

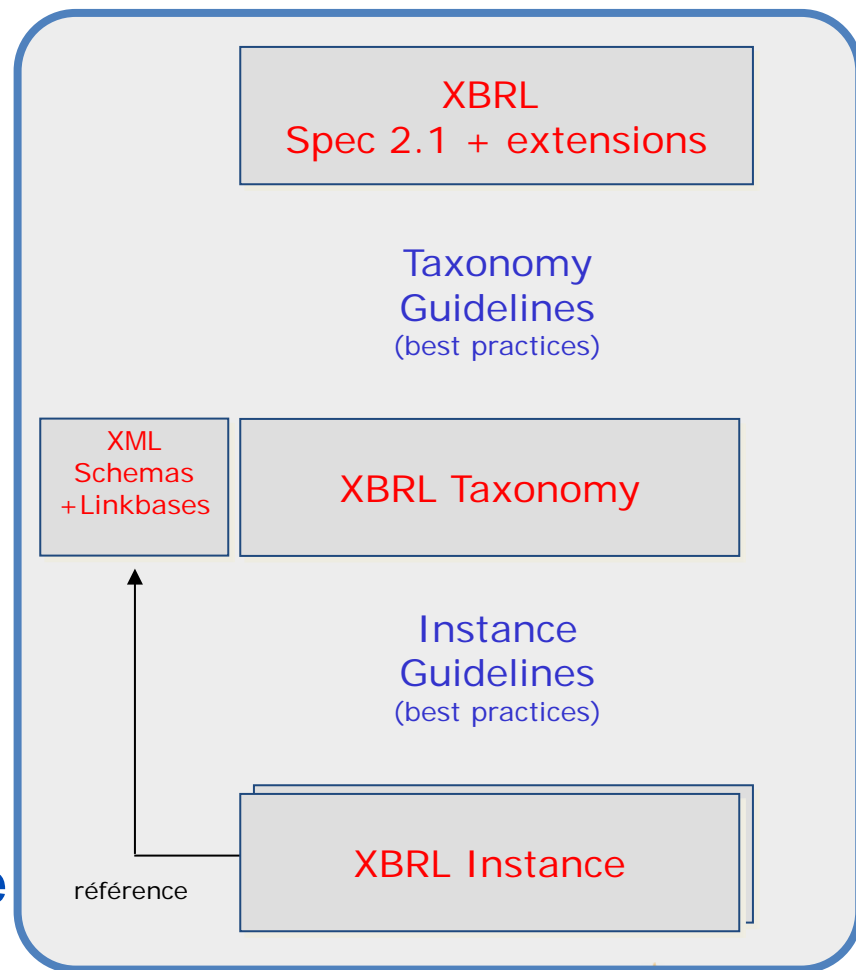


XBRL as a Contributor to the transparency of the Market

Gilles Maguet — Secretary General XBRL Europe

WHAT IS XBRL (eXtensible Business Reporting Language)?

- XBRL is a standard for the electronic exchange of Business information. Built on XML in a more powerful way as to structure complex data with additional functionalities
- Data-elements defined in a 'Taxonomy', a dictionary (sort of "clever" charter of account) for describing the context of data in business documents. Functionalities like visualization, calculation, data validation, formulae, etc. are embedded in the Taxonomy and this is the powerful part
- An XBRL 'Instance document' contains' the data elements following the XBRL Taxonomy





Quick glance on XBRL implementation in Europe

Banking regulated sector	Insurance regulated sector	Securities Market Regulated sector	Business register sector	Tax sector	Statistics	Others(Stock exchg, Private)
More than 13 projects		3/4 projects				
At least 8 within the NCAs for mandatory reporting and many in preparation and from NCAs to EBA EBA Project with the new COREP and FINREP taxonomies	Many under Preparation within the NCAs for mandatory reporting and from NCAs to EIOPA EIOPA project with Solvency II Taxonomy	1 for mandatory reporting (Spain CNMV IFRS Taxonomy) ESMA project for listed companies reporting following EU-IFRS XBRL Taxonomy	13 projects 7 for mandatory reporting of annual accounts following National Gaap taxonomies	6 projects 4 for mandatory reporting following local fiscal taxonomies	6 projects	10 projects

