



# The European Banking Authority: Introduction and status of FINREP and COREP V2.0

12 June 2013 | Stockholm

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Chairmen of XBRL Group EBA

# Context

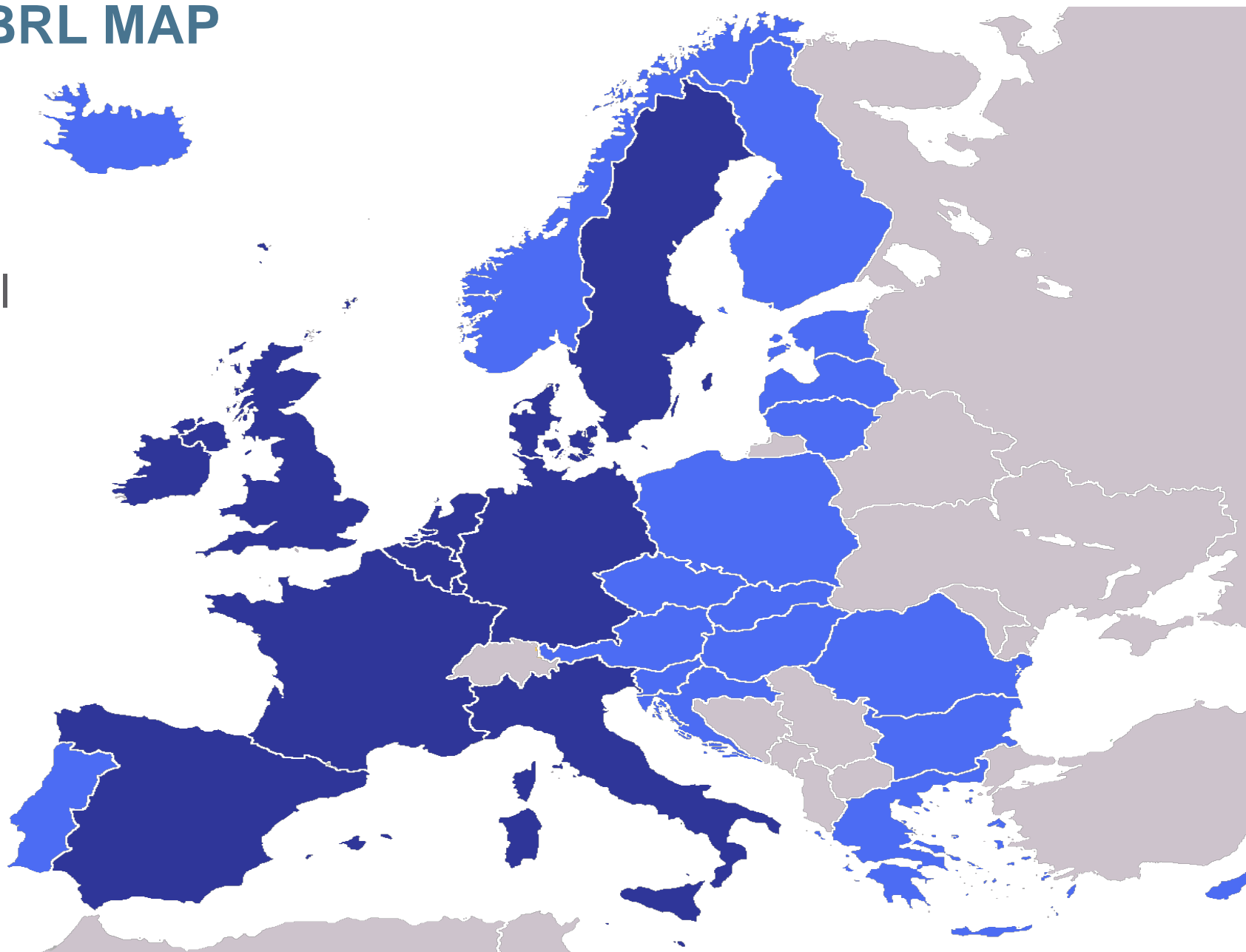
The CRDIV Implementing Technical Standards will significantly change the XBRL landscape in the banking sector, across the EEA, on the 1<sup>st</sup> Jan 2014



