



EIOPA-BoS-15/109

30 June 2015

Final Report
on
public consultation No. 14/047 on
Guidelines on
reporting and public disclosure

Table of Contents

1. Executive summary	3
2. Feedback statement	5
3. Annexes	8
Annex I: Guidelines	9
Annex II: Impact Assessment	50
Annex III: Resolution of comments	54

1. Executive summary

Introduction

According to Article 16 of Regulation (EU) No 1094/2010 (hereinafter "EIOPA Regulation") EIOPA shall issue Guidelines addressed to competent authorities or financial institutions.

EIOPA shall, where appropriate, conduct open public consultations and analyse the potential costs and benefits. In addition, EIOPA shall request the opinion of the Insurance and Reinsurance Stakeholder Group (hereinafter "IRSG") referred to in Article 37 of the EIOPA Regulation.

According to Articles 35, 51, 53 to 55, paragraph 2 of Article 254 and 256 of Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (hereafter Solvency II Directive) and Articles 290 to 298, 305 to 311, 359 and 365 as well as to Annex XX of Commission Delegated Regulation (EU) No 2015/35 (hereafter Delegated Regulation 2015/35), EIOPA has developed Guidelines on reporting and public disclosure.

As a result of the above, on 2 December 2014 EIOPA launched a public consultation on the draft Guidelines on reporting and public disclosure. The Consultation Paper is also published on EIOPA's website¹.

These Guidelines are addressed to competent authorities to provide further details as to what supervisory authorities should expect from insurance and reinsurance undertakings, participating insurance and reinsurance undertakings, insurance holdings companies and mixed financial holding companies with regards to:

- a) the content of the Solvency and Financial Condition Report;
- b) the content of the Regular Supervisory Report;
- c) validations to be applied to the data submitted to the supervisory authorities using the quantitative reporting templates;
- d) reporting in the case of predefined events;
- e) undertaking's processes for public disclosure and supervisory reporting.

Content

This Final Report includes the feedback statement to the consultation paper (EIOPA-CP-14/047) and the full package of the public consultation, including:

Annex I: Guidelines

Annex II: Impact Assessment

Annex III: Resolution of comments

¹ [Consultation Paper](#)

Next steps

In accordance with Article 16 of the EIOPA Regulation, within 2 months of the issuance of these Guidelines, each competent authority shall confirm if it complies or intends to comply with these Guidelines. In the event that a competent authority does not comply or does not intend to comply, it shall inform EIOPA, stating the reasons for non-compliance.

EIOPA will publish the fact that a competent authority does not comply or does not intend to comply with these Guidelines. The reasons for non-compliance may also be decided on a case-by-case basis to be published by EIOPA. The competent authority will receive advanced notice of such publication.

EIOPA will, in its annual report, inform the European Parliament, the Council and the European Commission of the Guidelines issued, stating which competent authority has not complied with them, and outlining how EIOPA intends to ensure that concerned competent authorities follow its Guidelines in the future.

2. Feedback statement

Introduction

EIOPA would like to thank the IRSG and all the participants to the public consultation for their comments on the draft Guidelines. The responses received have provided important feedback to EIOPA in preparing a final version of these Guidelines. All of the comments made were given careful consideration by EIOPA. A summary of the main comments received and EIOPA's response to them can be found in the sections below. The full list of all the comments provided and EIOPA's responses to them is published on EIOPA's website.

General comments

2.1. Disclosure of information

- a) According to Stakeholders, the requirements for public disclosure, in the Solvency and Financial Condition Report, are generally perceived to be excessively detailed and far too extensive compared to the target group of the information.
- b) EIOPA believes that the information to be disclosed is a balanced proposal, in a context where disclosure of information is a key point of the Solvency II framework. However, efforts have been made through the paper to streamline requirements whenever possible. A specific consideration has been made in order to avoid redundancy with Delegated Regulation.

2.2. Approval by the Administrative, Management or Supervisory Body (AMSB) of the reporting templates

- a) In the view of some stakeholders, it should be sufficient for the AMSB to approve the qualitative reporting because there are also all quantitative main figures included. Furthermore, it should be sufficient to approve the detailed quantitative data by the department leads, not by the AMSB.
- b) EIOPA believes that the approval by the AMSB of the information reported to the National Competent Authorities is an important part of the process to be completed by undertakings. EIOPA would also like to raise the attention on the fact a proportionate approach has been taken regarding the approval of the quarterly quantitative reporting, as it can be approved by the person who effectively run the undertaking.

2.3. Principle of proportionality

- a) Stakeholders raised the fact the principle of proportionality should be better reflected in the Guidelines and provided some examples.
- b) EIOPA believes that materiality principle always applies according to Delegated Regulation and no specific reference was needed. However, for clarity and consistency as in fact in some cases the materiality was

addressed, EIOPA has added the word “material” where relevant in specific guidelines to properly reflect the materiality principle.

2.4. Validations

- a) Stakeholders identified a number of mistakes and inconsistencies in the validations identified in Annex I.
- b) EIOPA was aware of this and explicitly asked for comments on this area. EIOPA believes that validations to be complied with when submitting information to supervisors are crucial as they ensure data quality. However it also recognises that it is crucial to design and implement proper validations and avoid any mistakes in this area as this might endanger the ability of the supervisors systems to receive the correct information.
- c) For this reason and also reflecting lessons learned from previous processes, including the preparatory phase, EIOPA has decided to take the following approach towards validations:
 - i. Guideline 34 (old GL 44) will be amended and will refer to validations ‘as published by EIOPA’. The area of EIOPA webpage where the validations can be found will be identified in a footnote to the guideline;
 - ii. This will allow EIOPA to amend the validations if needed through a process fully aligned with changes at the level of the taxonomy and without re-publishing the Guidelines;
 - iii. In addition this will allow as well a step-by-step approach in implementing the validations. This means that the file published together with the Final Report will reflect only a subset of the validations publicly consulted;
 - iv. The remaining validations will continue to be revised and will be incorporated in the document within a timetable to be announced in a near future.

General nature of participants to the Public Consultation

EIOPA received comments from the IRSG and fifteen responses from other stakeholders to the public consultation. All non-confidential comments received have been published on EIOPA's website.

Respondents can be classified into four main categories: European trade, insurance, or actuarial associations; national insurance or actuarial associations; (re)insurance groups or undertakings; and other parties such as consultants and lawyers.

IRSG opinion

The particular comments from the IRSG on the Guidelines at hand can be consulted on EIOPA's website².

Comments on the Impact Assessment

EIOPA received a limited number of comments on the impact assessment. Stakeholders highlighted the costs for additional IT infrastructure, automation, human resources and capital, especially for smaller insurance companies deriving from reporting and disclosure requirements. They stated that will have a negative impact on the overall insurance market. EIOPA acknowledges the costs associated but highlight that the proposed guidelines build on other policy requiring industry to generate the SFCR and RSR and that therefore the impact of having guidelines was considered as not material. EIOPA believes it is important for supervisors to be clear since day 1 on the expectations. Guidelines clarify what supervisors expect to see in both reports, consistently with the content defined in the Commission Delegated Regulation. Clarifications after day 1, once all systems have been developed, would be more costly.

² [IRSG opinion](#)

3. Annexes

Annex I: Guidelines

Guidelines on reporting and public disclosure

1. Introduction

- 1.1. According to Article 16 of Regulation (EU) No 1094/2010 of the European Parliament and of the Council (hereafter EIOPA Regulation)³ EIOPA is issuing Guidelines addressed to national competent authorities on supervisory reporting and public disclosure.
- 1.2. These Guidelines relate to Articles 35, 51, 53, 54, 55, 254 (2) and 256 of Directive 2009/138/EC of the European Parliament and of the Council⁴ (hereinafter Solvency II Directive) and Articles 290 to 298, 305 to 311, 359 and 365 as well as to Annex XX of Commission Delegated Regulation (EU) 2015/35 (hereafter the Delegated Regulation)⁵ which set out the information that should be provided to the supervisory authorities in the regular supervisory report (RSR), in the quantitative supervisory reporting, pre-defined events, and the information that should be publicly disclosed in the solvency and financial condition report (SFCR).
- 1.3. The Guidelines provide further details as to what supervisory authorities should expect from insurance and reinsurance undertakings, participating insurance and reinsurance undertakings, insurance holdings companies and mixed financial holding companies with regards to:
 - a) the content of the SFCR as specified in Section I of Chapter XII of Title 1 of the Delegated Regulation;
 - b) the content of the RSR as specified in Section I of Chapter XII of Title 1 of the Delegated Regulation;
 - c) validations to be applied to the annual and quarterly quantitative templates, supplementing the information presented in the RSR, as defined in the Implementing Technical Standards on the templates for the submission of information to the supervisory authorities;
 - d) reporting in the case of predefined events as defined in Solvency II Directive;
 - e) undertaking's processes for public disclosure and supervisory reporting following requirements from Solvency II Directive.

³ Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (OJ L 331, 15.12.2010, p. 48).

⁴ Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1).

⁵ Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 12, 17.01.2015, p. 1).

- 1.4. The Guidelines on the content of the SFCR and the RSR are aimed at harmonising public disclosure and supervisory reporting, to the extent that further clarification of the Delegated Regulation is needed, by specifying the expected minimum content of selected sections of the reports.
- 1.5. Unless otherwise stated, the Guidelines addressing individual undertakings apply to individual insurance and reinsurance undertakings, to third country branches, to participating insurance and reinsurance undertakings, insurance holdings companies and mixed financial holding companies.
- 1.6. Where applicable, the Guidelines addressing both the SFCR and the RSR sections apply to branches established within the community and belonging to insurance or reinsurance undertakings with head offices situated outside the community (third country branches) when producing their RSR (as third country branches do not have to produce an SFCR, and the RSR for insurance and reinsurance undertakings is complementary to the SFCR).
- 1.7. In addition, the Guidelines concerning groups apply to participating insurance and reinsurance undertakings, insurance holdings companies and mixed financial holding companies when producing the group SFCR or the single SFCR and group RSR.
- 1.8. Unless otherwise stated, these Guidelines apply to all undertakings regardless of whether they are using the standard formula, an internal model or a partial internal model to calculate the Solvency Capital Requirement (SCR).
- 1.9. Guidelines on predefined events, which apply to both individual undertakings and to groups, are aimed at further specifying the requirements set out in Article 35 (2)(a) (ii) and 245(2) of Solvency II Directive.
- 1.10. The application of these Guidelines should consider the materiality principle as defined in articles 291 and 305 of the Delegated Regulation.
- 1.11. If not defined in these Guidelines, the terms have the meaning defined in the legal acts referred to in the introduction.
- 1.12. The Guidelines shall apply from 1 January 2016.

Section I -Solvency and Financial Condition Report

A. Business and Performance

Guideline 1 - Business

1.13. Under section "A.1 Business" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should describe at least the following information regarding their business:

- a) The name and location of the legal or the natural persons that are direct and indirect holders of qualifying holdings in the undertaking (including the immediate and ultimate parent entity or natural person), the proportion of ownership interest held and, if different, the proportion of voting rights held;
- b) A list of material related undertakings including the name, legal form, country, proportion of ownership interest held and, if different, proportion of voting rights held;
- c) A simplified group structure.

Guideline 2 – Performance of other activities

1.14. Under section "A.4. Performance of other activities" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should describe in general the leasing arrangements in relation to each material leasing arrangement, separately for financial and operating leases.

B. System of Governance

Guideline 3 - Governance Structure

1.15. Under section "B.1. General information on the system of governance" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should explain how the key functions have the necessary authority, resources and operational independence to carry out their tasks and how they report to and advise the administrative, management or supervisory body of the insurance or reinsurance undertaking (hereinafter "AMSB").

Guideline 4 - Risk management system for internal model users

1.16. Under section "B.3 Risk management system including the own risk and solvency assessment" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings using a partial or a full internal model to calculate the SCR, should describe at least the following information addressing the governance of the internal model:

- a) The responsible roles and specific committees if any, their main tasks, position and scope of responsibilities;

- b) How existing committees interact with the AMSB in order to meet the requirements of Article 116 of Solvency II Directive;
- c) Any material changes to the internal model governance during the reporting period;
- d) A description of the validation process (used to monitor the performance and on-going appropriateness of the internal model).

C. Risk Profile

Guideline 5 - Underwriting risk

1.17. Under section "C.1 Underwriting risk" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, regarding the use special purpose vehicles, describe if they were authorised under Article 211 of Solvency II Directive, identify the risks that are transferred to it and explain how the fully funded principle is assessed on an ongoing basis.

D. Valuation for Solvency Purposes

Guideline 6 – Assets – Information on aggregation by class

1.18. Under section "D.1 Assets" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when aggregating assets into material classes to describe the valuation basis that has been applied to them, consider the nature, function, risk and materiality of those assets.

1.19. Classes other than those used in the Solvency II balance sheet template as defined in the Implementing Technical Standard with regard to the procedures, formats and templates of the solvency and financial condition report should only be used if the undertaking is able to demonstrate to the supervisory authority that another presentation is clearer and more relevant.

Guideline 7 – Content by material classes of assets

1.20. Under section "D.1 Assets" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, in relation to each material class of asset, describe at least the following quantitative and qualitative information:

- a) The recognition and valuation basis applied, including methods and inputs used, as well as judgements made other than estimations which would materially affect the amounts recognised, in particular:
 - i. For material intangible assets: nature of the assets and information on the evidence and criteria used to conclude that an active market exists for those assets;

- ii. For material financial assets: information on the criteria used to assess whether markets are active and, if the markets are inactive, a description of the valuation model used;
 - iii. For financial and operating leasings: describe in general the leasing arrangements in relation to each material class of assets subject to leasing arrangement, separately for financial and operating leases;
 - iv. For material deferred tax assets: information on the origin of the recognition of deferred tax assets and the amount and expiry date, if applicable, of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the balance sheet;
 - v. For related undertakings: where related undertakings were not valued using quoted market prices in an active markets or using the adjusted equity method, provide an explanation why the use of these methods was not possible or practical.
- b) Any changes made to the recognition and valuation bases used or to estimations during the reporting period;
 - c) Assumptions and judgments including those about the future and other major sources of estimation uncertainty.

Guideline 8 – Valuation of technical provisions

1.21. Under section “D.2 Technical provisions” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should describe the significant simplified methods used to calculate technical provisions, including those used for calculating the risk margin.

Guideline 9 – Liabilities other than technical provisions – information on aggregation by class

1.22. Under section “D.3 Other liabilities” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when aggregating liabilities other than technical provisions into material classes to describe the valuation basis that has been applied to them consider the nature, function, risk and materiality of those liabilities.

1.23. Classes other than those used in the Solvency II balance sheet template as defined in the Technical Standard on the templates for the submission of information to the supervisory authorities should only be used if the undertaking is able to demonstrate to the supervisory authority that another presentation is clearer and more relevant.

