



Brussels, the 25th of January 2010

**European Commission
DG Internal Market
2, rue de Spa
1049 Brussels**

XBRL Europe ID number: 16818933143-79

Ref.: XBRL Europe Answers on the Green Paper on the Interconnection of Business Registers

Dear Madam, Dear Sir,

XBRL Europe is pleased to transmit herewith our response to your Consultation in reference.

Being at your disposal for any further information you would like to obtain on XBRL, we remain
Yours sincerely,

A handwritten signature in black ink, appearing to read "Gilles Maguet". The signature is stylized with long, sweeping lines.

Gilles Maguet
Secretary General
XBRL Europe
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XBRL Europe Answers on the Green Paper on The Interconnection of Business Registers

This document has been prepared by the XBRL Europe Business Registers Working Group in answer to the Green Paper published by the European Commission on November 4th, 2009.

The eXtensible Business Reporting Language (XBRL) is an open standard for the electronic communication of business and financial data. The standard, as well as XBRL Europe and the XBRL Europe Business Registers Working Group, are presented at the end of this document.

GREEN PAPER The interconnection of business registers {SEC(2009) 1492} 4.11.2009

XBRL Europe fully supports the European Commission's approach, developed in the Green Paper, for the enhanced interconnection of Business Registers across Europe.

We believe that an efficient electronic network of Business Registers in the European Union's Member States is a catalyst for facilitating cross-border economic activities and increasing transparency, by giving direct and easy access to companies' financial and legal statements.

A better interconnection of Business Registers requires improved interoperability, a common semantic and shared business rules.

To achieve these targets, we would like to promote the use of a unique open source exchange standard based on XML, which is already used for tagging and exchanging financial information by a large number of Business Registers in Europe (and by worldwide regulators such as the SEC in the US; the Bank of Spain, the Bank of France and the National Bank of Belgium in Europe; the Bank of Japan in Asia; or by tax authorities, as in the United Kingdom and the Netherlands, amongst many others).

This standard is the eXtensible Business Reporting Language, also known as XBRL or "interactive data".

We promote XBRL as it allows:

- *A standard (and not a physical network) for the exchange of electronic structured data between Business Registers, which can be used on various kinds of networks;*
- *Global compatibility with Internet technologies and electronic platforms, as it is based on XML;*
- *Direct access to individual data in XBRL registered information, which in turn allows easy comparison of figures or characteristics from different companies;*
- *The use of multilingual labels, to facilitate the understanding of reported data throughout Europe;*
- *The ability to implement a common structure (described in an XBRL taxonomy), adjusted by local extensions, which is relevant to managing a dual approach combining global/European shared rules with local/national specificities;*
- *The possibility to add an optional legal validity to each XBRL file (digitally signing the reports), which is important for guaranteeing the origin of the data supplied by the Business Registers.*

XBRL also allows:

- *Exchanges with other organisations apart from the Business Registers, such as banks, stock markets, regulators or large companies, that use XBRL for internal, financial or regulatory reporting;*
- *Exchanges with companies or authorities outside Europe, which already use this technology.*

We also believe that the use of XBRL could significantly improve the access of European companies to registered data and reduce the administrative burden, as it greatly simplifies the filing and consultation of individual financial or legal data.

- *For example, the National Bank of Belgium now collects about 96% of Belgian annual accounts in the XBRL format. The yearly net saving is estimated at 23% of all filing charges for the Belgian companies (2008).*
- *In Italy, it is mandatory to deposit an XBRL instance as a signed annex to the annual account folder for companies closing their fiscal year after February 16, 2009. XBRL automatic quality controls on filed data allow a saving of €0.60 per annual account deposit on Infocamere's website (2010).*
- *Since 2008, Infogreffe publishes the financial statements of French companies as XBRL files as well as PDF files. There is no additional cost for analysts to access this electronically structured data.*
- *In Spain, since 2009, it is mandatory to use the XBRL format for the digital presentation of financial statements. At the moment, almost 70% of the deposits are digital, i.e. there are now more than 600 000 XBRL financial statements of Spanish companies available online (these XBRL files will be published on the Registrars' website without any additional cost, starting March 2010).*
- *Many other examples can be found, at different levels, in most of the Business Registers of Member States: Bundesanzeiger (Germany), Kamer van Koophandel (Netherlands), Companies House (United Kingdom), Bolagsverket (Sweden), Registrate ja infosüsteemide Keskus (Estonia)...*

XBRL is being adopted by an increasing number of Business Registers. This is the first time that the same standard is used by so many Registers, and opens opportunities for more interoperability and enhanced interconnection.

Interested parties are invited to give their views on

- whether an improved network of the Business Registers of the Member States is necessary,
- whether the details of such cooperation could be determined by a "governance agreement" between the representatives of the Member States and the Business Registries,
- whether, in the long term, they see any added value in connecting the network of Business Registers to the electronic network set up under the Transparency Directive for storing regulated information on listed companies.

If the measures considered above are not judged appropriate, stakeholders are invited to explain the benefits of an alternative solution or, as the case may be, of maintaining the status quo. Moreover, stakeholders are invited to provide evidence of the potential impacts in terms of costs and benefits, including simplification and administrative burden reduction, of the above options or of the proposed alternatives.