From 55 to 65 XBRL projects in 19 European Countries for national reporting or European Reporting through EU directives



XBRL Projects in the BRs sector in Europe

- 3 projects/7 for mandatory or quasi mandatory filings. Mainly local GAAPs, 2/3 with National GAAPs & IFRS (UK, DK, GER).
 - Belgium – BNB – Mandatory Filing – 2007 – 400.000 filings
 - Denmark DCCA – Mandatory Filing – 2011 – 210.000 filings
 - Italy Infocamere – Mandatory Filing – 2011 – 1.200.000 filings
 - Spain – Collegio de Registradores – 2009 - Mandatory Filing – 600.000 filings
 - UK Companies House – Mandatory Filing – 2008/2011 - 1.400.000 filings
 - Germany – Datev/Bundesanzeiger– Quasi mandatory Filing – 600.000 filings
 - Netherlands – Chamber of Commerce – 2015 Mandatory – 844.000 filings
 - Voluntary filings in Luxembourg and Sweden, Estonia
 - France, Infogreffe – data available in XBRL – 800.000 companies
 - Projects in Ireland, Poland
- Thus millions (5/7) of XBRL financial statements/year available in Europe
- Initiative to made the XBRL information exchangeable and readable from one country to the other from XBRL Europe EU Business Register WG with xEBR taxonomy tested between some BRs like Infocamere (Paola Fiumani)



Some XBRL projects Outside Europe

- United States
 - Federal Deposit Insurance Corporation (FDIC) - Mandatory Filing
 - US Securities and Exchange Commission - Mandatory Filing
- Japan
 - Bank of Japan - Mandatory Filing
 - Financial Services Agency Japan - Mandatory Filing
 - National Tax Agency Japan - Mandatory Filing
 - TSE-Tokyo Stock Exchange - Mandatory Filing
- China
 - China Securities Regulatory Commission - Mandatory Filing
 - SSE-Shanghai Stock Exchange - Voluntary Filing
 - Ministry Of Finance People's Republic Of China Development
- India
 - BSE- Bombay Stock Exchange Mandatory Filing
 - Reserve Bank of India Mandatory Filing
 - Ministry of corporate affairs – Business register Mandatory Filing
 - Securities and Exchange Board of India Voluntary Filing
 - NSE-National Stock Exchange of India Voluntary Filing
 - Insurance Regulatory and Development Authority Development

Structure of the supervision in the European Union

- European Institutions: European Parliament, European Commission, European Council
- the European System of Financial Supervisors (ESFS)
 - Level 2 –
 - the European Systemic Risk Council (ESRC)– managed by the European Central Bank (ECB)
 - EBA: European Banking Authority (replaced CEBS) - EAS
 - EIOPA: European Insurance and Occupational Pensions Authority (replaced CEIOPS) - EAS
 - ESMA: European Securities and Market Authority (replaced CESR) - EAS
 - The joint Committee of the European Supervisory Authorities (JCESA)
 - Level 1 : The competent or supervisory authorities: the NCA (National competent Authorities) from the 28 member states



European System of Financial Supervisors (ESFS)

