



The European Banking Authority: Updates on FINREP and COREP V2.0

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Andreas Weller | Head of IT, EBA

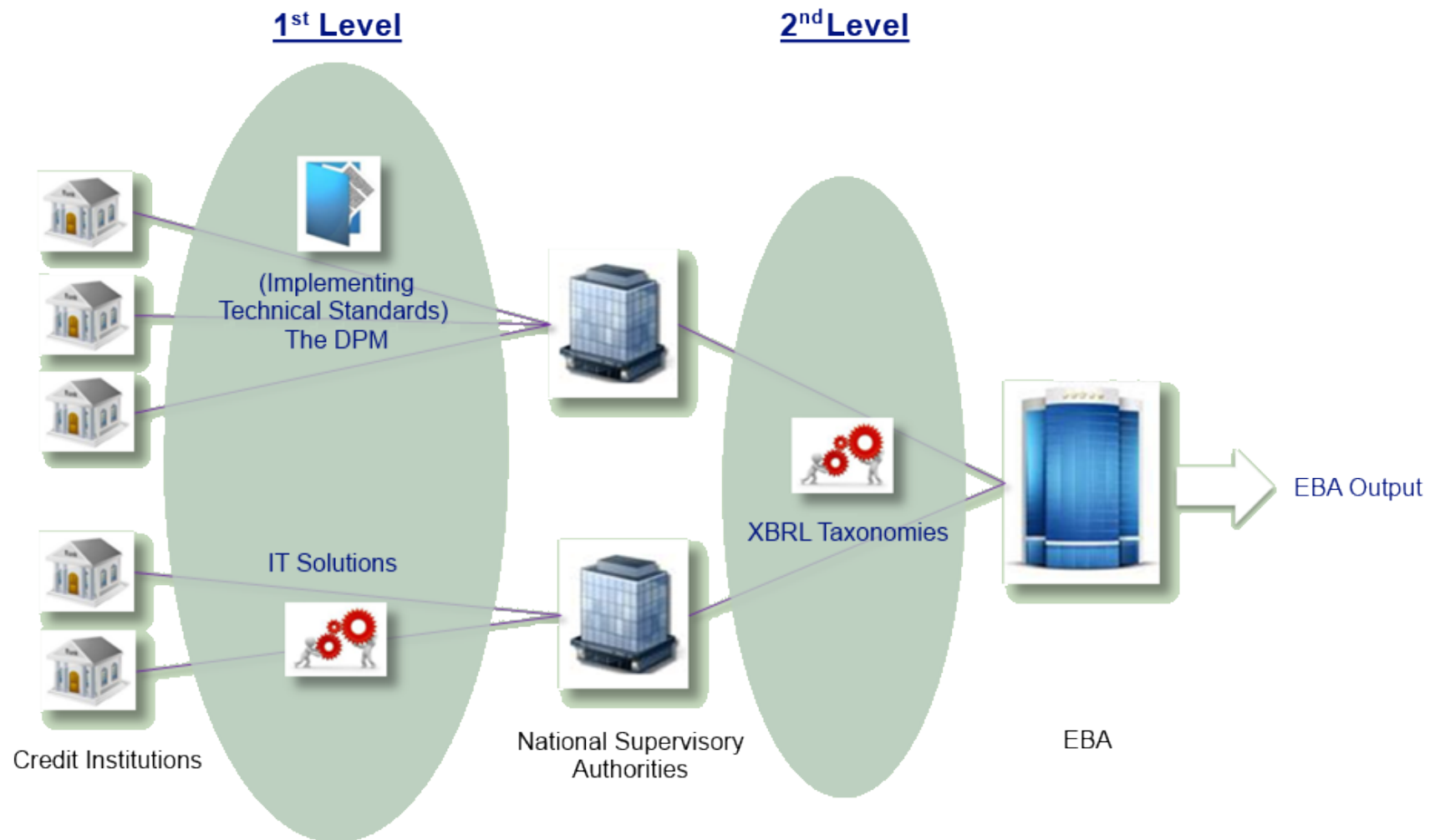