Guideline 10 – Content by material classes of liabilities other than technical provisions

1.24. Under section “D.3 Other liabilities” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, in

relation to each material class of liability other than technical provisions, describe at least the following quantitative and qualitative information:

- a) Recognition and valuation basis applied, including methods and inputs used, in particular:
 - i. describe in general the material liabilities arising as a result of leasing arrangements, separately disclosing information on financial and operating leases;
 - ii. the origin of the recognition of deferred tax liabilities and the amount and expiry date if applicable, of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax liability is recognised in the balance sheet;
 - iii. the nature of the obligation and, if known, expected timing of any outflows of economic benefits and an indication of uncertainties surrounding the amount or timing of the outflows of economic benefits and how deviation risk was taken into account in the valuation;
 - iv. The nature of the liabilities for employee benefits and a breakdown of the amounts by nature of the liability and the nature of the defined benefit plan assets, the amount of each class of assets, the percentage of each class of assets with respect to the total defined benefit plan assets, including reimbursement rights.
- b) Any changes made to the recognition and valuation bases used or on estimations during the reporting period;
- c) Assumptions and judgments including those about the future and other major sources of estimation uncertainty.

E. Capital Management

Guideline 11 - Own funds – Additional solvency ratios

1.25. Under section “E.1 Own funds” of the SFCR as defined in Annex XX of the Delegated Regulation, where undertakings disclose additional ratios to the ones included in template S.23.01, the SFCR should also include an explanation on the calculation and meaning of the additional ratios.

Guideline 12 - Own funds – Information on the structure, amount, quality and eligibility of own funds

1.26. Under section “E.1 Own funds” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, regarding their own funds, describe at least the following information:

- a) for each material own fund item set out in Article 69, Article 72, Article 74, Article 76 and Article 78, as well as for items that received supervisory approval as per Article 79 of the Delegated Regulation the information

- required in Article 297 (1) of the Delegated Regulation, distinguishing between basic and ancillary own fund items;
- b) for each material own fund item, the extent to which it is available, subordinated, as well as its duration and any other features that are relevant for assessing its quality;
 - c) an analysis of significant changes in own funds during the reporting period, including the value of own fund items issued during the year, the value of instruments redeemed during the year, and the extent to which the issuance has been used to fund redemption;
 - d) in relation to subordinated debt, an explanation of the changes to its/ their value;
 - e) when disclosing the information required in Article 297 (1) (c) of the Delegated Regulation, an explanation of any restrictions to available own funds and the impact of limits on eligible Tier 2 capital, Tier 3 capital and restricted Tier 1 capital;
 - f) details of the principal loss absorbency mechanism used to comply with Article 71 (1)(e) of the Delegated Regulation , including the trigger point, and its effects;
 - g) an explanation of the key elements of the reconciliation reserve;
 - h) for each basic own fund item subject to the transitional arrangements:
 - i. the tier into which each basic own fund item has been classified and why;
 - ii. the date of the next call and the regularity of any subsequent call dates, or the fact that no call dates fall until after the end of the transitional period.
 - i) when disclosing the information required in Article 297(1)(g) of the Delegated Regulation, information on the type of arrangement and the nature of the basic own funds item which each ancillary own fund item would become on being called up or satisfied, including the tier, as well as when the item was approved by the supervisory authority and, where a method was approved, for how long;
 - j) where a method has been used to determine the amount of a material ancillary own fund item, undertakings should describe:
 - i. how the valuation provided by the method has varied over time;
 - ii. which inputs to the methodology have been the principal drivers for this movement;
 - iii. the extent to which the amount calculated is affected by past experience, including the outcome of past calls.
 - k) Regarding items deducted from own funds:

- i. the total excess of assets over liabilities within ring-fenced funds and matching adjustment portfolios, identifying the amount for which an adjustment is made in determining available own funds;
- ii. the extent of and reasons for significant restrictions on, deductions from or encumbrances of own funds.

Guideline 13 - Differences between the standard formula and internal models used

1.27. Under section "E.4 Differences between the standard formula and any internal model used" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when disclosing the main differences in methodologies and underlying assumptions used in the standard formula and in the internal model, describe at least the following:

- a) Structure of the internal model;
- b) Aggregation methodologies and diversification effects;
- c) Risks not covered by the standard formula but covered by the internal model.

Group SFCR

A. Business and Performance

Guideline 14: Information on the scope of the group

1.28. Under section "A.1 Business" of the group SFCR as defined in Annex XX of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should explain the material differences between the scope of the group used for the consolidated financial statements and the scope for the consolidated data determined in accordance with Article 335 of the Delegated Regulation.

E. Capital Management

Guideline 15 - Information on own funds - groups

1.29. Under section "E.1 Own funds" of the group SFCR as defined in Annex XX of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should, regarding the group's own funds, describe at least the following information:

- a) The own funds items that have been issued by an undertaking of the group other than the participating insurance and reinsurance undertaking, insurance holding company or mixed financial holding company;
- b) Where material own funds are issued by an equivalent third country insurance or reinsurance undertaking included via the Deduction and Aggregation method, if the Member State allows the use of local rules, the

local tiering of those own funds items, including information on the tiering structure, criteria and limits;

- c) Where material own funds items are issued by an undertaking that is not an insurance or reinsurance undertaking and is subject to tiering requirements other than the Solvency II requirements, the source and nature of those tiering requirements, as well as the level of the own funds in each tier;
- d) How group own funds have been calculated net of any intra-group transactions, including intra-group transactions with entities of other financial sectors;
- e) The nature of the restrictions to the transferability and fungibility of own funds items in the related undertakings, if any.

Section II – Regular Supervisory Reporting

A. Business and Performance

Guideline 16 - Business

1.30. Under section “A.1 Business” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when providing information regarding their business, include information on:

- a) the number of full time equivalent employees;
- b) a list of all related undertakings and branches.

Guideline 17 - Underwriting performance

1.31. Under section “A.2 Underwriting performance” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when providing information on risk mitigation techniques related to underwriting activities, include a description of:

- a) the impact of the risk mitigation techniques on underwriting performance;
- b) the effectiveness of the risk mitigation techniques.

B. System of Governance

Guideline 18 - Governance structure

1.32. Under section “B.1 General information on the system of governance” of the RSR as defined in Annex XX of Delegated Regulation, insurance and reinsurance undertakings should explain:

- a) the internal organisational structure, including a detailed organisational structure chart and positions of key function holders;
- b) how the undertaking’s remuneration policy and practices are consistent with and promote sound and effective risk management and do not encourage excessive risk taking.

Guideline 19 - Risk management system

1.33. Under section "B.3 Risk management system including the own risk and solvency assessment" of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should:

- a) explain how the strategies, objectives, processes and reporting procedures of the undertaking's risk management for each separate category of risk are documented, monitored and enforced;
- b) in the cases where it has in place an outsourcing agreement that led to the limitation (no reporting) of the external rating and nominated ECAI in the quantitative reporting templates explain the procedures implemented by the undertaking to oversight and safeguard the compliance of the requirements in the referred area and how it is guaranteed that all relevant information underlying the investment portfolio is taken into account in the risk management;
- c) describe the nature and appropriateness of the key data used in internal models and at least describe the process in place for checking data quality.

C. Risk Profile

Guideline 20 – Other material risks

1.34. Under section "C.6 Other material risks" of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should:

- a) explain how it is ensured that the use of derivatives contribute to the reduction of risks or facilitate efficient portfolio management;
- b) include details of any material allowance for reinsurance and financial mitigation techniques and material future management actions used in the SCR calculation and how these have met the criteria for recognition;
- c) where the undertaking selected 'Other' in item "C0140 - Type of underwriting model" in template S.30.03 as defined in Technical Standard with regard to the templates for the submission of information to the supervisory authorities, provide an explanation of the underwriting model applied;
- d) where belonging to a group, provide qualitative and quantitative information regarding significant transactions within the group including information on:
 - i. the amount of the transactions;
 - ii. the amount of outstanding balances, if any;
 - iii. relevant terms and conditions of the transactions.

D. Valuation for Solvency Purposes

Guideline 21 – Valuation of other assets

- 1.35. Under section “D.1 Assets” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should explain in particular:
- a) when material deferred tax assets are recognised, how they assess the probability of future taxable profits, where applicable, and identify the amount and expected time horizons for reversal of temporary differences;
 - b) where they were not able to provide a maximum value on any unlimited guarantees (in or off balance-sheet) they reported in the quantitative reporting templates S.03.03 as defined in the Implementing Technical Standard on the templates for the submission of information to the supervisory authorities.

Guideline 22 - Technical provisions

- 1.36. Under section “D.2 Technical provisions” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings, excluding participating insurance and reinsurance undertakings, insurance holdings companies and mixed financial holding companies, should provide information on technical provisions including:
- a) Details of the relevant actuarial methodologies and assumptions used in the calculation of the technical provisions including details of any simplifications used (including in calculating the future premiums and risk margin and its allocation to the single lines of business) and including a justification that the method chosen is proportionate to the nature, scale and complexity of the undertaking’s risks including the reasons for any material changes in the use of those methods;
 - b) An explanation of the contract boundaries applied to each different business in the valuation of technical provisions, and details of any contracts that include significant renewals within existing business;
 - c) Details of the key options and guarantees within the calculation of the technical provisions and the significance of each and how they are evolving;
 - d) An overview of any material changes in the level of technical provisions since the last reporting period, including reasons for material changes, especially the rationale of material changes in assumptions;
 - e) Material changes in lapse rates;
 - f) Details of the homogeneous risk groups used to calculate the technical provisions;
 - g) Any recommendations on the implementation of improvements in the internal procedures in relation to data that are considered relevant;

- h) Information about any significant data deficiencies and adjustments;
- i) A description of the technical provisions that have been calculated as a whole;
- j) A description of where unbundling has been used for material contracts;
- k) Details of the Economic Scenario Generator, including an explanation of how consistency to the risk free rate has been achieved and which volatility assumptions have been chosen;
- l) Description of the assessments referred to in points (a), (b) and (c) of the first subparagraph of article 44 of Solvency II Directive. Where the reduction of the matching adjustment or the volatility adjustment to zero would result in non-compliance with the SCR, an analysis of the measures it could apply in such a situation to re-establish the level of eligible own funds covering the SCR or to reduce its risk profile to restore compliance with the SCR;
- m) Details of the approach used to calculate material reinsurance recoverables.

Guideline 23 – Off-balance sheet items

- 1.37. Under section “D.1. Assets” or “D.3 Other liabilities” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should include a description of any other material off-balance assets or liabilities not reported in template S.03.01 as defined in the Implementing Technical Standard on the templates for the submission of information to the supervisory authorities.

E. Capital Management

Guideline 24 – Distributions to shareholders

- 1.38. Under section “E.1 Own Funds” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should provide details on the amount of distributions made to shareholders.

Guideline 25 – Simplified calculation in the standard formula

- 1.39. Under section “E.2 Solvency Capital Requirement and Minimum Capital Requirement” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, if material, explain how the use of a simplified calculation in the SCR standard formula is justified by the nature, scale and complexity of the risks faced by the undertaking.

Group RSR

B. System of Governance

Guideline 26 – Preparation of consolidated data

1.40. Under section “B.1 General information on the system of governance” of the group RSR as defined in Annex XX of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should provide at least information on:

- a) how the group’s consolidated, aggregated or combined data (depending on the method used) has been prepared as well as the processes in place to prepare it;
- b) information on the bases, methods and assumptions used at group level for the valuation for solvency purposes of the group’s assets and liabilities other than technical provisions in particular with regard to the valuation of the contributions to group data from third country undertakings and non-regulated undertakings.

C. Risk Profile

Guideline 27 - Any other material information on business

1.41. Under section “C.6 Other material risks ” of the group RSR as defined in Annex XX of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should provide information on the terms and conditions of the significant intra-group transactions including information on:

- a) Commercial rationale for the operation or transaction;
- b) Risks borne by, and rewards available to, each party to the operation or transaction;
- c) Any particular aspects of the operation or transaction that are (or may become) disadvantageous to either party;
- d) Any conflicts of interest that may have arisen in negotiating and executing the operation or transaction, and any potential conflicts of interest that may arise in the future;
- e) If the transaction is linked to other operations or transactions in terms of timing, function and planning, the individual effect of each operation or transaction and the overall net impact of the linked operations and transactions on each party to the operation or transaction and on the group should be reported;
- f) Extent to which the operation or transaction is depending on a winding-up and circumstances in which the operation or transaction can be executed.

Guideline 28 - Risk profile

- 1.42. Under section "C.6 Other material risks" of the group RSR as defined in Annex XX of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should provide qualitative and quantitative information on any significant risk concentration at the level of the group, including:
- a) A description of the risk(s);
 - b) Probability of risks materialising;
 - c) Mitigation actions including an assessment of a worst case scenario in case of default of the exposure;
 - d) Analysis and quantification of the risk concentrations along legal entity lines;
 - e) Consistency with the group's business model, risk appetite and strategy, including compliance with the limits set by the internal control system and risk management processes of the group;
 - f) Whether losses arising from risk concentrations affect the overall profitability of the group or its short-term liquidity;
 - g) Relationship, correlation and interaction between risk factors across the group and any potential spill over effects from risk concentrations in a particular area;
 - h) Quantitative information about the risk concentration and the effect on the undertaking and the group and the effect of reinsurance contracts;
 - i) Whether the item concerned is an asset, a liability or an off-balance sheet item.

D. Valuation for Solvency Purposes

Guideline 29 - Technical provisions

- 1.43. Under section "D.2 Technical provisions" of the RSR as defined in Annex XX of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should provide information on group technical provisions including:
- a) Information on any material adjustments done to the individual technical provision, e.g. elimination of intragroup transactions, for the calculation of the group technical provisions;
 - b) where the group applies the Long term guarantees measures or Transitional measures, the information on how the adjustments at group level affect the measures used at individual level;
 - c) information on bases, methods and assumptions used for the calculation of the contribution of technical provisions from third country insurance and

reinsurance undertakings, either if Solvency II rules are used or other rules from equivalent regime where allowed.

Section III - Supervisory reporting following pre-defined events

Guideline 30 - Identification and trigger for reporting of pre-defined events

1.44. Insurance and reinsurance undertakings should immediately notify in writing the supervisory authority about the occurrence of any events which could reasonably lead or have already led to material changes in an undertaking's or a group's business and performance, system of governance, risk profile, and solvency and financial position (hereinafter "pre-defined event"). In case of doubt, insurance and reinsurance undertakings should consult the supervisory authorities whether a given event would classify as a pre-defined event.

Section IV - Public Disclosure and Supervisory Reporting Processes

Guideline 31 - Public disclosure policy

1.45. Insurance and reinsurance undertakings should have a public disclosure policy that complies with Guideline 7 of the Guidelines on System of Governance, and which additionally includes the following:

- a) identification of the persons/functions responsible for preparing and reviewing the information publicly disclosed;
- b) the processes for completion of the disclosure requirements;
- c) the processes for review and approval by the AMSB of the SFCR;
- d) identification of the information already available in the public domain that the insurance or reinsurance undertaking believes is equivalent in nature and scope to the information requirements in the SFCR;
- e) specific information that the insurance or reinsurance undertaking intends not to disclose under the circumstances set out in Article 53(1) of Solvency II Directive;
- f) additional information that the undertaking has decided to voluntarily disclose under Article 54 (2) of Solvency II Directive.