Source Banque de France

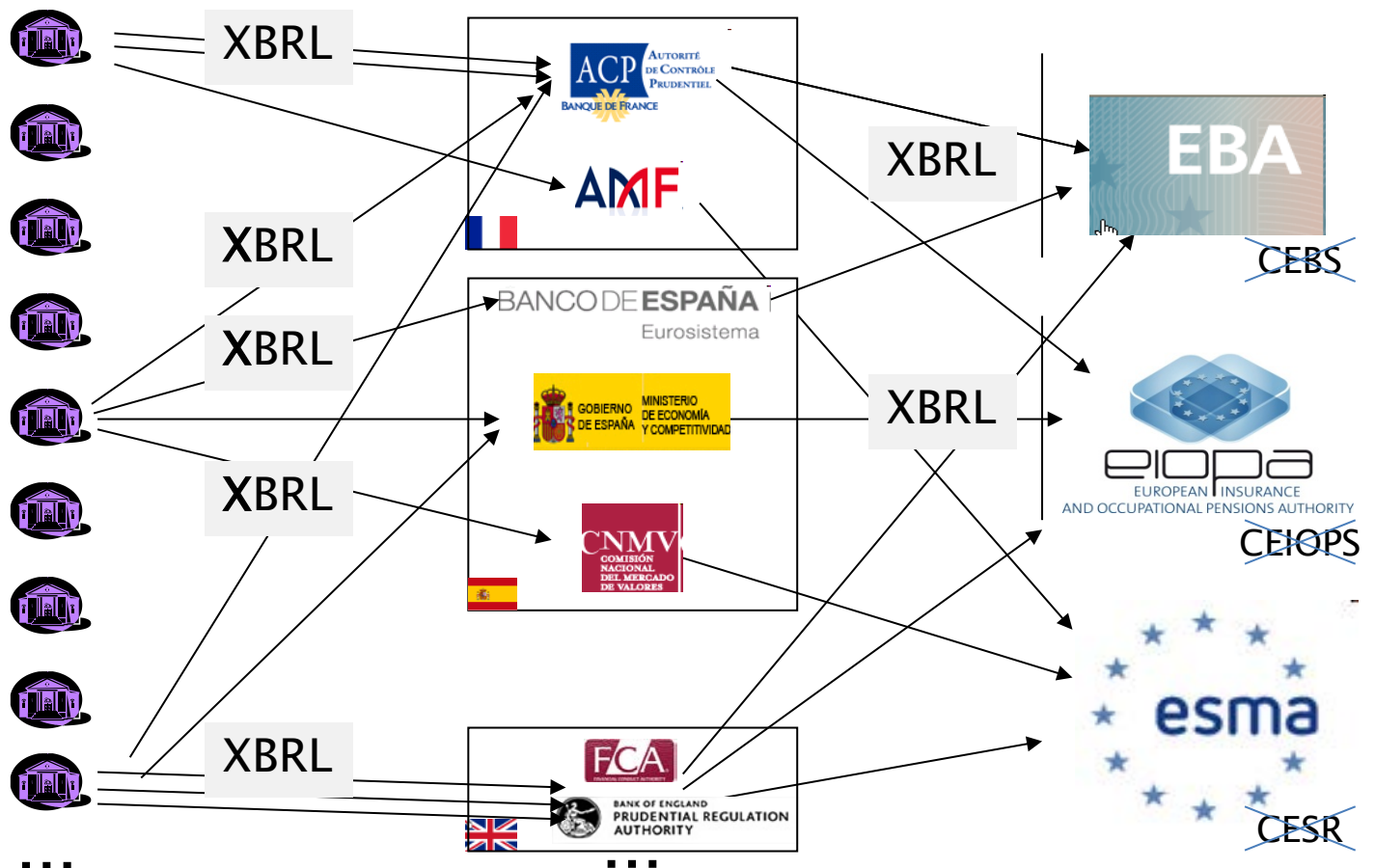
Juridictions

Europe

undertakings

NCA's

ESAs



CSDB
Central
Securities
DataBase

Joint Committee



The European directives involving XBRL - The regulated sectors



BANKS

BASEL II / CRD

2006/48-49/EC and updates

BASEL III / CRD 4

Adopted in April 2013



for
COREP FINREP
Reporting of Banks

XBRL as a Contributor to the transparency of the Market
| Rome, 3. June 2014

INSURANCES

SOLVENCY II

2009/138/EC

OMNIBUS II

Adopted in April 2013



For Solvency II (Pillar 3)
reporting of Insurance
Companies

Gilles Maguet – Secretary General XBRL Europe

Gilles Maguet - ©

LISTED COMPANIES

TRANSPARENCY

2009/307/EC

Voted the 12th June 2013



For Stock Listed
companies reporting
As of 1 January 2020
?





