



## The Role of Filers in CMA's XBRL Project

The Road towards a better Business  
Enabling Environment



# Today's Agenda

| S. NO. | Agenda  |
|--------|---|
| 1.     | Reminder on XBRL and Project objectives           |
| 2.     | CMA's XBRL IFRS Taxonomy                          |
| 3.     | CMA's Filing Platform and the roles of the Filers |
| 4.     | Key Upcoming Steps                                |
| 5.     | Appendices  |



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*XBRL is an acronym for Extensible Business Reporting Language, which provides a digitized and automated platform for exchanging information online*

## PURPOSE

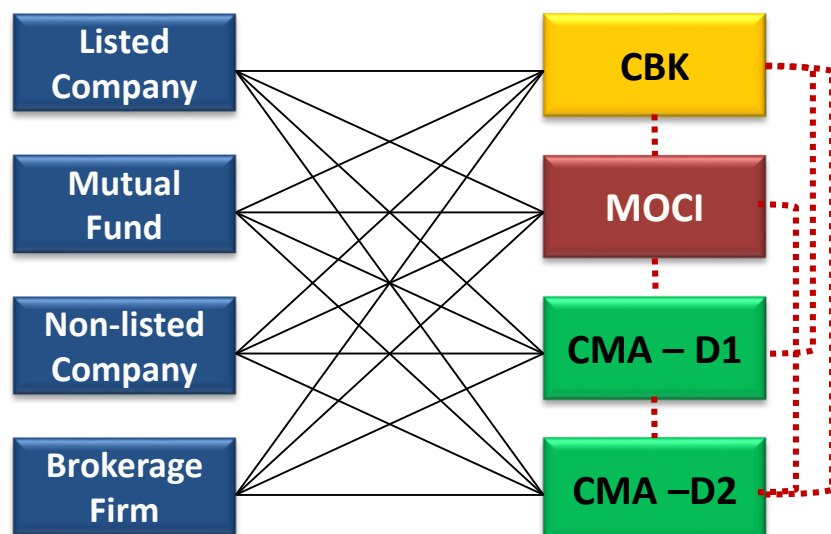
CMA is undertaking a major transformation program with the objective of introducing an electronic disclosure platform based on XBRL. This transformation initiative is focused on establishing a robust reporting framework for the Kuwait Markets.

## CHALLENGES

1. Heavy dependence on manual, paper-based reporting
2. Significant amount of costs and efforts are expensed on the activities of data reporting & analysis
3. The lack of standardization across multiple corporations

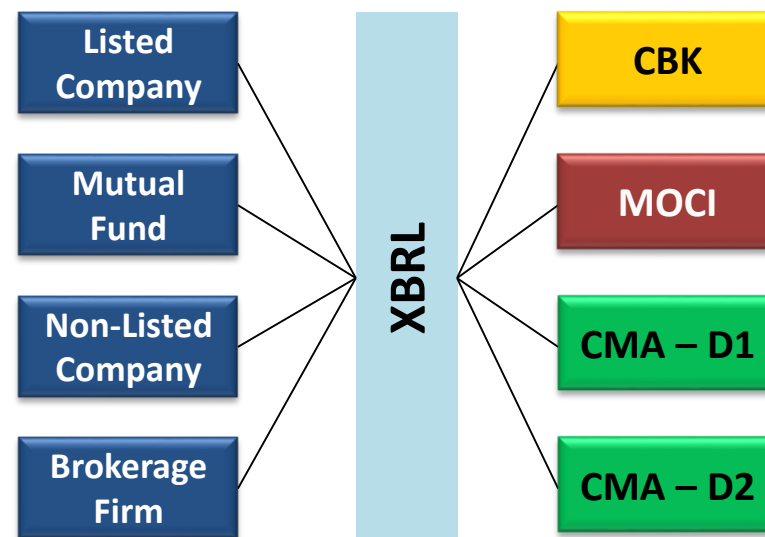
# Efficiency brought by XBRL

## CURRENT STATE



1. Multiple formats and specifications of data which is difficult to communicate
2. Manual effort required to extract, massage and make it comparable
3. Lack of standardization
4. Significant effort to validate

## FUTURE STATE



1. Integration of business and financial data entities
2. Automated exchange of data
3. Capability for business rules and standardization
4. Data validation at source
5. Ability to adapt to business changes without re-writing code

# CMA's Project Goals

1

**Improve the level of transparency in the Market**

2

**Improve the reporting process** by introducing an electronic platform

3

Promptly **deliver accurate and reliable business and financial information** to all stakeholders

4

**Reduce the reporting and compliance burden** on filers (both in terms cost and effort)

5

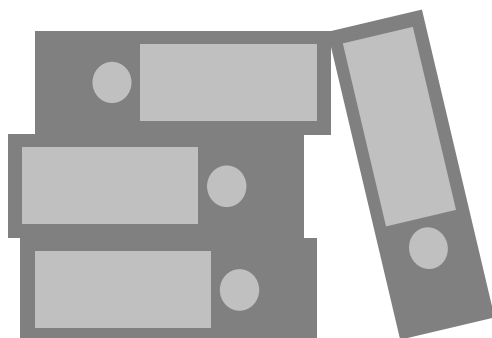
Expand and **improve the scope of routine analysis and the decision-making process**

# High – Level Project Scope

The project shall cover both financial as well as non financial reporting domains, and will be implemented over a phased out approach:

