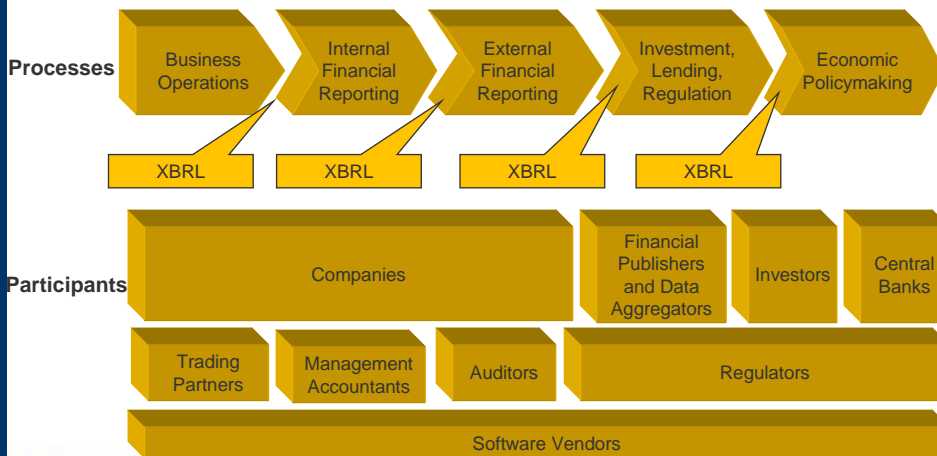


XBRL: Actual challenges of the standard.

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13-14 de octubre, 2006

XBRL PROMISE



EVALUATION CRITERIA

- **Cost of Capturing Data.** How costly is the system to operate and maintain – what are the life cycle costs? There are many costs to consider such as training, maintenance, multiple software tools, etc. It is important to realize that most of the time it is more cost effective to use one standard method of exchanging data, such as XML, than to use 10 different methods if each method is basically doing the same thing.
- **Timeliness of Data.** How important is timeliness of the data? How much more valuable is data received in 2 days versus 30 days, or 90 days?.
- **Flexibility of Data Collection:** How flexible is the system? If you want additional data points, or drop some data points collected, how easy is it to do within your systems.
- **Quality of Data:** There will always be errors in data. Errors can likely only be reduced. What is the error rate of your data, 1% or 2% or 5%? What is the marginal value of dropping the error rate from 2% to 1%, or a 50% reduction in the error rate?
- **Reuse of Data:** How easy is it to reuse the Data? Is re-keying required in order to reuse the data? What is the likelihood of errors when the information is re-keyed?

HOW BENEFITS ARE ACHIEVED I

1. **Xml Standard.** One way to solve a problem, rather than 100s of different ways of transferring data. Lowered costs of training staff (only have to learn XML). XBRL is XML. Lots of standard software for working with XML. Reduced training costs.
2. **Open Standards Provide Leverage.** You can get for free things you would typically have to buy and you are not locked into one specific vendor.
3. **COTS Software:** Commercial off-the-shelf software can be used, rather than building custom, internally created and supported applications.
4. **Cheap Business Rules Engines Improve Data Quality:** Robust, validation engine and validation infrastructure moves the creation of business rules from programmers to business users. One –to-many validation rather than one –to-one programmatic validation.

HOW BENEFITS ARE ACHIEVED II

5. **Flexible, Extensible, Comprehensive Solution:** XBRL is quite comprehensive in what it can achieve. Its flexible, extensible nature makes it extremely effective.
6. **Structured versus Unstructured Data:** People often miss the fundamental reason for XBRL/XML: structured versus unstructured data, meaning and “context” attached to data, truly can be exchanged effectively. Exchanged between trading partners, between entities and regulators, exchanged internally. Properly structured data is fundamentally easier to reuse between automated applications. Unstructured data is fundamentally difficult to reuse unless manual intervention is used.
7. **Automated Exchange of Data:** All the above adds up to the automated exchange of data within a single organization (subsidiary to parent, one application to another), or within a supply chain (between one company and another, between a company and its regulators).

REACH VS. RICHNESS OF DATA

- **Reach** refers to access to data and
- **Richness** to quantity, timeliness, accuracy and type of data.



**CONCLUSION; XBRL IS GOOD
BECAUSE XBRL WANTS TO BE A
STANDARD!**

WHAT DOES A STANDARD NEED IN ORDER TO BE SUCCESSFUL?

- It has to be technically good!
 - Good or perfect?.

- It must be accepted by the industry.
 - Free acceptance or forced by a law?.

IT MUST BE IN THE RIGHT MOMENT IN THE RIGHT PLACE

(Characteristics of right moment and right place. At least one has to exist but the most, the better).

- It is technically something new (very seldom)
- Substitutes inefficient practices
- Owners of proprietary solutions do not have their source of revenue on that solution
- Users see the standard as an advantage (either in prices or in functions)
- Solution is accesible and open to everyone that wants to work with it
- There is a marketing winner between alternatives

IS REALLY XBRL A GOOD STANDARD?



IS REALLY XBRL A GOOD STANDARD?



