

CX-020 Request for testing COREP XBRL

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1 Introduction

At its meeting in London on 18 January 2005, the Committee of European Banking Supervisors (CEBS) agreed to start a formal consultation with the banking industry and other interested parties to achieve a common framework for the reporting of the solvency ratio (COREP) by credit institutions. More information and documentation on CEBS, COREP and the consultation papers can be found at www.c-ebs.org

COREP is now developing an XBRL taxonomy based on the published data model. To test this taxonomy, institutions are invited to participate by providing test data on a best effort basis.

Collaborating institutions will acquire through their participation in this process:

- A deeper and better understanding on the COREP reporting framework for the solvency ratio.
- A chance to provide comments on how the proposed framework works. This may help institutions to provide comments on the CEBS consultation paper.
- An early knowledge about the availability in their systems of the information that will be required in the future for solvency reporting.

The collaboration in this open process will also allow the Institutions to benefit from the experiences, comments, suggestions and questions posed by other members of the banking industry, market participants and XBRL experts.

2 Who can participate?

Any institution that has direct or indirect access to data of banking activities and is granted permission to use that information for the purposes of this exercise, like for example, credit institutions, consultant firms or any other party interested in participating.

3 How to participate

Institutions wishing to participate should provide test cases that will be used for the validation of the XBRL implementation of COREP. Test cases will be provided using the Excel spreadsheet (coreptest.xlt) available in the web site www.corep.info and attaching all the relevant documentation and comments associated to the reported test cases.

Test cases shall be based on real operations and activities but the amounts can be re-scaled or normalized if confidentiality policies suggest so. Thus, test cases can be provided without specifying any monetary unit. Individual test cases will be released to the public. In order to avoid reputational risks, collaborating institutions will provide test cases anonymously and therefore they will not be associated at all as the source of any specific test case (see subsection 3.5 for technical details).

Be aware that all the information provided in this process will be publicly available and will be used by supervisors and the XBRL experts' community to validate the taxonomy and by other interested parties in order to get deeper insight in the new common framework for reporting of the solvency ratio.

Any information that could lead to the personal identification of counterparties, guarantors, etc. should not be provided.

3.1 More information on the contents of COREP templates

Information on COREP can be found in the CEBS website in the following documents:

- The [consultation paper](#) on the New Solvency Ratio: Towards a Common Reporting Framework provides the general framework on what has been done and future steps regarding the COREP.
- The document "Explanatory notes to the templates" (to be released very soon at www.c-eps.org) will provide more detailed information on the purpose and scope of each template, the contents to be reported and the relation between the different templates within COREP.
- The legal references & comments section included in each template (as an attached Excel spread sheet) provides very detailed guidance on how to fill in the templates and on the definitions of the different items to be reported. Definitions are mainly based on references to the appropriate documents issued by the EU Commission (basically Re-cast directives 2000/12/EC and 93/6/EEC, available in the EU Commission paper "[COM\(2004\) 486 final](#)").

3.2 Different ways of collaboration

Different ways of collaboration have been envisaged to provide a full range of possibilities to all potential contributors. Detailed documentation of the reported operations has to be attached as specified in subsection 3.3.

a) Individual information on operations:

a.1) The collaborating institution should fill in the COREP templates available in the coreptest.xlt file with the data stemming from individual operations. For the purpose of validating the XBRL taxonomy it is of interest that institutions could provide data based on individual operations that are either:

- Representative by its nature of the most recurrent activity of the bank.
- Complex operations (e.g. because several guarantors and/or collateral are involved or due to any other cause) that could test the robustness of the reporting framework and the capability of the institutions to reflect complex operations in the COREP framework.

a.2) Collaborating institutions can also provide the reporting for the aggregation of the individual operations they have previously provided in order to gain experience with the aggregated reporting to supervisors.

a.3) Additionally, collaborating institutions can have access to the reported individual operations provided by other institutions and could participate filling

in the templates based on the aggregation of these available third parties' individual operations.

b) Information on specific areas or business activities of the Institution:

For certain areas of the COREP reporting framework, (e.g. for the own funds in the CA template or operational risk in the OPR template) it is necessary that collaborating institutions shall provide information based on all the operations they carry out in that area because information on individual operations is not meaningful.