## A Pilot Implementation

### 1 Financial Statements



## B Full project Implementation

### 1 Financial Statements

### 2 Corporate Governance

### 3 Disclosures

### 4 Capital Adequacy

### 5 Post Trade Model

### 6 Other non financial reporting

# Reminder on the pilot phase timeline

*The first awareness raising session detailed the overview of CMA's XBRL Project. Topics covered included the conceptual understanding of XBRL and addressing the main concerns of filers.*

|  | May                          | June                          | Jul - Aug | September  |
|--|------------------------------|-------------------------------|-----------|--|
| High-level awareness session about the XBRL  | ✓<br>15 <sup>th</sup> of May |                               |           |  |
| More focused session on what will be the filers role in the XBRL   |                              | ▲<br>By 19 <sup>th</sup> June |           |  |
| Hands on workshop on the tool itself<br><u>(dependent on when is the exact date to go for the pilot release)</u> |                              |                               |           | ▲<br>By 4 <sup>th</sup> September<br>(Tentative) |
| Implementation of Pilot Phase  |                              |                               |           | ▲<br>After Eid                                   |
| Capture Observations and Feedback  |                              |                               |           |  |



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# Engagement With the Market

## *Reports included in the Pilot Scope*

- ▶ The pilot implementation will focus on the Financial Statements Reporting domain
- ▶ The Financial statements reporting domain is based on the 2016 IFRS Taxonomy
  - ▶ Holds around 4500 concepts
  - ▶ The concepts are reflected in around 64 statements
- ▶ 5 to 6 statements will be used in the pilot implementation

**1** Financial position statement

**4** Investments at FVTPL

**2** Income Statement

**5** 2 note statements

**3** Available for sale statement

- ▶ The structure and templates will be shared with the pilot group prior to pilot implementation

# Pilot Taxonomy Development - Lifecycle

01

Standard IFRS  
2016 taxonomy  
concepts as a  
base

02

Development of  
business concepts  
and terminology as  
per local  
requirements

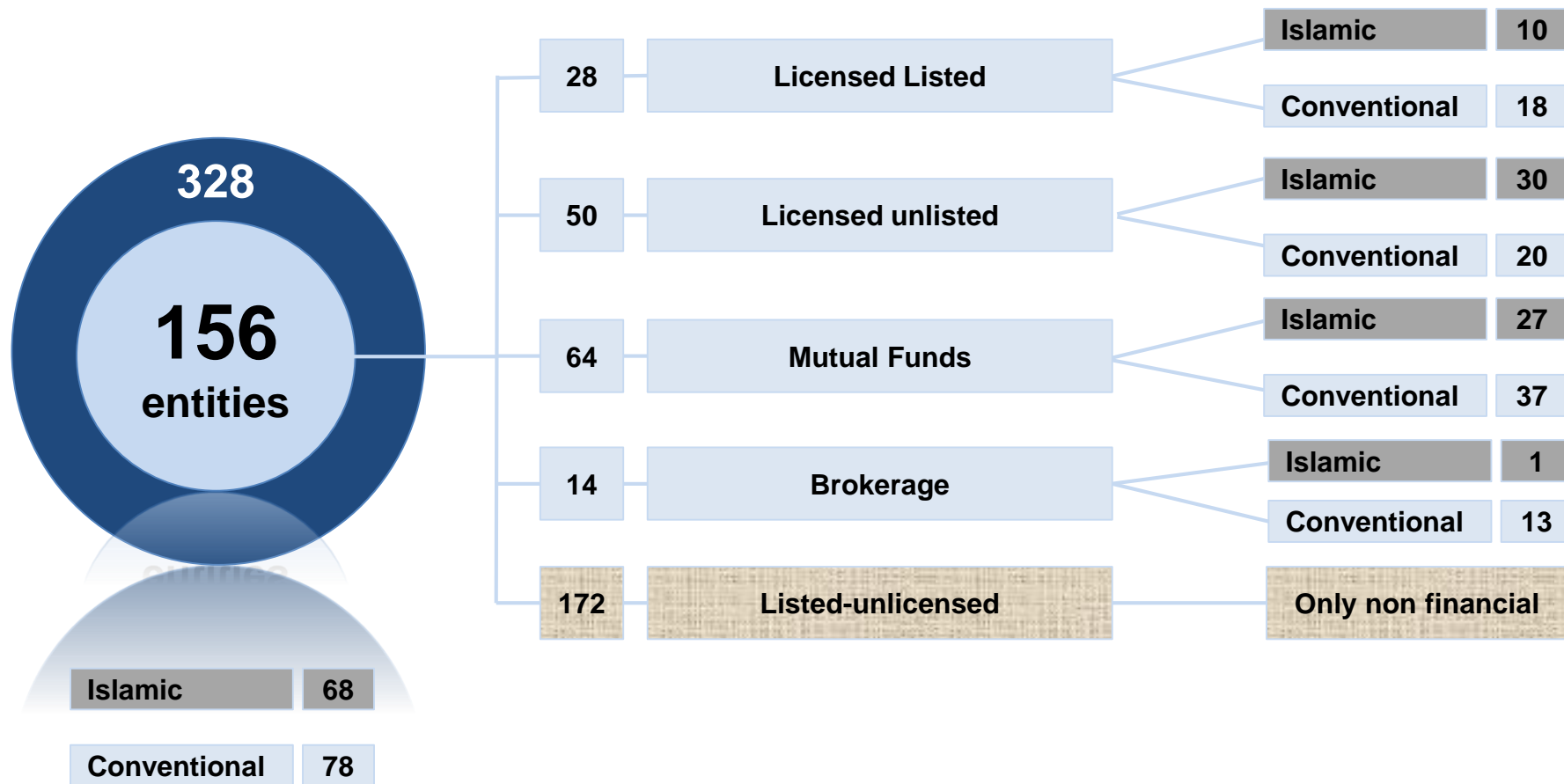


Completed  
activity



Ongoing  
activity

# Universe of reporting entities



*For creating XBRL filing each entity would have to select a particular sectoral taxonomy depending upon the sector to which they belong.*

