

Dear,

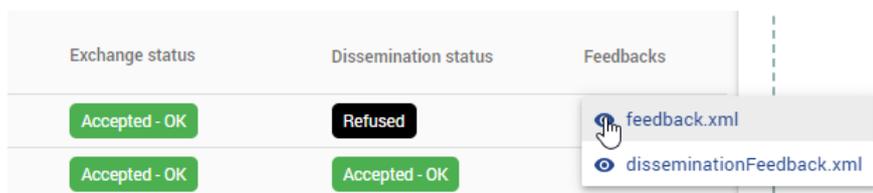
The National Bank of Belgium wishes to inform you about an upcoming change to the XBRL reporting process and protocol.

XBRL reporting process

As you probably are aware, under the so-called sequential approach, all supervisory data are collected by the National Competent Authorities (NCAs) and forwarded by the NCAs to the ECB (which forwards then the necessary data to the EBA).

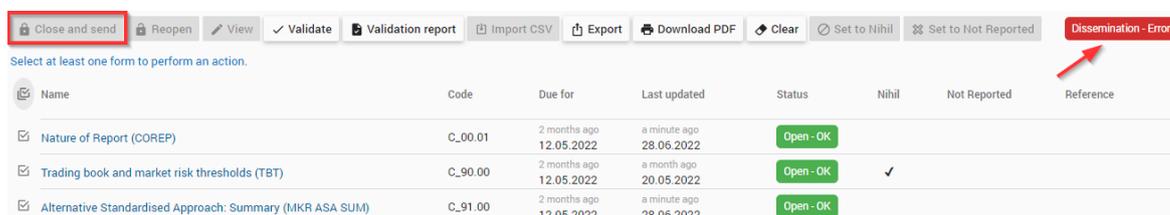
Against this background, the ECB continuously aims to maximally harmonise the implementation of the sequential approach in each country (see for instance also the news item of 15/09/2017 on our website [OneGate | nbb.be](https://www.nbb.be), documentation for domain MBS - XBRL reports: COREP, FINREP...).

From reference period 30/06/2022 onwards, additional requirements will be implemented. In order to further enhance the level playing field within the SSM, all received files must be immediately and automatically forwarded to the ECB. In practice, this implies that the uploaded file in OneGate is transferred directly to the ECB (in case the report is expected by the ECB). The uploaded file is then processed simultaneously by OneGate and by the ECB, resulting in a OneGate exchange status and an ECB dissemination status (i.e. two validation reports “feedback” and “disseminationFeedback”).



This has a number of operational consequences for the XBRL reporting process via OneGate:

- A report can only be closed in OneGate in case no errors are left in both validation reports.



- Until but not including reference period 31/12/2022, almost all checks will be present both in the OneGate and the ECB validation report.
- From reference period 31/12/2022 onwards, the results of the EBA non-XBRL validation rules and the ECB EGDQ quality checks will be executed only by the ECB.

The main advantage is that the ECB feedback is available directly and in real-time to the reporting agents that are under the supervision of the ECB. On the other hand, there is a certain dependence on the ECB tools and processes and there is no ability for the NBB to intervene or overrule ECB results or issues.

It remains perfectly possible to test reports in the testing environment of OneGate. The same principle applies (automatic and immediate forwarding to the ECB). However, based on our tests, the ECB testing environment is not fully identical to the production environment, resulting in (slightly) different ECB validation reports between the two environments. These differences should be further reduced in the coming months, but it remains indispensable to have effective internal data quality procedures before sending any report to the NCA. Ideally, only one fully valid report is sent. A relatively high number of submissions, benchmarked against other banks, might be an indication of poor reporting systems and/or insufficient quality checking.

XBRL reporting protocol

On 19 October 2021, the EBA published filing rules document V5.1, to improve two filing rules (see also the communication on their website with regard to reporting framework 3.2):

- I. Modify rule 1.6 to simplify the usage of filing indicators by removing option “empty filing indicator”. This updated rule must be followed from 01/01/2023 for all submissions and resubmissions.
- II. Modify rule 3.6 to improve CON/IND information circulation and to allow for multiple consolidation levels for an entity, CON/IND is being moved from module name to reporting subjects from reference date 31/12/2022 onwards.

