



# XBRL as a tool for Supervision

EGFI Chairman | 4 June 2007

**CEBS**

Committee of European  
Banking Supervisors

# Outline

- What is CEBS?
- Advantages of use of XBRL for supervision
- Use of XBRL in the EU supervisory authorities
- Collaboration between CEBS and XBRL community

See more at [www.c-eps.org](http://www.c-eps.org) and [www.corep.info](http://www.corep.info)

## What is CEBS?

The Committee of European Banking Supervisors is a consultative body comprised of high level representatives from the banking supervisory authorities and central banks of the European Union (other EEA countries may participate as observers)

# CEBS' role

## Main tasks:

- Advice to the Commission
- Promote consistent implementation and application of EU legislation
- Exchange information and enhance convergence of supervisory practices

## Objectives:

Promote cross-border supervisory co-operation and the safety and soundness of the EU financial system through:

- good supervisory practices
- efficient and cost-effective approaches to supervision of cross-border groups
- effective regulation
- level playing field and proportionality

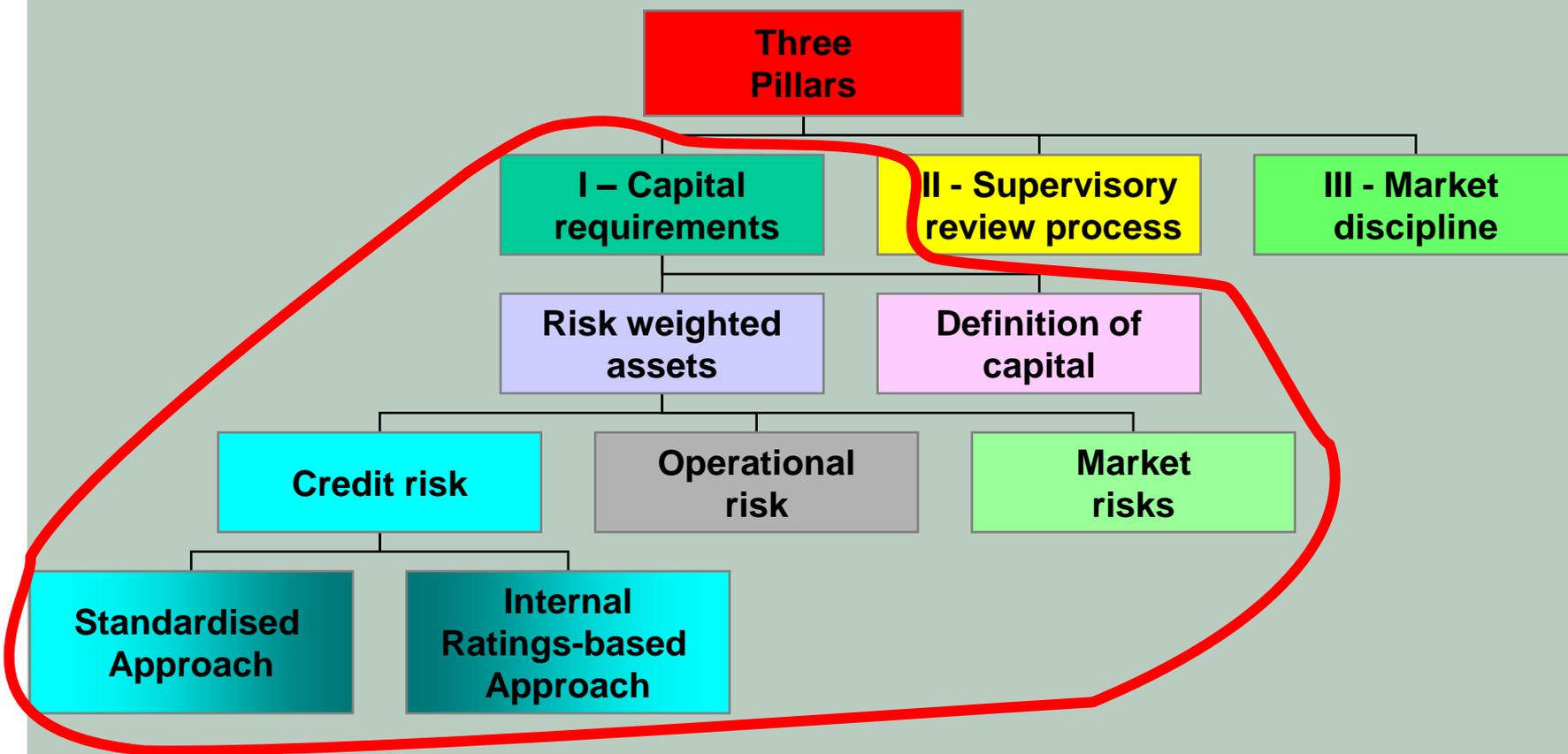
# Work Programme

## Priority areas of work

- Regulatory advice
- Convergence of supervisory practices
  - Reporting frameworks
- Co-operation and information exchange