# Pilot Taxonomy development approach

1

**CMA Mapping Exercise**

2

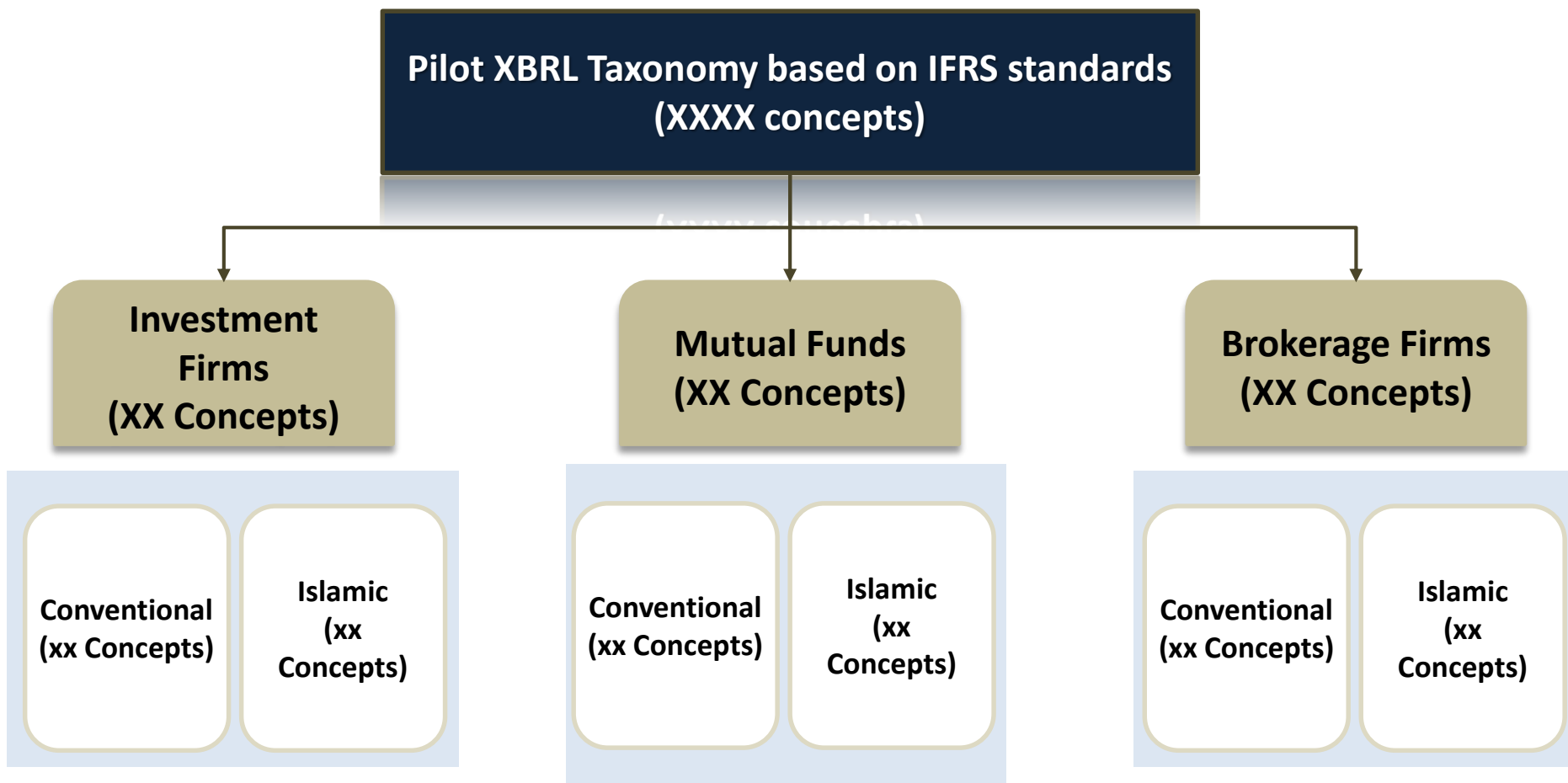
**Utilized the experience and resources from a key Audit and Assurance Firm with a large exposure in the Kuwait market**

