

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
Company name:	Insurance and Reinsurance Stakeholder Group	
Disclosure of comments:	EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential.  Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential.	Public
<p>Please follow the instructions for filling in the template:</p> <ul style="list-style-type: none"> <li>⇒ <u>Do not change the numbering</u> in column "Reference".</li> <li>⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph, keep the row <u>empty</u>.</li> <li>⇒ Our IT tool does not allow processing of comments which do not refer to the specific paragraph numbers below. <ul style="list-style-type: none"> <li>○ If your comment refers to multiple paragraphs, please insert your comment at the first relevant paragraph and mention in your comment to which other paragraphs this also applies.</li> <li>○ If your comment refers to sub-bullets/sub-paragraphs, please indicate this in the comment itself.</li> </ul> </li> </ul> <p><b>Please send the completed template to <a href="mailto:Consultation_Set2@eiopa.europa.eu">Consultation_Set2@eiopa.europa.eu</a>, in <u>MSWord Format</u>, (our IT tool does not allow processing of any other formats).</b></p> <p>The paragraph numbers below correspond to Consultation Paper No. EIOPA-CP-14-045.</p>		
Reference	Comment	
General Comment	<p>We welcome that the quantitative reporting requirements for financial stability reporting are comprised within an own annex now. This makes the requirements much clearer compared to the templates which were consulted in 2011.</p> <p>The reporting periods required for financial stability reporting are critical because the data requirements for regular reporting and financial stability reporting are partially identical but the reporting period for financial stability reporting is shorter and undertakings would need to introduce several different reporting processes</p>	

**Comments Template on EIOPA-CP-14-045  
Draft proposal for Guidelines  
on reporting for financial stability purposes**

**Deadline  
02.Mar.2015  
23:59 CET**

	<p>for identical reporting contents. From a cost-benefit point of view this is very questionable, if feasible at all. So in case the financial stability reporting remains the reporting periods should be the same as for the regular quarterly reporting.</p> <p>EIOPA should allow flexibility around the delivery of the Financial Stability Reporting, given that this is required shortly after the quarter or year-end (6 weeks) compared to 11 or 20 weeks for groups for all other regular reporting requirements or compared to 14 weeks for solo undertakings for annual regular reporting. Given that these requirements are the responsibility of EIOPA to the ESRB are not defined in the Solvency II Framework Directive or the Delegated Act, the IRSG proposes the following ways in which to alleviate the financial stability reporting burden:</p> <ul style="list-style-type: none"> <li>- Alignment with the RSR reporting deadlines. This will avoid a double submission of the same information;</li> <li>- Phase-in of the financial stability reporting, so that the first reporting takes place in 2017, in order to first ensure the quality of the SFCR and the RSR. This will enable EIOPA to make an assessment as to whether any additional financial stability specific information is needed, beyond what is already required by the RSR and the SCFR;</li> <li>- Where reports are identical between financial stability reporting and the existing QRTs, the financial stability reports should simply refer to the relevant RSR. Generally, there should be greater use of the existing Solvency II QRT package.</li> </ul> <p>The document needs some serious drafting improvement. Some proposals are made.</p>	
Introduction		
Guideline 1	<p>Under 1.14 first line: „which belong to <b>an</b> insurance or...“ We wonder if 1.14) is also exempting subgroups from the scope. We assume that this is the case and suggest to clarify this in the GL.</p>	
Guideline 2	<p>Under 1.15 first line: „to identify the reporting entities <b>are</b> as follows...“ Under 1.15 b) last line: „group reporting under <b>the</b> previous...“ Under 1.16 third line: „<b>Solvency Capital Requirement</b>“</p>	
Guideline 3	<p>Under 1.21 second line: replace „in accounting basis“ by „for accounting purposes“ In paragraph 1.22 the source of the exchange rate to be used for the balance sheet in the Solvency II context</p>	

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
	<p>is specified. As a consequence of the specification insurers may need to retranslate balance sheet items compared to the exchange rate used for accounting purposes, i.e. complexity may be (unnecessarily) added. So, we suggest to permit the use of the closing exchange rate which are already used under the insurer's applicable GAAP, even if this has some negative influence on comparability.</p>	
Guideline 4	Under 1.24 first line: „ <b>report</b> total assets“	
Guideline 5	<p>Under 1.25 middle of paragraph: „of a financial year <b>report</b> total assets in the...or the equivalent in the national currency, „ (sentence too long, needs comma)</p> <p>Under 1.25 second last line: „starting <b>from</b> the first...“</p> <p>Under 1.26: same observation as above for 1.25</p>	
Guideline 6	<p>Under 1.27 fourth line: „under the regular reporting <b>requirements of</b> Directive...“</p> <p>Under 1.29 a) and b) third line: „<b>as defined in</b> Article 2..“</p> <p>Under 1.29 c): „criteria laid down <b>in Article</b> 4...“</p> <p>Under 1.30 introductory paragraph: „insurance and reinsurance undertakings , groups and insurance third country branches eligible to be included under <b>Guideline 2...</b>“</p> <p>Under 1.30 e) second last line: „supervisory authority by <b>reference to</b> the list...“</p> <p>It should be clarified how the provisions here relate to the rules suggested in EIOPA-CP-14/044 on the proposal for GLs on methods for determining the market share.</p>	
Guideline 7	<p>Title: „Inclusion in the sample and first reporting instance following <b>the fulfillment of</b> the market share requirement.“</p> <p>Under 1.32 second last line: „country branches <b>in order to achieve...</b>“</p> <p>Under 1.33:“Insurance and reinsurance undertakings... which are required to report <b>on the basis of the</b> market share requirement <b>defined</b> in Guideline 2... and <b>have been</b> notified according to Guideline 9, should submit to the national supervisory authority the (<del>delete: „set out“</del>) quantitative information <b>set out</b> in Guideline 13... and insurance third country branches starting <b>from</b> the fourth quarter...“</p>	
Guideline 8	Under 1.34 fourth and last lines: „threshold <b>stated</b> in Guideline 2... the regular reporting	