Chairmen of XBRL Group EBA

Context

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



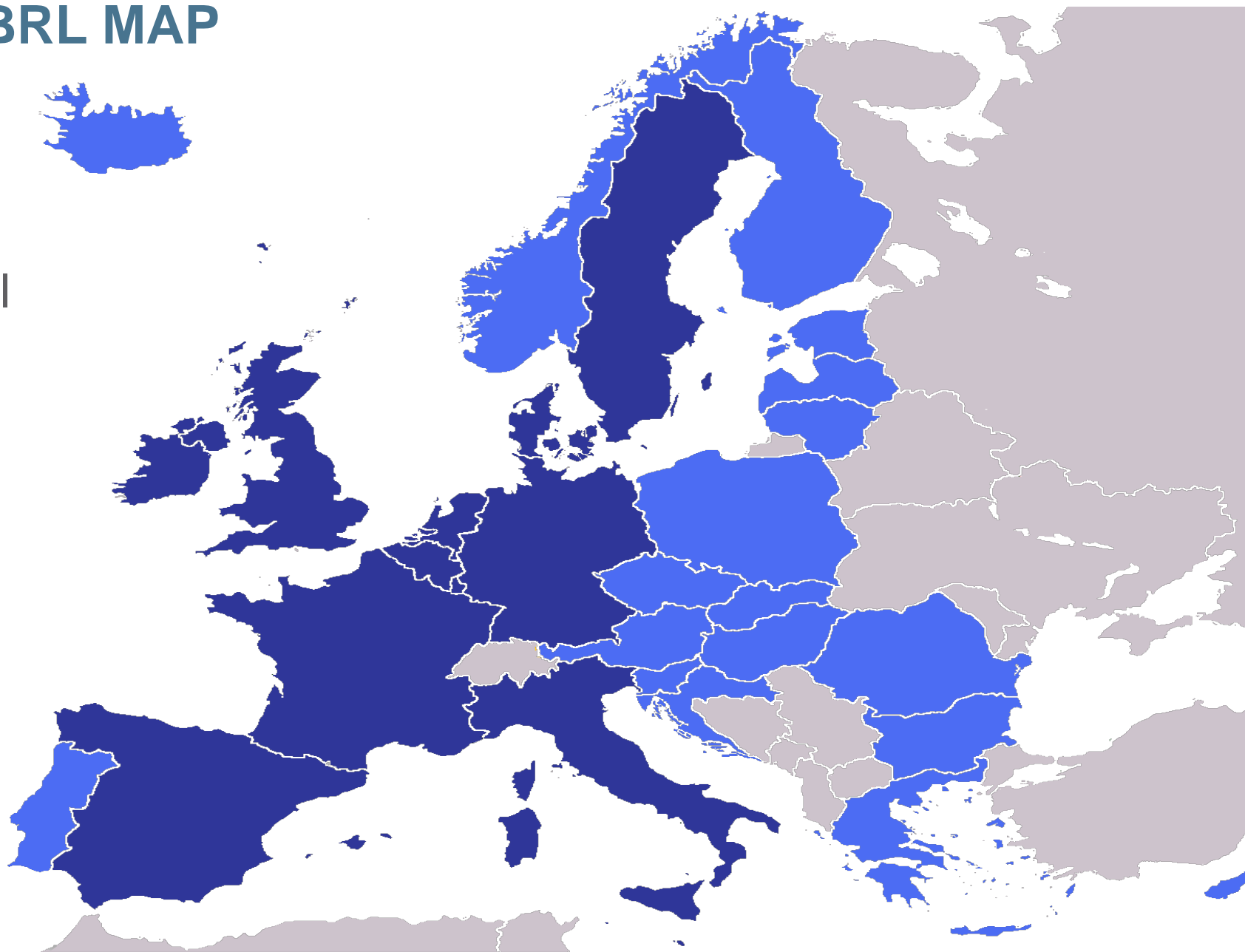
Supervisory Reporting



2014 XBRL MAP