Guideline 32 - SFCR - Non-disclosure of information

1.46. Insurance and reinsurance undertakings should not enter into a contractual obligation binding them to secrecy or confidentiality of information that is required to be disclosed under the SFCR.

Guideline 33 – Format of quantitative reporting templates

1.47. Insurance and reinsurance undertakings should consider the data point model as published by EIOPA⁶ when reporting information included in the quantitative reporting templates.

Guideline 34 – Validations

1.48. Insurance and reinsurance undertakings should ensure that the data submitted in the quantitative reporting templates comply with the validations rules published by EIOPA⁷.

Guideline 35 - RSR – References to other documents

1.49. When insurance and reinsurance undertakings refer in the RSR to other documents that are subject to reporting to their supervisory authorities, these should lead directly to the information itself and not to a general document.

1.50. Insurance and reinsurance undertakings should not use in the RSR references to other documents that are not subject to reporting to their supervisory authorities.

Guideline 36 – Supervisory reporting policy

1.51. Insurance and reinsurance undertakings should ensure that the supervisory reporting policy complies with Guideline 7 of the Guidelines on System of Governance and additionally includes the following:

- a) identification of persons/functions responsible for drafting and reviewing any reporting to the supervisory authorities;
- b) set out processes and timelines for completion of the various reporting requirements, review and approval;
- c) explanation of processes and controls for ensuring the reliability, completeness and consistency of the data provided.

Guideline 37 – Approval of information submitted to the supervisory authorities

1.52. Insurance and reinsurance undertakings should ensure that the transitional information, the RSR and the annual quantitative reporting templates have been approved by the AMSB before submitting them to the supervisory authority concerned.

1.53. Insurance and reinsurance undertakings should ensure that the quarterly quantitative templates has been approved either by the AMSB or by persons who effectively run the insurance or reinsurance undertaking before submitting them to the supervisory authority concerned.

^{6 7} <https://eiopa.europa.eu/regulation-supervision/insurance/reporting-format>

Guideline 38– First submission of RSR

- 1.54. Insurance and reinsurance undertakings should submit the regular supervisory report for the first time in relation to their financial year ending on or after 30 June 2016 but before 1 January 2017.

Guideline 39– Transitional information

- 1.55. Insurance and reinsurance undertakings should submit a qualitative explanation of the main differences between the figures reported in the opening valuation using Solvency II valuation and those calculated according to the solvency regime previously in place as referred to in article 314 of the Delegated Regulation in an electronically readable format.
- 1.56. This narrative information should follow the structure of the main classes of assets and liabilities as defined for the Solvency II balance-sheet as specified in the Technical Standard on the templates for the submission of information to the supervisory authorities.

Compliance and Reporting Rules

- 1.57. This document contains Guidelines issued under Article 16 of the EIOPA Regulation. In accordance with Article 16(3) of the EIOPA Regulation, Competent Authorities and financial institutions shall make every effort to comply with guidelines and recommendations.
- 1.58. Competent authorities that comply or intend to comply with these Guidelines should incorporate them into their regulatory or supervisory framework in an appropriate manner.
- 1.59. Competent authorities shall confirm to EIOPA whether they comply or intend to comply with these Guidelines, with reasons for non-compliance, within two months after the issuance of the translated versions.
- 1.60. In the absence of a response by this deadline, competent authorities will be considered as non-compliant to the reporting and reported as such.

Final Provision on Reviews

- 1.61. The present Guidelines shall be subject to a review by EIOPA.

2. Explanatory text

Section I -Solvency and Financial Condition Report

A. Business and performance

Guideline 1 – Business

1.13. Under section “A.1 Business” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should describe at least the following information regarding their business:

- a) The name and location of the legal or the natural persons that are direct and indirect holders of qualifying holdings in the undertaking (including the immediate and ultimate parent entity or natural person), the proportion of ownership interest held and, if different, the proportion of voting rights held;
- b) A list of material related undertakings including the name, legal form, country, proportion of ownership interest held and, if different, proportion of voting rights held;
- c) A simplified group structure.

- 2.1. Where undertakings form part of a financial conglomerate, information on the name and contact details of the supervisory authority responsible for financial supervision of the undertaking and, where applicable, the name and contact details of the supervisor of the group to which the undertaking belongs, refers to the identification of the group supervisor (at insurance group level) and to the coordinator appointed from amongst the competent authorities involved in the supervision of the financial conglomerate.
- 2.2. The simplified structure chart explains the ownership and legal links between the undertaking, its parent and ultimate parent entity and its material related undertakings and significant investments in joint controlled entities and associates.
- 2.3. Information on any significant business or other events that have occurred over the reporting period that have had a material impact on the undertaking includes information on new lines of business, business combinations, portfolio transfers, changes in ownership interest, loss of control over subsidiaries, significant restrictions over subsidiaries (e.g. ability to transfer funds) and other events which may have a material impact on the undertaking in terms of risks or management.

Underwriting performance

- 2.4. When referring to section A.2 of the SFCR undertakings are expected to always refer to Solvency II lines of business, in line with the content of template S.05.01.as defined in ITS on the templates for the submission of information to the supervisory authorities.

Guideline 2 – Performance of other activities

Under section “A.4. Performance of other activities” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should describe in general the leasing arrangements in relation to each material leasing arrangement, separately for financial and operating leases.

- 2.5. The information on lease assets is separately disclosed under the subheadings of lessors and lessees. The descriptions of leasing arrangements are split between financial and operating leases (e.g. it should be written if agreement includes transfer of ownership of the asset).
- 2.6. It is important that undertakings disclose a description of material leasing arrangement regardless of presentation in balance sheet.
- 2.7. In case of operating leases, only lessor (owner) recognises assets in the balance sheet. Lessee (user) presents only off-balance sheet asset. Lease obligations are not recognised in balance sheet. In addition, lessors and lessees recognise lease income or expense respectively. This latter information is especially to be reported in this part of the Solvency and Financial Condition Report.
- 2.8. In case of financial leases, both assets and liabilities in the balance sheet are recognised by lessee. Lessor derecognises the tangible asset and recognises a receivable equal to the net investment of the lease. In addition, Lessors and lessees recognise a finance income or a charge allocation respectively. This latter information is especially to be reported in this part of the Solvency and Financial Condition Report.
- 2.9. In description of leasing arrangements undertakings outline the terms under which lessee (user) agrees to lease assets from lessor (owner), in particular amount of payments from the lessee, the starting date and duration of the arrangements, possible provisions for a security deposit and terms for its return, possible renewals, the class of the asset.

B. System of Governance

Guideline 3 – Governance Structure

1.15. Under section “B.1. General information on the system of governance” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should explain how the key functions have the necessary authority, resources and operational independence to carry out their tasks and how they report to and advise the administrative, management or supervisory body of the insurance or reinsurance undertaking (hereinafter “AMSB”).

- 2.10. By including the general information on how the four key functions are implemented and integrated into the organisational structure and decision-making processes of the undertaking, the undertaking also explicitly

discloses information that allows understanding of the status and resources of the four key functions within the undertaking.

Guideline 4 - Risk management system for internal model users

Under section “B.3 Risk management system including the own risk and solvency assessment” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings using a partial or a full internal model to calculate the SCR, should describe at least the following information addressing the governance of the internal model:

- a) The responsible roles and specific committees if any, their main tasks, position and scope of responsibilities;
- b) How existing committees interact with the AMSB in order to meet the requirements of Article 116 of Solvency II Directive;
- c) Any material changes to the internal model governance during the reporting period;
- d) A description of the validation process (used to monitor the performance and on-going appropriateness of the internal model).

- 2.11. Without a description of the internal model governance a knowledgeable person will not achieve a reasonably good understanding of the design, the use and the reliability of the internal model. Whereas there is no specific requirement for undertakings to have committees in the governance of their internal model, EIOPA expects that this may be the case for many undertakings intending to use an internal model to calculate the SCR.
- 2.12. Processes for accepting changes to the internal model are a key feature of the internal model governance which ensures that internal models continuously reflect the risk profile of undertakings, incorporate better risk management practices and comply with the internal model requirements.
- 2.13. Validation system is by definition a set of tools that increase the confidence in internal models and the primary source to test their robustness, stability and to identify potential weaknesses or circumstances where internal models may not perform effectively. A rigorous, independent set of validation tools will increase stakeholders confidence in the reliability of the internal model; public disclosure of all validation tools will increase validation standards across the market.

D. Valuation for Solvency Purposes

Guideline 6 – Assets – Information on aggregation by class

Under section “D.1 Assets” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when aggregating assets into material classes to describe the valuation basis that has been applied to them, consider the nature, function, risk and materiality of those assets.

Classes other than those used in the Solvency II balance sheet template as defined in the Implementing Technical Standard with regard to the procedures, formats and templates of the solvency and financial condition report should only be used if the undertaking is able to demonstrate to the supervisory authority that another presentation is clearer and more relevant.

- 2.14. Using the classes contained on the Solvency II balance sheet template has the advantage of ensuring consistency between the narrative and quantitative information disclosed, improving transparency and comparability between the methods used and the amounts.
- 2.15. If undertakings use a different asset aggregation they need to explain the rationale and ensure that the information is understandable and reconcilable.

Guideline 7 – Content by material classes of assets

Under section “D.1 Assets” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, in relation to each material class of asset, describe at least the following quantitative and qualitative information:

- a) The recognition and valuation basis applied, including methods and inputs used, as well as judgements made other than estimations which would materially affect the amounts recognised, in particular:
 - i. For material intangible assets: nature of the assets and information on the evidence and criteria used to conclude that an active market exists for those assets;
 - ii. For material financial assets: information on the criteria used to assess whether markets are active and, if the markets are inactive, a description of the valuation model used;
 - iii. For financial and operating leaseings: describe in general the leasing arrangements in relation to each material class of assets subject to leasing arrangement, separately for financial and operating leases;
 - iv. For material deferred tax assets: information on the origin of the recognition of deferred tax assets and the amount and expiry date, if applicable, of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax asset is recognised in the balance sheet;
 - v. For related undertakings: where related undertakings were not valued using quoted market prices in an active markets or using the adjusted equity method, provide an explanation why the use of these methods was not possible

or practical.

- b) Any changes made to the recognition and valuation bases used or to estimations during the reporting period;
- c) Assumptions and judgments including those about the future and other major sources of estimation uncertainty.

- 2.16. Undertakings have to disclose the methodology used to estimate the effects of uncertain future events on assets (e.g. risk adjustment to cash-flows or discount rates) in the Solvency II balance sheet.
- 2.17. Where the recognition and/or valuation basis of assets in the Solvency II balance sheet has changed during the period, undertakings describe the nature and reasons for these changes, the amount of the adjustment for the current and prior period, and how these changes affect the asset valuation.

Property

- 2.18. In cases where the IFRS revaluation model is used as a good representation of the economic value, undertakings must clearly disclose that.
- 2.19. Information about methods and significant assumptions applied in determining the economic value states whether the valuation is supported by market evidence or if it is more heavily based on other facts. If the latter is the case, these facts are described including the rationale.

Inventories

- 2.20. When undertakings included the net realisable value in the Solvency II balance sheet because they consider that the differences between the net realisable value (calculated in accordance with IAS 2) and the fair value is immaterial, this must be clearly identified.

Intangible assets

- 2.21. Intangibles and goodwill valued at zero do not need to be described unless the undertaking or supervisory authority considers it necessary to achieve a faithful representation of the effect of the relevant transactions or other events.

Financial assets

- 2.22. Undertakings disclose information about methods and assumptions applied in determining the economic value including a clear identification of which assets were valued according to the following approaches:
- a) quoted prices in active markets for identical assets;
 - b) quoted prices in active markets for similar assets;
 - c) inputs other than quoted prices in active markets for identical or similar assets, that are observable for the asset directly (i.e. as prices) or indirectly (i.e. derived from prices);

d) inputs not based on observable market data.

- 2.23. Where inputs used are not based on observable market data, undertakings need to provide a narrative description of the sensitivity of the value to changes in unobservable inputs if a change might result in a significantly higher or lower value, and a narrative description of the possible interrelationships between those inputs and other unobservable inputs and of how they might magnify or mitigate the effect of changes in unobservable inputs using a fair value measurement approach.
- 2.24. Disclosure of the impact of significant changes in valuation inputs includes a sensitivity analysis showing how those changes affect the asset valuation and basic own funds.

Leasing

- 2.25. The information on lease assets is separately disclosed under the subheadings of lessors and lessees.
- 2.26. It is important that undertakings disclose a description of material leasing arrangement regardless of presentation in balance sheet. The descriptions of leasing arrangements are split between financial and operating leases (e.g. it should be written if agreement includes transfer of ownership of the asset).
- 2.27. In case of operating leases, only lessor (owner) recognises assets in the balance sheet. Lessee (user) presents only off-balance sheet asset. Lease obligations are not recognised in balance sheet. This latter information is especially to be reported in this part of the Solvency and Financial Condition Report. In addition, lessors and lessees recognise lease income or expense respectively.
- 2.28. In case of financial leases, both assets and liabilities in the balance sheet are recognised by lessee. Lessor derecognises the tangible asset and recognises a receivable equal to the net investment of the lease. This latter information is especially to be reported in this part of the Solvency and Financial Condition Report. In addition, Lessors and lessees recognise a finance income or a charge allocation respectively.
- 2.29. In description of leasing arrangements undertakings outline the terms under which lessee (user) agrees to lease assets from lessor (owner), in particular amount of payments from the lessee, the starting date and duration of the arrangements, possible provisions for a security deposit and terms for its return, possible renewals, the class of the asset.
- 2.30. Undertakings may disclose the information on lease assets and liabilities together if they wish.

Deferred tax assets

- 2.31. Undertakings disclose information regarding deferred tax assets including the following:
- a) The nature of the evidence supporting the recognition of deferred tax assets;
 - b) Whether utilisation of deferred tax assets depends on projected future taxable profits considered in the light of the normal planning cycle of the undertaking in excess of those profits arising from the reversal of existing taxable temporary differences and if it is so it should be disclosed also what management considers to be the length of such a cycle;
 - c) Actual tax losses suffered by the undertaking in either the current or preceding period in the tax jurisdiction to which the deferred taxes assets relate.
- 2.32. Where applicable tax rates have changed since the previous period, undertakings explain the changes and their effect on the deferred taxes.
- 2.33. The information provided covers in particular closing procedures for providing Solvency II figures.

Related undertakings

- 2.34. Undertakings are expected to obtain the information necessary to apply the adjusted equity method to related undertakings. Therefore, if neither market price nor adjusted equity method have been used in the valuation of any related undertaking, then the undertaking have to explain why not (if it has not already been covered in the SFCR).

Guideline 9 – Liabilities other than technical provisions – information on aggregation by class

Under section “D.3 Other liabilities” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when aggregating liabilities other than technical provisions into material classes to describe the valuation basis that has been applied to them consider the nature, function, risk and materiality of those liabilities.

