

XBRL Europe

Management report 2012

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1 INTRODUCTION

This management report is prepared for the year 2012 for the purpose of reporting to the XBRL Europe members for the London General Assembly of the 18th of June 2013.

This report reminds and explains the work carried out during 2012. The explanations are sorted out in 3 categories (1 – Management of the organization, the working groups and the Monnet and the CEN Projects ; 2 – Communication and events; 3 - Liaison with EU organisations and institutions)

2 MANAGEMENT OF XBRL EUROPE AND MAIN ACTIVITIES

2.1 MANAGEMENT

2.1.1 EXECUTIVE COMMITTEE COMPOSITION AND MEETINGS

The Executive Committee is composed since the election of 2012 in Madrid

- **Chair:** XBRL Luxembourg represented by Marc Hemmerling
- **Vice Chair:** XBRL France represented by Jean Luc Menda
- XBRL Belgium represented by Camille Dumm
- XBRL Spain represented by Enrique Bonsón
- XBRL International represented by Tony Fragnito (for the permanent seat reserved to XBRL International)
- EFFAS represented by Hans Buysse (for the seat reserved to the Direct members)

The Executive committee met 9 times in 2012 with 7 conference calls (19/1; 1/03; 30/3; 24/4; 4/09; 1/10; 25/10) and 2 Face to Face meetings (31/05; 13/12).

The Executive committee and the working groups have managed the points explained hereafter.

Other specific meetings have been held during some events and we can mention the specific one organized in Yokohama during XBRL 25 between all the Europeans present in order to define the rationale of the future thematic conferences tested in 2012 in Paris for the Solvency 2 conference organized by XBRL France and XBRL Europe.

2.1.2 AUDIT COMMITTEE

XBRL Europe has an audit committee to control the accounts and which is composed as follows:

- Serge de Cillia from XBRL Luxembourg
- Norbert Flickinger from XBRL Germany

2.2 MAIN ACTIVITIES

2.2.1 MEMBERSHIP DEVELOPMENT

Members of XBRL Europe in 2012 are listed in the Accounts 2012 document. They are

- XBRL International
- XBRL Belgium
- XBRL Denmark
- XBRL France
- XBRL Germany
- XBRL Luxembourg
- XBRL Italy
- XBRL Netherland
- XBRL Spain
- Deloitte Innovation B.V.
- EFFAS
- Bermuda Monetary Authority
- Fujitsu Poland
- Infogreffe
- Theia partners
- E&Y EMEA
- Bank al-Maghrib
- XBRL United Kingdom (2012)
- BR&AG (2012 - provisional direct)

We have to underline the coming of BR – AG just after the adoption of the new provisional direct membership. Then in September XBRL UK decided to join. We have to mention as well that ATOS origin has expressed at the end of 2012 its formal willingness to become members in 2013. The same with UB Partners which have expressed a verbal wish for a full membership in 2013.

XBRL Europe carried out specific support to jurisdiction formation and strengthening. After having assisted in the XBRL Finland establishment, contacts have been made in 2012 directly and through XBRL Denmark in order for them and for XBRL Sweden to join XBRL Europe. Discussions are ongoing. A joint event between XBRL Denmark, XBRL Sweden and XBRL Finland has been organized in June 2012 (XBRL Nordic event).

2.2.2 BY LAWS REVISION

This is an important achievement of XBRL Europe in 2012. The revision has been approved at the last GA in May 2012 in Madrid (place were the new version may be consulted)

New bylaws were developed during 6 months by a specific working group chaired by Marc Hemmerling and mobilized several meetings between July 2011 and the GA in May 2012.