>1st level

>2nd level

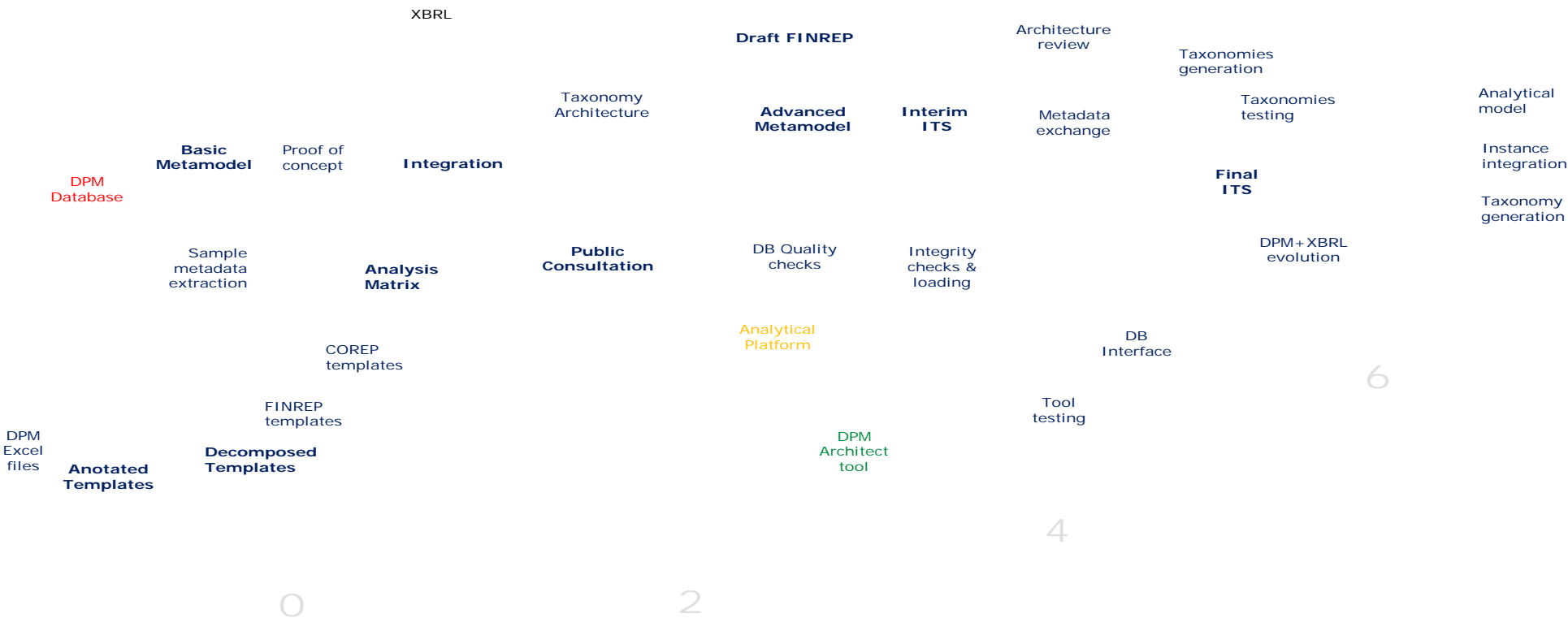


ITS map

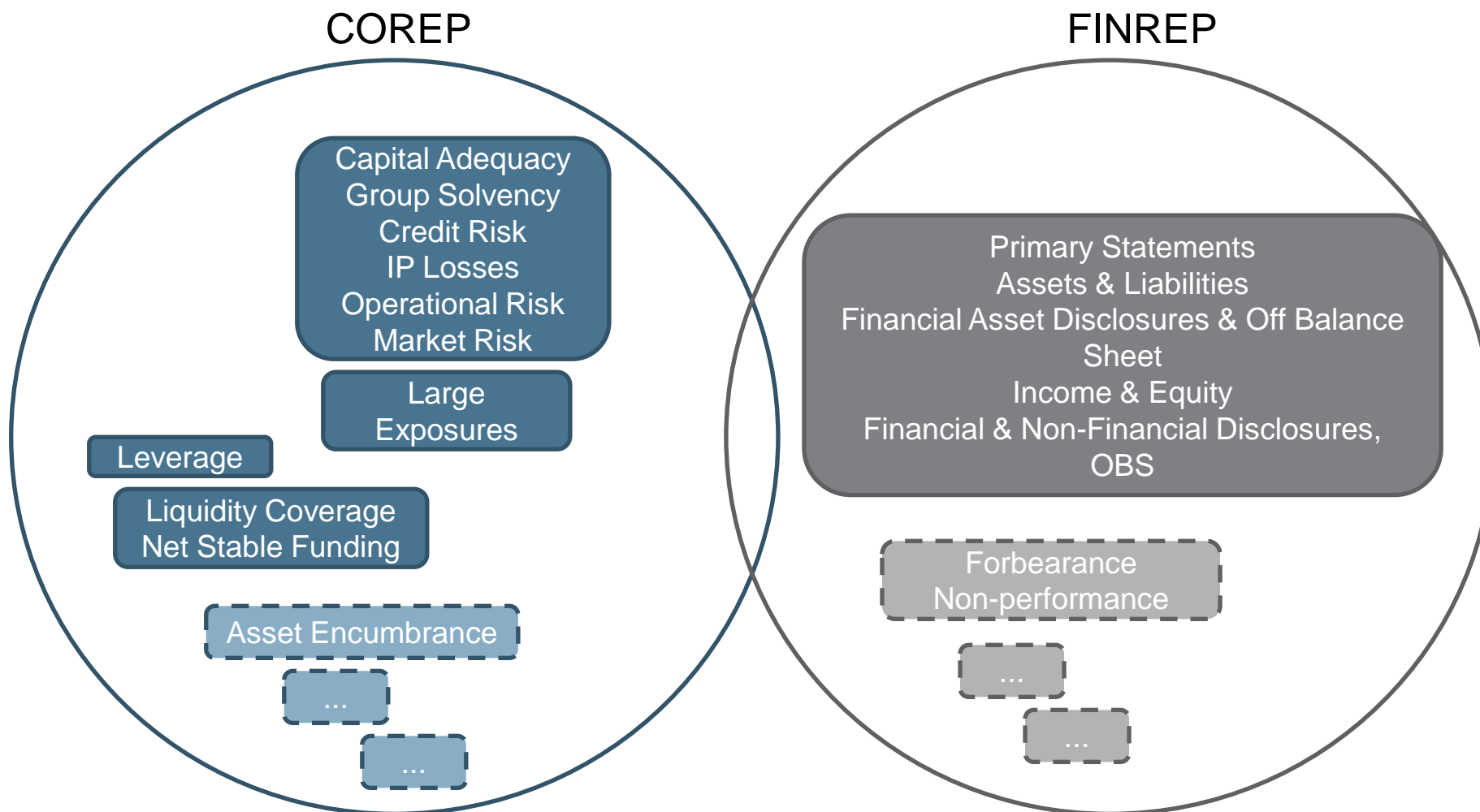
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ITS map