Classes other than those used in the Solvency II balance sheet template as defined in the Technical Standard on the templates for the submission of information to the supervisory authorities should only be used if the undertaking is able to demonstrate to the supervisory authority that another presentation is clearer and more relevant.

The Explanatory text of Guideline 6 is applicable to the aggregation of liabilities into classes.

Guideline 10 – Content by material classes of liabilities other than technical provisions

Under section “D.3 Other liabilities” of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, in relation to each material class of liability other than technical provisions, describe at least the following quantitative and qualitative information:

- a) Recognition and valuation basis applied, including methods and inputs used, in particular:
 - i. describe in general the material liabilities arising as a result of leasing arrangements, separately disclosing information on financial and operating leases;
 - ii. the origin of the recognition of deferred tax liabilities and the amount and expiry date if applicable, of deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax liability is recognised in the balance sheet;
 - iii. the nature of the obligation and, if known, expected timing of any outflows of economic benefits and an indication of uncertainties surrounding the amount or timing of the outflows of economic benefits and how deviation risk was taken into account in the valuation;
 - iv. The nature of the liabilities for employee benefits and a breakdown of the amounts by nature of the liability and the nature of the defined benefit plan assets, the amount of each class of assets, the percentage of each class of assets with respect to the total defined benefit plan assets, including reimbursement rights.
- b) Any changes made to the recognition and valuation bases used or on estimations during the reporting period;
- c) Assumptions and judgments including those about the future and other major sources of estimation uncertainty.

Financial liabilities

- 2.35. When explaining the differences between the values on the Solvency II balance sheet and the financial statements, undertakings outline, where applicable, the impact of (changes in) its own credit risk.
- 2.36. Undertakings explain how they determine the spread of credit when financial liabilities were originated and the risk free rate used for valuation purposes.

Lease liabilities

- 2.37. The information on lease liabilities is separately disclosed under the subheadings of lessors and lessees.
- 2.38. Undertakings explain how the valuation in accordance with IFRS has been adjusted to reflect market consistent rates of interest and the need to take into account changes in their credit standing.

- 2.39. Undertakings may disclose the information on lease assets and liabilities together if they wish. In particular, undertakings should provide some description of the liability held by the lessee in case of a financial lease.

Contingent liabilities

- 2.40. Undertakings should provide a qualitative description of the nature and uncertainties of the item(s).
- 2.41. Undertakings disclose cases where market values of liabilities have not been adjusted for changes in an entity's own credit risk and explain the reason for this.
- 2.42. Undertakings also disclose information about interest rate used, risk adjustment (including risk premium) and other major assumptions made concerning future events.

Employee benefits

- 2.43. Undertakings clearly identify which obligations have the nature of short-term obligations, post-employment benefits (distinguishing defined contribution plans and defined benefit plans), other long-term employee benefits and termination benefits following either IAS 19 definitions or local GAAP definitions.
- 2.44. When explaining the differences between the financial statements and the Solvency II balance sheet, undertakings explain differences resulting from the prohibition under Solvency II for deferred recognition of actuarial gains and losses.
- 2.45. Undertakings disclose information about the methodologies and inputs used to determine the economic value. This requires a description of the actuarial valuation method, including the internal valuation model (where applicable), and the actuarial assumptions used (e.g. demographic assumptions such as mortality, rates of employee turnover, disability and early retirement, proportion of dependants eligible for benefits, claim rates under medical plans and financial assumptions such as discount rate, future salary and benefit levels, medical cost trend rates, the expected rate of return on plan assets). Disclosure is also required in cases where the overall expected rate of return of the assets is used, including the effect on the major classes of the plan assets.
- 2.46. A higher level of disclosure is expected in particular with regard to post-employment benefits based on defined benefit plans where the risk is borne by the undertaking. Undertakings disclose information about the plan assets, to allow for an assessment of the level of risk inherent in the plan to be made. In cases where the plan assets correspond to insurance policies, the issuer of those policies is clearly identified.

E. Capital Management

Guideline 11 - Own funds – Additional solvency ratios

Under section "E.1 Own funds" of the SFCR as defined in Annex XX of the Delegated Regulation, where undertakings disclose additional ratios to the ones included in template S.23.01, the SFCR should also include an explanation on the calculation and meaning of the additional ratios.

- 2.47. The eligible own funds / SCR ratio is easy to calculate and reveals whether or not an undertaking meets the SCR. While no single solvency ratio can deliver all the solvency information users might find relevant, the chosen ratio is considered the most useful ratio.

Guideline 12 - Own funds – Information on the structure, amount, quality and eligibility of own funds

Under section "E.1 Own funds" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, regarding their own funds, describe at least the following information:

- a) for each material own fund item set out in Article 69, Article 72, Article 74, Article 76 and Article 78, as well as for items that received supervisory approval as per Article 79 of the Delegated Regulation the information required in Article 297 (1) of the Delegated Regulation, distinguishing between basic and ancillary own fund items;
- b) for each material own fund item, the extent to which it is available, subordinated, as well as its duration and any other features that are relevant for assessing its quality;
- c) an analysis of significant changes in own funds during the reporting period, including the value of own fund items issued during the year, the value of instruments redeemed during the year, and the extent to which the issuance has been used to fund redemption;
- d) in relation to subordinated debt, an explanation of the changes to its/ their value;
- e) when disclosing the information required in Article 297 (1) (c) of the Delegated Regulation, an explanation of any restrictions to available own funds and the impact of limits on eligible Tier 2 capital, Tier 3 capital and restricted Tier 1 capital;
- f) details of the principal loss absorbency mechanism used to comply with Article 71 (1)(e) of the Delegated Regulation, including the trigger point, and its effects;
- g) an explanation of the key elements of the reconciliation reserve;
- h) for each basic own fund item subject to the transitional arrangements:
 - i. the tier into which each basic own fund item has been classified and why;
 - ii. the date of the next call and the regularity of any subsequent call dates, or the fact that no call dates fall until after the end of the transitional period.

- i) when disclosing the information required in Article 297(1)(g) of the Delegated Regulation, information on the type of arrangement and the nature of the basic own funds item which each ancillary own fund item would become on being called up or satisfied, including the tier, as well as when the item was approved by the supervisory authority and, where a method was approved, for how long,
- j) where a method has been used to determine the amount of a material ancillary own fund item, undertakings should describe:
 - i. how the valuation provided by the method has varied over time;
 - ii. which inputs to the methodology have been the principal drivers for this movement;
 - iii. the extent to which the amount calculated is affected by past experience, including the outcome of past calls.
- k) Regarding items deducted from own funds:
 - i. the total excess of assets over liabilities within ring-fenced funds and matching adjustment portfolios, identifying the amount for which an adjustment is made in determining available own funds;
 - ii. the extent of and reasons for significant restrictions on, deductions from or encumbrances of own funds.

2.48. Member States have different accounting practices, and the specific circumstances of individual undertakings within a Member State will also vary. Both these facts will affect the nature and extent of the explanations provided by individual undertakings.

2.49. The mechanism to be used, including the trigger point, is clearly defined in the terms of the contractual arrangement governing the own-fund item and legally certain. Details of the mechanism and its effects are included in public disclosure so that all providers of own funds items are aware of the potential impact.

2.50. Disclosure of items which reduce the reconciliation reserve such as foreseeable dividends and own shares held is always considered appropriate.

Guideline 13 - Differences between the standard formula and internal models used

Under section "E.4 Differences between the standard formula and any internal model used" of the SFCR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when disclosing the main differences in methodologies and underlying assumptions used in the standard formula and in the internal model, describe at least the following:

- a) Structure of the internal model;
- b) Aggregation methodologies and diversification effects;
- c) Risks not covered by the standard formula but covered by the internal model.

- 2.51. Undertakings accompany quantitative information by a description of the main feature of the internal model in order not to mislead readers of the quantitative reporting templates and to ensure a better understanding.
- 2.52. It is impossible a priori to assess whether the methodologies used in an internal model will be close or similar to the one used in the standard formula. Nevertheless, undertakings may have chosen in their internal model to use terminologies that are close to the one used in the standard formula.
- 2.53. In particular, it is avoided to base comparisons between the quantitative outputs of two different undertakings that would have used the same name for some modules although:
- a) they may cover different risks;
 - b) they may use totally different approaches.
- 2.54. This description needs to include a comparison (of the effects) of the main differences in methodologies and underlying assumptions used in the standard formula and in the internal model.
- 2.55. Information on risks included in the internal model that are not included in the standard formula seems to be of the utmost importance in order to analyse properly the reported quantitative information.

Section II – Regular Supervisory Reporting

A. Business and Performance

Guideline 16 - Business

Under section "A.1 Business" of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when providing information regarding their business, include information on:

- a) the number of full time equivalent employees;
- b) a list of all related undertakings and branches.

- 2.56. Information on the number of employees, subsidiaries, and insurance as well as non-insurance undertakings, and distribution to shareholders enable the supervisor to better understand how the undertaking positions itself with regards to its external environment.

Guideline 17 - Underwriting performance

Under section "A.2 Underwriting performance" of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should, when providing information on risk mitigation techniques related to underwriting activities, include a description of:

- a) the impact of the risk mitigation techniques on underwriting performance;
- b) the effectiveness of the risk mitigation techniques.

- 2.57. When referring to section A.2 of the RSR undertakings are expected to always refer to Solvency II lines of business, in line with the content of the template S.05.01. as defined in TS on Submission of Information.
- 2.58. When indicating the effectiveness of risk mitigation techniques, undertakings need to also describe the methods and processes used to assess effectiveness as well as the consequences in cases of ineffectiveness.

B. System of Governance

Guideline 18 - Governance structure

Under section "B.1 General information on the system of governance" of the RSR as defined in Annex XX of Delegated Regulation, insurance and reinsurance undertakings should explain:

- a) the internal organisational structure, including a detailed organisational structure chart and positions of key function holders;
- b) how the undertaking's remuneration policy and practices are consistent with and promote sound and effective risk management and do not encourage excessive risk taking.

2.

- 2.59. The information on internal organisational structures allows good understanding of departments or divisions, management hierarchy, task forces or committees at least.
- 2.60. The organisational chart helps identifying clearly the positions of key function holders within the organisational structure of the undertaking.
- 2.61. The detailed structure chart explains the ownership and legal links between the undertaking and, on the one hand, its parent and ultimate parent entity and, on the other hand, all its subsidiaries, branches and significant investments in joint controlled entities and associates.
- 2.62. The information provided on the integration of the remuneration policy and practices into the risk management system are not limited to the elements provided in the SFCR, i.e. fixed/variable components and performance criteria, but encompass any incentive mechanism that could induce excessive risk taking that exceeds the risk tolerance limits of the undertaking.

Guideline 19 - Risk management system

Under section "B.3 Risk management system including the own risk and solvency assessment" of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should:

- a) explain how the strategies, objectives, processes and reporting procedures of the undertaking's risk management for each separate category of risk are documented, monitored and enforced;
- b) in the cases where it has in place an outsourcing agreement that led to the limitation (no reporting) of the external rating and nominated ECAI in the quantitative reporting templates explain the procedures implemented by the undertaking to oversight and safeguard the compliance of the requirements in the referred area and how it is guaranteed that all relevant information underlying the investment portfolio is taken into account in the risk management;
- c) describe the nature and appropriateness of the key data used in internal models and at least describe the process in place for checking data quality.

- 2.63. This includes, for instance, information on elements such as pricing rules, underwriting policies, investment policies, or claims processing procedures.
- 2.64. The process of validating data is as important as the data itself, disclosure of this information will greatly improve public confidence in internal models. Without this information a knowledgeable person will not achieve a reasonably good understanding of the reliability of the internal model.

C. Risk Profile

Guideline 20 – Other material risks

Under section “C.6 Other material risks” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should:

- a) explain how it is ensured that the use of derivatives contribute to the reduction of risks or facilitate efficient portfolio management.
- b) include details of any material allowance for reinsurance and financial mitigation techniques and material future management actions used in the SCR calculation and how these have met the criteria for recognition;
- c) where the undertaking selected ‘Other’ in item “C0140 - Type of underwriting model” in template S.30.03 as defined in Technical Standard xxx, provide an explanation of the underwriting model applied
- d) where belonging to a group, provide qualitative and quantitative information regarding significant transactions within the group including information on:
 - i. The amount of the transactions;
 - ii. The amount of outstanding balances, if any;
 - iii. Relevant terms and conditions of the transactions.

- 2.65. The description on reinsurance and financial mitigation techniques and material future management actions used in the Solvency Capital Requirement calculation is sufficiently detailed to allow supervisory authorities to assess if the undertaking has met the criteria for recognition.
- 2.66. Operations and transactions within the group relevant within the undertaking’s financial performance are paramount for the supervisor to understand whether the performance stems from intra-group transactions or from business outside the group. Also gives relevant information about the level of support provided by entities in the group.
- 2.67. The amount of the transactions to be disclosed includes transactions without an outstanding balance at year end.
- 2.68. Terms and conditions to be disclosed include information about for example guarantees given or received and whether the transaction is linked to another in terms of time, function and planning.

D. Valuation for Solvency Purposes

Guideline 21 – Valuation of other assets

Under section “D.1 Assets” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should explain in particular:

- a) when material deferred tax assets are recognised, how they assess the probability of future taxable profits, where applicable, and identify the amount and expected time horizons for reversal of temporary differences.
- b) where they were not able to provide a maximum value on any unlimited guarantees (in or off balance-sheet) they reported in the quantitative reporting templates S.03.03 as defined in the Implementing Technical Standard on the templates for the submission of information to the supervisory authorities.

- 2.69. Undertakings need to report sufficient information to demonstrate the probability that future taxable profit will be available against which the deferred tax asset can be utilised. This information includes the parameters within that profit projection which are subject to expert judgement.

Guideline 22 - Technical provisions

Under section “D.2 Technical provisions” of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings, excluding participating insurance and reinsurance undertakings, insurance holdings companies and mixed financial holding companies, should provide information on technical provisions including:

- a) Details of the relevant actuarial methodologies and assumptions used in the calculation of the technical provisions including details of any simplifications used (including in calculating the future premiums and risk margin and its allocation to the single lines of business) and including a justification that the method chosen is proportionate to the nature, scale and complexity of the undertaking’s risks including the reasons for any material changes in the use of those methods;
- b) An explanation of the contract boundaries applied to each different business in the valuation of technical provisions, and details of any contracts that include significant renewals within existing business;
- c) Details of the key options and guarantees within the calculation of the technical provisions and the significance of each and how they are evolving;
- d) An overview of any material changes in the level of technical provisions since the last reporting period, including reasons for material changes, especially the rationale of material changes in assumptions.
- e) Material changes in lapse rates;
- f) Details of the homogeneous risk groups used to calculate the technical provisions;
- g) Any recommendations on the implementation of improvements in the internal procedures in relation to data that are considered relevant;

- h) Information about any significant data deficiencies and adjustments;
- i) A description of the technical provisions that have been calculated as a whole;
- j) A description of where unbundling has been used for material contracts;
- k) Details of the Economic Scenario Generator, including an explanation of how consistency to the risk free rate has been achieved and which volatility assumptions have been chosen;
- l) Description of the assessments referred to in points (a), (b) and (c) of the first subparagraph of article 44 of Solvency II Directive. Where the reduction of the matching adjustment or the volatility adjustment to zero would result in non-compliance with the SCR, an analysis of the measures it could apply in such a situation to re-establish the level of eligible own funds covering the SCR or to reduce its risk profile to restore compliance with the SCR;
- m) Details of the approach used to calculate material reinsurance recoverables.