The proposed amendments concern the following:

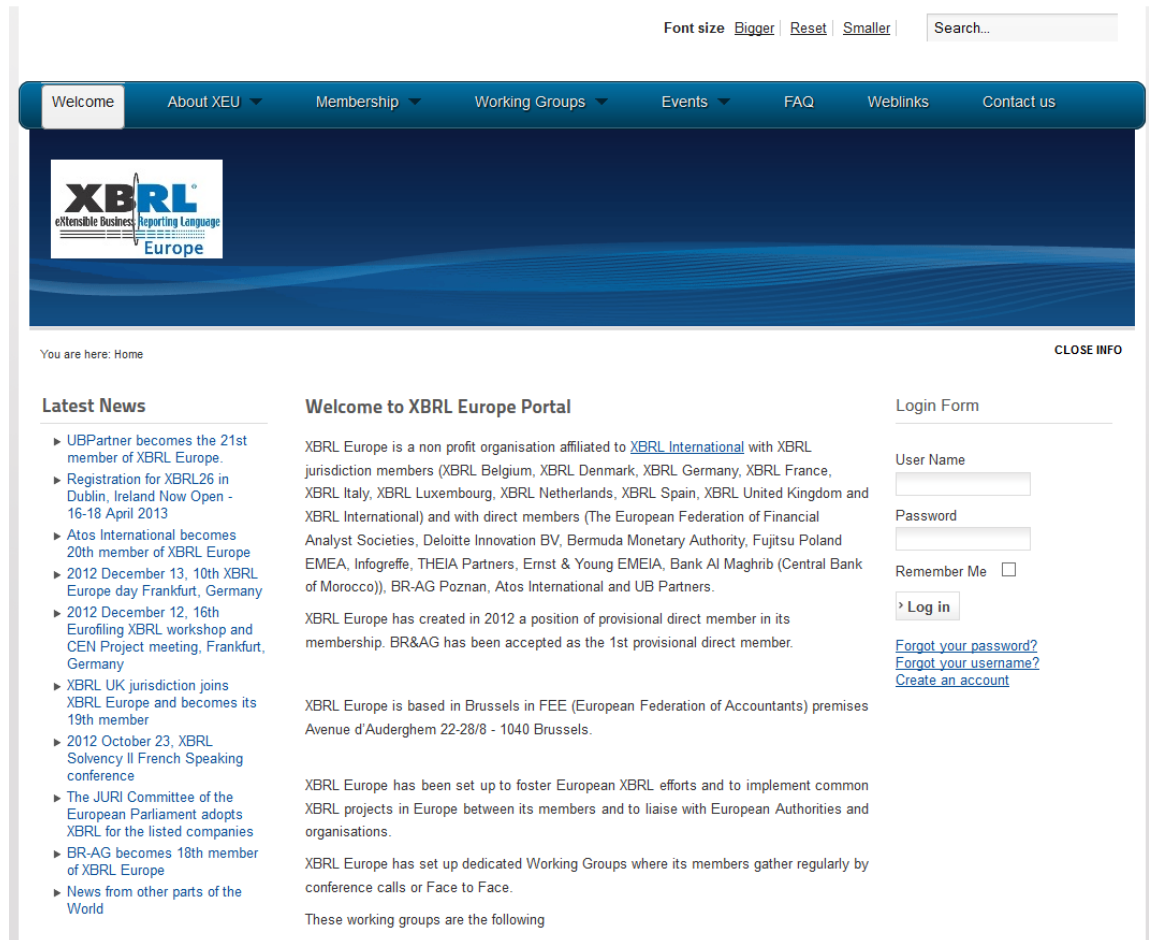
- The direct members are no longer bound by the fact that their national jurisdiction exists or not
- The direct members (private companies) are entitled to vote and are given a seat on the Executive Committee (the other 5 seats are reserved for the jurisdictions and a representative of XII)
- A new membership category was created - the provisional direct members - without voting rights and reserved for small companies interested in XBRL activities which are active in a country where there is no jurisdiction. The related Membership fee is halved.
- Some functions of the GA have been moved to the executive committee for practical daily management (determining the amount of the membership fee, ...)
- Governance of the association
 - The Chairmanship as a governance body does not exist as such and the governance of the association is distributed between the Executive Committee and the GA
 - The terms of members of Executive Committee and the Audit Committee is extended from 1 to 2 years.
 - A sixth seat on the Executive Committee reserved for Direct members is established
- Policy and Procedure document
 - To simplify the bylaws it became necessary to establish internal rules of procedure (Policy and Procedures document) which took over some articles of the by-laws, which is not to be deposited and which will define certain work processes. This document has to be developed in 2013

Official version of the bylaws has been published in French (see <http://www.xbrleurope.org/about-xeu/by-laws-and-governance>). English version is also available on the same URL

2.2.3 NEW WEBSITE

In Madrid during the last General Assembly it was proposed to develop a roadmap for the development of a new website as the former maintained kindly by our friends of XBRL Spain was at the end of its life. In last August a prototype has been developed by Gilles Maguet and presented to the Executive Committee and to the members. The Executive Committee has approved this prototype and asked Gilles Maguet to go further and to develop the professional version which has been presented in October 2012 and approved by the Executive Committee at the 25th of October 2012.