3

**Leveraged on the experience of supervision representatives in the project team**

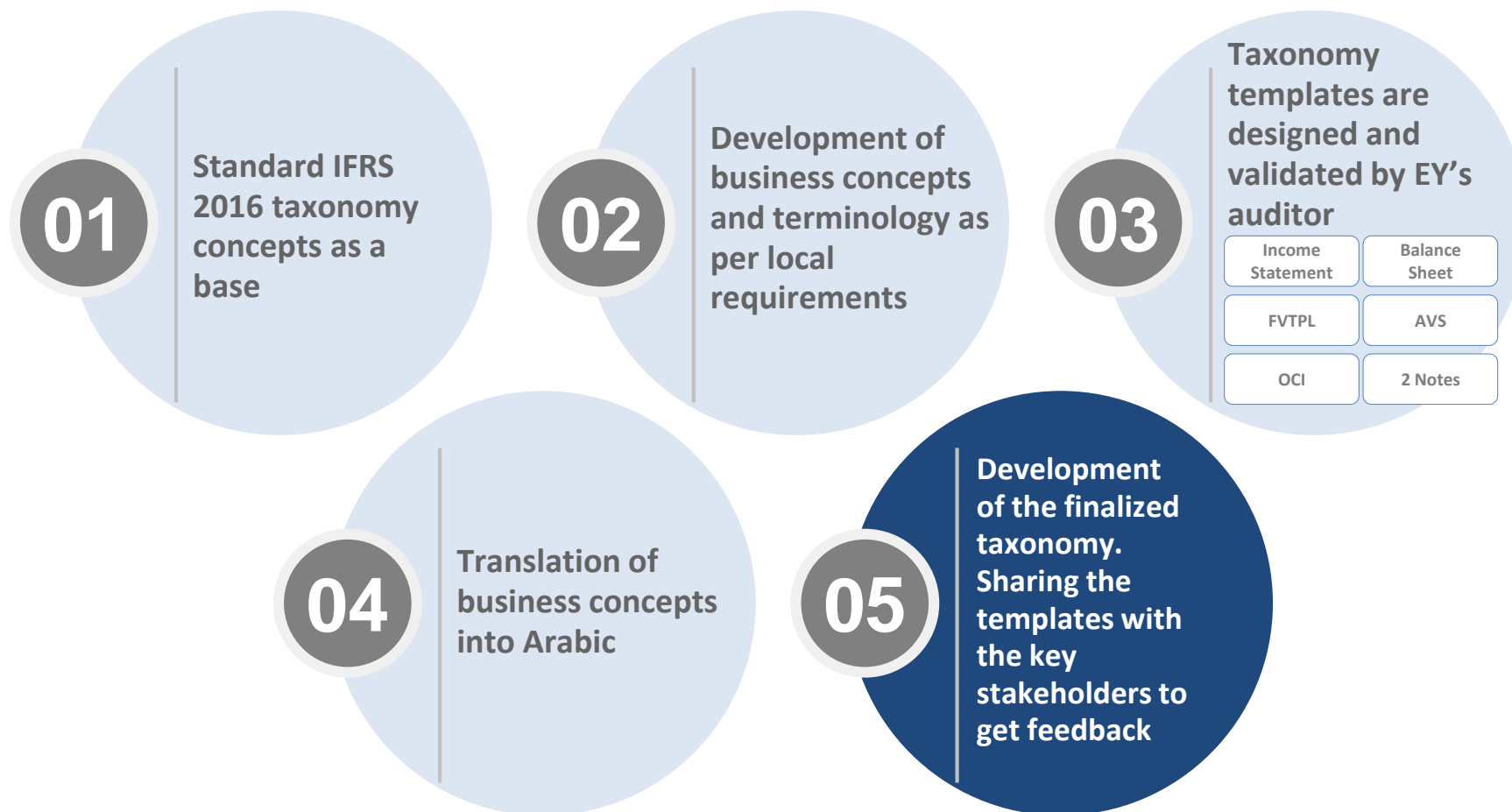


# Customized Entry Points



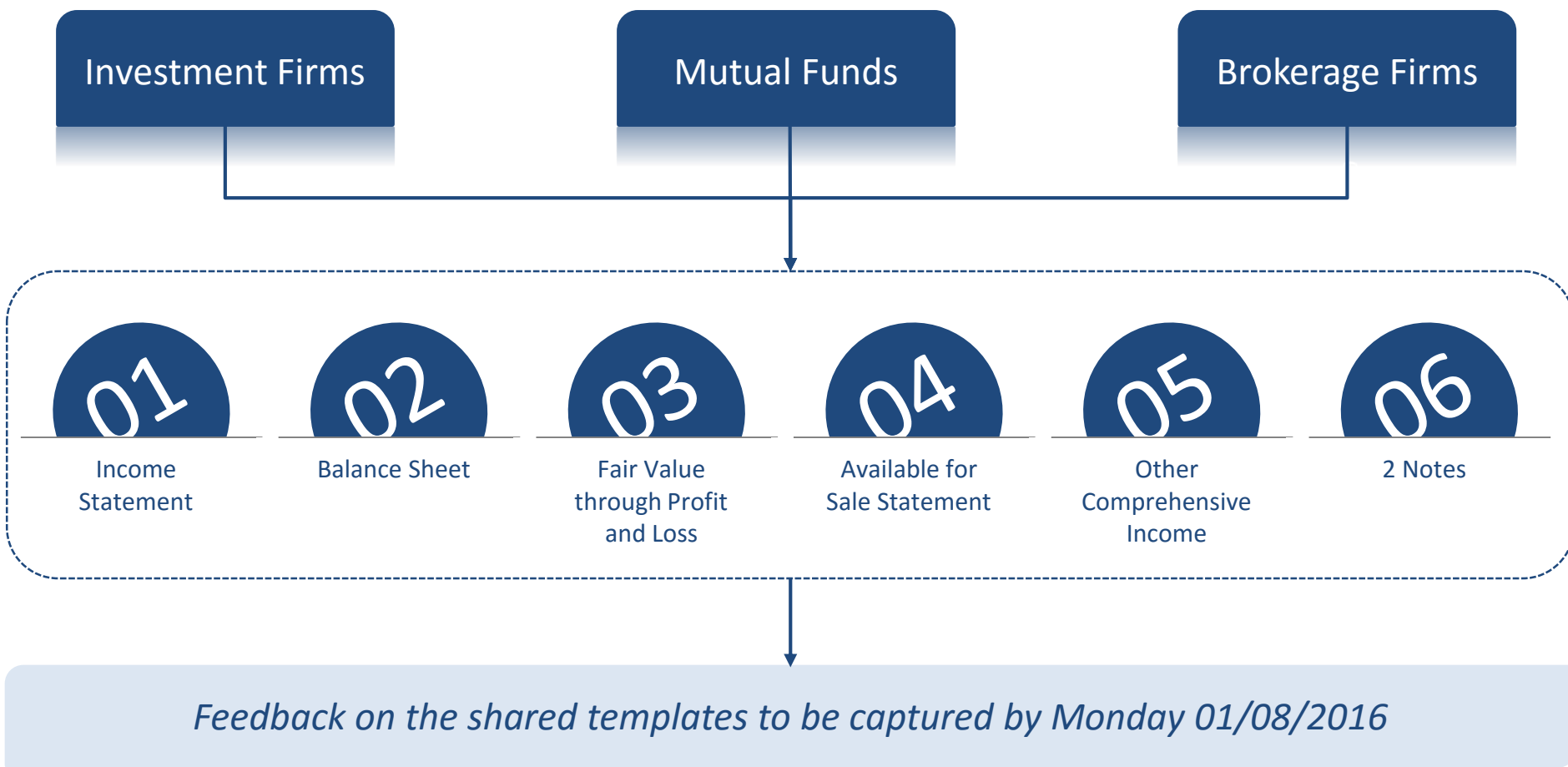
*Each of the entry points consists of a fixed number of customized taxonomy concepts. The submissions of these templates needs to be compliant with the XBRL Standards set by CMA.*

# Pilot Taxonomy Development - Lifecycle



# Capturing Feedback

*The Taxonomy Concepts will be shared with the Pilot Group, aiming to capture your feedback on the Taxonomy and Business Concepts*