2.70. When providing details of the approach taken to calculate reinsurance recoverable, undertakings are required to explain how the material changes of the reinsurance programs have been reflected in the calculation of reinsurance recoverables.

2.71. Reasons for material changes include at least a description of material changes in the development patterns of existing claims, new material claims that have emerged over the year, those material claims settled during the year and any increase in new business.

E. Capital Management

Guideline 24 – Distributions to shareholders

Under section "E.1 Own Funds" of the RSR as defined in Annex XX of the Delegated Regulation, insurance and reinsurance undertakings should provide details on the amount of distributions made to shareholders.

2.72. Information on the distribution to shareholders includes the amount of dividends distributed during the period, the amounts of dividends proposed or declared but not yet recognised as a distribution and the amount of any cumulative preference dividends not yet recognised.

Group RSR

C. Risk Profile

Guideline 27 - Any other material information on business

Under section "C.6 Other material risks " of the group RSR as defined in Annex XX of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should provide information on the terms and conditions of the significant intra-group transactions including information on:

- a) Commercial rationale for the operation or transaction;
- b) Risks borne by, and rewards available to, each party to the operation or transaction;
- c) Any particular aspects of the operation or transaction that are (or may become) disadvantageous to either party;
- d) Any conflicts of interest that may have arisen in negotiating and executing the operation or transaction, and any potential conflicts of interest that may arise in the future;
- e) If the transaction is linked to other operations or transactions in terms of timing, function and planning, the individual effect of each operation or transaction and the overall net impact of the linked operations and transactions on each party to the operation or transaction and on the group should be reported;
- f) Extent to which the operation or transaction is depending on a winding-up and circumstances in which the operation or transaction can be executed.

- 2.73. The assessment of the relevance of the intra-group transactions cannot be based on a higher threshold than the threshold confirmed by the group supervisor and used on the quantitative reported templates.
- 2.74. Examples of possible conflicts of interest that may have arisen in negotiating and executing an intra-group transaction or that may arise in the future can be the deterioration of the financial position of one of the parties involved in the transaction or the shareholders' interests or those of policyholders.
- 2.75. If relevant for obtaining a complete understanding of a transaction, undertakings may consider appropriate to include specific contracts and other agreements within the RSR for adequacy of information.

Guideline 28 - Risk profile

Under section "C.6 Other material risks" of the group RSR as defined in Annex **XX** of the Delegated Regulation, participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies should provide qualitative and quantitative information on any significant risk concentration at the level of the group, including:

- a) A description of the risk(s);

- b) Probability of risks materialising;
- c) Mitigation actions including an assessment of a worst case scenario in case of default of the exposure;
- d) Analysis and quantification of the risk concentrations along legal entity lines;
- e) Consistency with the group's business model, risk appetite and strategy, including compliance with the limits set by the internal control system and risk management processes of the group;
- f) Whether losses arising from risk concentrations affect the overall profitability of the group or its short-term liquidity;
- g) Relationship, correlation and interaction between risk factors across the group and any potential spill over effects from risk concentrations in a particular area;
- h) Quantitative information about the risk concentration and the effect on the undertaking and the group and the effect of reinsurance contracts;
- i) Whether the item concerned is an asset, a liability or an off-balance sheet item.

2.76. The information regarding the possibility of risks materialising into losses is expected to be captured by stress testing and scenario analysis.

Section III - Supervisory reporting following pre-defined events

Guideline 30 - Identification and trigger for reporting of pre-defined events

Insurance and reinsurance undertakings should immediately notify in writing the supervisory authority about the occurrence of any events which could reasonably lead or have already led to material changes in an undertaking's or a group's business and performance, system of governance, risk profile, and solvency and financial position (hereinafter "pre-defined event"). In case of doubt, insurance and reinsurance undertakings should consult the supervisory authorities whether a given event would classify as a pre-defined event.

2.77. Pre-defined events defined in the Solvency II Directive:

- a) Article 102 (1) which explicitly states that if the risk profile of an insurance or reinsurance undertaking deviates significantly from the assumptions underlying the last reported SCR, the undertaking concerned shall recalculate the SCR without delay and report it to the supervisory authorities.
- b) Article 129 (4) which requires undertakings to calculate the MCR at least quarterly and report the results of that calculation to supervisory authorities.
- c) Article 138 which requires undertakings to immediately inform the supervisory authority as soon as they observe that the SCR is no longer complied with, or where there is a risk of non-compliance in the following three months.

- d) Article 245 which requires groups subject to group supervision under Solvency II to report to the group supervisor on very significant intra-group transactions as soon as practicable.
- 2.78. Pre-defined events defined in the Commission Delegated Regulation (EU) No 2015/35:
- a) Article 62 which requires undertakings to report to the supervisory authorities each time the SCR is calculated whether there have been any changes that may reduce loss-absorbency of the approved ancillary own-fund item. It also requires undertakings to immediately report to the supervisory authorities whenever a material change occurs in the loss-absorbency of the approved ancillary own-fund item.
 - b) Article 191 which requires undertakings to report to the supervisory authority data on losses stemming from mortgage loans, in particular losses stemming from loans that have been classified as type 2 exposures according with Article 189(3) in any given year and overall losses in any given year.
 - c) Article 257(1) which requires undertakings to inform the supervisory authority as soon as they observe that the requirements in relation to securitisations set out in Article 256(2) and (3) are not being complied with.
 - d) Article 299 (2) which requires undertakings to inform the supervisory authorities as soon as the reason for any permitted non-disclosure pursuant to Article 53(1) of Directive 2009/138/EC ceases to exist.
- 2.79. Pre-defined events and the associated information that supervisory authorities would expect to be submitted along with any notification by an undertaking, could also include, for example:
- a) changes in an undertaking's business strategy, including delays to implementing strategies of which supervisory authorities are already aware – information could be provided on the reasons for the change or delay in implementing strategy and any material effects that it has had or is likely to have on other aspects of an undertaking's business (e.g. business performance, risk profile, etc.);
 - b) Relevant mergers, takeovers and acquisitions – information could be provided on the implications on the undertaking's business, system of governance, risk profile and solvency and financial position. This would be provided irrespective of whether the event involves an insurer, or whether it is conducted with parties based in the EEA;
 - c) internal organisational restructuring or changes in the group structure - information could be provided on the details of any significant reorganisation and the reasons for such a change, including any material effects in other areas of an undertaking's or group's business;
 - d) significant lawsuits or claims that have a reasonable chance of success being brought against the undertaking - information could be provided on

the nature of the lawsuit and any legal opinion received by the undertaking, as well as the potential impact of the lawsuit on the undertaking and any potential mitigation or management actions that could be enacted in the event that the lawsuit ruling were to decide against the undertaking;

- e) material changes in own funds levels, MCR, SCR, technical provisions and/or other balance sheet items - information submitted by the undertaking could include the amount and reason for the change and a consideration of any potential or actual consequence of changes. In relation to technical provisions, information submitted by an undertaking could include details on the emergence of any future material claims that had not been present in the previously reported technical provisions;
- f) new, emerging or crystallised internal or external risks of a material nature – information could include details of emerging or crystallised risks and information on their actual or potential impact, as well as identifying mitigation plans (whether planned or already in place). Such pre-defined event could also include ratings' downgrade for rating sensitive companies;
- g) significant governance failures – information could include details of the governance failure, the impact of failure on the undertaking and the action taken in response to it;
- h) significant operational failures – information could include details of the operational failures such as business interruptions, IT-breakdowns, internal frauds, etc., the impact of the failure on the undertaking and the action taken in response to it;
- i) when an undertaking has reason to call into question the fitness and/or propriety of a person who effectively runs the undertaking or undertakes other key functions. Information could include details on the circumstances leading to a reassessment of that person's fitness and/or propriety, any internal and/or external investigation procedures resulting from this and the eventual decision on that person's fitness and/or propriety. Such reporting to supervisory authorities is not limited to situations as defined in Article 42(3) of the Solvency II Directive, but also includes all situations where reasonable doubt over a person's fitness and propriety exists;
- j) when an undertaking has provided in its SFCR or RSR information from financial statements which were finally not approved by the general meeting or not signed-off by external auditors, undertakings report again to the supervisor their SFCR or RSR if material differences in financial statements appear; this is without prejudice to the possible need of publicly disclosing a modified SFCR according to other requirements;
- k) very significant intra-group transactions and intra-group transactions to be reported in all circumstances as soon as practicable - Intra-group transactions that will or possibly will weaken the solvency and financial

condition of the group or any solo undertakings in the group or if they negatively affect the group;

- l) a refusal by the auditors to certify the accounts or a serious qualification of the audit opinion;
- m) key staff leaving, exposing the undertaking to risks of not being able to fulfil its financial or regulatory reporting requirements;
- n) whether the key functions have not been able to function as intended, leading to a major loss, failure or break-down of governance.

2.80. Undertakings notify supervisory authorities as soon as they become aware of circumstances that would give rise to the occurrence of a pre-defined event. This notification is made at the earliest opportunity. However, the notification of the occurrence of a pre-defined event is different from the reporting of information related to that pre-defined event: after notification of the pre-defined event, the delay to submit the information related to that pre-defined event can be discussed with supervisory authorities on a case-by-case basis.

2.81. This does not preclude earlier dialogue between supervisory authorities and undertakings on potential events. For example, in the instance of a merger, it would be sensible to engage with the supervisor when an undertaking is scoping the work.

2.82. The information provided under pre-defined events includes relevant information as illustrated above, including updates of sections of the narrative SFCR (but solely for the use of the supervisor because pre-defined event information is not public) and RSR, and/or updates of the annual or quarterly templates.

2.83. Undertakings are not required to report information that has already been provided to the same supervisory authority as part of the approvals, permissions or authorisations process they are subject to with regards to these pre-defined events.

2.84. Depending on the nature of the event, supervisory authorities may also ask for undertakings to report information related to that pre-defined event on a regular basis over a period of time in order to monitor the situation of the undertaking. This is determined on a case-by-case basis. It has to be distinguished from internal information that may be reported regularly to supervisory authorities for any undertaking (and not just for pre-defined events).

2.85. The undertaking report without delay the following additional information: reasons and description of the change in risk profile that triggered the performance of the additional ORSA, qualitative and quantitative comparison with the methods and outcome of the previous ORSA, including the specific effect of the change in risk profile, and any proposed management actions considered necessary and any planned capital measures.

Section IV - Public Disclosure and Supervisory Reporting Processes

Guideline 33 – Format of quantitative reporting templates

Insurance and reinsurance undertakings should consider the data point model as published by EIOPA when reporting information included in the quantitative reporting templates.

- 2.86. Data Point Model (DPM) is a structured representation of the data, identifying all the business concepts and its relations, as well as validation rules. DPM contains all the relevant technical specifications necessary for developing an IT reporting solution (independent from the technical format).
- 2.87. The use of the DPM will enhance data quality and consistency between data reported by undertakings within one single Member State and also across Member States.

Guideline 35 - RSR – References to other documents

When insurance and reinsurance undertakings refer in the RSR to other documents that are subject to reporting to their supervisory authorities, these should lead directly to the information itself and not to a general document.

Insurance and reinsurance undertakings should not use in the RSR references to other documents that are not subject to reporting to their supervisory authorities.

- 2.88. In addition to the RSR, supervisory authorities may require on a regular basis a copy of the internal narrative or quantitative reports of the undertaking, as they deem necessary for the purposes of supervision. As stated in article 35 (3) of the Directive, data from internal sources can also be part of regular reporting. Such reporting requirements are assessed on a case-by-case basis taking into account the principle of proportionality and the intensity of the Supervisory Review Process. They may concern for instance internal audit reports, risk reports, reinsurance reporting or any regular management information.

Guideline 36 – Supervisory reporting policy

Insurance and reinsurance undertakings should ensure that the supervisory reporting policy complies with Guideline 7 of the Guidelines on System of Governance and additionally includes the following:

- a) identification of persons/functions responsible for drafting and reviewing any reporting to the supervisory authorities;
- b) set out processes and timelines for completion of the various reporting requirements, review and approval;
- c) explanation of processes and controls for ensuring the reliability, completeness and consistency of the data provided.

- 2.89. This aims to ensure that the administrative, management and supervisory body of the undertakings takes responsibility and to ensure the correctness and completeness for the entire content of the regular information provided

to the supervisor by putting in place the necessary controls, as this is a major Pillar 3 requirement and the basis of the Supervisory Review Process.

Guideline 39– Transitional information

Insurance and reinsurance undertakings should submit a qualitative explanation of the main differences between the figures reported in the opening valuation using Solvency II valuation and those calculated according to the solvency regime previously in place as referred to in article 314 of the Delegated Regulation in an electronically readable format.

This narrative information should follow the structure of the main classes of assets and liabilities as defined for the Solvency II balance-sheet as specified in the Technical Standard on the templates for the submission of information to the supervisory authorities.

- 2.90. The narrative information to be submitted as transitional information corresponds to the information defined in 314 of the Commission Delegated Regulation (EU) No 2015/35.

Annex II: Impact Assessment

Procedural issues and consultation of interested parties

- 1.1. According to Article 16 of the EIOPA Regulation, EIOPA conducts analysis of costs and benefits in the policy development process. The analysis of costs and benefits is undertaken according to an Impact Assessment methodology.
- 1.2. For the last 4 years EIOPA has been working on the disclosure requirements together with the reporting requirements with the aim to establish a comparable, effective and efficient disclosure system in the European Economic Area (EEA).
- 1.3. The proposed guidelines and the impact assessment are based and build on the detailed analysis of all comments received during all consultations and pre-consultations.
 - Pre-consultation with stakeholders;
 - CP09/2011⁸: “Draft proposal on Quantitative Reporting Templates and Draft proposal for Guidelines on Narrative Public Disclosure & Supervisory Reporting, Predefined Events and Processes for Reporting & Disclosure”.

Problem definition

- 1.4. Traditionally the disclosure regime follows the accounting disclosure requirements. With Solvency I, this was possible due to the link between Solvency I and accounting. This led to non-comparable information being disclosed and mainly very different levels of disclosure from Member State to Member State. The resulting lack of harmonisation undermines the proper functioning of the Single Market and does not ensure a level playing field for all EEA undertakings.
- 1.5. Regulatory measures have addressed this problem in the Solvency II directive and the Commission Delegated Regulation (EU) No 2015/35, with the definition of a new report to be disclosed – the Solvency and Financial Condition Report (SFCR). It is important to guarantee that undertakings disclose the appropriate level of information in the SFCR.
- 1.6. Under Solvency II the SFCR and RSR will be two crucial pieces of supervisory information. It is important that insurance and reinsurance undertakings understand what NSA expect to receive under those reports.
- 1.7. It is also important to harmonise the interpretation of the Solvency II Directive in relation to reporting in the case of predefined events and undertakings’ processes for public disclosure and supervisory reporting.
- 1.8. The approach of these guidelines is intended to be proportionate, avoiding duplication of supervisory requirements and also supportive for undertakings

⁸<https://eiopa.europa.eu/consultations/consultation-papers/2011-closed-consultations/november-2011/draft-proposal-on-quantitative-reporting-templates-and-draft-proposal-for-guidelines-on-narrative-public-disclosure-supervisory-reporting-predefined-events-and-processes-for-reporting-disclosure/index.html>

when elaborating the supervisory reports. It allows as well to achieve the main objective of Solvency II, namely the adequate protection of policyholders and beneficiaries.