The website has been registered under the name of www.xbrleurope.org and all the former URLs are pointing on this address. The appearance is as follows:



The screenshot shows the XBRL Europe website homepage. At the top right, there is a search bar and font size options (Bigger, Reset, Smaller). Below this is a dark blue navigation bar with links: Welcome, About XEU, Membership, Working Groups, Events, FAQ, Weblinks, and Contact us. A large banner image features the XBRL Europe logo. Below the banner, a breadcrumb trail reads 'You are here: Home' and a 'CLOSE INFO' button is visible. The main content area is divided into three columns: 'Latest News' with a list of recent events, 'Welcome to XBRL Europe Portal' with introductory text and a list of members, and a 'Login Form' with fields for User Name and Password, a 'Remember Me' checkbox, and a 'Log in' button. There are also links for 'Forgot your password?', 'Forgot your username?', and 'Create an account'.

The new website has been praised. The main aspect of this new website is that this is a collaborative tool. Some pages have been developed by the WG chairs. An active visitor must be registered and authorized to enter some private parts like WG parts with presentations and minutes of former meetings. In addition an e-mail functionality allows to send grouped emails to all the registered persons.

3 WORKING GROUPS

3.1 EU BUSINESS REGISTER WORKING GROUP

The purpose of this group is to increase the coordination and interoperability for European Business Register's XBRL efforts and taxonomies. Its scope : All economic and legal data for companies operating or registered in the European Union

The attendees are the Members of the European XBRL Jurisdictions, the Business Registrars and Annual Accounts Registrars in the European Union, Lawyers and accountants for companies from the European Union and Software developers companies that provide or use legal and economical data. The group is chaired by Thomas Verdin from Theia partners direct member of XBRL Europe.

The group met once a month in 2012 and the minutes of the meetings are available on our website at <http://www.xbrleurope.org/working-groups/xebr-wg/xebr-news-minutes> in the member only section (accessible when authorized)

The group mainly worked on the implementation of the Directive 2012/17/EU of the European Parliament and of the Council of 13 June 2012 for the interconnection of the business registers and on the taxonomy xEBR which reached the V7 version in including the BACH scheme. This taxonomy has been tested between countries for the exchange of financial accounts between European countries.

3.2 COREP – FINREP – SOLVENCY II WORKING GROUP

The working group has been created in 2008 to contribute to the Eurofiling community, with the following main objectives:

- Gather and share experiences and lessons learned from preparers
- Liaise and facilitate the dialogue between various stakeholders related to COREP, FINREP and Solvency II

The group has been set up to allow the regulators to involve within a neutral platform (XBRL Europe) the private stakeholders in the common works related to the COREP FINREP and Solvency II taxonomies. Eurofiling project is an open joint initiative of the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA) in collaboration with XBRL Europe, as well as stakeholders as banks, solutions providers, academy and individuals. The deliverables are Data Point Models, XBRL documents and taxonomies, know-how and materials for Supervisory Frameworks: COREP, FINREP and Solvency II.

The group is chaired by Derek de Brandt from XBRL Belgium and meets once a month within the Eurofiling initiative through conference calls and the minutes of the meetings are accessible to all at <http://www.eurofiling.info/>

3.3 IFRS, SECURITIES AND MARKETS WORKING GROUP

The XBRL Europe's "IFRS, Securities and Markets Working Group" is promoting XBRL for European securities and markets. Its major aim is to ensure comparability of XBRL data for investment professionals.