# Pilot Implementation Scope

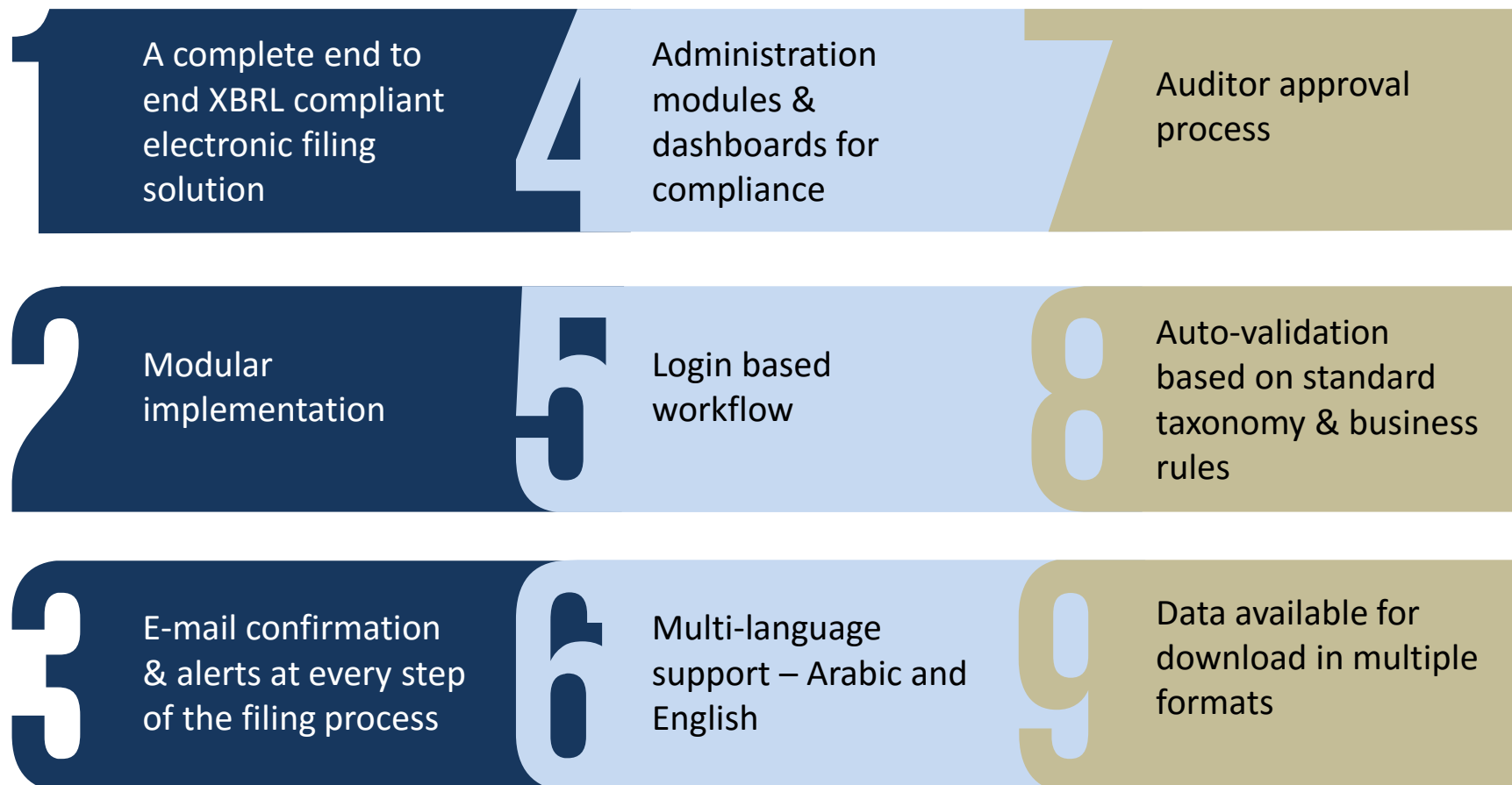
| # | Financial Statements                                     | Applicability             |         |           |                 |         |           |                   |         |           |
|---|--|---------------------------|---------|-----------|-----------------|---------|-----------|-------------------|---------|-----------|
|   |  | Licensed Investment firms |         |           | Brokerage firms |         |           | Mutual Fund firms |         |           |
|   |  | Annual                    | Monthly | Quarterly | Annual          | Monthly | Quarterly | Annual            | Monthly | Quarterly |
| 1 | Statement of financial position - Current, Non current   |                           |         |           | ✓               | ✓       | ✓         | ✓                 | ✓       | ✓         |
|   | Statement of financial position - Order of liquidity     | ✓                         | ✓       | ✓         | or<br>✓         | or<br>✓ | or<br>✓   | or<br>✓           | or<br>✓ | or<br>✓   |
| 2 | Income Statement - Nature of expense                     | ✓                         | ✓       | ✓         | ✓               | ✓       | ✓         | ✓                 | ✓       | ✓         |
| 3 | Notes to financial statements                            | ✓                         |         | ✓         | ✓               |         | ✓         | ✓                 | ✓       | ✓         |
| 4 | Fair Value Through Profit and Loss Investments statement | ✓                         | ✓       | ✓         | ✓               | ✓       | ✓         | ✓                 | ✓       | ✓         |
| 5 | Available for Sale Investments statement                 | ✓                         | ✓       | ✓         | ✓               | ✓       | ✓         | ✓                 | ✓       | ✓         |
| 6 | Asset management portfolio statement                     | ✓                         | ✓       | ✓         | ✓               | ✓       | ✓         | ✓                 | ✓       | ✓         |