- Cross-sectoral issues

## Other areas of work

# COmmon REPorting under Basel II



## Advantages of use of XBRL for supervision

### Cover note to the Framework for Common Reporting of the New Solvency Ratio

“While national supervisory authorities are free to decide on the technical transmission specifications to implement the reporting framework, **CEBS considers that XBRL can be a helpful tool in constructing a harmonised European reporting mechanism.** CEBS will therefore develop an XBRL platform and make it available free of charge to national authorities and supervised institutions. XBRL taxonomies will be developed for both the COREP and FINREP (Financial Reporting) frameworks.”

## Advantages of use of XBRL for supervision

- XBRL enable cross-border groups to use the same IT transmission standard in different jurisdictions.
- Small banks may benefit from a free standard like XBRL and the economies of scale derived from the development of the XBRL taxonomy by CEBS.
- Supervisors may benefit from economies of scale.

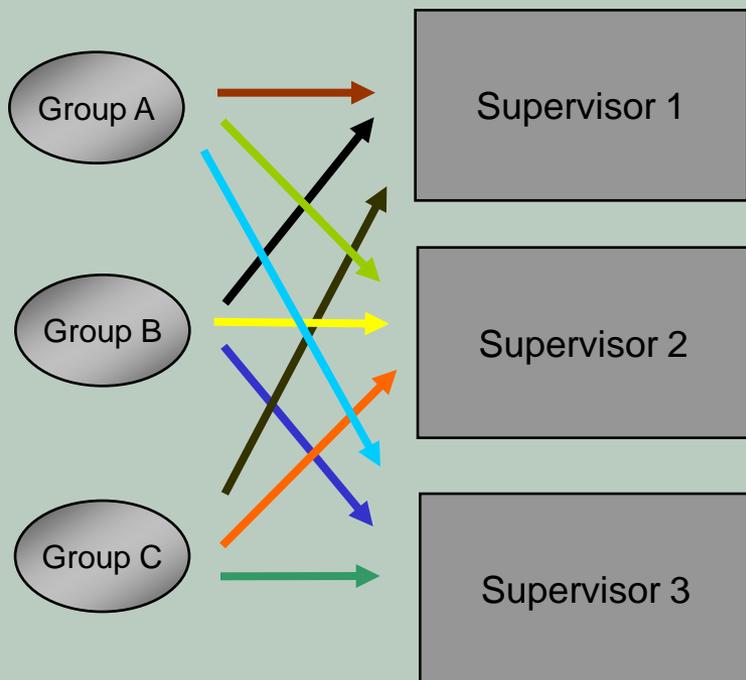
## Advantages of use of XBRL for supervision

- XBRL provides the IT framework for the reuse of harmonised terms and definitions.
  - ▶ Lay-out of the national templates
  - ▶ Language used in the national implementations.
  - ▶ Higher levels of reliability.
  - ▶ Content of the items.