1.9. The draft Guidelines cover:

- a) the content of the Solvency and Financial Condition Report (SFCR);
- b) the content of the Regular Supervisory Report (RSR);
- c) validations to be applied to the data submitted to the supervisory authorities using the quantitative reporting templates;
- d) reporting in the case of predefined events;
- e) undertaking's processes for public disclosure and supervisory reporting.

Objectives Pursued

1.10. The objective of these guidelines is harmonising public disclosure and supervisory reporting, by providing a common framework amongst NSAs about the information to be provided by undertakings in their solvency and financial condition report and their regular supervisory report.

Policy Options

Narrative report – SFCR and RSR

1.11. With regard to narrative reporting, EIOPA elaborated on three policy options which were considered and debated during the development of this paper:

- **Option 1:** Not to have Guidelines on narrative reports
- **Option 2:** Have Guidelines only on some items of the structure of the reports as defined in Solvency II Directive and Regulation XX/2014 where deemed necessary
- **Option 3:** Have Guidelines which detail every item of the structure of the reports as defined in Solvency II Directive and Regulation XX/2014

Analysis of Impacts

1.12. This chapter describes the analysis of impact conducted by EIOPA in order to identify the best options. For each option, the impact on Policyholders, the industry (comprising both regulated insurance undertakings and non-EEA insurers with EEA branches), and national supervisory authorities (NSAs) were considered.

1.13. The conclusions from the analysis of impacts and the preferred options are outlined in the next chapter: Comparison of Options.

1.14. It should be noted that the proposed guidelines build on other policy requiring industry to generate the SFCR and RSR. Therefore the impact of having guidelines explaining the content that supervisors expect to see in those reports in terms of costs was considered as not material.

1.15. EIOPA has outlined below the main impacts foreseen from these guidelines, and would like to further build on our understanding of the potential effects from the guidelines on the basis of the feedback from the consultation with stakeholders.

Option 1: Not to have Guidelines on narrative reports

Pros (+):

- It might be considered that Regulation XX requires enough information on major topics; therefore, not having these guidelines would ensure that the narrative reporting requirements would not become too prescriptive or repeat the Solvency II Directive and the Regulation xx/2014;
- It could be confusing for undertakings to have detailed guidelines only on some topics, it would thus be better to have no guidelines at all than to have them on only some items.

Cons (-):

- Even if Regulation XX is very detailed on some subjects, it is not the case for all the topics (for instance: valuation of assets & liabilities for individual undertakings, intra-group transactions, disclosure policy in the SFCR and undertaking's reporting policy for the RSR), which do need further guidance on what is expected to be included;
- Having guidelines enable a better understanding of the requirements, thus undertakings will provide supervisors and the market a better quality reporting/disclosure.

Option 2: Have Guidelines only on some items of the structure of the reports as defined in Solvency II Directive and Regulation XX/2014 where deemed necessary

Pros (+):

- It will allow undertakings enough flexibility, thus will reflect each undertaking's risk profile;
- It will help undertakings to complete narrative reporting requirements; some content for instance need additional granularity (for instance: valuation of assets & liabilities for solo undertakings, intergroup transactions, disclosure policy in the SFCR and undertaking's reporting policy for the RSR), and at the same time would not be too prescriptive;
- It will help comparability between undertakings if they provide the same detailed information for the identified issues considered to be relevant;
- It will promote the harmonisation of the reporting and disclosure framework and contribute to enhance supervision and market transparency and foster also convergence of practices among undertakings.

Cons (-):

- It could be confusing for undertakings to have some items being specified in the guidelines and others not.

- It could still contribute to a “tick-the-box” exercise without the undertaking actually considering additional information that would be appropriate to disclose/ report.

Option 3: Have Guidelines which detail every item of the structure of the reports as defined in Solvency II Directive and Regulation XX/2014

Pros (+):

- It will help comparability between undertakings if they provide the same detailed information;
- Having a detailed level enables a better understanding of the requirements which are for some part too general, thus undertakings will provide supervisors and the market a better quality reporting/disclosure;
- It will promote the harmonisation of the reporting and disclosure framework and contribute to enhance supervision and market transparency and foster also convergence of practices among undertakings.

Cons (-):

- It is not necessary to have such a detailed framework as requirements in Regulation XX are already enough on major topics (it may lead to repetition of requirements);
- It could be too much restrictive for undertakings and could lead to “narrow reports” in terms of content (idea of being too prescriptive);
- It could contribute to a “tick-the-box” exercise without the undertaking actually considering additional information that would be appropriate to disclose/ report.

Comparing the options

- 1.16. For policyholders it is about striking the right balance between very detailed information and relevant information to make decisions.
- 1.17. For the industry the impact is more related to the type of information that would be made public. However the increase on market discipline and transparency is a cornerstone of Solvency II.
- 1.18. For supervisors it is important to guarantee that the information disclosed is accurate, comparable and meaningful and that the RSR includes all relevant information needed for supervision.
- 1.19. These guidelines adopt the approach described in **Option 2** (to have Guidelines only on some items of the structure of the reports as defined in Solvency II Directive and Regulation XX/2014 where deemed necessary). This is considered the most effective and efficient approach which achieves the objectives set out above.

Annex III: Resolution of comments

Summary of Comments on Consultation Paper EIOPA-CP-14/047 CP-14-047-GL on reporting and disclosure

EIOPA would like to thank Insurance and Reinsurance Stakeholder Group (IRSG), Actuarial Association of Europe (AAE), AMICE, CFO Forum and CRO Forum, Deloitte Touche Tohmatsu, Federation of European Accountants (FEE), GDV, Institute and Faculty of Actuaries, Insurance Europe, Investment & Life Assurance Group (ILAG), MetLife, Munich Reinsurance Company, Nordea Life & Pensions, and RSA Insurance Group plc.

The numbering of the paragraphs refers to Consultation Paper No. EIOPA-CP-14/047.

No.	Name	Reference	Comment	Resolution
1.	IRSG	General Comment	<p>1. The Guidelines must not extend the level 2 (or level 1) requirements but provide details on them. Examples:</p> <p>2. Level 2 guidance (Art. 298 of Delegated regulation) enables undertakings to disclose and report any information considered to be important and supervisors are empowered to require any other information (Art. 304 of Delegated regulation). Several of the guidelines referring to the RSR (Guidelines 30, 34, 36 and 38) specify reporting on “any other information” or “any other material information” (of structure of SFCR/RSR, Annex XX Delegated regulation). (If the guidelines specify only that disclosure and reporting required in the Delegated regulation should be done in these sections (as it should be true for Guideline 24, reporting about intra-group transactions) the Guideline should refer to the relevant source in the Delegated regulation.)</p> <p>3. Level 1 requires insurers to have appropriate systems and structures in place to fulfill the reporting as well as a written policy, approved by the administrative, management or supervisory body of the insurance or reinsurance undertaking, ensuring the ongoing appropriateness of the information submitted. GL 47 requires approval of the QRTs which goes beyond level 1.</p> <p>4. Double reporting should be avoided (e.g. GL 2 on governance provides only little added value).</p>	<p>1) Noted</p> <p>2) Agreed. As the content is relevant, it was moved to different guidelines according to the nature of the information. The “any other information” is kept open for a case-by-case situation.</p> <p>3) Disagreed. The approval</p>

		<p>5) These guidelines should follow the structure in the Delegated Acts: The structure of the SFCR and the RSR are divided into headings as set out in Annex XX of the Delegated Regulation and each heading is explained in detail in the Delegated Acts, however, this is not followed in the guidelines.</p> <p>6) The explanation of the relationship to CP-14-045 (Financial Stability Reporting), CP-14-052 (RSR) and CP-14-055 (SFCR) in the introduction should be improved, since the Annex to these guidelines consists of the validation rules in relation to the information requested for QRTs (linking to the updated templates and LOGs).</p> <p>7) Subject to our detailed comments to single Guidelines below Guidelines 23, 27, 30, 31, 32, 33, 36 and 37 are not in line with the proportionality principle as is there no indication that only material information is required.</p> <p>8) Scrutiny of the guidelines is required: The wording of the guidelines causes confusion rather than provide clarity, as the sentences are long with limited punctuation making readability very difficult. For example, there are many words either missing in sentences or not deleted. We encourage EIOPA to revisit the wordings to ensure consistency and clarity. We have included some editorial suggestions in the comments.</p>	<p>by the AMSB (or persons who effectively run the undertaking for quarterly reporting templates) of the information reported to the National Competent Authorities is an important process to be completed by undertakings.</p> <p>4) Agreed in general. As regards the example provided, paragraph 1.14 of Guideline 2 has been deleted.</p> <p>5) EIOPA does not understand this comment. The Guidelines follow exactly the structure of the Annex (however there are not guidelines for each and every section). EIOPA has however included the headings to facilitate the identification.</p> <p>6) See amended para. 1.3. Please note that the validations are only</p>
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				<p>applicable to the QRT supplementing the Regular Supervisory Report. The information included in the Solvency and Financial Condition Report shall be fully consistent with the information reported to the supervisory authorities (Article 7 of ITS) and as for Financial Stability, the relevant guidelines define the validations to be complied with as it refers to data that can be submitted on a best-effort basis.</p> <p>7) Although materiality principle is defined in article 291 and 305 of the Commission Delegated Regulation (EU) No 2015/35 and apply to this paper, the concept of materiality was highlighted through the text. Please note, in particular, that Guideline 27 has been deleted.</p> <p>8) Wording of the Guidelines has been revised.</p>
2.	Actuarial Association of Europe (AAE)	General Comment	It remains unclear how the application of supervisory measures (Transitional measures, Matching adjustment, Volatility Adjustment) should be treated in the SFCR. (see 1.32 below)	Please see article 296 (2) (d), (e), (f) and (g) of the Commission Delegated Regulation (EU) No

				<p>2015/35 of 10 October 2014. This is in addition to the disclosure requirements defined in Omnibus II and covered by the ITS on the procedures, formats and templates of the solvency and financial condition report.</p> <p>However for the Regular Supervisory Report please see amendment in Guideline 22.</p>
3.	AMICE	General Comment	<p>The demands for public disclosure in the SFCR are generally excessively detailed and far too extensive compared to the target group of the information. Many of the information requirements have no use even for highly informed readers – unless they are professionals within the industry itself.</p> <p>Annex I needs to be cross checked to eliminate all reference errors.</p> <p>Reference is made to the structure (chapters as defined in Annex XX of Delegated Acts) of SFCR and RSR. For some defined chapters there are guidelines. However, for many others no guidelines are provided:</p> <p>SFCR: Section A.3 Investment Performance, Section A.4 Performance of other activities Section A.5 Any other information Section B.2 Fit and Proper requirements Section B.4 Internal control system Section B.5 Internal audit function Section B.6 Actuarial function Section B.7 Outsourcing Section B.8 Any other information Section C.2 Market risk</p>	<p>EIOPA believes that the information to be disclosed is balanced. See specific answers to specific comments.</p> <p>EIOPA has checked the validations and welcomed all the specific comments received on them.</p> <p>References were included in the narrative part of the Regular Supervisory Report and Solvency and Financial Condition Report for clarity purposes.</p>

		<p>Section C.3 Credit risk</p> <p>Section C.4 Liquidity risk</p> <p>Section C.5 Operational risk</p> <p>Section C.6 Other material risks</p> <p>Section C.7 Any other information</p> <p>Section D.3 Other liabilities</p> <p>Section E.3 Use of the duration-based equity risk sub-module in the calculation of the SCR</p> <p>Section E.5 Non-compliance with the MCR and non-compliance with the SCR</p> <p>Section E.6 Any other information</p> <p>Can EIOPA confirm whether further guidelines are expected on these chapters?</p> <p>These Guidelines do not provide any indication as to where the information on the LTG measures should be reported. Although the LTG reporting is not defined in Annex XX of the Delegated Acts, some NSAs have requested firms in the preparatory phase to report on the LTG measures in chapter D.5.</p> <p>Could we expect further guidance on LTG reporting for RSR/SFCR from EIOPA?</p> <p>These guidelines should ensure the transparency and comparability of the information disclosed. Additionally, important information also needs to be clear and visible in the defined structure. However, we note that the most relevant information needs to be disclosed in the chapter named 'Any other information'. Another example is Concentration risk (Guideline 27 Group) that is to be disclosed in chapter C.6. "Other material risk", and Data quality (Guideline 34) to be disclosed in chapter D.5. 'Any other information'.</p> <p>In Annex XX there are more chapters where the risk management practice and the risk management cycle need to be disclosed based on EIOPA requirements. For example: Chapter A.2 Underwriting performance (Guideline 23), B.3 Risk</p>	<p>There is no obligation for guidelines provision per section. The Guidelines have to be read in connection with the delegated acts, either as additional guidance or clarification for correct application.</p> <p>EIOPA does not intend to issue further Guidelines.</p>
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			<p>Management including ORSA, and C.1 Underwriting risk. This will lead to an overlap and redundancy in the RSR/SFCR. Wouldn't it be clearer to describe the risk mitigation measures as part of the risk management cycle and ORSA?</p> <p>The AMSB or the persons who effectively run the insurance and reinsurance undertaking should be requested to approve the Solvency and Financial Condition Report before it is publicly disclosed. This should be clearly stated in the guidelines.</p>	<p>LTGA: see comment 2</p> <p>"Any other information" see comment 1.</p> <p>EIOPA believes that each guideline address different and specific issues. However, undertakings could include the content in one single section and make cross-references when needed.</p> <p>No guideline has been</p>
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				added regarding the approval of the Solvency and Financial Condition Report as it is foreseen in article 55 of Directive 2009/138/EC.
4.	CFO Forum and CRO Forum	General Comment	Information requested is very detailed and goes deeper than the disclosure requirements in the financial statements. As indicated in paragraph 1.16 of the Impact Assessment (Appendix 1): The right balance must be struck between very detailed information and the relevant information to make decisions. In our opinion the balance is not appropriate at present.	EIOPA believes that the information to be disclosed is balanced. See specific answers to specific comments.
5.	Deloitte Touche Tohmatsu	General Comment	Assuming that the Solvency II balance sheet is audited, we suggest to have the statement of the auditors about the balance sheet in an appendix to the SFCR.	In case the national supervisory authority requires the external audit of the SII balance sheet, the appendix may be an appropriate place for the audit opinion. These Guidelines are not supposed to address this issue, but consequently do not prevent national supervisory authorities from regulating it.
6.	Federation of European Accountants (FEE)	General Comment	<p>1) The Guidelines should be limited to reporting contents which are not sufficiently defined in the Level 2-standards and/or where there is a lack of instructions for implementation. In particular, they should not go beyond level 2 (see GL 1 on business) and double reporting should be avoided (e.g. GL 2 on governance provides only little added value).</p> <p>2) It is possible that problems may arise in the implementation of the guidelines at a later date. On such occasions, it may be helpful for EIOPA to produce implementation guidance (like in the IFRS) with some illustrative examples.</p>	<p>1) Noted</p> <p>In particular, Guideline 1 is just explaining what supervisors expect to see included in the referred section. As for Guideline 2 please see point 4. of comment 1.</p>