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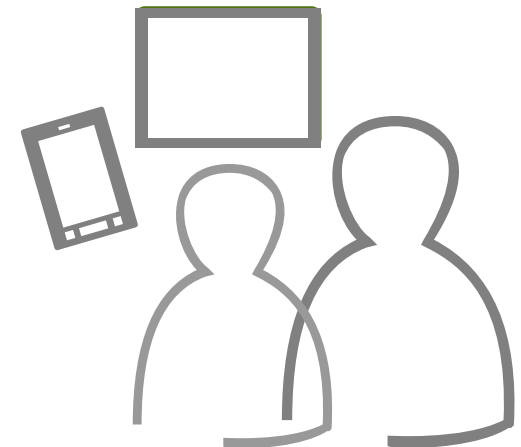
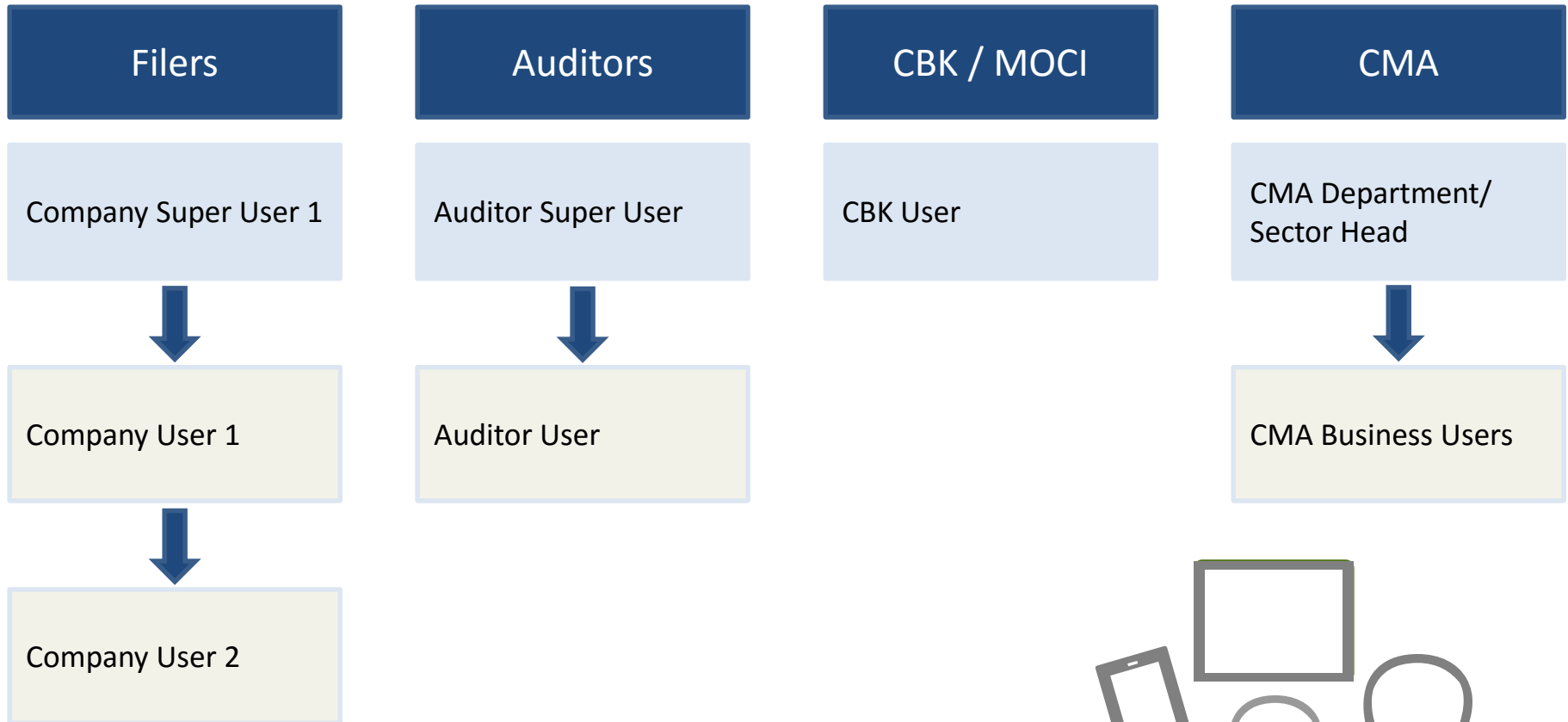