Since European national law reporting requirements are overlapping with IAS/IFRS and are different from EU country to country there are needs for:

- Establishing "IFRS XBRL Taxonomy Adaptations/Extensions" considering national law requirements. These extensions are called "National Law IFRS XBRL Taxonomy Extensions".
- Harmonizing "National Law IFRS XBRL Taxonomy Extensions". In order to ensure comparability of XBRL data, technical requirements have to be established and have to be met in European countries. For example the "National Law IFRS Taxonomy Extensions" have to be harmonized, possibly in a common set of extensions, for example by a

“European IFRS Taxonomy Extension” containing common European elements originating from European directives.

Its main activities are:

- Supporting European institutions like the Members of the European Parliament, European Commission, ESMA, EFRAG, and European associations in the area of capital markets with XBRL. We are serving these institutions with the worldwide experience of the XBRL International community in capital markets and with best practices know how.
- Supporting European national accounting standard setters and national supervisory authorities.
- Offering a platform to European XBRL jurisdictions, listed companies, investment professionals, regulators, service providers and software companies to share XBRL experiences, for example how to implement EU national IFRS XBRL Taxonomy extensions.

The group is chaired by Bodo Kesselmeier from XBRL Germany and co chaired by Pierre Hamon from XBRL France. The group has been silent in 2012 waiting for the European institutions and authorities to progress. Contacts have been taken regularly with ESMA and EFRAG on the evolutions of the transparency directive in Europe.

The group will reinitiate its work in 2013.

3.4 USABILITY WORKING GROUP

Attempts have been made in 2012 to reinitiate this group. Finally at the end of 2012 Hans Buysse, representative of EFFAS and member of the Executive committee has accepted to chair the WG and to gather some expertise in that respect before restarting the work.

4 MONNET PROJECT

The Monnet Project has entered in 2012 in its 3rd and final year. Let us remind that the Monnet project funded by the European Commission through the FP 7 R&D program develops a solution to the cross-language information access problem by using a novel combination of Machine Translation and Semantic Web Technology. Monnet strives to allow the business community or public service users have transparent access to key information across national and linguistic boundaries. Monnet targets this problem at the semantic level through a novel approach to cross-lingual information access that enriches state of the art machine translation with domain semantic (ontologies), terminological (taxonomies and term bases) and linguistic (corpora and lexical resources) information.

Monnet is a joint effort between four European research institutes (National University of Ireland, Galway; DFKI; Bielefeld University; Polytecnic University of Madrid), two industry partners (Be Informed; SAP) and a global standardization organization for financial reporting (XBRL-Europe).

XBRL Europe worked in the Use Cases part precisely in the BIXL - Business Intelligence X-Lingual (analysis, extraction, translation) and on in particular:

- Multilingual text analytics for business intelligence
- Multilingual information extraction from unstructured data
- Aggregate/combine information across national and linguistic boundaries

- With the use of eXtensible Business Reporting Language (XBRL)

The XBRL Europe 2 working groups (Business Register and COREP – FINREP – SOLVENCY II) work in the use cases part. Gilles Maguet, Thomas Verdin and Derek de Brandt are the 3 persons from XBRL Europe to work namely in Monnet.

The Monnet project faced in 2011 a financial evaluation of XBRL Europe from the European Commission for several months for which the outcome was positive at the beginning of 2012. The financial evaluation mobilized several resources in XBRL Europe and also the legal department of the National Bank of Belgium. The European Commission launched in October 2012 an external audit on XBRL Europe for the received funding for the 2 first years. The final results are not yet known.

The funding of this 3 years project from EEC should amount around 130 k€.

5 CEN/EUROFILING/XBRL EUROPE PROJECT

A new CEN/Eurofiling/XBRL Europe Project was proposed 2 years ago by XBRL Europe in the form of a continuous Workshop - XBRL - Improving transparency in financial reporting - The intention of this CEN Workshop (read European Committee for Standardization Working Group) is to prepare a series of CWA's (Agreements) that promulgate XBRL deliverables on a standardised basis in Europe. The duration of this CEN WS is 26 months.

