logos states "Contribution dated 2009-01-14". A message "ALL TOPICS ARE STILL ON DISCUSSION!" is displayed. To the left of the main content area, there is a sidebar with a "Contents [hide]" button. The main content area lists several sections and sub-sections related to data definitions, such as "Introduction", "Streamlining and harmonising reporting requirements in Europe", "Harmonisation topics" (which further includes sections on Decimals, Precision, Scale, Percentages, Threshold/tolerance margin, and Non-numeric items), "Reporting institution identification", "Report type (Solo, Consolidated, other options)", "Audit status", "ID and tagging of cells and (sub)totals", "Administrative data and feedback parameters", "Character codification (UTF-8 or others)", and "Overview of the Best Practice agreements".

# H-topics, best practise examples

## Scale

Concepts with monetaryItemType (or types derived from this type) should be reported with attribute decimals = "2", so no scaling is allowed, implying that all figures will be reported in cents as follows 1755.89, which equals 1755.89 Euro, or 1755 Euro and 89 Cents. Percentages should be rounded to four decimals.

## Percentages

Rates, percentages and ratios should be reported using decimal rather than in percentages where the value has been multiplied by 100. As percentages are reported between 0 and 1, a ratio of 18,78% should be reported as **0.1878 with decimals="4"**.

## Currency conversion

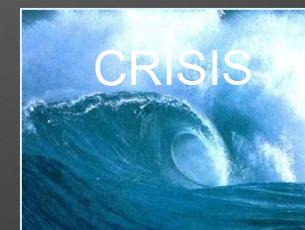
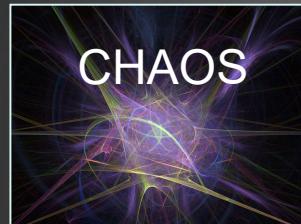
Currency conversion rates are not yet used in the CEBS XBRL reporting and the definition will be discussed when this topic comes up in the future. Common practice is the reporting of conversion rates with up to six significant digits, following the standard on Euro conversion rule for irrevocable rates.

# Financial market turbulences

- ▶ Speeding up the case for harmonisation?
- ▶ Are we preparing for the next wave?
- ▶ Can we do more?
- ▶ National versus European interests?



# Conclusion



MOBILISE RESOURCES!  
MAKE IT MANDATORY!



?



transparency

# Thank you for your attention

derek.debrandt@xbrl-eu.org  
derek.de.brandt@aguilonius.com