				2) The Guidelines include explanatory text aiming at the same goal. EIOPA will access future needs as adequate.
7.	GDV	General Comment	<p>GDV welcomes the opportunity to comment on the proposal for guidelines on reporting and public disclosure.</p> <p>Additional to our comments below we would like to address our main issues of concern:</p> <p>Scope of Guideline:</p> <p>In our view, all Guidelines should be focused on those reporting requirements which are not sufficiently described in the Delegated Acts. Otherwise it will be difficult to assess by undertakings which information is finally required. Furthermore, a direct reference to corresponding articles of the Delegated Acts would foster the preparation of RSR and SFCR. Examples will be provided in our detailed comments below.</p> <p>Interaction between explanatory text and guideline</p> <p>It is still unclear to us how the explanatory text impacts the preparation of RSR and SFCR. In some cases the explanatory text goes beyond what the guideline is asking for and thus needs to be adjusted accordingly.</p> <p>Furthermore, explanatory texts are non-binding explanations and clarifications. This is why they are not and have not been part of the consultations. This should be clarified by EIOPA.</p>	<p>Comments welcomed.</p> <p>EIOPA will consider the specific comments. Please note that specific references to the sections of the report have already been included.</p> <p>Explanatory text objective is to illustrate the content of each Guideline when there is a need.</p>

				All comments received on the explanatory text have been considered by EIOPA.
8.	Institute and Faculty of Actuaries	General Comment	<p>We note the requirement to report performance of underwriting, investment and other activities under "Business and Performance" of the SFCR. We would welcome clarification on whether a summary of the respective section of the RSR report will suffice, or if a breakdown of Key Performance Indicators by Line of Business is required.</p> <p>We would welcome clarification that undertakings are required to describe all risk mitigation techniques for all identified risks in the "Risk Profile" part of the SFCR, and that these must be further analysed in each section of the RSR.</p>	<p>The level of information to be disclosed needs to comply with the legislation (Directive 2009/138/EC and Commission Delegated Regulation (EU) No 2015/35) and also consider Guidelines issued by EIOPA. The level of detail to be disclosed is to be defined by the undertaking considering the materiality principle as defined in article 291 of Commission Delegated Regulation (EU) No 2015/35.</p> <p>Materiality principle as defined in article 291 of Commission Delegated Regulation (EU) No 2015/35 applies.</p>
9.	Insurance Europe	General Comment	<p>Insurance Europe welcomes the opportunity to comment on the guidelines on reporting and public disclosure. Our key comments and concerns are listed below.</p> <p>Clearer reference to the Delegated Acts needed</p> <p>A clearer reference to the relevant Articles in the DAs should be made, as the structure of the SFCR and RSR reports are divided into headings as set out in Annex XX and each heading is explained in detail in Articles in the Delegated Acts. The last paragraph in these corresponding Articles (eg Articles 295(7), 296(5) etc) sets out the possibility for supervisors to request that the reports include in a separate section</p>	<p>Comments welcomed.</p> <p>See point 5 of comment 1.</p>

		<p>“any other material information”. Hence, when a guideline is drafted under the umbrella “any other material information” this should be clearly stated in the guideline itself.</p> <p>Stronger link to CP-14/052 and CP-14/055 needed</p> <p>The link to CP-14-045, CP-14-052 and CP-14-055 should be better explained in the introduction of these guidelines, especially since the Annex to these guidelines contains all relevant validation rules in relation to the information requested for QRTs (linking to the updated templates and LOGS). This is very important information for assessing the development of the Solvency II reporting. The current high-level reference in paragraph 1.3 of the introduction is simply not sufficient to explain the interlinkage between the ITSs and these guidelines.</p> <p>The principle of proportionality should be better reflected</p> <p>Several guidelines are not in line with the proportionality principle as no clear indication has been made that only material information should be requested. Drafting proposals have been added for the following guidelines to give examples, however this list is not exhaustive: guidelines 23, 27, 30, 31, 32, 33, 36 and 37.</p> <p>Critical scrutiny of the guidelines needed</p> <p>The guidelines could benefit from a critical scrutiny and read-through. The phrasing of the introduction and the majority of the guidelines causes more confusion than clarity as the sentences are long with few full stops and many words missing or not deleted making the guidelines very hard to read. Please scrutinise the guidelines.</p>	<p>See point 2 of comment 1.</p> <p>See point 6 of comment 1.</p> <p>See point 7 of comment 1.</p>
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				See point 8 of comment 1.
10.	Investment & Life Assurance Group (ILAG)	General Comment	The definitions of 'investment performance', 'underwriting performance' and 'other performance', whose description is required in Regular Supervisory Reporting and the Solvency and Financial Condition Report, have not been clarified. They are not standard terms and are therefore subject to an amount of interpretation, which will erode the key aim of consistent reporting . Please can EIOPA define precisely, with examples, what is meant by each of these terms.	This terminology stems from the Commission Delegated Regulation 2015/35/EC and is linked to the financial statements. EIOPA should not further define them.
11.	MetLife	General Comment	<p>In so far as possible every effort should be made to minimise the number of upthe Commission Delegated Regulation 2015/35/ECtes to the reporting requirements in order to prevent additional costs arising from changes to reporting systems and processes on the part of the preparer. In addition to the cost implications this takes focus away which could hamper readiness.</p> <p>We believe that it should be more explicitly laid out that all disclosures apply only to proportionate and material items.</p>	<p>EIOPA agrees.</p> <p>Principle of materiality is defined in article 291 of the Commission Delegated Regulation 2015/35/EC. See also point 7 of comment 1.</p>
12.	Nordea Life & Pensions	General Comment	<ul style="list-style-type: none"> • "Pre-defined events" leading to immediate notification to the supervisory authorities is very wide: includes changes in business strategy, internal organisational restructure, new or emerging risk. The timescales for updating all/part of the supervisory reporting can be discussed on a case-by-case basis with supervisory authorities. This could be applied inconsistently by local supervisors causing problems for a group company. We would appreciate clarity whether a local pre-defined event would affect group reporting. 	The list of pre-defined events is included in the explanatory text and therefore only refers to examples. The requirement on immediate notification affects the information of the event

				<p>occurring, not the up-date of information previously reported. This is to be discussed with the National Competent Authority.</p> <p>A local pre-defined event should be considered at a group level if it affects the group.</p>
13.	RSA Insurance Group plc	General Comment	<p>We should like to express our appreciation to EIOPA for having produced such an extensive package. The package does provide much clarification where previously there was little; and it serves to provide a very useful basis to help firms prepare for SII implementation.</p> <p>As per EIOPA's request, our comments are restricted only to those areas which have seen changes from what was consulted upon in CPs 11/009 and 11/011.</p>	<p>EIOPA welcomes the appreciation.</p> <p>Thank you for the consideration.</p>
14.	IRSG	1.1.	<p>Guideline 1 – Business:</p> <p>par. 1.13 b): "A list of material (what does this mean?) related undertakings..... proportion of voting rights held"</p>	<p>Principle of materiality is defined in article 291 of the Commission Delegated Regulation 2015/35/EC. It is a judgmental assessment to be used wisely by undertakings and National Competent Authorities and in the context of a dialogue.</p>
15.	IRSG	1.2.	<p>Guideline 2 – Governance Structure:</p> <p>Editorial:</p> <ul style="list-style-type: none"> - par. 1.14: "should explain how the risk" - par. 1.15 last line: "the insurance or reinsurance undertaking" 	<p>See amended text.</p>

16.	IRSG	1.3.	<p>Guideline 3 – Risk management system:</p> <p>Editorial:</p> <ul style="list-style-type: none"> - par. 1.16 second line: put comma after “Implementing Measures”. This should be done under each paragraph. It is not done consistently and makes the text difficult to read - par. 1.16 intro last line: “disclose at least the following information regarding the governance of the internal model:” - par. 1.16 a): “The responsible persons...” - par. 1.16 b): “to meet the requirements of Article 116 of Directive 2009/138/EC” - par. 1.16 d): “process of the internal model in order to ...” 	See amended text.
17.	IRSG	1.4.	<p>Guideline 4 – Underwriting risk:</p> <p>Editorial:</p> <ul style="list-style-type: none"> - par. 1.17: “insurance and reinsurance undertakings should, regarding the use of ... under Article 221 of Directive 2009/138/EC...” 	See amended text.
18.	IRSG	1.5.	<p>Guideline 5 – Assets – Information on aggregation by class:</p> <ul style="list-style-type: none"> - par. 1.19: We wonder why it is referred to a “clearer and more relevant presentation” only without considering costs. We suggest to use a concept allowing other classes only if they lead to a presentation which is less costly but not less clear/relevant. 	EIOPA believes that cost cannot be the reason to use a different classification on reporting assets. Comparability is very important.
19.	Deloitte Touche Tohmatsu	1.5.	<p>This paragraph states that the current guidelines apply to individual insurance and reinsurance undertakings, to third county branches, to participating insurance and reinsurance undertakings, insurance holdings companies and mixed financial holding companies. However, so-called undertakings under freedom to provide services seem to be exempt from the scope of these guide-lines.</p> <p>We recommend that EIOPA clarify whether this scope also applies to undertakings under freedom to provide services, similar to Consultation Paper 14/044 (paragraph 1,7) and EIOPA CP-14-052 (article 8 (1) h.</p>	Freedom to provide services business from insurance and reinsurance undertakings, as well as the business performed through branches under the right of establishment, should be considered in the disclosure and reporting of the insurance and reinsurance undertaking.

				There is no such need as the home approach is clearly applied under the Solvency II regime.
20.	Insurance Europe	1.5.	It is not evident from these guidelines whether the requirements for SFCR also apply to RSR as the wording of this paragraph and paragraph 1.6 is not clear.	The guidelines about the Solvency and Financial Condition Report do not apply to the Regular Solvency Report. The Regular Supervisory Report is a complementary report that should not include the part already covered by the Solvency and Financial Condition Report.
21.	IRSG	1.6.	<p>Guideline 6 – Content by material classes of assets and liabilities other than technical provisions:</p> <p>1) It seems not to be consistent that in the heading and in the description of requirements in detail the GL refers to assets and liabilities whereas the reporting should take place under the section “assets”.</p> <p>2) Under 2.12) in the explanatory text it is stated that in fulfilling the requirement of GL 6a) to report the “recognition and valuation basis applied, including methods and inputs used” the undertakings also describe the judgements made other than estimations which could materially affect the amounts recognised. Perhaps it should be stated in the GL itself and not only in the explanatory text, that estimations and other judgements are meant here, in order to avoid misunderstandings.</p> <p>3) Editorial:</p> <ul style="list-style-type: none"> - par. 1.20 a): “The recognition and valuation bases used, including the methods...” - par. 1.20 b): “valuation bases used or to estimations” 	<p>1) Heading amended</p> <p>2) Agreed, see amended text</p>

				3) See amended text
22.	Insurance Europe	1.6.	It is not clear why reference is made to third-country branches in this paragraph as paragraph 1.5 also sets out that these guidelines apply to third-country branches. Please explain.	The Guidelines on third country branches do not include the requirement for a Solvency and Financial Condition Report. As the Regular Supervisory Report, for the insurance and reinsurance undertakings, is complementary to the Solvency and Financial Condition Report, and as for third country branches there is no Solvency and Financial Condition Report, for them the Regular Supervisory Report needs to include the content of the Solvency and Financial Condition Report.
23.	IRSG	1.8.	Guideline 8 – Valuation of material financial assets: Editorial: par. 1.22 c): “Significant changes to the valuation methods..”	See amended text
24.	IRSG	1.10.	Guideline 10 – Valuation of material deferred taxes assets and liabilities: Editorial: - Title: “Valuation of material deferred tax assets and liabilities” - par. 1.24: intro: “material deferred tax assets and liabilities”	See amended text
25.	CFO Forum and CRO Forum	1.10.	1. We consider the level of specific information required here about items that are not recognised on the balance sheet to be excessive.	Comment unclear in relation to paragraph 1.10
26.	Deloitte Touche Tohmatsu	1.10.	In paragraph 2.26, it should be clarified that those “projected future taxable profits” should be considered in the light of the “normal planning cycle of the undertaking” (see explanatory text to guideline 10 in EIOPA-CP-14-043) and it should be disclosed what management considers to be the length of such a cycle. There should be no	The text has been amended to be more in line with EIOPA-CP-14-043

			difference in the definition here between this consultation paper and EIOPA-CP-14-043.	
27.	IRSG	1.11.	Guideline 11 – Valuation of related undertakings: The GL itself refers to related undertakings, the explanatory text to subsidiaries, which is something different. So, the explanation should be aligned with the GLs.	Explanatory text was amended accordingly.
28.	IRSG	1.12.	Guideline 12 – Valuation of technical provisions: Editorial: par. 1.26: last line: “including those for calculating the risk margin”	See amended text.
29.	IRSG	1.13.	6. Guideline 13 – Liabilities other than technical provisions: We wonder why it is referred to a “clearer and more relevant presentation” only without considering costs. We suggest to use a concept allowing other classes only if they lead to a presentation which is less costly but not less clear/relevant (see also comment on GL 5).	See comment 18
30.	CFO Forum and CRO Forum	1.13.	1. We do not follow the requirement in the explanatory text for reporting by Solvency II line of business. Under section A we show a purely local GAAP view and the level of detail is identical with annual reporting (LoB’s, Split of geographical areas, Split by class of assets). In doing so, section A is consistent with annual reporting and the reuse of available material (IFRS annual report) leads to reduction in the effort required. No additional value is provided by the extra effort of reporting the information on a Solvency II line of business basis.	This is in line with approach taken for the template S.05.01. The link between this information (based on financial statements) and the rest of the information being disclosed is very important from a disclosure perspective. In addition comparability is also important, therefore EIOPA believes that SII LoB should be used.
31.	Federation of European Accountants (FEE)	1.13.	Paragraph b) states that “A list of material related undertakings [...] proportion of voting rights held”. In this context the meaning ‘a list of material related undertakings’ is unclear.	See comment 14
32.	GDV	1.13.	Guideline 1 1. The explanatory text to guideline 1 provides under point 2.4 the following: 2.	See comment 30

			<p>3. "Underwriting performance</p> <p>4. SFCR: 2.4. When referring to section A.2 of the SFCR undertakings are expected to always refer to Solvency II lines of business, in line with the content of template S.05.01"</p> <p>5.</p> <p>This description cannot be followed. Under chapter A we purely report under local GAAP and the level of detail is identical with our annual report (LoB's, Split of geographical areas, Split by class of assets) In doing so the chapter A is consistent and leads to effort reduction by reusing available material (e.g. IFRS annual report). Demanding the view as taken in Solvency II would heavily increase the effort and would not add any value.</p>	
34.	Munich Reinsurance Company	1.13.	<p>We do not follow the explanatory text for</p> <p>"Underwriting performance</p> <p>SFCR: 2.4. When referring to section A.2 of the SFCR undertakings are expected to always refer to Solvency II lines of business, in line with the content of template S.05.01"</p> <p>Under chapter A we show purely local GAAP view and level of detail is identical with annual report (LoB's, Split of geographical areas, Split by class of assets) In doing so the chapter A is consistent and leads to effort reduction by reusing available material (IFRS annual report); no additional value if extra effort would be done.</p>	See comment 30
35.	GDV	1.14.	<p>Guideline 2:</p> <p>The requirements duplicate the requirements set out in Article 294 DA and thus do not add any value.</p>	See point 4 of comment 1
36.	Insurance Europe	1.14.	<p>Guideline 2.</p> <p>This paragraph should be deleted as the information on integration of the key functions is already covered by Article 294 of the Delegated Acts and the information on the key functions including requirements to "have the necessary ... professional qualifications, knowledge, experience ...etc" is already covered on the guidelines on System of Governance. There is no need to repeat legal text nor other guidelines.</p>	See point 4 of comment 1
37.	IRSG	1.15.	<p>7. Guideline 15 – Valuation of material provisions other than technical provisions and contingent liabilities:</p>	See amended text.