European directives which could involve XBRL



ALL COMPANIES

ACCOUNTING

2011/308/EC
Voted the 12 June 2013



COMPANIES - BR

BUSINESS REGISTERS

2012/17/EC
UNDER IMPLEMENTATION



*for Annual
Accounts of Non
Listed companies*



*for Crossborder
exchange of
information*





Banking and Insurance supervision

➤ Banking Sector

- EBA Corep & Finrep project for mandatory filing from 28 countries
- Corep & Finrep projects: 13 NCA projects for mandatory reporting in XBRL and more in preparation.

➤ Insurance Sector

- EIOPA Solvency 2 project for mandatory filing from 28 Countries
- Various Solvency 2 NCA projects for mandatory filing from undertakings under preparation





Listed companies Supervision - transparency directive

- XBRL introduced as the possible standard for the mandatory reporting for all the stock listed companies in EU as of the 1st of January 2020,
- Directive covers the whole supply chain (filing, storing, availability of datas)
- ESMA in charge of developing “draft technical regulatory standards” (the content), and of specifying the electronic reporting format (XBRL ?)
- ESMA in charge of establishing a web portal serving as a European electronic access point for the access to the regulated information (operational the 1st January 2018)
- The system of interconnection of officially appointed mechanisms (OAMs) : the web portal and the Member States central storage mechanisms
- In developing the interconnection of OAMs, ESMA has to take into account the technical requirements for the system of interconnection of business registers (Directive 2012/17/EU)





Accounting directive – Non listed companies

- The Accounting Directive states that Member states should “develop electronic publication systems that allow undertakings to file accounting data, including statutory financial statements, only once and in a form that allows multiple users to access and use the data easily. With regard to reporting financial statements the Commission is encouraged to explore means for a harmonised electronic format. (...).”
- That directive (with maybe the directive of interconnection of the business register) is opening the way to an harmonised way of using XBRL in the sector of the non listed companies.
- This directive is being transposed and the implementation discussed between the EC the MS, the ARC (Accounting Regulatory Committee) and other stakeholders





Interconnection of Business Registers Directive

- Directive which focuses on some elements to be exchanged like name, identification number
- Its implementation is made through delegated acts negotiated between the European Commission and the Members States. Discussions to set up the BRIS (Business Register Interoperability System) for 2017/2018
- In XBRL Europe through our EU Business Register Working Group we advocate with all stakeholders including the BRIS project to include XBRL as the format of exchange .