Institutions having their systems ready for a complete simulation of the COREP framework for certain areas or portfolios can also use this kind of participation in order to provide the templates filled in with aggregated information based on their total activity on such specific areas or portfolios.

This option for certain areas can be combined with the collaboration based on individual operations for other activities.

In order to avoid confidentiality issues, provisions indicated in point 2 as to the possibility of re scaling or normalizing the data are of prominent importance.

c) Complete reporting of the Institutions' solvency ratio

Institutions with their systems ready for carrying out a complete simulation of the reporting of the solvency information in the COREP framework based on their whole activities can fill in the templates based on that information taking into account the confidentiality provisions mentioned above.

3.3 Documentation to be attached

In addition to the numerical data included in the Excel spreadsheets, information on the underlying operations or activities that generate the data is also requested. Under all collaboration options it is of great importance that the institution will provide general comments or concerns about their experience when filling in the templates (including any comment or doubts that might have arisen during the process) and their assessment on the suitability of the framework for reflecting the reported operations or activities.

All this information can be provided in the Excel file coreptest.xlt designed for this exercise or in separate documents (for instance in pdf, etc... BUT be careful with embed identifying information in .doc documents) that should be referenced in the Excel file as indicated below (see subsection 3.4).

a) Individual information on operations:

Under this collaboration option, the collaborating institution should provide:

a.1) Information on the characteristics of the operations and the counterparties, guarantors, collateral, etc, that may help understand the nature of the operation and how the templates have been filled in.

a.2) If an aggregated reporting is provided, the Institution should indicate to which operations the aggregation corresponds (please include the reference number of the test cases if third party operations are involved) and any assumption taken by the Institution for carrying out the aggregation.

b) Information on specific areas or business activities of the Institution and complete reporting of the Institutions' solvency ratio

Under these collaboration options the Institution should provide information related to the areas, risks and portfolios covered in the reporting on an aggregated basis and any assumption taken by the Institution for the purpose of providing the reporting.

3.4 How to fill in the templates for this exercise

Institutions wishing to collaborate should access www.corep.info and download the coreptest.xlt file. For filling in each spreadsheet, information and instructions contained in the legal references & comments and the "Explanatory notes to the templates" documents should be used. Note that the mathematical relations expressed in the labels of the columns of the templates have not been included as formulas in the spreadsheets implying that the collaborating institution should check the calculations for totals and subtotals.

Depending on the way of collaboration the Institution has decided they should proceed as follows:

a) Individual information on operations:

When opening the coreptest.xlt file, a random reference number will be generated automatically. This number will serve for an anonymous identification of the test case.

The required additional information on the several operations or activities referred to in subsection 3.3 can be (i) directly typed in the "TestID" spreadsheet or (ii) included in that spreadsheet using a reference to the documents where that information is located. These additional documents shall also be attached to the e-mail to be send to test@corep.info (see subsection 3.5 for further details).

By clicking on the button for "start providing test cases" a form appears in the "Case" spreadsheet where the Institution can select for each individual operation (to be selected with the operation number) the appropriate templates and dimensions in order to reflect that operation in the COREP framework.

Usually for each operation more than one template has to be filled in. In that case, the different templates should be selected sequentially (a new spreadsheet will be created with the new template). Information on how many templates have to be filled in according to the nature of the operations can be found in the "explanatory notes to the templates" taking into account the contents of each template and their relations.