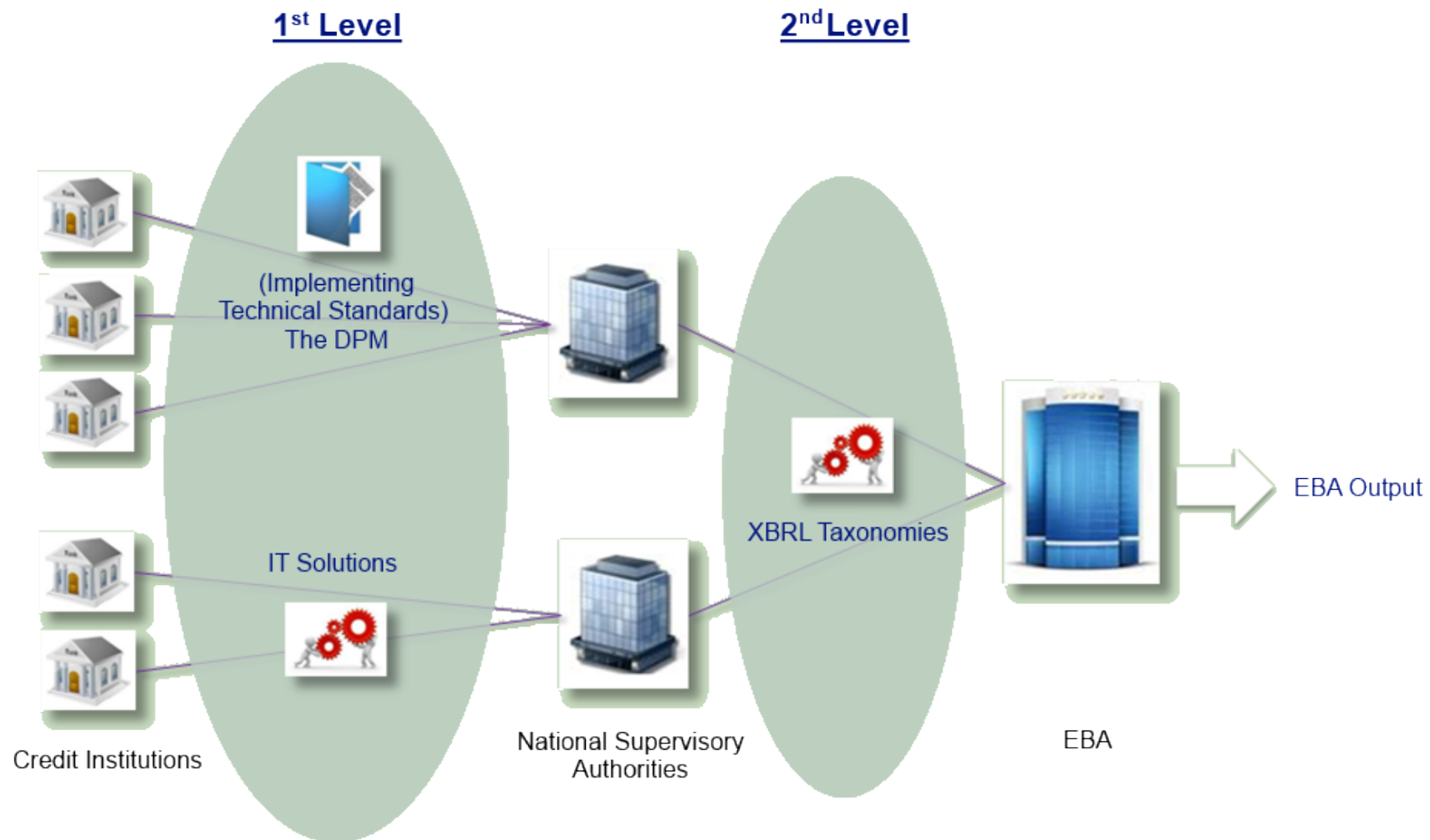
# 2014 XBRL MAP

>1<sup>st</sup> level

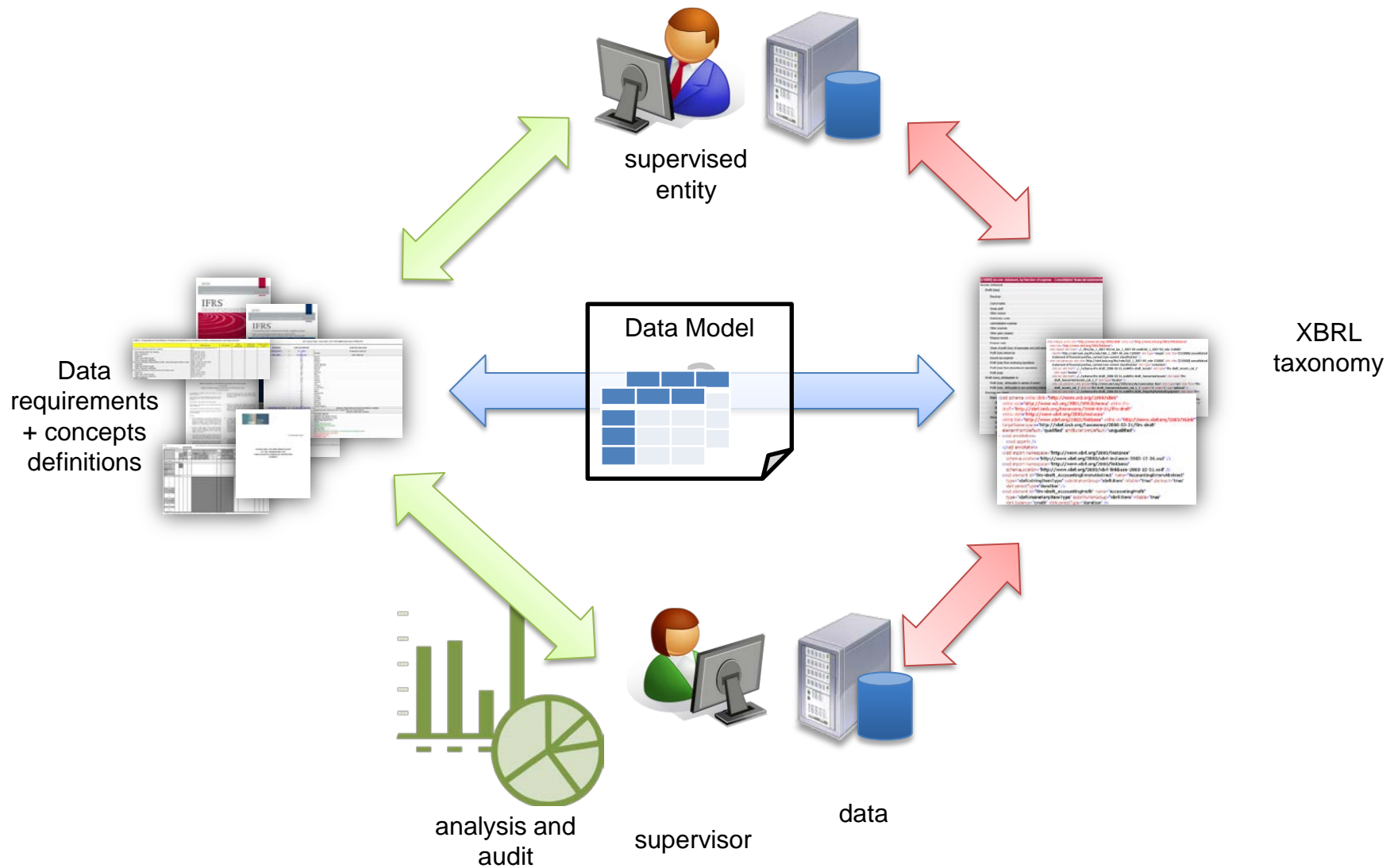
>2<sup>nd</sup> level



# Supervisory Reporting



# Role of Datapoint Model DPM



# Data Exchange FINREP COREP

**TAXONOMY**  
Catalogue of concepts,  
definition of exchanged  
information

2110000 Income statement, by functions of expense - Consolidated financial statement

|  |  |
|--|--|
| Income statement   |  |
| Profit (loss)  |  |
| Revenue  |  |
| Cost of sales  |  |
| Gross profit   |  |
| Other income   |  |
| Distribution costs   |  |
| Administrative expense   |  |
| Other expense  |  |
| Other gains (losses)   |  |
| Finance income   |  |
| Finance costs  |  |
| Share of profit (loss) of associate and joint ventures accounted for using equity method |  |
| Profit (loss) before tax   |  |
| Income tax expense   |  |
| Profit (loss) from continuing operations   |  |
| Discontinued operations  |  |
| Share of profit of parent  |  |
| Discontinued operations  |  |
| Share from continuing operations   |  |
| Share from discontinued operations   |  |
| Share from continuing operations   |  |
| Share from discontinued operations   |  |
| Share  |  |



**INSTANCE  
DOCUMENT**  
Report containing  
facts (business data)

2110000 Income statement, by functions of expense - Consolidated financial statement

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| Share  |  |

**DPM**  
Catalogue of  
concepts, definition  
of meta and  
business related  
information

2110000 Income statement, by functions of expense - Consolidated financial statement

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| Share from discontinued operations   |  |
| Share  |  |



# Interim ITS

- Templates

- Validation Rules

- DPM

- Database and explanatory document
- Data point definitions
- Dimension properties of tables
- Dimension usage by table group
- Hierarchies
- Dictionary of elements



<http://www.eba.europa.eu/News--Communications/Year/2013/Update-on-the-technical-standards-on-supervisory-r.aspx>





# Dimensional Properties of Tables

| Table C 16.00.a - Operational risk - Excluding AMA |  | DimensionName                    |   |                          |                                   |                  |                        |
|--|--|----------------------------------|---|--------------------------|-----------------------------------|------------------|------------------------|
|  |  | Metric                           | Main category   | Reference date or period | Approach                          | Type of risk     | Business line          |
| Component  | C 010   RELEVANT INDICATOR YEAR-3  | Current period (flow) [md]       | Relevant indicator OPR  | Complete fiscal year T-2 |                                   |                  |                        |
|  | C 020   RELEVANT INDICATOR YEAR-2  | Current period (flow) [md]       | Relevant indicator OPR  | Complete fiscal year T-1 |                                   |                  |                        |
|  | C 030   RELEVANT INDICATOR LAST YEAR   | Current period (flow) [md]       | Relevant indicator OPR  | Complete fiscal year T   |                                   |                  |                        |
|  | C 040   LOANS AND ADVANCES YEAR-3  | ASA modified nominal amount [mi] | Loans and advances  | End fiscal year T-2      |                                   |                  |                        |