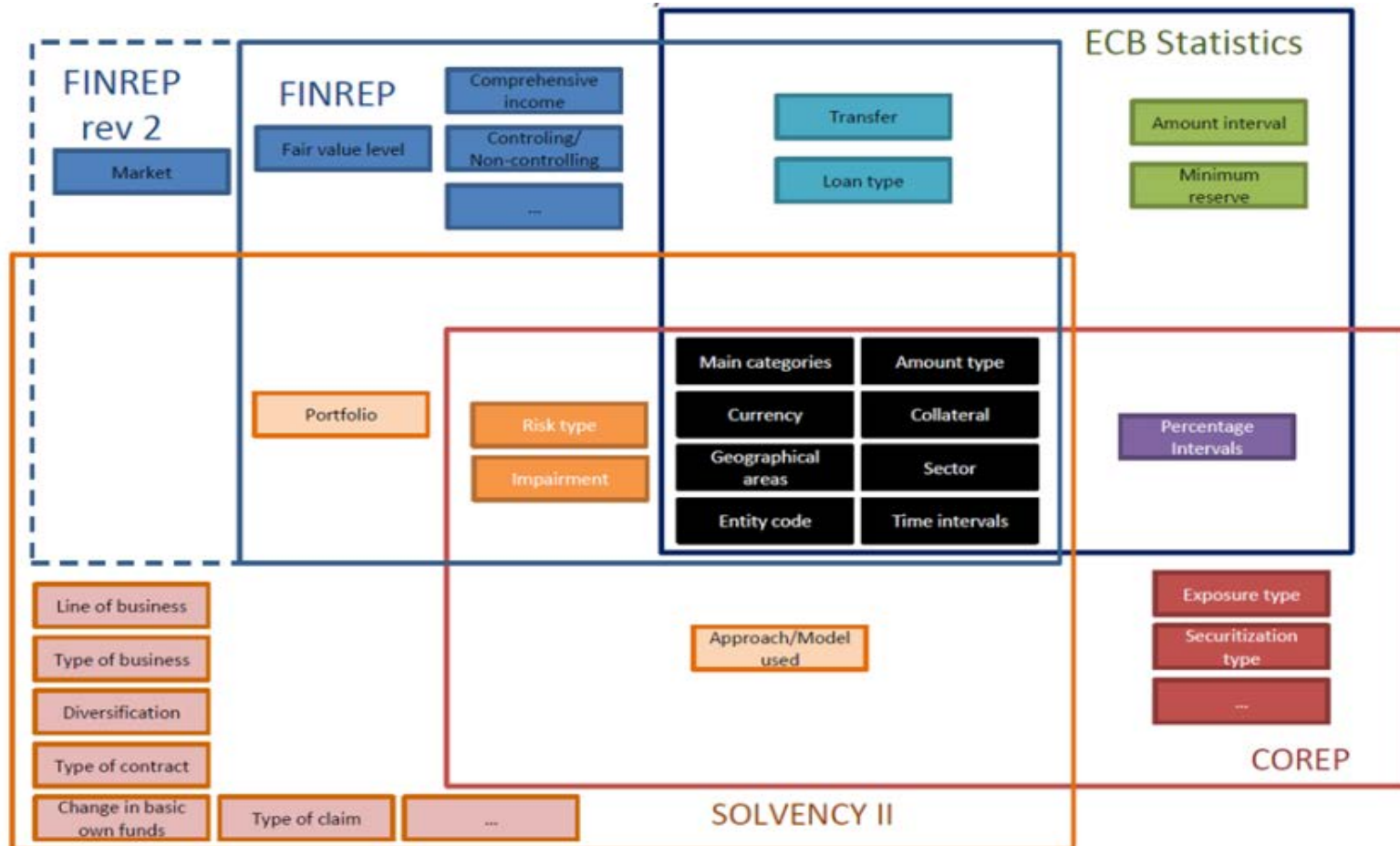
XBRL as an enabler of transparency

- As described above thus XBRL largely contributes to the transparency of the market in Europe (and outside) because:
 - XBRL allows to exchange reusable information and this is the quiet revolution
 - XBRL is (and will be) used in a large number of interlinked domains like the BRs, the banking sector, the insurance sector, the listed companies&stock exchanges, the stats offices, etc.
- But still an harmonisation of the content in the various sectors help – most likely the EU-IFRS being built by ESMA will be a milestone



Harmonisation of the reportings

- Convergence and harmonisation of the reportings (common concepts between COREP FINREP, Solvency II and EU-IFRS)