**The more widespread is the use of XBRL,  
the more benefits from XBRL can be obtained.**

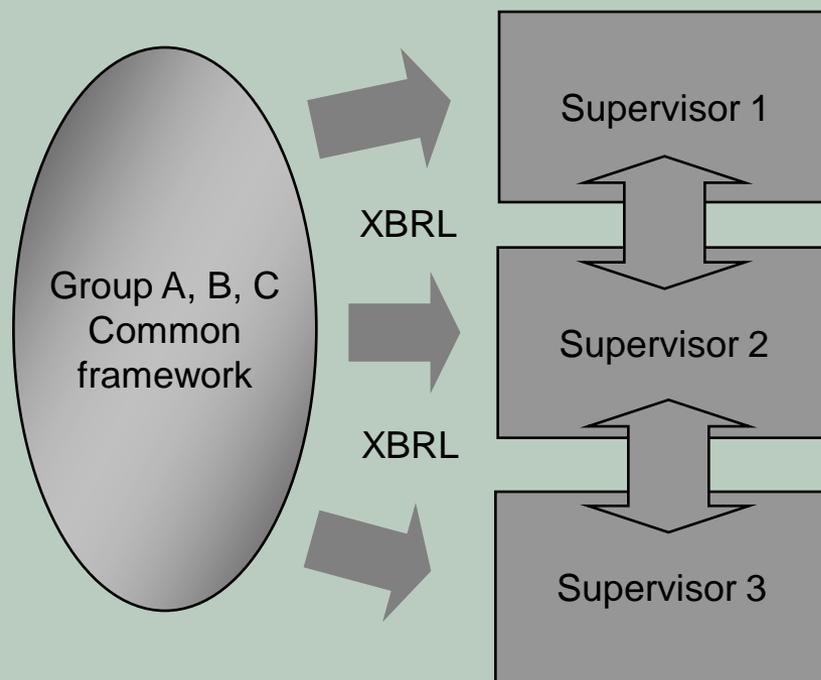
# Graphically...

Reporting before...



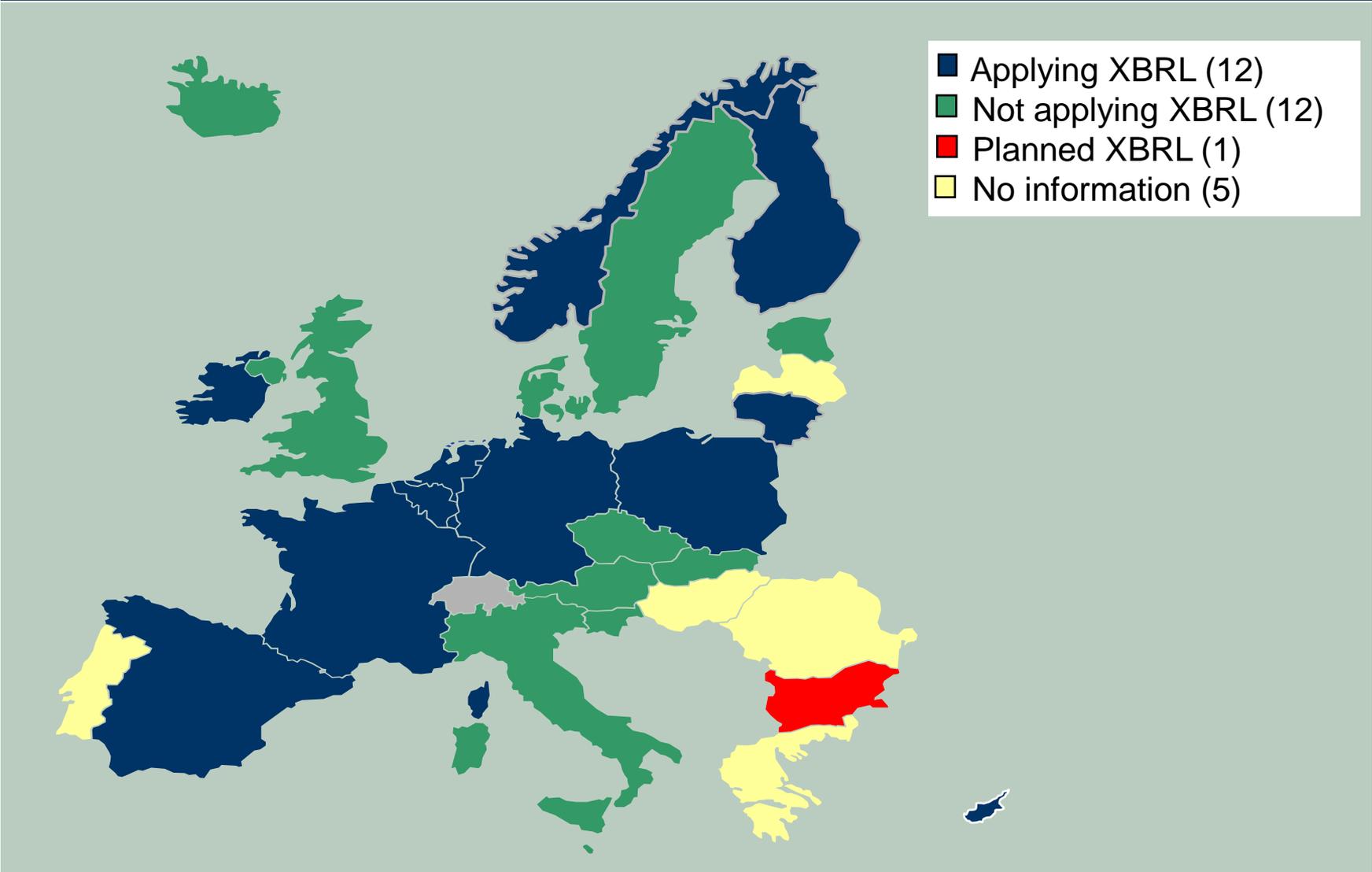
Different templates and definitions  
Several formats  
Different technologies

