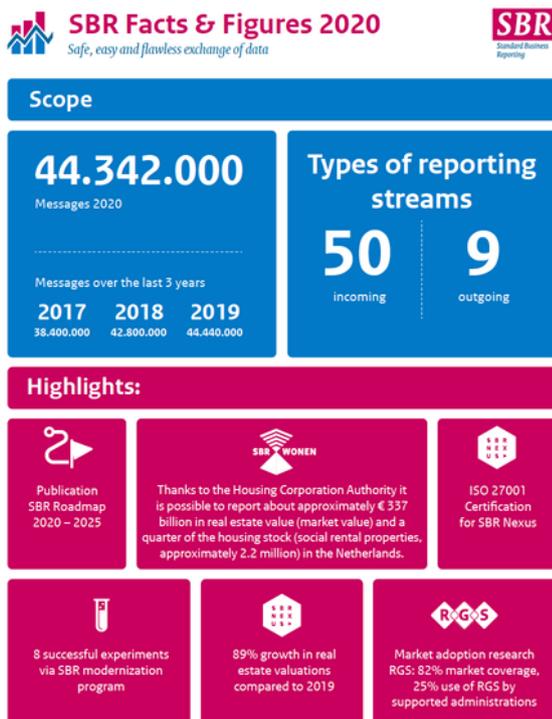


Standard Business Reporting Netherlands

WHERE ARE WE TODAY?

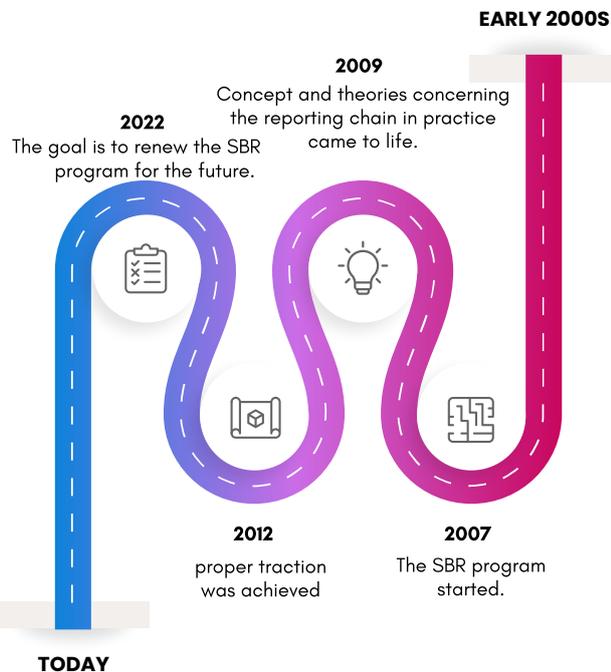
Today, the Netherlands is still on the cutting edge of digitization and distribution of business reporting for the government. Although it has taken many years to reach this goal, The SBR (Standard Business Reporting) program is now efficient and supports a healthy public-private collaboration.

This full-fledged program has made it possible for business owners to digitally submit any regulatory report on a safe and secure platform that offers easy access. The SBR program also includes message routing, which means that it can deliver your regulatory report to multiple departments with just a click of a button. The information created is based on a taxonomy developed for all the consuming organizations and is updated annually based on regulatory policy changes. Business owners and accountants work with their software vendors to ensure that they meet the regulatory reporting requirements on time and efficiently.



Now, the challenge becomes how to change the administrative burden to a competitive benefit to the business owner and policymakers. With over 44 million messages processed per annum, the data needs to become interactive. Imagine a world where a business owner has quick and easy access to up-to-date comparative data when making business decisions. The next generation of SBR aims to target this problem by ensuring accessibility is increased while not reducing any non-functional requirements (security, accessibility, level playing field, scale-able, cloud-based solutions).

WHAT IS THE HISTORY OF SBR IN THE NETHERLANDS?



The SBR program started in 2007, but the innovation began many years before. A core group of researchers and technologies began in the early 2000s to dream of a more efficient government. This group realized they were on to something transforming the way governments work and process data. Shortly after that, in 2009, they started to write down their concepts and theories focused on the chain of reporting in practice. These individuals started working both at the government and educational levels to work towards the singular goal of bringing a SBR program to life.

In 2012, proper traction was achieved where everything came together (government policy, technical capabilities, and interest). This traction converted to momentum and the small group of individuals transformed into the evangelists for the platform for the future. They worked with the private industry to bring more *chains* to the platform, increasing the volume and potential benefits to the government while simultaneously reducing the risk to business owners and citizens. It involved establishing a national standard for the digital exchange of all business reports. It started at the financial reporting and focussed on accountants, accounting software, banks, the tax office, the chamber of commerce, and the software suppliers in the middle. SBR is all about data, processes, and technology. And the keyword here is standardization. By labeling data in a standard way in the business administration, uniformity is created therefore making it reusable in other use cases.

Now 10 years forward, it's a whole new world. With more options in the cloud, agile development processes, more accessible technologies, and unknown security risks, it's time for an update focused on qualified and secured data exchange. The goal is to renew the SBR program for the next 20 years.