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
	<p><b>requirements</b> of ....“ Under 1.35 first line and second last line: „on the basis of the list defined in <b>paragraph 1.34</b> ... will report <b>on the basis of</b> the market share...“</p>	
Guideline 9	Under 1.36 third line:“to report <b>on the basis of</b> the market share requirement <b>provided</b> in Guideline 2,...“	
Guideline 10	<p>Under 1.39 fourth and fifth lines: „ensure that the data reported reflect <b>the</b> best assessment of the current financial and operational condition of the entity and <b>are</b> based...“ Under 1.39 a): Why is there a reference to controls and audit? Does regular supervisory reporting have to be audited? Under 1.39 d): „relevant <b>national supervisory authority</b>“ Under 1.41 last line: „improve business processes to reduce <b>over time</b> recurring discrepancies...“ Under 1.41 last line: „regular supervisory reporting <b>on the basis of Directive 2009/138/EC.</b>“ We wonder if there is no need to explain the simplifications used under a best effort approach in qualitative terms anyway and not only on request of the NSA (see also GL 11)</p>	
Guideline 11	<p>Under 1.42 third and fourth lines: „regular supervisory reporting <b>on the basis of</b> ...However, the relevant <b>national</b> supervisory authority...“ We wonder if there is no need to explain the simplifications used under a best effort approach in qualitative terms anyway and not only on request of the NSA (see also GL 10).</p>	
Guideline 12	<p>Under 1.43 fourth line: „SCR information provides ...“ Under 1.44 first line: „As the market risk elements are expected to be the most volatile, ...“ Under 1.44 last line: „the overall SCR on <b>a</b> best effort basis.“ Under 1.45 second last line: „reflect <b>the</b> best assessment..“ Under 1.46 first and second lines: „the <b>national</b> supervisory authority may require a full recalculation of the <b>SCR</b> where there is...“ Under 1.47 fourth line and 1.48: „<b>national</b> supervisory authority“ Under 1.47 second last line: „<b>Guideline</b> may <b>constitute</b> ...“</p>	
Guideline 13	Under 1.49 introductory paragraph: „should submit annually to the national supervisory authority	

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
	<p><b>the following information:</b> „</p> <p>Under 1.49 a) and b): delete the words „detailing information“</p> <p>Under 1.49 c) third line: „ risk groups ...“</p> <p>Under 1.49 d) and e): What do the words „basic data“ and „shares data“ mean?</p>	
Guideline 14	Under 1.50 introductory paragraph: „ to the national supervisory authority the <b>following</b> information:“	
Guideline 15	<p>Under 1.51 introductory paragraph: „to the national supervisory authority the <b>following</b> information:“</p> <p>Under 1.51 a) and b): delete the words „detailing information“</p> <p>Under 1.51 d) fourth line: „principles used in <b>the</b> undertaking’s financial statements...“</p> <p>Under 1.51 e) 2: with maturities of...“</p> <p>Under 1.51 e) 3: „loans to the <b>members of the administrative...</b>“</p> <p>Under 1.51 f): The text is unclear and is repeated several times in the document. Should the reference be to: „investments held in collective investment undertakings“?</p> <p>Under 1.51 g) iii: „<b>The</b> information shall... during the reporting period and <b>that</b> were not closed...“</p> <p>Under 1.51 i) i: „<b>The</b> information shall include... contracts with maturity dates falling after the reporting reference date <b>represents</b> ...“</p> <p>Under 1.51 i) iii last two lines: „option fits the other <b>part</b>, then the contract needs to be unbundled <b>unless stated</b> ...“</p>	
Guideline 16	<p>Under 1.52 introductory paragraph: „the following information“ (delete the words „items as defined“ and „listed in the following paragraphs“</p> <p>Under 1.52 a) and b): delete the words „detailing the information“</p> <p>Under 1.52 c) third line: „risk <b>groups</b>“</p> <p>Under 1.52 d) and e): What do the words „basic data“ and shares data“ mean?</p>	
Guideline 17	Under 1.53 introductory paragraph: „the following information“. Delete the words „listed in the following paragraphs“	
Guideline 18	<p>Under 1.54 introductory paragraph: „the following information“. Delete the words „listed in the following paragraphs“</p> <p>Under 1.54 a) and b): delete the words „detailing the information“</p>	

