

XBRL Spain's Plans: New Impetus Strategy

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Agenda

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- ✦ Spain business overview
- ✦ Spain new XBRL focus
- ✦ Key points of the new impetus Strategy
- ✦ Why red.es

✦ Spain is considered to be ahead of the XBRL development due to the efforts fulfilled by the public and private sector.

✦ The Public Organizations and Regulatory Councils which have lead the establishment of XBRL in Spain are;

✦ Banco de España.



✦ CNMV: National Share Market Commission.



- ✦ Traditionally the business sectors that have been more active are the most regulated, especially the companies listed on the national stock exchange.
- ✦ All the companies included in the IBEX 35 index report their quarterly statements using XBRL to the CNMV since July 2005.
- ✦ Most of the Spanish private banks use XBRL for their reporting. E.g. SCH, BBVA, Banco Popular, Caja Madrid, La Caixa, CECA, etc.



XBRL in Spain

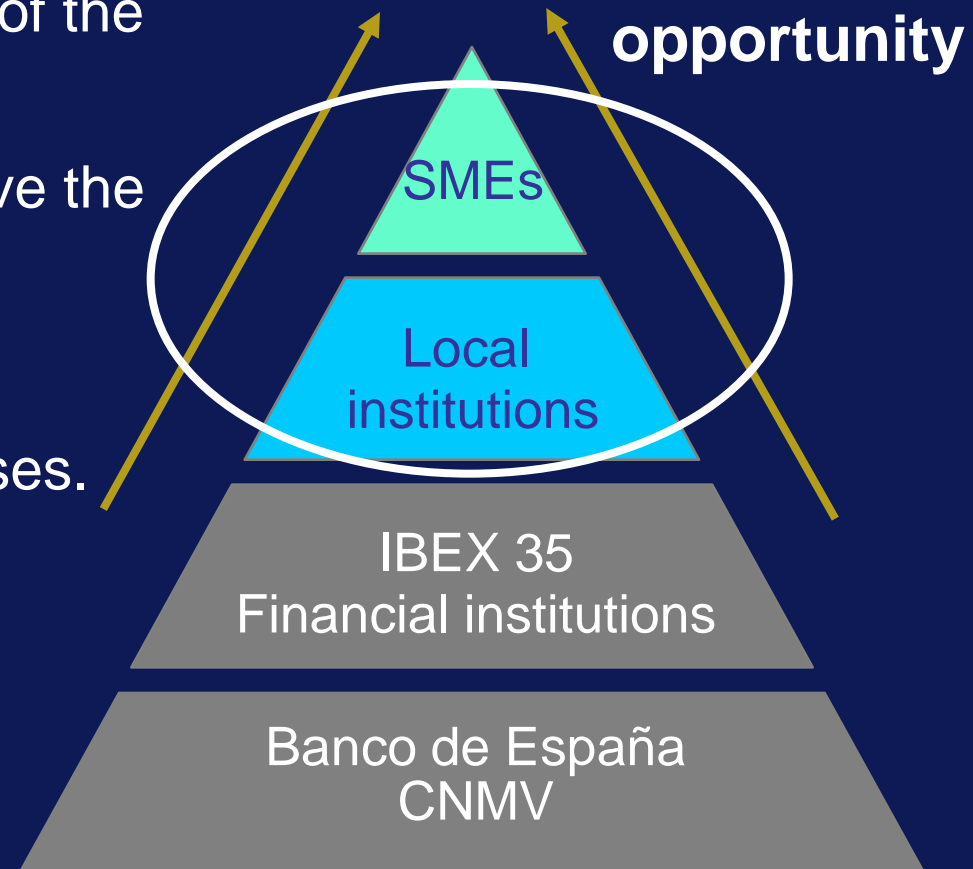
Spain business
overview

Spain new XBRL focus

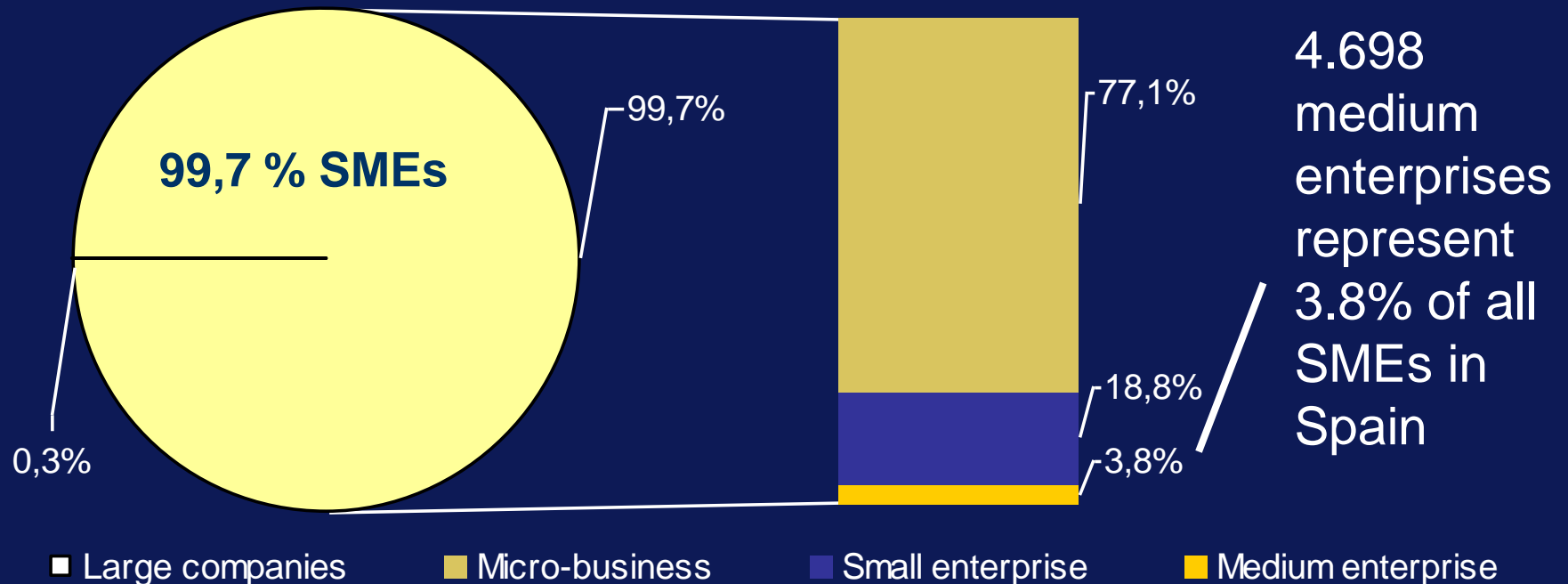
Key points of the
Impetus Strategy

Why red.es

- ✦ So far, major economic institutions and main financials companies have boost/encouraged the initiative of the XBRL implementation.
- ✦ There is an **opportunity** to move the experience of XBRL into:
 - ✦ Local Government.
 - ✦ Small and Medium enterprises.