The **filing rule 1.6** is already almost fully implemented in Belgium, only a minor enhancement might be necessary as a negative filing indicator will be required also for templates which are not initialised (visible in OneGate control panel). It was already possible to send a negative filing indicator for such a “missing” template, so this will not have an impact on all reporting agents, but this becomes mandatory from 1 January 2023 onwards in production environment (and several months before also in the testing environment). In short, an explicit filing indicator must be reported for every template in the overall taxonomy, irrespective of the templates foreseen in OneGate.

The **filing rule 3.6** had to be adapted to cope with different levels of consolidation for the same reporting agent identification (a given bank can provide consolidated figures at the highest level of the group but also for a liquidity or resolution subgroup). In order to manage this, the CON/IND information is deleted from the schemaRefs of the taxonomy and the corresponding OneGate reports (“AE_CON” and “AE_IND” are merged into one “AE”). The information on the consolidation level is moved to the entity identification (KBO=="0123456798.IND" and KBO=="0123456798.CON" both report “AE”). This does not have any impact on access rights to OneGate, which remain based on the KBO/LEI/BIC. This does require a modification in the OneGate instance document, as both the OneGate envelope as every context within the XBRL document must use the CON/IND/... extension for the identification of the reporting agent.

Some remarks:

- The possible extension values CON/IND/... are still under discussion within the EBA. They should be finalised and approved during the September meeting and will be communicated as soon as possible.
- Therefore, the testing environment is not yet adapted for this change. The 3.2 taxonomies will be opened in the coming weeks. It is possible to test these taxonomies using the usual KBO/LEI/BIC-identification. Nor the reports nor the identification code will include any information with regard to the consolidation level in the first months of testing. After the summer, a change will be implemented so that the extension values CON/IND/... must be added to the identification. This will be clearly communicated on our website and integrated in the reporting protocol.
- The FINREP taxonomy SchemaRefs and report codes not only contained information on the consolidation level but also on the underlying accounting standards IFRS versus GAAP (cfr. “FINREP_CON_IFRS”). Only one FINREP SchemaRef exists in taxonomy package 3.2 from the EBA. This has two implications in Belgium:
 1. There will no longer be a Belgian extension to the EBA taxonomy to prohibit cells that are not relevant in Belgian GAAP. The mapping information will be maintained but the OneGate report “FINREP_IND_BE_GAAP” ceases to exist and cells are no longer greyed out to indicate that they are not relevant in Belgian GAAP:

F_01.01 - Balance Sheet Statement [Statement of Financial Position]: Assets

		Carrying amount 010
Cash, cash balances at central banks and other demand deposits	010	
Cash on hand	020	
Cash balances at central banks	030	
Other demand deposits	040	
Financial assets held for trading	050	
Derivatives	060	
Equity instruments	070	
Debt securities	080	
Loans and advances	090	

2. The same holds true for GAAP information in the IFRS taxonomy: the GAAP information was removed in OneGate from the IFRS report so that it was prohibited and impossible to report any purely GAAP cells in the IFRS report. With only one FINREP taxonomy and report, all cells will be reportable and it is up to the reporting agent to accurately report the relevant cells. For instance, lines 0091-0095 were not visible nor reportable in OneGate as they represent purely GAAP cells in an IFRS report:

F_01.01 - Balance Sheet Statement [Statement of Financial Position]: Assets

		Carrying amount 0010
Cash, cash balances at central banks and other demand deposits	0010	
Cash on hand	0020	
Cash balances at central banks	0030	
Other demand deposits	0040	
Financial assets held for trading	0050	
Derivatives	0060	
Equity instruments	0070	
Debt securities	0080	
Loans and advances	0090	
Non-trading financial assets mandatorily at fair value through profit or loss	0095	

For the FINREP “data points”, the situation is different because this is a specific ECB taxonomy. No changes apply : a Belgian extension will continue to exist to integrate only the templates, cells and validation rules that are relevant in the context of the “data points” version in the ECB regulation. In OneGate, the report “FINREP_IND_BE_GAAP_DP” is continued.

In case of questions with regard to the above, please don't hesitate to contact the usual SchemaA@nbb.be.