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
	<p>Under 1.54 c: What is meant by „all collective investments undertakings held“?</p> <p>Under 1.54 e)i: „<b>The</b> information shall be reported... with maturity dates falling after the reference date <b>represents ...</b>“</p> <p>Given that individual undertakings do only have to report financial stability information if they are not part of a group being obliged to perform financial stability reporting we do not understand why the quarterly reporting required here is not identical to the group requirements in GL 15.</p>	
Guideline 19	The reporting periods suggested are quite short and should be aligned with the regular reporting deadlines as in the form suggested in this GL the practicability needs to be questioned (see general comment above).	
Guideline 20	Under 1.57: „ information referred <b>to</b> in...“	
Guideline 21		
Guideline 22	<p>Under 1.60 third line: „the size threshold <b>defined</b> in Guideline...“</p> <p>Under 1.61: The text is unclear. Does it mean the following: „to report in 2016 <b>when they reached only in 2016 the national market share referred to in...?</b>“</p>	
Guideline 23		
Annex 1: IA Section 1		
Annex 1: IA Section 2		
Annex 1: IA Section 3		
Annex 1: IA Section 4		
Annex 1: IA Section 5		

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
Annex 1: IA Section 6		
Annex 1: IA Section 7		
Technical Annex A - Content-S.01.01.c		
Technical Annex A - BI- S.01.02.c		
Technical Annex A - AS- D4-S.06.03.c		
Technical Annex A - AS- D3-S.09.01.c		
Technical Annex A - AS- D5-S.10.01.c		
Technical Annex A - S.25.04.c		
Technical Annex A - Re- J3-S.31.01.c		
Technical Annex A - P&L- S.39.01.c		
Technical Annex A - Lapses-S.41.01.c		
Technical Annex A - Content-S.01.01.d		
Technical Annex A - BI- S.01.02.d		
Technical Annex A - TP - F3-S.14.01.d		

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
Technical Annex A - Re- J2_basic-S.30.03.d		
Technical Annex A - Re- J2_shares-S.30.04.d		
Technical Annex A - Duration L-S_38.01.d		
Technical Annex A - PL sharing-S.40.01.d		
Technical Annex A - Content-S.01.01.h		
Technical Annex A - BI- S.01.02.h		
Technical Annex A - BS- S.02.01.h		
Technical Annex A - Cover-A1Q-S.05.01.h		
Technical Annex A - Assets-D1-S.06.02.h		
Technical Annex A - AS- D4-S.06.03.h		
Technical Annex A - AS- D20-S.08.01.h		
Technical Annex A - AS- D3-S.09.01.h		
Technical Annex A - AS- D5-S.10.01.h		
Technical Annex A - OF - B1Q-S.23.01.h		



<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
Technical Annex A - S.25.04.h		
Technical Annex A - Re-J3-S.31.01.h		
Technical Annex A - P&L-S.39.01.h		
Technical Annex A - Lapses-S.41.01.h		
Technical Annex A - Content-S.01.01.i		
Technical Annex A - BI-S.01.02.i		
Technical Annex A - TP - F3-S.14.01.i		
Technical Annex A - Re-J2_basic-S.30.03.i		
Technical Annex A - Re-J2_shares-S.30.04.i		
Technical Annex A - Duration L-S_38.01.i		
Technical Annex A - PL sharing-S.40.01.i		
Technical Annex B - S_01_01_h_i_LOG		
Technical Annex B - S_01_02_h_i_LOG		
Technical Annex B - S_14_01_d_i_LOG		

**Comments Template on EIOPA-CP-14-045  
Draft proposal for Guidelines  
on reporting for financial stability purposes**

**Deadline  
02.Mar.2015  
23:59 CET**

Technical Annex B - S_30_03_d_i_LOG		
Technical Annex B - S_30_04_d_i_LOG		
Technical Annex B - S_38_01_d_i_LOG		
Technical Annex B - S_40_01_d_i_LOG		
Technical Annex B - S_39_01_c_h_LOG		
Technical Annex B - S_06_03_c_h_LOG		
Technical Annex B - S_09_01_c_h_LOG		
Technical Annex B - S_10_01_c_h_LOG		
Technical Annex B - S_25_04_c_h_LOG		
Technical Annex B - S_31_01_c_h_LOG		
Technical Annex B - S_41_01_c_h_LOG		
Technical Annex B - S_02_01_h_LOG		
Technical Annex B - S_05_01_h_LOG		
Technical Annex B - S_06_02_h_LOG		

<b>Comments Template on EIOPA-CP-14-045 Draft proposal for Guidelines on reporting for financial stability purposes</b>		<b>Deadline 02.Mar.2015 23:59 CET</b>
Technical Annex B - S_08_01_h_LOG		
Technical Annex B - S_23_01_h_LOG		
Technical Annex B - S_01_01_c_d_LOG		
Technical Annex B - S_01_02_c_d_LOG		
Technical Annex C		