The main objective of the proposed Workshop is to:

- Standardise the usage of XBRL within the European and National Supervisory Authorities community and therefore with the organisations that have to report using XBRL.
- Provide a common list of indicators, labels and data set to describe a company profile or report company's key figures at a European level, connected to the existing local schemes

CEN-CENELEC Programme Manager: Mr. Alain Dechamps. www.cen.eu / www.cenelec.eu

Proposed Secretariat: Mr. Maarten Peelen. Netherlands Standardization Institute (NEN).

www.nen.nl. Chairperson: Mr. Ignacio Boixo. EuroFiling. www.eurofiling.info

6 COMMUNICATE - EVENTS AND EVENTS PREPARATION

XBRL Europe has participated or organized a certain number of specific events including its regular XBRL Europe days. XBRL Europe has tested a new concept of thematic events for which the aim is clearly to attract new type of attendance in the XBRL environment as this population is not seen in our international regular events.

6.1 SOLVENCY II EVENT WITH EIOPA IN TALLINN ESTONIA – 11 APRIL 2012

This seminar started an experiment from XBRL Europe of thematic events. It was a seminar proposed by XBRL Europe and organised by EIOPA in cooperation with XBRL Europe and hosted by the Estonian Financial Supervision Authority.

The seminar was dedicated to the presentation of the advantages of using XBRL in the insurance sector

We had more than 80 persons from the National Supervisory authorities. All the central European Countries were represented. It was our target. It has been assessed by the attendees as a real success. From XBRL Europe perspective it has strengthened dramatically the links towards EIOPA and the whole insurance regulated sector. And it has allowed XBRL Europe to handle the presentations and specifically those of the possible technical solutions all the tools are presented in following a strict framework along the data supply chain.

See the presentations at <http://www.xbrleurope.org/events/past-events>

6.2 9TH PRESENTATION IN TURKEY MALATYA – 3-4 MAY 2012

XBRL Europe made keynote presentations (Gilles Maguet, Ignacio Boixo and others) at the 24th World Continuous Auditing and Reporting Symposium Malatya, Turkey, 3rd-4th May 2012 - <http://24wcars.inonu.edu.tr/en-index.html> invited by the organisers.

At this occasion we organized meetings with the stakeholders (Ministry of Finance, Stock Exchange, University of Malatya, Firms, etc) around XBRL in order to assist them and push them to set up a Turkish jurisdiction.

6.3 9TH XBRL EUROPE DAY AND GA - MADRID–31 MAY 2012

The 9th XBRL Europe Day & General Assembly was organised Thursday 31st May 2012 in the frame of XBRL Week in Madrid held in the Bank of Spain premises thanks to Ignacio Boixo. It included an EBA Seminar - 29 & 30 May, an XEU Executive Committee meeting the 30th of May evening – the 15th EuroFiling XBRL Workshop the Thursday 31st May 2012, and a workshop on the Integrated Reporting XBRL Taxonomy the Friday 1st June 2012.

We had 100 registrants for the 9th XBRL Europe day and 120 or so during the 15th Eurofiling workshop.

See the presentations at <http://www.xbrleurope.org/events/past-events>

As for the General Assembly of members of XBRL Europe, the following resolutions have been adopted:

Resolution 1: The members voted unanimously by members present, less XBRL Netherlands represented by Paul Snijders abstaining, to approve the accounts 2011 and 2012 budget of XBRL Europe.

Resolution 2: The members voted unanimously - less XBRL Netherlands - discharge to the Executive Committee members and thanked the Committee for their work

Resolution 3 : The new statutes are adopted unanimously by members present less XBRL Italy who voted against.

Resolution 4 : The candidates are elected unanimously for a term of two years by the General Assembly extended to the direct members following the vote on the new bylaws.

The General Assembly appoints Marc Hemmerling (XBRL Luxembourg) as Chairman and Jean-Luc Menda (XBRL France) as vice president.

The Audit Committee is unanimously elected for a term of two years by the General Assembly extended to the direct members following the vote on the new bylaws.

6.4 SOLVENCY II EVENT WITH XBRL FRANCE IN PARIS – OCTOBER 2012

XBRL France with the support XBRL Europe has organized the 23rd of October in Paris a French speaking conference around Solvency II with a plenary session in the morning and solutions presentation during the afternoon.