|  | C 050   LOANS AND ADVANCES YEAR-2  | ASA modified nominal amount [mi] | Loans and advances  | End fiscal year T-1      |                                   |                  |                        |
|  | C 060   LOANS AND ADVANCES LAST YEAR   | ASA modified nominal amount [mi] | Loans and advances  | End fiscal year T        |                                   |                  |                        |
|  | C 070   Own funds requirements   | Own funds requirements [mi]      | Main categories that generate operational risk under BIA, ASA and TSA |                          |                                   |                  |                        |
|  | C 071   Total operational risk exposure amount   | Total risk exposure amount [mi]  | Main categories that generate operational risk under BIA, ASA and TSA |                          |                                   |                  |                        |
|  | R 010   BANKING ACTIVITIES SUBJECT TO BASIC INDICATOR Approach(BIA)                                  |                                  |   |                          | Basic Indicator Approach          | Operational risk |                        |
|  | R 020   BANKING ACTIVITIES SUBJECT TO STANDARDISED (TSA) / ALTERNATIVE STANDARDISED (ASA) APPROACHES |                                  |   |                          | Standardised Approach             | Operational risk |                        |
|  | R 030   CORPORATE FINANCE (CF)   |                                  |   |                          | Standardised Approach             | Operational risk | Corporate finance      |
|  | R 040   TRADING AND SALES (TS)   |                                  |   |                          | Standardised Approach             | Operational risk | Trading and sales      |
|  | R 050   RETAIL BROKERAGE (RBr)   |                                  |   |                          | Standardised Approach             | Operational risk | Retail Brokerage       |
|  | R 060   COMMERCIAL BANKING (CB)  |                                  |   |                          | Standardised Approach             | Operational risk | Commercial Banking     |
|  | R 070   RETAIL BANKING (RB)  |                                  |   |                          | Standardised Approach             | Operational risk | Retail Banking         |
|  | R 080   PAYMENT AND SETTLEMENT (PS)  |                                  |   |                          | Standardised Approach             | Operational risk | Payment and settlement |
|  | R 090   AGENCY SERVICES (AS)   |                                  |   |                          | Standardised Approach             | Operational risk | Agency services        |
|  | R 100   ASSET MANAGEMENT (AM)  |                                  |   |                          | Standardised Approach             | Operational risk | Asset management       |
|  | R 110   COMMERCIAL BANKING (CB)  |                                  |   |                          | Alternative Standardised Approach | Operational risk | Commercial Banking     |
|  | R 120   RETAIL BANKING (RB)  |                                  |   |                          | Alternative Standardised Approach | Operational risk | Retail Banking         |