When a template is selected the institution should provide, using the available menu, information on the additional dimensions that are requested in COREP for certain templates (exposure type, exposure class, etc.) according to the nature of the operation, the obligor, etc. It can be the case that for the same operation different dimensions of the same template should be filled in (e.g. due to the existence of guaranties that imply a substitution effect of the exposure). In that case, the different dimensions can be selected sequentially (a new Excel spread sheet will be created with a copy of the template reflecting the new selected dimensions).

Once finished with one operation, the same procedure can be done with the other operations, selecting another "operation number" in the form available in the "Case" spreadsheet.

The “aggregated” operation number shall be used when the reporting corresponds to the aggregation of individual operations. Information about which operations are included in the aggregation should be provided in the “TestID” spreadsheet (please include the reference number of the test cases if third party operations are involved)

b) Information on specific areas or business activities of the Institution and complete reporting of the Institutions’ solvency ratio

For reporting the aggregated data of certain areas or portfolios or even the whole banking activities, the Institution will only use the “aggregated” operation number and will select all the templates and dimensions deemed necessary according to the instructions given above.

3.5 Feedback to the collaborating Institutions and information flow

According to the following information flow the collaborating Institutions may get full advantage of the participation in this exercise by getting valuable feedback on the test cases they provide and having access to a complete range of test cases while preserving their identity in secret. The original Excel file and the additional information attached submitted by the collaborating Institutions will be readily available in www.corep.info. When the XBRL taxonomy is ready for testing, the XBRL instances and the XBRL printout for each test case will also be available in the repository.

Project management, through the COREP Steering Committee, will promote the revision of the test cases and XBRL instances and printouts by the EU supervisors’ community. As a result of this review process, clarifications and answers to some of the questions and concerns included in the contributions (coreptest.xlt file and additional attached documents sent to the e-mail address test@corep.info) could be included in a FAQ section in www.corep.info.