The aim of this conference was to inform the French speaking insurers and the stakeholders about solvency II and XBRL and about the requirements from the National Insurance Supervisory Authorities (Mainly French and Belgian Authorities), about the requirements from EIOPA and about the main features of the solvency II taxonomy and finally about the experience from the large insurance and banks in the implementation of Solvency II, Basel II and XBRL.

This conference was open and free of charge for the participants (lunch included). 150 persons have participated where more than 60 % of them were coming from the Insurance industry; people who are not seen in our regular international conferences.

See the presentations at <http://www.xbrleurope.org/events/past-events>

6.5 10TH XBRL EUROPE DAY IN FRANKFURT - 12TH DECEMBER 2012

The 10th XBRL Europe Day was organised in the frame of XBRL Week in Frankfurt held in the Bundesbank premises thanks to Ignacio Boixo and Katherine Heizne from Eurofiling. It included the 16th EuroFiling XBRL Workshop the 13th of December 2012, and a CEN workshop the 14th of December.

We had 100 registrants for the events

See the presentations at <http://www.xbrleurope.org/events/past-events>

7 LIAISON WITH EU ORGANISATIONS

This work is a continuous activity of meetings and contacts with many stakeholders. It will appear necessary in 2013 to more structure our efforts. Amongst the many actions we can mention the following main ones.

7.1 EBA CONSULTATION

The European Banking Authority (EBA) has launched a Consultation Paper on Draft Implementing Technical Standards on Supervisory reporting requirements for institutions.

The question was: “ *What cost implications would arise if the use of XBRL taxonomies would be a mandatory requirement in Europe for the submission of ITS-related data to competent authorities?*”

And XBRL Europe excerpts of our answer was :

(...) XBRL Europe is of the opinion that not generalizing XBRL in Europe will generate much greater costs than those mentioned in the question for the competent authorities.

Furthermore, XBRL Europe is strongly opposed to the EBA statement page 30 article 45 “EBA will not make the use of its XBRL taxonomies mandatory for institutions as it may be appropriate for competent authorities to collect data as part of a broader reporting framework which the competent authorities establish under their responsibility and which also serves other supervisory purposes, provided that specifications included in EBA’s data model and taxonomies are met. “

On the contrary to this statement, XBRL Europe proposes that on the examples given by numerous other supervisory authorities in Europe or outside Europe, EBA should mandate XBRL as the underlying standard for the supervisory reporting in Europe within a clearly defined calendar enabling national supervisory authorities to adapt themselves to this transformation in due time.

(...)

Many answers were received by the EBA but even if EBA has not mandated XBRL for the reporting from the institutions to the NSAs, we can say that the wide adoption by many European NSAs will force the missing countries to probably shift to XBRL

7.2 EUROPEAN DIRECTIVES LOBBYING

In 2012 we made many efforts to understand and to push for various directives involving XBRL. Two important directives were at stake (The Transparency directive - 2011/0307(COD) for which the rapporteur for the JURI Committee is Arlene MacCarthy and The Accountancy directive - 2011/0308(COD) for which the rapporteur for the JURI Committee is Klaus-heiner Lehne)

The 1st versions proposed by the European Commission at the end of 2011 were without XBRL and without structured reporting of any sort. But the adoption process is through a so called triologue between the European Commission, the European Parliament and the European Council representing the 27 governments. The ECON committee of the European Parliament had produced opinions introducing and mandating XBRL in the 2 directives. The texts have been heavily debated by the 3 institutions.

We are now close to an end in 2013, and the transparency directive would introduce XBRL as mandatory reporting for all listed companies as of the 1st of January 2020 in Europe, while for the accountancy directive the text has been reduced to an encouragement to the Member “*to 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. Such systems should, however, not be burdensome to small and medium-sized undertakings.*”

These recent developments if confirmed in 2013 will pave the way of other sectors of European adoption.

8 CONCLUSION

As a conclusion we can say that the work in 2012 has been very rich and has prepared new sectors for XBRL European adoption like the insurance or the Business register ones. Our work has also accompanied historical sectors like the banking in strengthening the XBRL positions. Our new positioning with the development of thematic conferences will be continued in 2013. As well our XBRL Europe structure has evolved with new bylaws more adapted to our environment and to the coming of new members.

Gilles Maguet
XBRL Europe
Secretary General