# Data Point Definitions

| Table C 25.00 - CVA RISK |                                  |                      |                                 |                     |               |   |                             |                        |  |                                  |                              |                                  |                                |                            |                    |
|--------------------------|----------------------------------|----------------------|---------------------------------|---------------------|---------------|---|-----------------------------|------------------------|--|----------------------------------|------------------------------|----------------------------------|--------------------------------|----------------------------|--------------------|
| RowCode                  | Row                              | 010   EXPOSURE VALUE | 020   of which: OTC Derivatives | 030   of which: SFT | 039   <<VaR>> | 040   MULTIPLICATION FACTOR (mc) x AVERAGE OF PREVIOUS 60 WORKING DAYS (VaRavg) | 050   PREVIOUS DAY (VaRt-1) | 059   <<STRESSED VaR>> | 060   MULTIPLICATION FACTOR (ms) x AVERAGE OF PREVIOUS 60 WORKING DAYS (SVaRavg) | 070   LATEST AVAILABLE (SVaRt-1) | 080   Own funds requirements | 090   Total risk exposure amount | 100   Number of counterparties | 109   <<MEMORANDUM ITEMS>> | 110   Incurred CVA |
| 010                      | CVA risk total                   | 24676                | 24675                           | 24677               |               |   |                             |                        |  |                                  | 24683                        | 24684                            | 24682                          |                            | 24678              |
| 020                      | According to Advanced method     | 11948                | 11947                           | 11949               |               | 11946   | 11955                       |                        | 11945  | 11956                            | 11954                        | 11957                            | 11953                          |                            |                    |
| 030                      | According to Standardised method | 24665                | 24664                           | 24666               |               |   |                             |                        |  |                                  | 24671                        | 24672                            | 24670                          |                            |                    |
| 040                      | Based on OEM                     | 17125                | 17124                           | 1                   |               |   |                             |                        |  |                                  | 17129                        | 17130                            | 17128                          |                            |                    |

Metric = Exposure value [mi]

Base = Exposures

Main category = Derivatives

Approach = Original Exposure Method

Type of risk = CVA risk

Prudential portfolio = Banking and trading book

Type of market = OTC

# Dimension Usage by Table Group

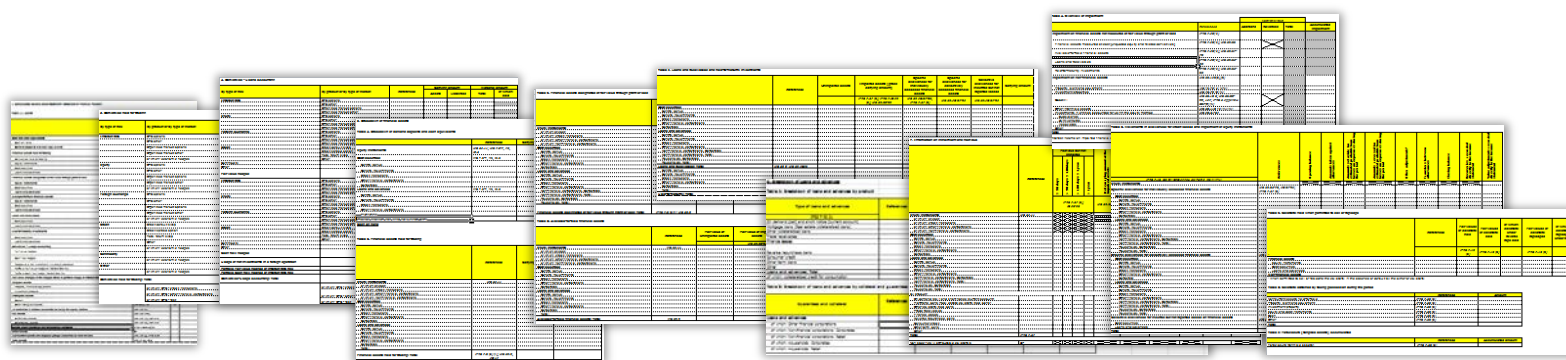
| TableGroup Capital Adequacy |  |          |                                   |           |  |                                |   |           |  |
|-----------------------------|--|----------|-----------------------------------|-----------|--|--------------------------------|---|-----------|--|
|                             |  |          |                                   |           |  |                                |   |           |  |
|                             |  | Approach |                                   | Base item | Boolean                                | Callability                    | Computability in own funds                        |           |  |
| TableCode                   | TableName  | Approach | Methods to determine risk weights | Base      | Controlling and non-controlling owners | Callability of the instruments | Eligibility for own funds for transitional period | Own funds | Transitionally treated as in Own Funds |
| ☐ C 01.00                   | Capital Adequacy - Own funds definition  | 1        |                                   | 1         | 1                                      |                                |   | 1         | 1                                      |
| ☐ C 02.00                   | Capital Adequacy - Risk Exposure Amounts   | 1        | 1                                 | 1         |  |                                |   |           |  |
| ☐ C 03.00                   | Capital Adequacy - Ratios  |          |                                   | 1         |  |                                |   | 1         |  |
| ☐ C 04.00                   | Capital Adequacy - Memorandum Items  | 1        |                                   | 1         |  |                                |   | 1         |  |
| ☐ C 05.01                   | Capital Adequacy - Transitional provisions: Summary  |          |                                   | 1         | 1                                      |                                | 1   |           | 1                                      |
| ☐ C 05.02                   | Capital Adequacy - Transitional provisions: Grandfathered instruments constituting State aid |          |                                   | 1         |  | 1                              |   |           | 1                                      |
| Grand Total                 |  | 3        | 1                                 | 6         | 2                                      | 1                              | 1   | 3         | 3                                      |

# Final ITS

Final package of DPM will result in ITS in June/July

This will go to the European Parliament

Taxonomy will be build according to ITS



# XBRL

- Taxonomy
  - FINREP V2.0
  - COREP V2.0
- Multi dimensional
- Validation
- Rendering / Table link-base
- According to the latest XBRL standards

# EBA XBRL Subgroup recommendations

- XBRL is the 2nd level data exchange format
- Two Taxonomies - FINREP and COREP
- All EBA defined validations will be implemented in the taxonomies
- NSAs will be able to provide labels in multiple languages



## Links to CEN Project

- CEN Workshop XBRL proposals will be adopted where they are suitable.
- We will pursue harmonisation with other ESAs via CEN and a common namespace where applicable
- We suggest NSAs using XBRL for 1st level reporting also follow CEN proposals.