XBRL ROAD MAP I

For a Glossary of Terms, Please refer to XBRL Specification and Guidance Stack (SGS) 1.0

XBRL Road Map	End 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007	Q3 2007	Q4 2007
Specifications									
Dimensional Taxonomies									
Requirements	PWD								
Specification		CR	REC						
Conformance Suite		PWD & CR	REC						
Errata Corrections (Ongoing)					PUB		PUB		
Conformance Suite Updates (Ongoing)					PUB		PUB		
Formulas and Functions									
Requirements	PWD								
Specifications			PWD & CR		REC				
Conformance Suite			PWD & CR		REC				
Errata Corrections (Ongoing)							PUB		PUB
Conformance Suite Updates (Ongoing)							PUB		PUB
Generic Linkbase									
Requirements	PWD	CR		REC					
Specification	PWD	CR		REC					
Conformance Suite	PWD	CR		REC					
Errata Corrections (Ongoing)						PUB		PUB	
Conformance Suite Updates (Ongoing)						PUB		PUB	
XBRL 2.1 Specification (Maintenance)									
Errata Corrections									
Calculations (summation-item)			REC						
Other			PUB		PUB				
Conformance Suite Updates			PUB		PUB				
Link Role Registry									
Specification		REC							
New Roles									
Calculations (aggregator-contributor)									
Requirements (See Dimensional Taxonomies)	PWD								
Specification		PWD	CR & REC						
Conformance Tests		PWD	CR & REC						
Other			Ongoing - processed as requests are received						

XBRL ROAD MAP II



Best Practices									
FRIS									
Version 1.0									
Errata Corrections			PUB		PUB				
Conformance Suite Updates			PUB		PUB				
Version 1.x (Possible future version to update 1.0)									
Requirements	under discussion								
Specification	under discussion	PWD							
Conformance Suite	under discussion		PWD		CR	REC			
Dimensional Related Additions	under discussion		PWD		CR	REC			
Specification	under discussion								
Conformance Suite	under discussion				PWD	CR	REC		
Instances									
Common Best Practices (Currently part of FRIS PWD)									
Specification			PWD	CR	REC				
Conformance Suite			PWD	CR	REC				
Errata Corrections (Ongoing)							PUB		PUB
Conformance Suite Updates (Ongoing)							PUB		PUB
FRIS									
Specification	PWD		PWD	CR	REC				
Conformance Suite	PWD		PWD	CR	REC				
Errata Corrections							PUB		PUB
Conformance Suite Updates							PUB		PUB
Taxonomies									
GC2	PWD		CR		REC				
Errata Corrections							PUB		PUB
XBRL GL									
Taxonomy Modules									
COR	CR		CR2		CR3	REC			
BUS	CR		CR2		CR3	REC			
MUC	CR		CR2		CR3	REC			
USK	CR		CR2		CR3	REC			
I&F	CR		CR2		CR3	REC			
Errata Corrections (Ongoing)									PUB
Supporting Artifacts									
Sample Instances (May form part of taxonomy REC)	PWD						REC		
GLTFA									
Specification	CR		CR2		CR3	REC			
GLIS									
Specification	CR		CR2		CR3	REC			
Conformance Suite			PWD		CR	REC			
Errata Corrections (Ongoing)									PUB
Conformance Suite Updates (Ongoing)									PUB
Training & Education									
Online Annotated Instances (Galapagos)	PWD	Regular updates in 2006					Ongoing, in response to market need		
Other GL-Specific Research Areas									
Essential Components	Under discussion								
Audit Trail (Cross-working group established)	Under discussion								
GL FR (Cross-working group established)	Under discussion								



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XBRL ROAD MAP III



Research Projects									
Versioning									
Functional Requirements		PWD							
Additional Artifacts			Depending on Functional Requirements						
Rendering									
Marketing Requirements			IWD						
Additional Artifacts				Depending on Marketing Requirements					
XII Training and Education									
Course Development									
Preparing XBRL Financial Reports			Release						
Building XBRL Taxonomies			RFP		Release				
Extending XBRL Taxonomies	Under discussion		RFP		Release				
Analyzing XBRL-enhanced Filings	Under discussion								
Self-Study Guide Development	Under discussion								
Preparing XBRL Financial Reports	Under discussion								
Notes:									
Errata Corrections & Conformance Suite Updates are ongoing projects that typically published twice a year - Q2 and Q4									
Acronym Key:									
PWD=Public Working Draft									
IWD=Internal Working Draft									
REC=Recommendation									
CR=Candidate Recommendation; cyclical process typically 2-3 iterations planned for									
PUB=Planned Publication Date based on ISC approval of Documents									
Release=General Availability Date for Course Materials									
RFP=Request for Proposal									
For an overview of the most important XBRL technical documents and their intended audience, with a glossary of key terms.									
XBRL Specification and Guidance Stack (SGS)									



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ACTUAL SITUATION OF XBRL SEEN OUTSIDE XBRL

- The standard is becoming more and more complex (versions, formulas, dimensions, etc.).
- The standard is accepted by many people but no implemented in wide range.
- SEC and other regulator bodies are the most active participants.
- The rest of the market is in position "wait and see".
- Will Basel II and the new accounting standards bet the "big hope"?