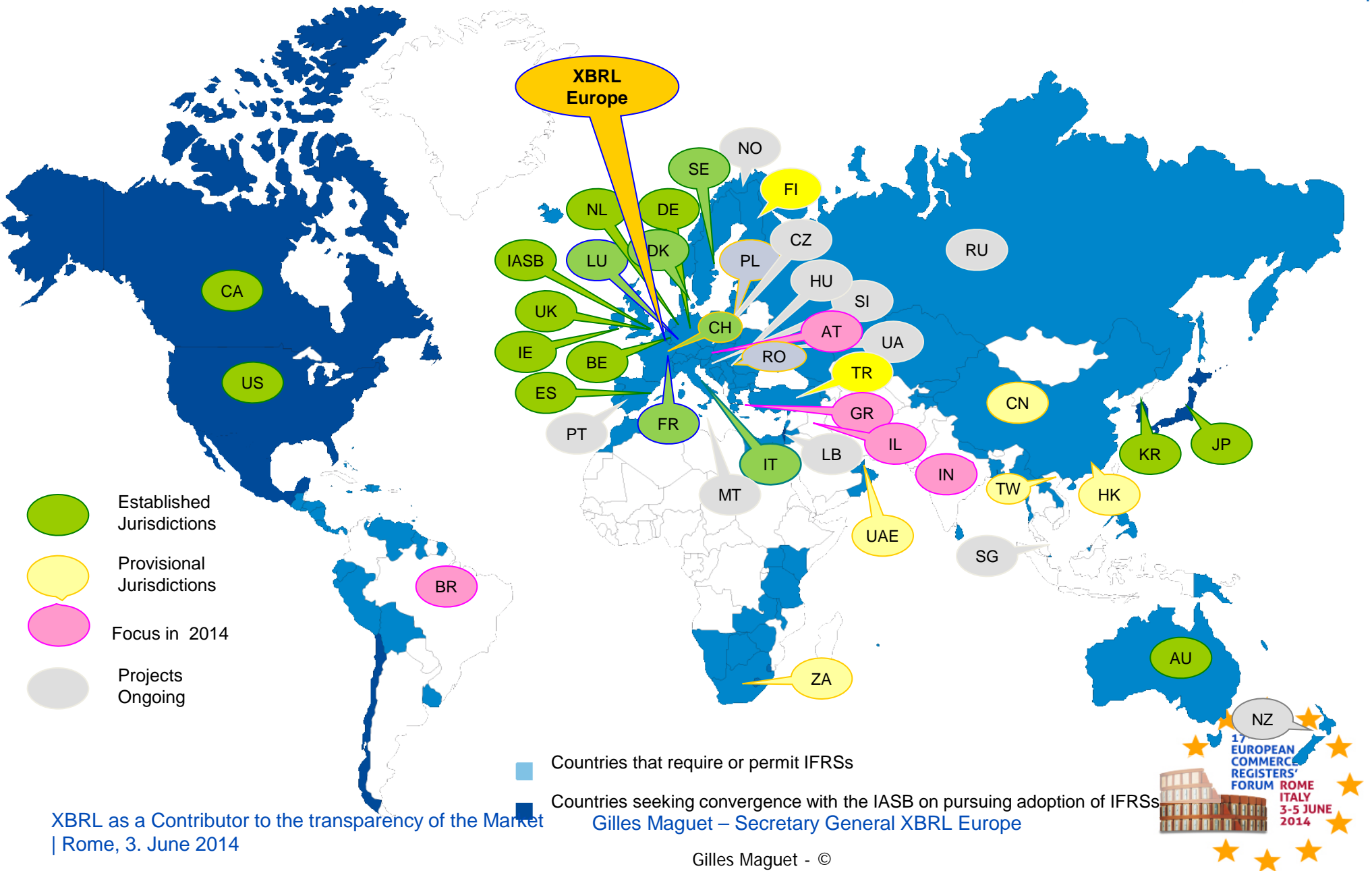


XBRL International & XBRL Europe

- **XBRL International**
 - Non for Profit dedicated to the promotion of transparency in Business reporting through the use of XBRL with its regional organisations and direct members (>650 members)
 - In charge of the maintenance and the reliability of the standard through Working groups (like the XSB)
 - Organises International XBRL conference (next Orlando 9-11 June)
- **XBRL Europe:**
 - Not for profit affiliated to XBRL International set up to promote XBRL through its membership (in which many are BRs) and WGs
 - XBRL EU Business Register Working Group, Thomas VERDIN
 - IFRS, Securities and Markets Working Group , Pierre Hamon
 - XBRL Usability Working Group – Hans Buysse
 - Multi Stakeholder Platform Task Force – Ignacio Boixo & Björn Rydberg
 - Etc.
 - Organises European events (2/3 times pa) and specific meetings for its members with Eurofiling –last in Rome in May 2013 organised with XBRL Italy in which Vito Giannella presented the BRIS interconnection and XBRL



XBRL Consortium Worldwide - Status mid 2014





Thank you - Questions & Contacts



Gilles Maguet
SECRETARY GENERAL
XBRL Europe
Avenue d'Auderghem, 22-28
B-1040 Brussels
+33.4.72.41.05.22
+33.6.71.62.31.19
gilles.maguet@xbrl-eu.org
www.xbrleurope.org

Secretary General of XBRL Europe, the European organisation grouping European XBRL Members of the non-profit XBRL International consortium of over 650 members developing the XBRL Standard.

He is the past Secretary General of XBRL France which has developed several XBRL projects such as those in the banking sector or in the business register sector.