An improved network of the Business Registers across Europe is necessary. *XBRL provides solutions for better access to company data across Europe, improving the European Business Register's initial efforts to define a common semantic on the commercial information stored into the national Business Registers.*

- *Today, Business Registers in Europe have published millions of XBRL files and the number continues to grow. This trend started with companies' annual accounts and is now spreading to various companies' legal filings, affording new opportunities to increase transparency, share information among national registers, and facilitate benchmark analysis by end-users.*
- *Even if each local Business Register has now developed its own taxonomy (XBRL public data dictionary) based on its national laws and its local accounting standards, links can be made between similar concepts in these taxonomies, to create a common semantic in addition to the technical interoperability resulting from the use of the same technology.*

A governance agreement should facilitate common definitions of concepts. *The use of a common technical standard must be completed by defining the broadest set of common information describing businesses, to be entered in all Business Registers in Europe.*

- *It is necessary to design and propose a common European Business Certificate, to use a Unique Company Identifier as planned by the BRITE project (REID) and to share a set of financial information based on the European directive for Annual Accounts drawn up according to local GAAP.*
- *These common concepts (commercial and financial information for companies) could be technically shared in a core Business Registers' taxonomy, available in different languages and character sets, for a better interconnection of Business Registers across Europe.*

XBRL can help to connect the European network of the Business Registers to the electronic network set up under the Transparency Directive *as XBRL is often used for regulatory reporting and financial reporting purposes.*

- *XBRL has been promoted by the Committee of European Banking Supervisors and by national banking supervisors. Some European securities regulators (as CNMV in Spain) also use XBRL.*

- *IFRS and USGAAP taxonomies are available; it is therefore easy to share information on listed companies using XBRL.*

Interested parties are invited to give their views on

- which solution or a combination of those solutions they favour to facilitate communication between Business Registers in the cases of cross-border mergers and transfers of head-quarters,
- whether they support the proposed solution on the disclosure of branches,

If any of the measures considered above are not judged appropriate, stakeholders are invited to explain the benefits of an alternative solution or, as the case may be, of maintaining the status quo. Moreover, stakeholders are invited to provide evidence of the potential impacts in terms of costs and benefits, including simplification and administrative burden reduction, of the above options or of the proposed alternatives.

The interconnection of Business Registers may rely on the principles developed by the BRITE project which focuses on file transfers and interoperability, and on the usage of IMI to connect Business Registers with other authorities. *Again, we propose the use of XBRL as a common technology to transfer company identification and data between Registers – on a multilingual and multi-scheme basis, open to a wide variety of information concerning cross-border companies or operations.*

- *We promote XBRL as it is already used by Business Registers across Europe.*
- *We promote XBRL as it is also used by other interested parties for national and cross-border financial information.*
- *We promote XBRL as it is possible to share digitally signed XBRL instance documents, which are necessary for a complete and effective exchange process in the case of cross-border mergers and transfers of head-quarters.*

About XBRL

Contact: www.xbrl.org

XBRL, eXtensible Business Reporting Language, is an open standard for the electronic communication of business and financial data which is revolutionising business reporting around the world. XBRL is being developed by an international non-profit consortium of approximately 600 major companies, organisations and government agencies. Based on XML and internet interoperability, it provides major benefits in the preparation, analysis and communication of business information. It offers cost savings, greater efficiency and improved accuracy and reliability to all those involved in supplying or using financial data. The idea behind XBRL is simple. Instead of treating financial information as a block of text - as in a standard internet page or a printed document - it provides an identifying tag for each individual item of data. This is computer readable. For example, company net profit has its own unique tag. It is already being put to practical use in a number of countries and implementations of XBRL are growing rapidly around the world.

About XBRL Europe

Contact: gilles.maguette@xbrl-eu.org (XBRL Europe Secretary General)

XBRL Europe is an international non profit organisation (association internationale sans but lucratif) based in Brussels, set up to foster European XBRL efforts and to implement common XBRL projects in Europe between its members and to liaise with European Authorities and organisations.

Members of XBRL Europe are XBRL Belgium, XBRL Denmark, XBRL Germany, XBRL France, XBRL Ireland, XBRL Italy, XBRL Luxembourg, XBRL Netherlands, XBRL Spain and XBRL International, as well as The Global Trust Council, the European Federation of Financial Analyst Societies and Deloitte Innovation BV. The European Commission (DG Internal Market) is an observer and a regular attendee of XBRL Europe events and Working Groups.

About XBRL Europe Business Registers Working Group

Contact: thomas.verdin@xbrl-eu.org (XEU BR WG Chair)

The EU Business Registers Working Group was created in September 2008 amongst XBRL Europe members to increase the coordination and interoperability of Business Registers' XBRL efforts in Europe, in order to facilitate the cross-border production and use of XBRL documents containing information on European companies.

The Working Group connects members from Business Registers of the European Union's Member States, who have an interest in XBRL, including representatives from:

- *National Bank of Belgium (Belgium)*
- *Eogs / DCCA (Denmark)*
- *Registrite ja infosüsteemide Keskus (Estonia)*
- *Infogreffe (France)*
- *Bundesanzeiger (Germany)*
- *Infocamere (Italy)*
- *Kamer van Koophandel (Netherlands)*
- *Companies House (United Kingdom)*
- *Informa DB – Colegio de Registradores (Spain)*
- *Bolagsverket (Sweden)*
- *IASCF*
- *EBR*