WHAT IS SBR?

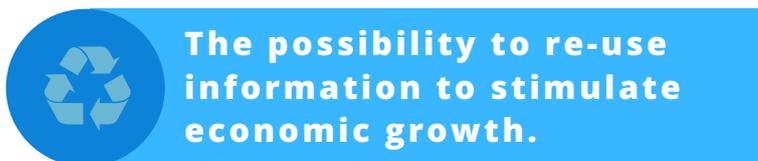
It's a secured technical platform provided by the government as a government service. They established this technology upon the following pillars:



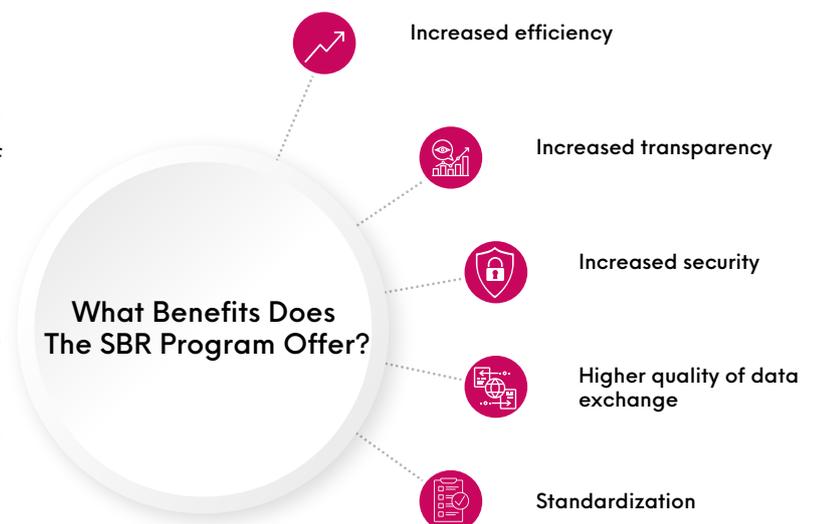
Quickly, many realized that this could not only be a public initiative; it must also be a private initiative to help seed and ensure innovation.



Logius (centralized government service provider) had a clear mandate to stay in the standards area and provide the endpoint that software vendors can use to make it easier for business owners to submit their reports. Therefore, Logius provides Digipoort, the delivery location for all business reports in the Netherlands. It is secured (authentication, authorization, encryption) and ensures accessibility through different protocols (SOAP, REST, FTPS, SFTP). It functionally supports signature verification, message routing, smart recovery services, and most importantly, standardizes on XBRL (eXtensible Business Reporting Language). This unique combination of services and standards made the platform accessible to everyone in the most efficient way possible.



The main result of SBR is the large-scale reversal of the business reporting chain. SBR leads to an integrated way of thinking in terms of the structure of reporting chains. This increases the power of reporting parties vis-à-vis the requesting parties in the reporting chain while requesting parties have more resources to enforce transparency.



And now, it's moving forward towards further innovations and use cases on the consistent presentation, auditing, auditor opinions and signing off.

WHERE TO START IN 2022?

Learning from the SBR-NL program, new programs can start even faster and provide value immediately. The Netherlands is looking to establish more SBR programs based on this interoperability. Software vendors also recognize these benefits and can support their end-users in moving quickly between the changing regulatory requirements—for example, ESEF (European Single Electronic Format) for XBRL (eXtensible Business Reporting Language). Using XBRL, it's easy to go back and forth between the inline XBRL format required for the filing of the report, allowing people to concentrate on the content in the report instead of the technical challenges.

1

Focus on innovators

Within the organization (government or enterprise), ensure that you have the right mindset for change. Innovators typically understand the current pain points and want to do it more efficiently with fewer errors. These innovators are also the people that will help find solutions to problems since they're thinking outside of the box while keeping the end goal in mind. Focusing on innovators ensures that your investment (time and money) isn't always challenged during the process.



2

Start small

It's easy to dream of the end result, but it's a step-by-step process. Keeping in mind "big project=big risks, small project=small risks" we want to start small. Early success will be realized focusing on one domain for one message type for a small group of submitters. E.g. ESG (Environment, Sustainability, Governance) quarterly reporting for medium enterprises. Starting here will yield to future interesting use cases that can be collaborated decided on for future priorities e.g. public portal, small companies, large/public enterprises, financial, management, etc.



3

Provide standard based tools

As an SBR program is typically sponsored by government or enterprise, it's important that everything is standard based. This will ensure there is no vendor lock-in and, more importantly, the ability to engage private industry in a transparent way. Private industry can then use the standards and bring the best experience to end-users. It also promotes portability and reusability by taking the standard-based XBRL report and sending it to other regulatory authorities or tools.



4

Promote

New SBR programs need some oxygen to grow to the next steps. Promoting the success in terms of efficiencies made and tools available for end-users helps lower the barrier to entry and expansion. Marketing to your target audience on the availability of the tools and regulatory benefit/requirements to file ensures knowledge is available. Engaging the market with your innovators helps bridge the gap between "pain" and "gain" and starts to steer your program in the right direction by listening to the market's needs.