April 2013



The Frameworks



Misconceptions

Common XBRL Misconceptions

...and the COREP and FINREP Misconceptions



Misconception 1

I am not sure to use which tag!

- Look in the Data Point Model (DPM), identify the data point and understand the description.

Table		C 25.00 - CVA RISK													
RowCode	Row	010	020	030	039	040	050	059	060	070	080	090	100	109	110
		EXPOSURE VALUE	of which: OTC Derivatives	of which: SFT	<<VaR>>	MULTIPLICATION FACTOR (mc) x AVERAGE OF PREVIOUS 60 WORKING DAYS (VaRavg)	PREVIOUS DAY (VaRt-1)	<<STRESSED VaR>>	MULTIPLICATION FACTOR (ms) x AVERAGE OF PREVIOUS 60 WORKING DAYS (SVaRavg)	LATEST AVAILABLE (SVaRt-1)	Own funds requirements	Total risk exposure amount	Number of counterparties	<<MEMORANDUM ITEMS>>	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 [m]

Base = Exposures

Main category = Derivatives

Approach = Original Exposure Method

Type of risk = CVA risk

Prudential portfolio = Banking and trading book

Type of market = OTC

Misconception 1

Why is this problematic?

- The company data is organized different and/or spread though different systems.

What change with the new versions.

- Transparent = powerful DPM**
- Harmonisation = more knowledged people in Europe**
- Consistency = FINREP and COREP are not more stand alone**

Table	C 25.00 - CVA RISK	

Misconception 2

Outsourcing XBRL tagging is the best option

- Outsourcing just for tagging has many disadvantages
- In house tagging is the best option.

Why?

- You can reuse efficient and optimal your existing internal data.
- The accountability for the credit institution seems to be shifting to the outsourcer, but it does not.
- Errors can be understood and internal processes can be optimised.
- The internal knowledge will grow and synergies with other functions can be realised
- Shorter turn around times

Misconception 3

XBRL makes companies too transparent.

- XBRL in no way requires a company to change how, what, or when to do regulatory reporting.
- CRDIV has this objective.
- XBRL does require not more data as any proprietary format.
- CRDIV/ITS request more data.
- Credit Institutions report the same information, but XBRL presents it in a computer readable format to make it more digestible.
- CRDIV trigger the complexity, XBRL trigger the standardisation and finally reduce the burden to the credit institutions.

Expected Results

Harmonized EEA Data

Transparency

Consistency



Contact information

Andreas Weller

European Banking Authority

Floor 18 | Tower 42 | 25 Old Broad Street
London EC2N 1HQ | United Kingdom
t +44 (0)20 7933 9900
f +44 (0)20 7382 1771
info@eba.europa.eu
www.eba.europa.eu