and after...



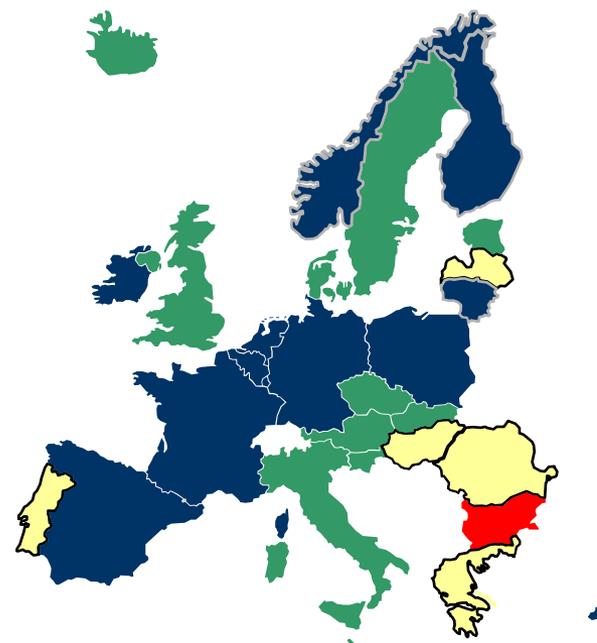
Common templates and definitions  
Single format  
XML/XBRL recommended

# Use of XBRL in EU supervisory authorities (COREP)



# Insight: COREP taxonomy in CEBS members

Country	Taxonomy Version	XBRL
Belgium	1.2.4	Compulsory
Bulgaria	Planned	-
Cyprus	1.2.3	Compulsory
Germany	1.2.3	Optional
Spain	1.2.2	Compulsory
Finland	1.2.3	Optional
France	1.2	Compulsory
Ireland	1.2	Optional
Lithuania	-	Compulsory
Luxembourg	-	optional in 2007, compulsory in 2008
Netherlands	1.2.3	Optional
Norway	1.2.3	Optional
Poland	1.2.3	Compulsory



# Collaboration between CEBS and XBRL

Workshops:  
7 editions x  
70+ attendees

Project Team:  
Supervisors  
+  
Non Supervisors

Weekly Conf. Call  
Yahoogroups 300+

Website, News &  
Communication

# CEBS input on developments of XBRL

- Dimensions:

- COREP creates the business case for the development of the dimensions.
- Example of collaboration among supervisors and XBRL community.

- Formulas:

- Advantage of XBRL is the validation at origin. The more possibilities to check the accuracy of the data, the more reliable is the information.

- Versioning: indeed, we are facing already it!



**CEBS**

Committee of European  
Banking Supervisors

Contact details:

Arnoud Vossen

email:

[a.m.j.vossen@dnb.nl](mailto:a.m.j.vossen@dnb.nl)

tel:

+31 (0) 20 524 39 03