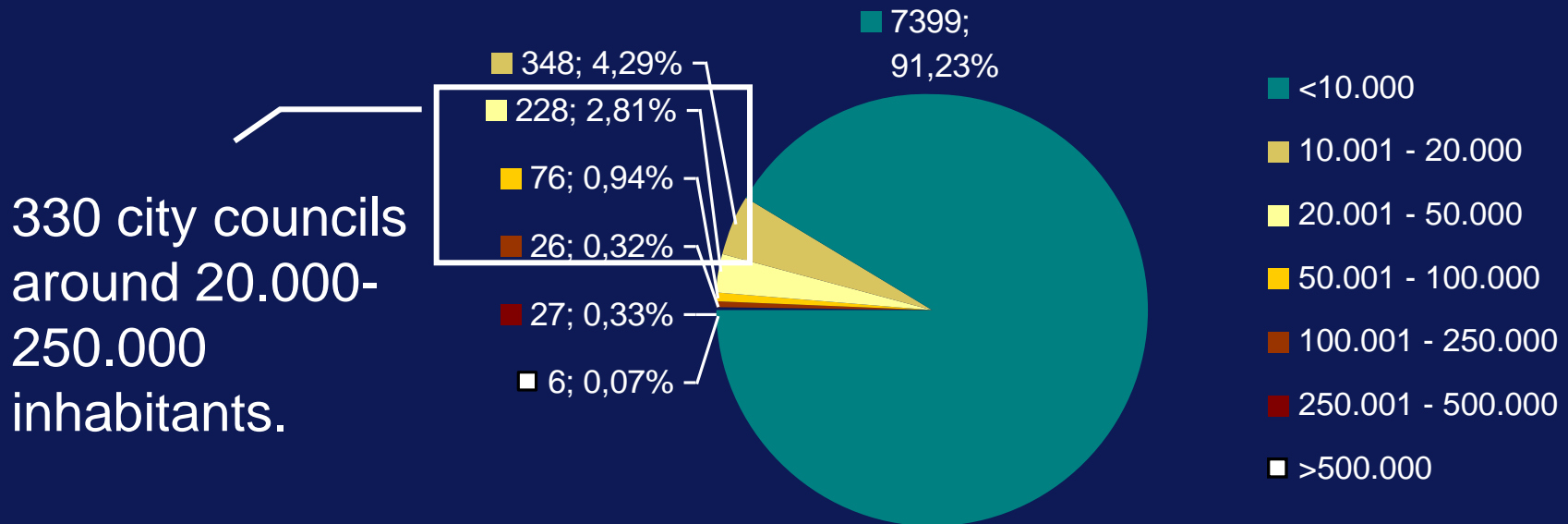


✚ In the Spanish business network, 99,7% are SMEs, and 0,3% are firms with consolidated financial statements.



Distribution of enterprises in Spain

✚ With regards to the Spanish population distribution, around 95% are city councils with less than 20.000 inhabitants.



Size of city councils in Spain

✦ The main **reasons** for SMEs to use XBRL in their financial statements reporting are the following:

- ✦ Reduction of administrative burdens for businesses.
- ✦ Reduce their reporting costs.
- ✦ Increase the use of Information and Communication Technologies in SMEs.

- **Strategy:** implementation of XBRL reporting in corporate enterprises.
- **Objectives:** 2.018 with an annual turnover among 6-300M€.
- **Key partners:** AECA (Spanish Accounting and Business Administration Association) and the Spanish Registrar Association.

The Dutch XBRL initiative estimates a reduction of 350 million euro per year considering that 600.000 companies start using XBRL.

- ✦ The main **reasons** for the local governments to use XBRL in their financial statements reporting are the following:
 - ✦ Specific taxonomy.
 - ✦ Access to XML technology.
 - ✦ Increase agility and efficiency in their financial reporting.
 - ✦ Estimated savings of 37 M€.

- **Strategy:** implementation of XBRL in the financial reporting to the Autonomous Governments and the Court of Accounts.
- **Objective:** 330 city councils around 20.000-250.000 inhabitants.
- **Key partners:** Autonomous regions governments, FEMP.

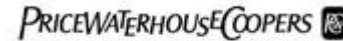
The Netherlands is already promoting their e-government policies through the establishment of XBRL in public administrations.

- ✦ The key drivers for the development and implementation of XBRL on the basis of three different approaches:
 - ✦ Implementation of XBRL in local and national governments.
 - ✦ Motivate the establishment of XBRL in private sector.
 - ✦ Impetus and leadership of public institutions.
- ✦ It is necessary to have new driving forces that are able to lead the XBRL implementation in Spain, similar to the role played by the Banco de España and the CNMV in the financial sector.
- ✦ It is responsibility of the government to develop, control and approve the necessary taxonomies that allow the technological upgrade of financial reporting between companies and local authorities.

- ✦ Red.es is public business organization assigned to the Ministry of Industry, Tourism and Commerce that works closely with the public and private sector, in order to achieve the development and promotion the non-discriminatory use of the Information Society in Spain.



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MINISTERIO DE INDUSTRIA, TURISMO Y COMERCIO

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Thank you for
your attention

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