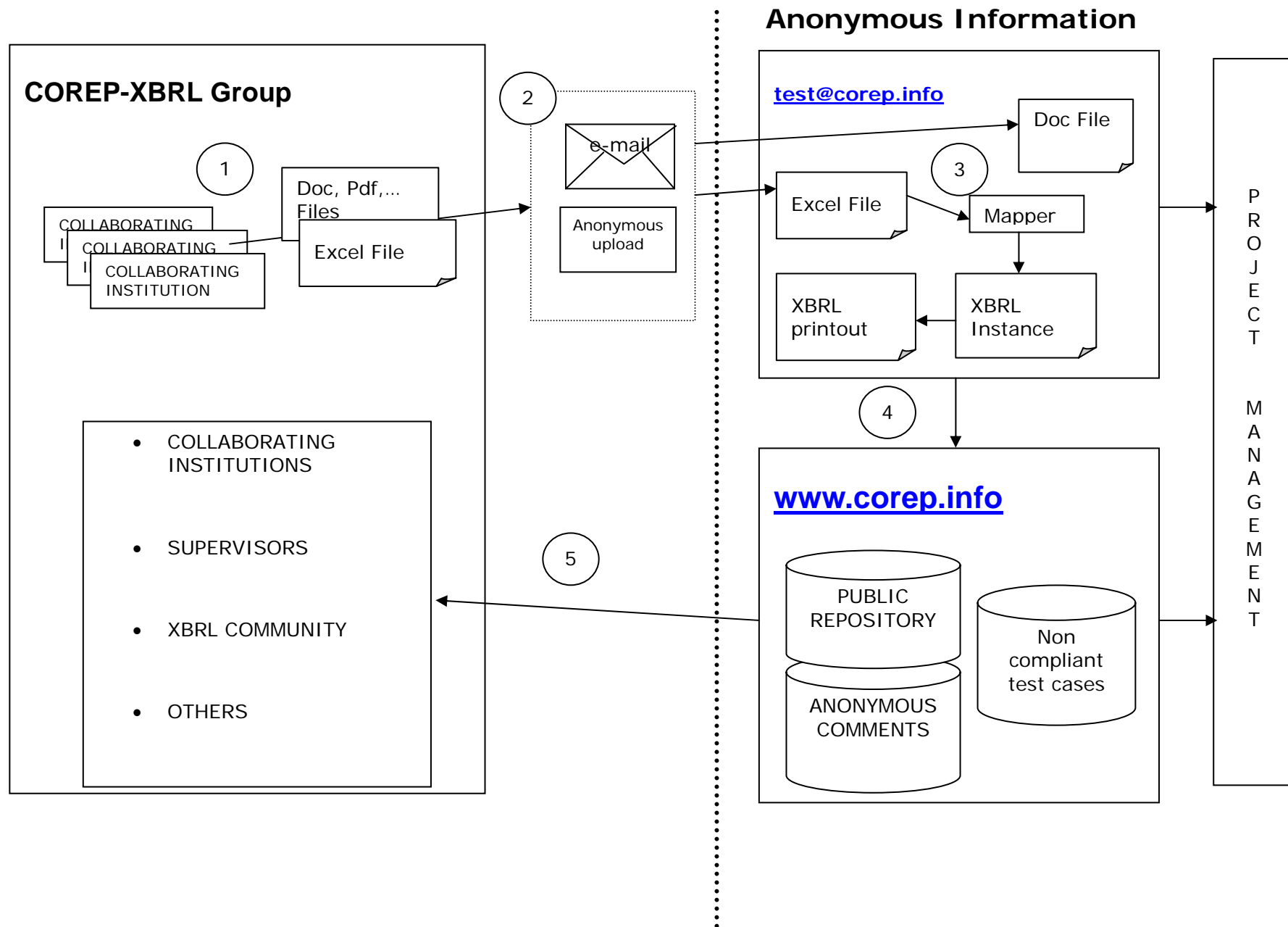


Chart explanations

1.- Creating the templates and providing additional information.

A copy of the COREP templates can be obtained at www.corep.info in the Excel file coreptest.xlt Every test case will have a unique number that will be used as reference. The reference will automatically and randomly be generated and will not have an association with the contributing entity. The reference will be used for the purpose of providing feedback by anyone interested in commenting or asking questions about that specific test case. Use the reference to find the test cases you wish to send as described in the previous sections of this document. Descriptions of the cases should be made in the corresponding Excel spreadsheet (TestID).

Optional: if there is any information that cannot be put in the Excel sheet, please use pdf, etc. additional documents to summarize the additional information. Please be careful with embed identifying information in .doc documents. The reference number of the test case shall be provided in the additional document as well as the existence of this additional document shall be remarked in the "Test ID" spreadsheet.

2.- Sending the files by e-mail.

Send the test case file/s as e-mail to test@corep.info or use the anonymous uploading method of www.corep.info Any contribution of the collaborating institutions:

- Will be public from the moment it enters into the collaboration environment.
- Will have no identification that may lead to an association with the contributing institution, neither any of its clients that are involved in the described test cases.
- The contributor is requested to check that neither the numerical values nor other information involved in the test cases can be, due to their nature, used to identify him or the counterparties involved in the operations. Originating e-mails are deleted.

3.- Creating the XBRL instance and XBRL printout.

When the taxonomy is ready for testing, an XBRL validation process will take place. If the taxonomy combined with the data is accepted by the validation software, the Excel templates are used to create the XBRL instance document and the XBRL printout.

4.- Adding the information to the repository.

The original Excel file and the additional information attached submitted by the collaborating institutions will be added to the public repository (see steps 1 and 2 for measures taken to further ensure the anonymity of the provided data). If the previous step has succeeded, the information XBRL instance document and XBRL printout will be added to the public anonymous repository. Non compliant test cases will be stored separately with brief comments on the reason why the test case was non-compliant in order to ease its correction by the collaborating institution.

5.- Accessing the repository.

Public anonymous information stored in the repository can be accessed via Internet. Users can anonymously comment or question on all the test cases available (making the reference to the identification number of the test case on which they are commenting) and these comments will be also publicly available.