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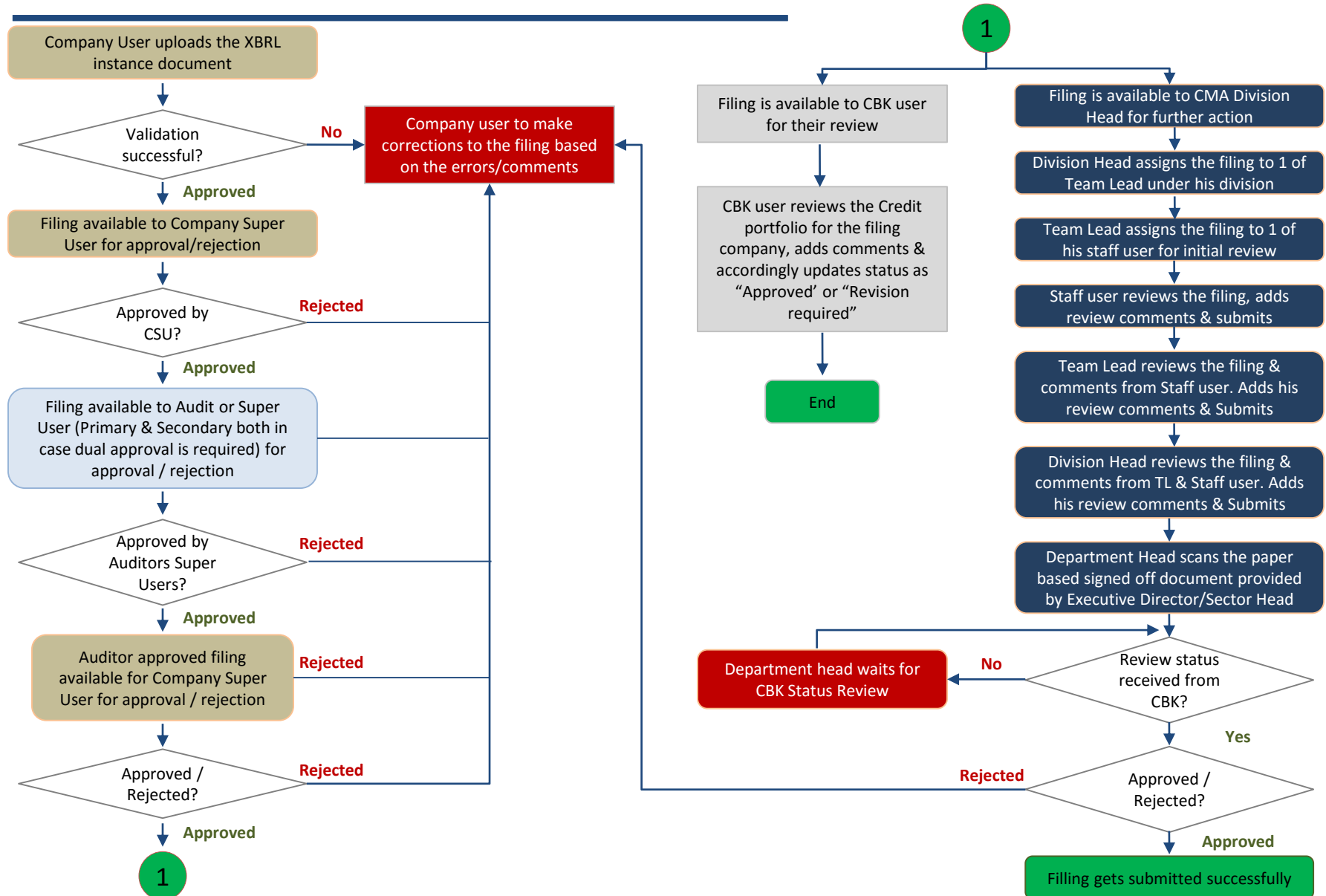
# Key Features of CMA's filing platform