# Different Purposes

The DPM and the taxonomy  
are intended to fulfill different needs!!!!

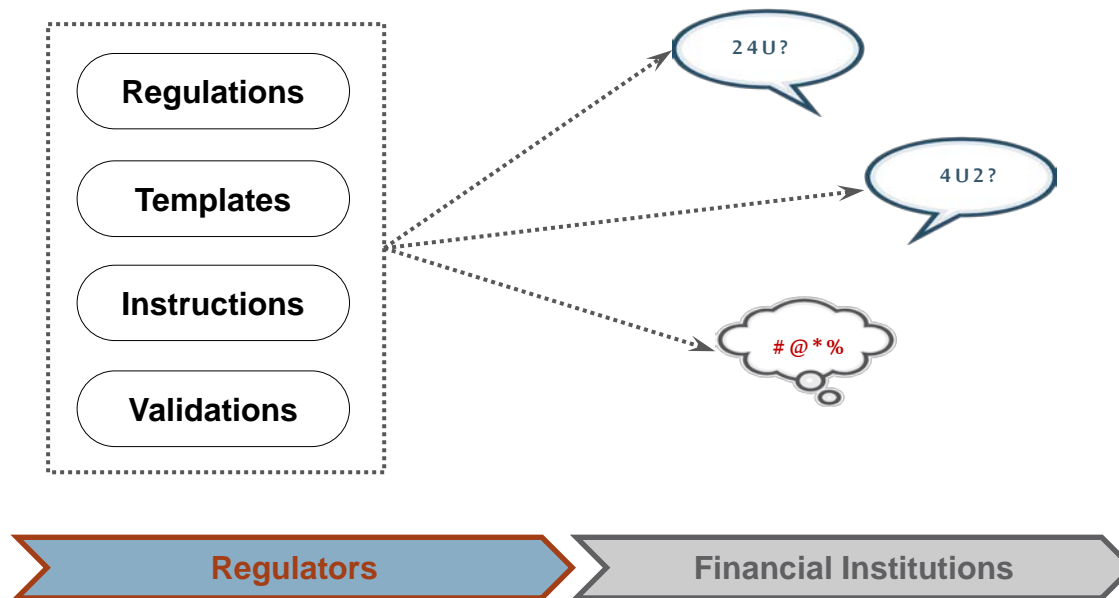


# Different Purposes

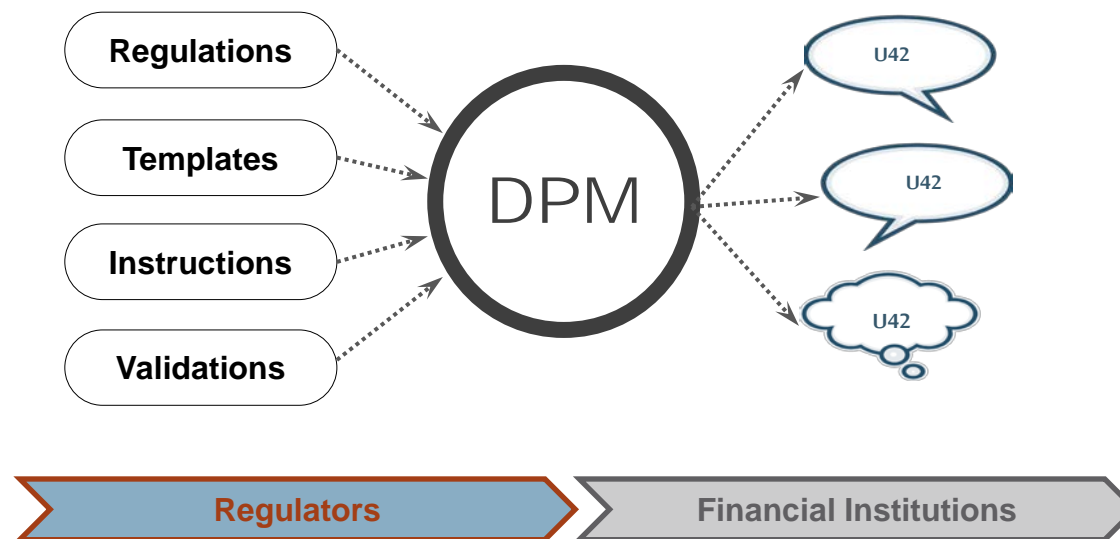
The DPM and the taxonomy are intended to fulfill different needs:

- Business use DPM to clarify and understand the reporting requirements
- NSA IT use taxonomy to transmit data to EBA.
- NSAs *may* use taxonomy to receive data from Credit Institutions.

