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PRESS RELEASE

CESR announces next steps on European access to financial information disclosed by listed companies

CESR announces today a series of proposed measures for developing pan-European access to financial information disclosed by listed entities. The purpose of the various measures is to harmonise and enhance pan-European search facilities for financial information and to investigate the possible introduction of XBRL reporting.

As such, the first measure consists of a consultation paper on the development of pan-European access to financial information published by listed entities (CESR/10-719c). The consultation paper introduces CESR's proposals for improving the search functions and interconnection between national storage facilities for financial information. Two options are presented in the consultation paper. The first consist of organising national information depositories that would be accessible through one European search engine while the second option would centralise all data in a European central database. The responses to the consultation paper will provide CESR with feedback for a report to be submitted to the European Commission in Q4 2010. Links to existing national storage mechanisms (called OAMs) are now available on CESR's website under corporate reporting, either by share (through the MiFID database or via a list of links to OAMs themselves).

The second measure, builds on the call for evidence on *The Use of a Standard Reporting Format for Financial Reporting of Issuers Having Securities Traded on Regulated Markets* published in October 2009 (CESR 09-859). CESR announces its decision to move forward with an investigation of the possible use of eXtensible Business Reporting Language (XBRL) for the financial reporting of listed issuers.

In particular, CESR will conduct a cost-benefit analysis on the use of XBRL. The analysis will consider a scenario under which there is a 5 year transitional period to introduce a mandatory requirement for issuers preparing consolidated financial statements using IFRS to file XBRL, based primary financial statements with the national Officially Appointed Mechanisms for central storage of regulated information (OAMs). The transitional period would also allow for voluntary implementation commencing 2 years prior to the requirement itself.

Whether CESR will ultimately recommend the introduction of XBRL reporting depends, among other things, on a detailed analysis identifying the needs of users of financial information, the impact on reporting entities, the quality of the XBRL Taxonomy as developed by the IFRS Foundation and possible interactions with other regulatory bodies and requirements. CESR anticipates issuing a consultation paper on this issue in 2011.

Fernando Restoy, Vice-Chair of the Spanish Comision Nacional del Mercado de Valores (CNMV) and Chair of CESR-Fin, CESR's standing committee on accounting and enforcement issues added:

"As Chair of CESR Fin, I am very pleased that CESR is moving forward in this key area. The consultation paper on the development of pan-European access to financial information focuses on improving search facilities for financial information in the EU internal market. The cost/benefit analysis on XBRL will also serve to highlight the next steps and will equip European securities supervisors to develop a well informed decision on what CESR should recommend to the European Commission regarding the introduction of XBRL based financial reporting for market participants."



Notes for editors:

1. CESR is an independent Committee of European Securities Regulators. The role of the Committee is to improve co-ordination among securities regulators and act as an advisory group to assist the European Commission, in particular in its preparation of:

- Draft implementing measures in the field of securities;
- Work to ensure more consistent and timely day to day implementation of community legislation in the Member States.

The Committee was initially established under the terms of the European Commission's decision of 6 June 2001 (2001/527/EC) which was repealed and replaced by the Commission Decision of 23 January 2009 (2009/77/EC). CESR was one of the two Committees first envisaged in the Final Report of the Group of Wise Men on the regulation of European securities markets chaired by Baron Alexandre Lamfalussy. The report itself was endorsed by the European Council and the European Parliament. The relevant documents are available on the CESR website.

2. Each Member State of the European Union has one Member in the Committee. The members are nominated by the Member States and are the heads of the national public authorities competent in the field of securities. The European Commission has nominated as its representative the Director General of the DG MARKT. Furthermore, the securities authorities of Norway and Iceland are also represented at a senior level as observers.

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