# Different user profiles for different purposes



# Workflow of the Filings



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# CMA's dedicated website for XBRL






*CMA has worked on developing a website as a complementary initiative to the XBRL project, as part of the engagement strategy with the market. It will cover the following key areas:*

1. **Brief introduction** to the XBRL Project
2. **All relevant training material and resources** that will enable reporting entities to become XBRL compliant
3. **Links to the iFile Tool and Web Portal**
4. **Contact information** for any further queries or concerns

**(Picture / Snapshot)**

# Engagement With the Market

*We need your feedback on the taxonomy concepts by no later than XXX*

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**- Thank You -**  
**Questions ??**



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# XBRL Taxonomy – Relationships

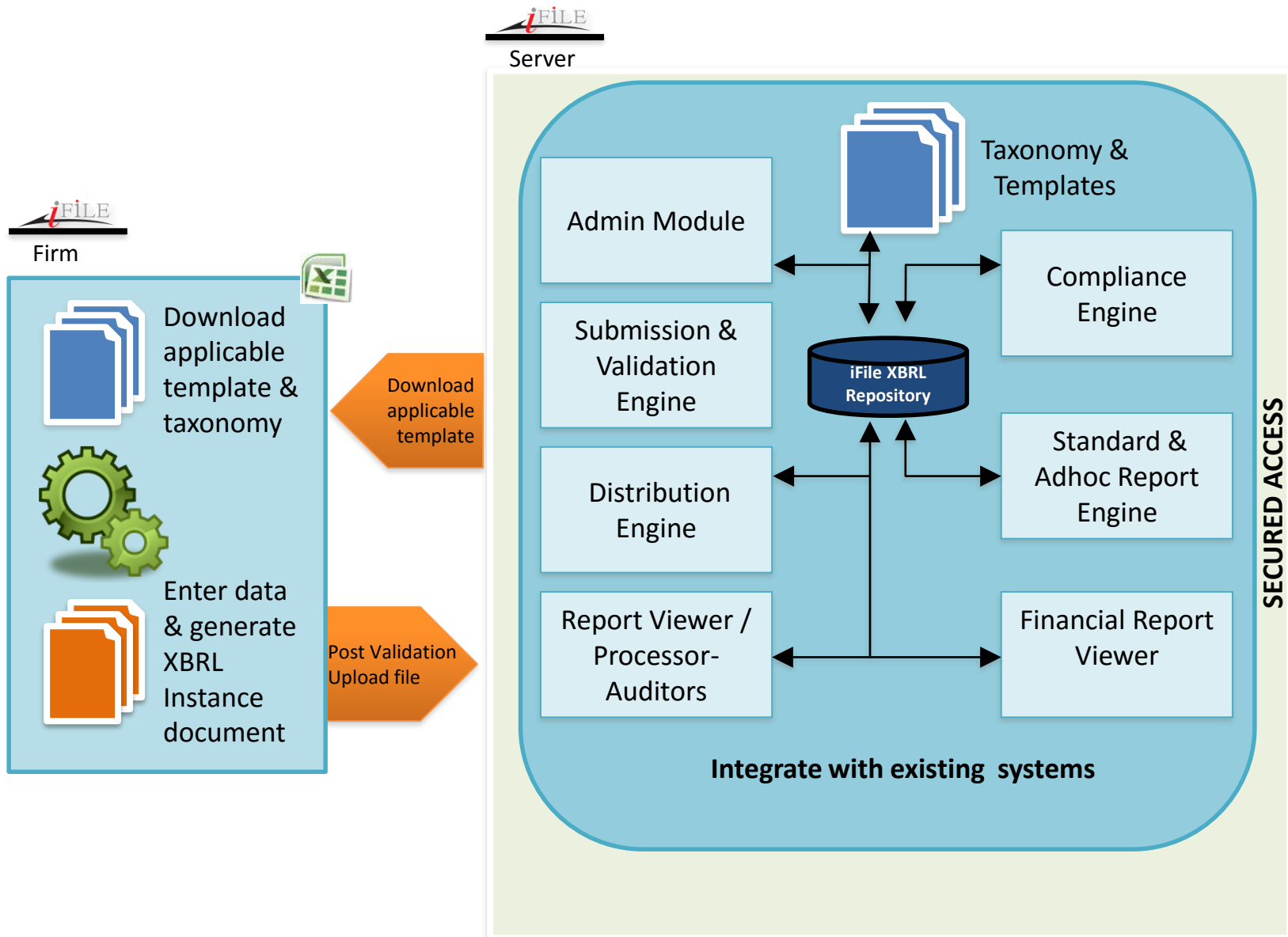
## Describing Relationship amongst elements

- Presentation Linkbase
- Calculation Linkbase
- Definition Linkbase
- Formula Linkbase

## Linking to external sources

- Reference Linkbase
- Label Linkbase

# Architecture of the filing platform



# Overview of the Filing Workflow