# EBA Data Point Model – Motivation



# Communication + Clarity

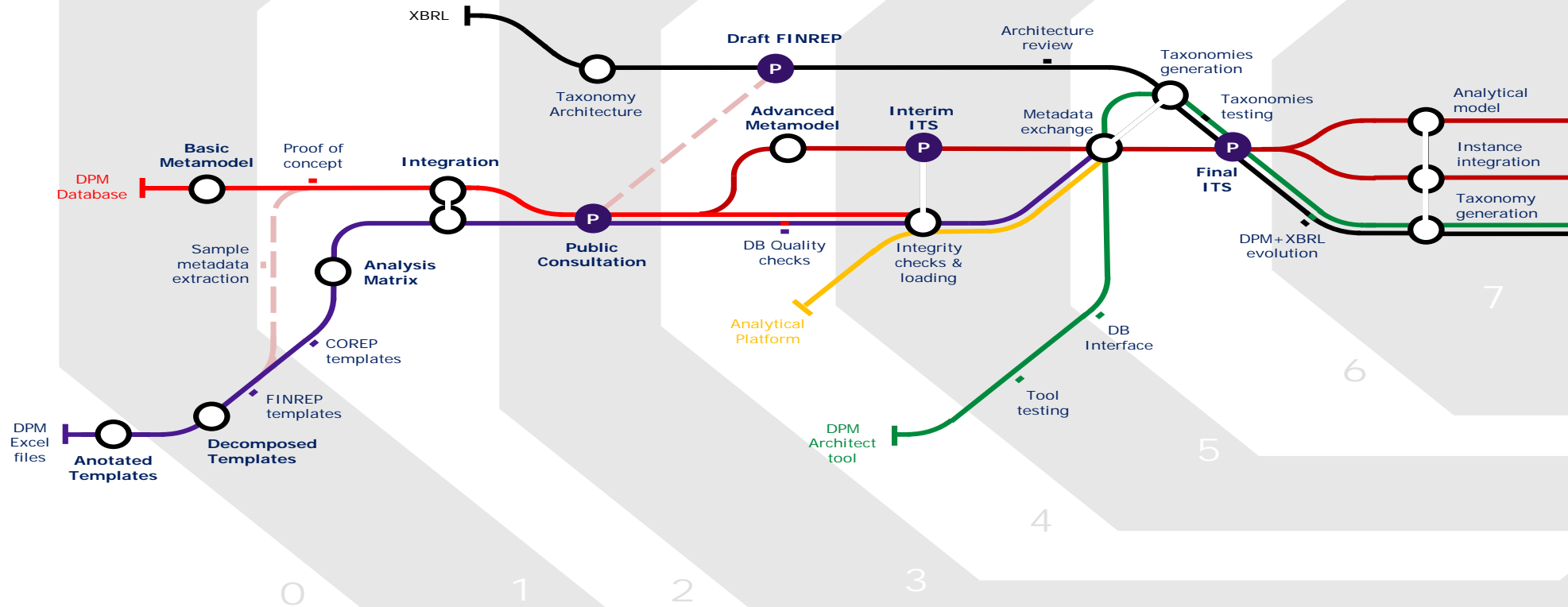


# ITS map

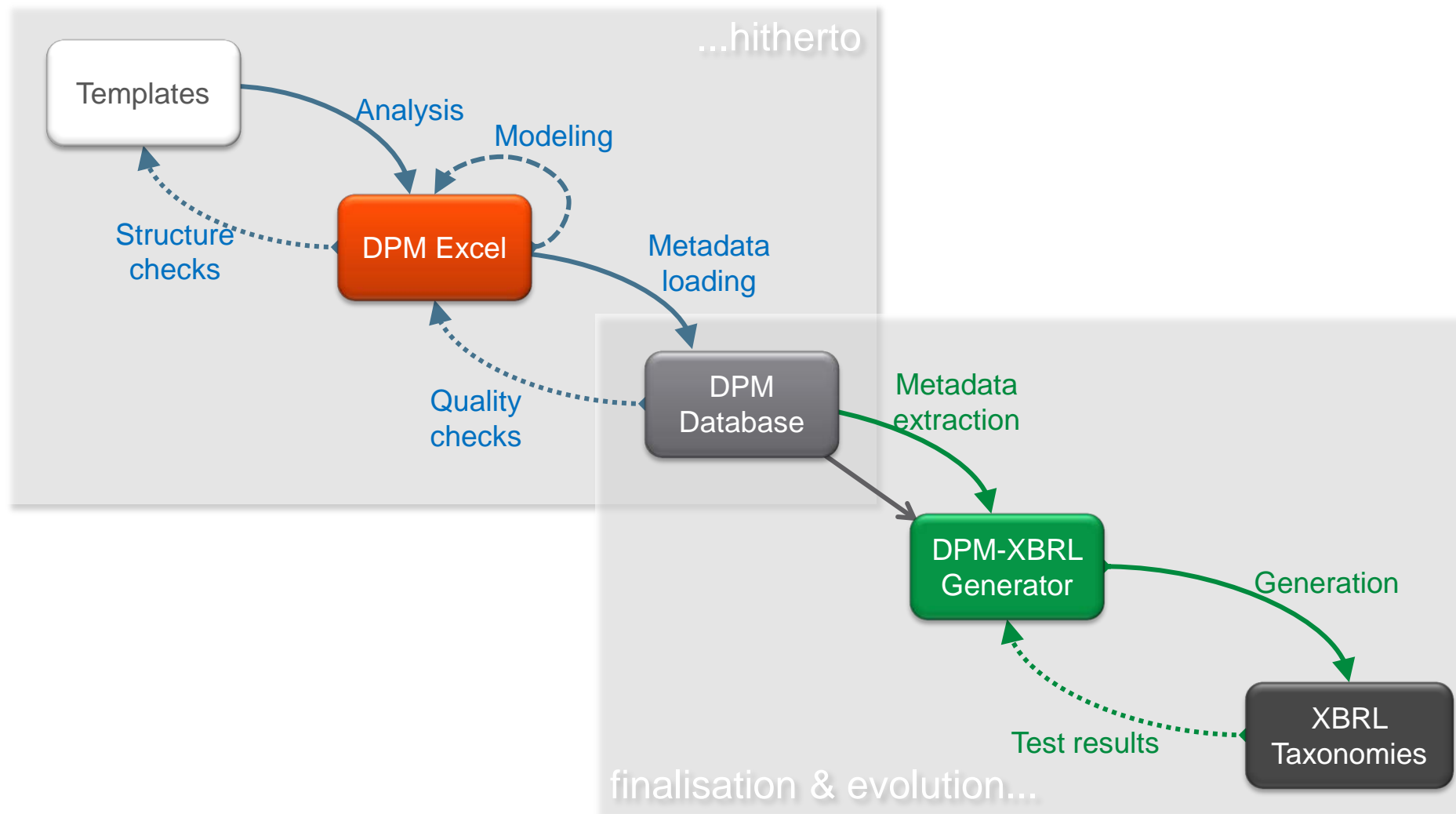
European Banking Authority

## ITS map

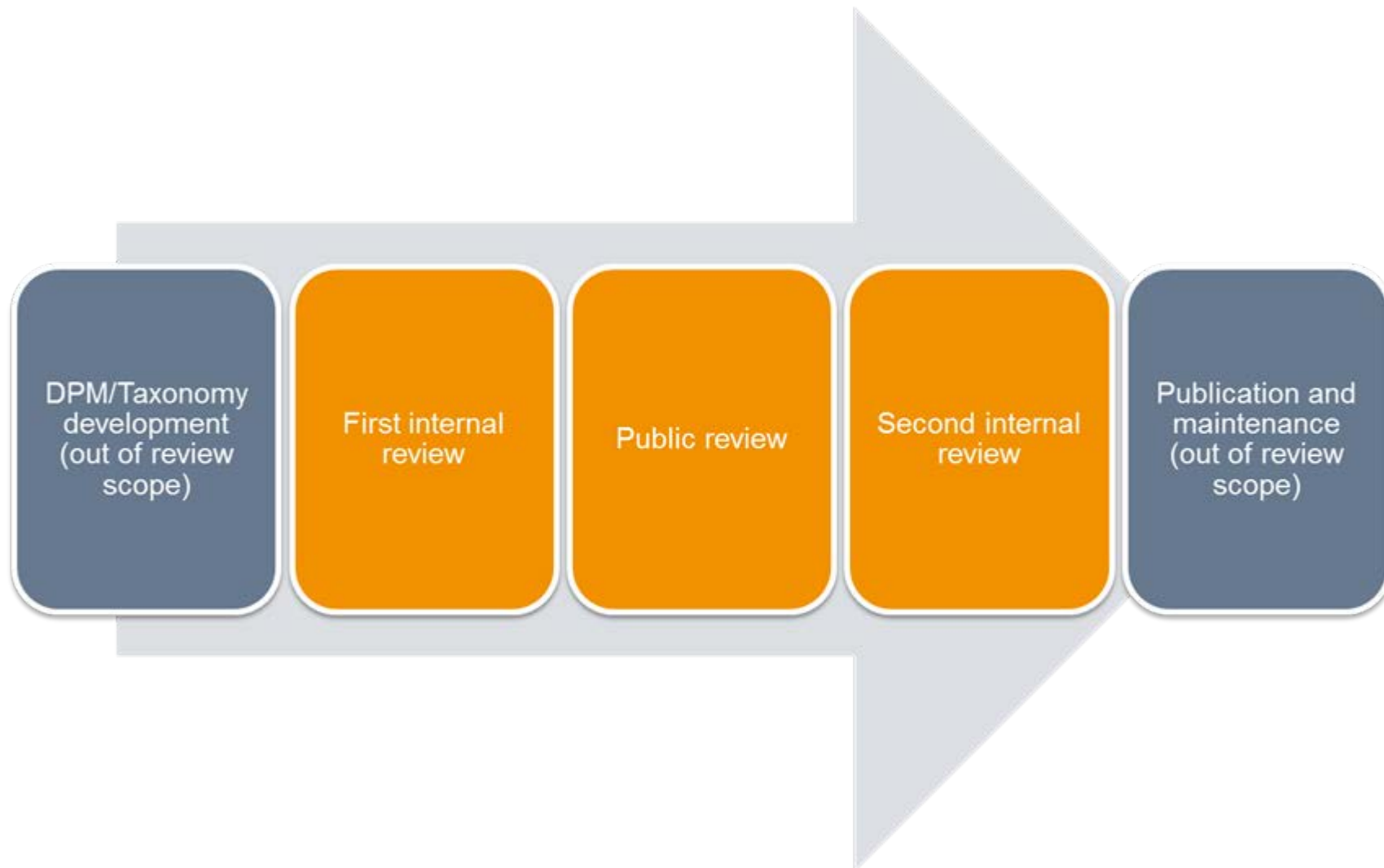
April 2013



# ITS Development: Iterative Process

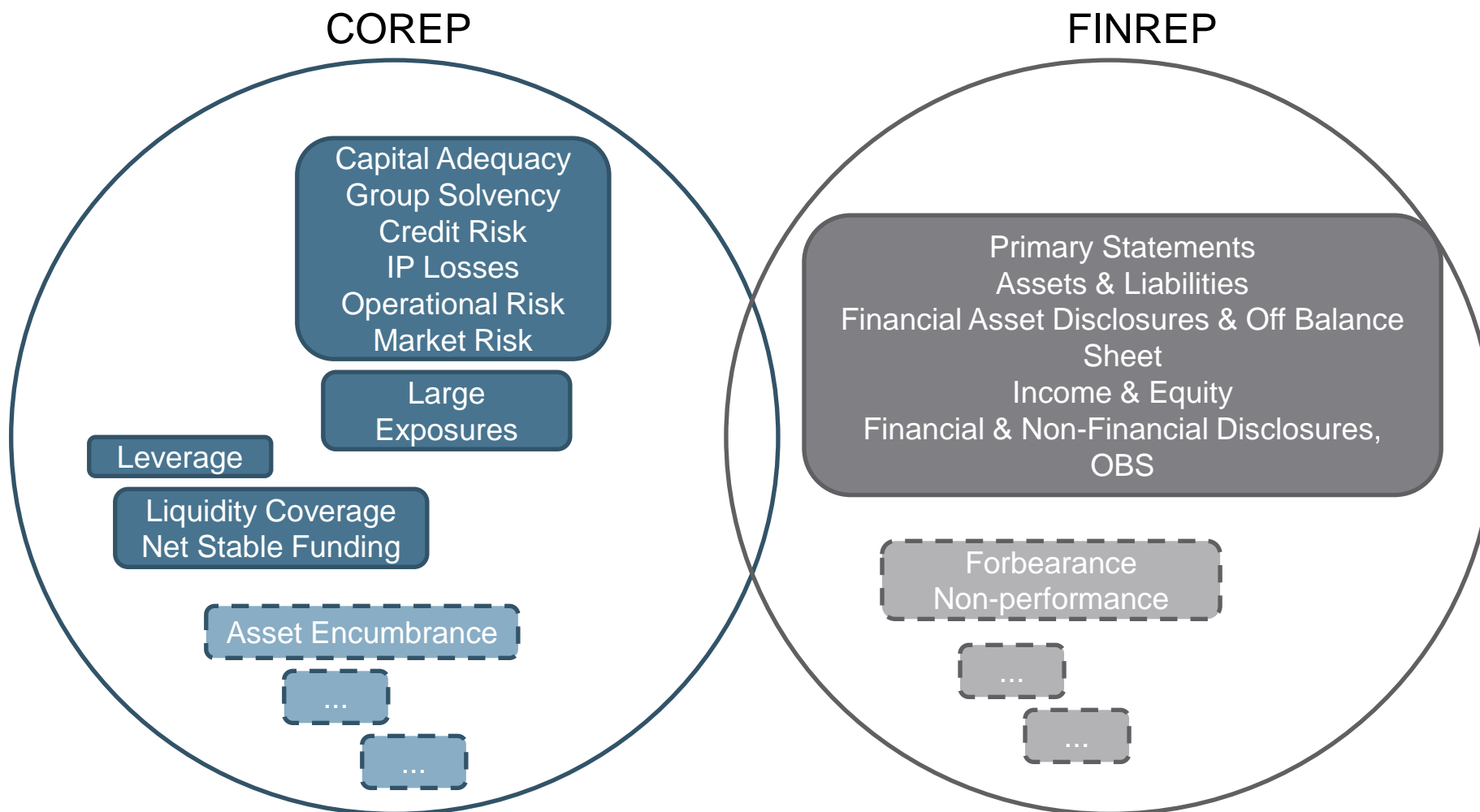


# Quality Review





# The Frameworks



# Expected Results

Harmonized EEA Data

Transparency

Consistency

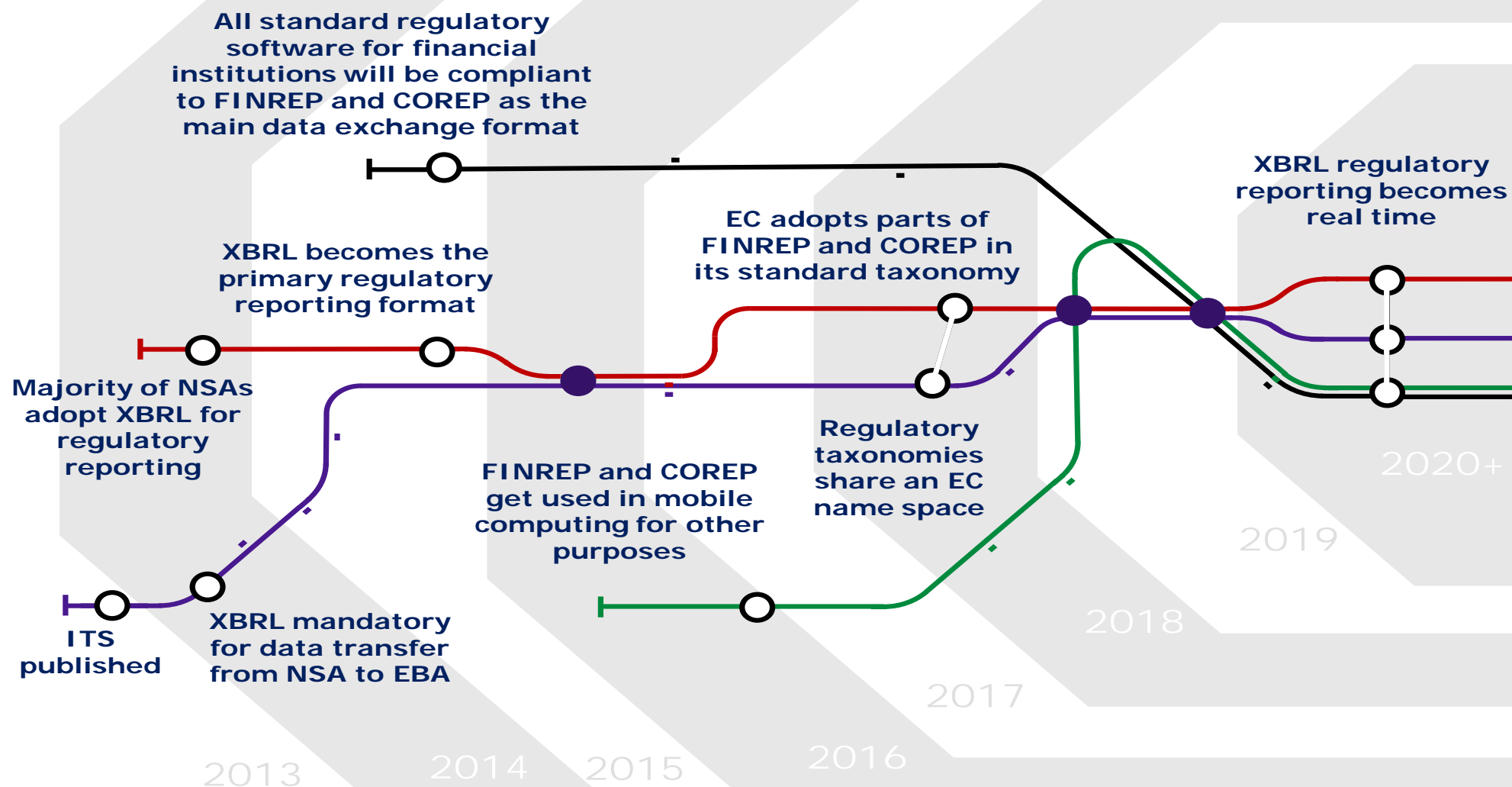


# Software Vendors

- The market will increase
- Please adapt your tools
- Report the capability & compliance of your tools during the public consultation



## Vision Timeline



# Contact information

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