			8. Editorial: par. 1.30: intro: "regarding material provisions other than technical provisions and contingent liabilities, separately:"	
38.	IRSG	1.16.	9. Guideline 16 – Valuation of material employee benefits: 10. Editorial: - par. 1.31 a): "The nature of the liabilities for employee benefits and a breakdown of the amounts by nature of the liability" - par. 1.31 b): "the percentage of each class of assets with respect to the total defined..."	See amended text
39.	Actuarial Association of Europe (AAE)	1.16.	Risk Management System: Substitute "responsible persons" with "responsible roles" in line with level 2. The focus should not be on individual names but on the responsibilities of the respective role.	Agreed, amended.
40.	Insurance Europe	1.16.	Guideline 3. The heading of the guideline is misleading as the guideline concerns risk management in relation to partial and full internal models. The heading should indicate this relation for clarity. It also causes confusion that the last sentence of the guideline: "...disclose at least information addressing the governance of the internal model, including..." refers to governance as a whole and not risk management. The guideline also needs to be split into more paragraphs instead of one long sentence. Redrafting proposal: Under section "Risk management system including the own risk and solvency assessment" (B.3) of Annex XX of the Implementing Measures insurance and reinsurance undertakings should disclose at least information addressing the governance of the internal model. This disclosure should explain how the risk management function is integrated in their organisational structure and in the decision-making process and when using a partial or a full internal model approved in accordance with Articles 112 and 113 of Solvency II to calculate the Solvency Capital Requirement. The disclosure includes:...."	Title amended. "internal model governance" is the expression used in the Commission Delegated Regulation 2015/35/EC. Please see article 245. Please see amended text.
41.	IRSG	1.17.	11. Guideline 17 – Own funds – Solvency ratio: 12. Editorial: par. 1.33 second line: "are relevant for providing"	See amended text

42.	IRSG	1.18.	<p>13. Guideline 18 – Own funds – Information on the structure, amount, quality and eligibility of own funds:</p> <p>14. Editorial:</p> <ul style="list-style-type: none"> - par. 1.34 a): “with regard to the information on the structure” - par. 1.34 c): “an analysis of significant changes in own funds” - par. 1.34 h) i): “the tier into which each basic own fund item has been” - par. 1.34 i): “when describing each material ancillary own fund item, information on the type of arrangement and the nature of the basic own fund item which each material ancillary own fund item would become on being called up.....as well as when the item was approved by the supervisory authority” 	See amended text
43.	Federation of European Accountants (FEE)	1.19.	We wonder why a “clearer and more relevant presentation” is referred to without considering costs. We suggest that a concept allowing other classes only if they lead to a presentation which is less costly but not less clear/relevant is used.	See comment 18
44.	IRSG	1.20.	<p>15. Guideline 20 – Information on the scope of the group:</p> <p>16. Editorial: par. 1.36: “mixed financial holding companies should explain the material differences between the scope of the group used for the consolidated financial statements and those”</p>	See amended text
45.	Deloitte Touche Tohmatsu	1.20.	The explanatory text to guideline 6 (paragraphs 2.12 to 2.14) should clarify that it is acceptable to refer to applicable paragraphs in IFRS-standards on recognition and measurement or refer to published and audited financial statements where those accounting principles are described, rather than disclosing elaborate recognition and measurement bases applied. We believe that undertakings preparing their financial statements under IFRS (as adopted by the EU) and that are audited should be able to chose this option, while other preparers would not.	It should be acceptable to make reference to specific paragraphs in IFRS standards. However, it does not seem appropriate to simply refer to published and audited financial statements in compliance with article 53 (3) of SII directive. Under the condition that the references made meet the requirements from the guideline as long as accounting recognition and

				measurement principles are the same, the same provisions could be used.
46.	Federation of European Accountants (FEE)	1.20.	<p>Insofar as this guideline relates to liabilities other than technical provisions, the disclosure should be included in the section "Other liabilities" (D.3) and not "Assets" (D.1).</p> <p>It seems not to be consistent that in the heading and in the description of requirements in detail the GL refers to assets and liabilities whereas the reporting should take place under the section "assets".</p> <p>Under 2.12) in the explanatory text it is stated that in fulfilling the requirement of GL 6a) to report the "recognition and valuation basis applied, including methods and inputs used" the undertakings also describe the judgements made other than estimations which could materially affect the amounts recognised. Perhaps it should be stated in the GL itself and not only in the explanatory text, that estimations and other judgements are meant here, in order to avoid misunderstandings.</p>	<p>Assets and liabilities were split in different Guidelines.</p> <p>See amended text</p> <p>Agreed. See amended text.</p>
47.	Insurance Europe	1.20.	<p>Guideline 6</p> <p>Paragraphs 1.20.a) and c) should be deleted as the information of "a description of the bases, methods and main assumptions" is already covered by Articles 296(1)(a) and 296(3)(a) of the Delegated Acts. There is no need to repeat legal text.</p> <p>It also seems strange that this guideline covers both assets and liabilities as reference is made to section "Assets (D.1)" and "other liabilities should be covered in section "other liabilities (D.3)". Please clarify.</p>	<p>Please see amended paragraph. The Guidelines complements the Commission Delegated Regulation by clarifying what supervisors expect to see in the report.</p> <p>See comment 46</p>
48.	IRSG	1.21.	<p>17. Guideline 21 – Information on own funds – groups:</p> <p>18. Editorial:</p> <p>- par. 1.37 a): "other than the participating insurance undertaking, insurance</p>	See amended text

			<p>holding company or mixed financial holding company”</p> <ul style="list-style-type: none"> - par. 1.37 b): delete the words “should be provided” - par. 1.37 d): “issued by an undertaking that is not an insurance or reinsurance undertaking and is subject to tiering requirements other than the Solvency II requirements” 	
49.	CFO Forum and CRO Forum	1.22.	1. Guideline 8 requests a description of the valuation model used for every single exposure held in non-quoted financial instruments. This requirement will be difficult to implement for such exposures, and we would suggest some alleviation of these requirements.	The Guideline is only applicable to material financial assets. If they are material and are not negotiated in an active market, then information should be disclosed.
50.	GDV	1.22.	We cannot find a legal basis in the Delegated Acts. Therefore, we ask EIOPA to delete those Guidelines.	<p>Article 296 (1) (a) of Commission Delegated Regulation 2015/35/EC requires the disclosure separately, for each material class of assets, of the value of the assets, as well as a description of the bases, methods and main assumptions used for valuation for solvency purposes.</p> <p>Guidelines 7 to 11 explain what supervisors expect to see disclosed in relation to specific types of assets.</p>
52.	IRSG	1.23.	<p>19. Guideline 23 – Underwriting performance:</p> <p>20. Editorial: par. 1.39 a): “the impact of the risk mitigation”</p>	See amended text
53.	GDV	1.23.	We cannot find a legal basis in the Delegated Acts. Therefore, we ask EIOPA to delete those Guidelines.	See comment 50

54.	Insurance Europe	1.23.	<p>Guideline 9</p> <p>As guideline 9 and 14 both concerns lease assets and liabilities they should be combined in one guideline, which is also reflected in explanatory text paragraphs 2.25 and 2.35.</p>	<p>To be in line with the comments, asking that the GL follows the structure of the Commission Delegated Regulation, it is not possible to redraft as proposed. In fact assets and liabilities are covered in different sections of the report. This was implemented through all the paper.</p> <p>See also comment 46.</p>
55.	Investment & Life Assurance Group (ILAG)	1.23.	<p>Guideline 9 relating to leases appears to have been drafted in line with the terminology currently adopted under IFRS. A project is currently being undertaken by the IASB to introduce a new standard for leases, which will, under current proposals, bring in a 'single model approach', which will change the terminology applied to leases. Whilst firms will most likely appreciate the consistency between GAAP and Solvency II reporting on transition, we note that this may well become a GAAP to regulatory reporting adjustment once the new standard is finalised and becomes effective.</p>	<p>The new standard is not yet finalised or endorsed into European law. Please note that applicable valuation methods under Solvency II need to be in line with Article 16 of the Commission Delegated Regulation 2015/35/EC.</p>
56.	GDV	1.24.	<p>We cannot find a legal basis in the Delegated Acts. Therefore, we ask EIOPA to delete those Guidelines.</p>	<p>See comment 50</p>
57.	Insurance Europe	1.24.	<p>Guideline 10</p> <p>This guideline should be aligned with the wording used in guideline 10 of CP-14-043 as this guideline is about the reporting of items which are requested in CP-14-043. The documentation requirements in GL 10 of CP-14-043 are appropriate, but the level of detail requested in the narrative reporting in GL 10 of CP-14-047 is too detailed. There is a mis-match between the internal documentation needed and the requested level of detail in the public disclosure.</p>	<p>See comment 26</p>
58.	Federation of European Accountants (FEE)	1.25.	<p>The GL itself refers to related undertakings, the explanatory text to subsidiaries, which is something different. The explanation should be alignEd with the GLs.</p>	<p>See amended text.</p>

59.	GDV	1.25.	We cannot find a legal basis in the Delegated Acts. Therefore, we ask EIOPA to delete those Guidelines.	Guidelines explain what supervisors expect to see included in the referred section.
60.	Federation of European Accountants (FEE)	1.27.	We wonder why a "clearer and more relevant presentation" without considering costs is referred to. We suggest a concept allowing other classes only if they lead to a presentation which is less costly but not less clear/relevant (see also comment on GL 5) is used.	See comment 18
63.	Insurance Europe	1.29.	Guideline 14 This guideline goes beyond the Delegated Acts and should be deleted as no reporting requirements are mentioned in the Delegated Acts regarding valuation of material lease liabilities. If the guideline is to be in line with the Delegated Acts only material intra-group transactions should be requested and the guideline should be merged into a list in a guideline with the heading "Any other material information" as explained under the general comments. Subsequently, as guideline 9 and 14 both concerns lease assets and liabilities they should be combined in one guideline, which is also reflected in explanatory text paragraphs 2.25 and 2.35.	See comment 50 Materiality principle is defined in the Commission Delegated Regulation. See also comment 54.
64.	Investment & Life Assurance Group (ILAG)	1.29.	Please refer to comment against 1.23.	See comment 55
65.	IRSG	1.30.	Guideline 30 – Any other material information: This should not be requested in separate guidelines as the Delegated Acts do not specify what has to be reported here apart from requiring consistency between SFCR and RSR. So, the information requested here goes beyond the Delegated Acts.	See point 2 of comment 1
66.	Investment & Life Assurance Group (ILAG)	1.30.	Under IFRS, firms do not have to disclose certain information regarding provisions and contingent liabilities under IAS 37 if the information could be prejudicial to them: 92 In extremely rare cases, disclosure of some or all of the information required by paragraphs 84–89 can be expected to prejudice seriously the position of the entity in	Material contingent liabilities should be recognised in the SII balance sheet reported and disclosed. However, we agree that if the extremely

			<p>a dispute with other parties on the subject matter of the provision, contingent liability or contingent asset. In such cases, an entity need not disclose the information, but shall disclose the general nature of the dispute, together with the fact that, and reason why, the information has not been disclosed.</p> <p>We would propose that the same exemption should be afforded under Solvency II.</p>	<p>rare conditions described in paragraph IAS 37.92 are met, and that the undertakings use IFRS, it would be logical that this information be provided only in the Regular Supervisory Report and not in the Solvency and Financial Condition Report.</p>
67.	IRSG	1.31.	<p>Guideline 31 – Valuation of deferred tax assets:</p> <p>Paragraph 1.48 provides some guidance on the QRTs S.03.03 on reporting of off-balance sheet items – list of unlimited guarantees. As it does not deal with deferred tax assets it should form an own guideline rather than be included here.</p>	See amended text
68.	Institute and Faculty of Actuaries	1.31.	<p>1. We would welcome clarification on whether an undertaking reporting under UK GAAP and IFRS should report differences arising from both reporting bases in order to recognise the difference due to deferred recognition of the actuarial gains and losses.</p> <p>2. We would welcome clarification on whether the disclosure of all assumptions and methodologies used in the actuarial valuation for the employee benefits would in fact be the same as the respective section in the RSR.</p>	<p>The referred information should be disclosed using Solvency II valuation. Regarding the use of IFRS please see also EIOPA Guidelines on Valuation, for specific local GAAPs please contact the national supervisory authority.</p> <p>Information is only referred to in the Solvency and Financial Condition Report.</p>
69.	IRSG	1.32.	<p>Guideline 32 – Technical Provisions:</p> <ul style="list-style-type: none"> - The GL requires detailed information on contract boundaries, key options and guarantees and homogeneous risk groups. For reporting and disclosure at group level the burden of providing information is out of proportion in view of the benefit. So, the requirement should be limited to Solo-Reporting only. - It would make sense also to require the reporting of durations of technical 	Agreed, exclusion was included but a new Guideline was developed specifically for groups.

			provisions here given that currently no requirement exists to report durations of technical provisions. However a definition of duration would be needed as a precondition for doing this. Correspondingly this should also be required as regards assets.	This information is not foreseen to be required through these Guidelines.
70.	Actuarial Association of Europe (AAE)	1.32.	<p>Even when considering the Explanatory Text (2.43) it remains unclear, which value should be published by undertakings making use of transitional measures, matching adjustment or volatility adjustment.</p> <p>It should be made clear that this should be the solvency ratio in consideration of the LTG measures.</p>	<p>The use of approved LTG measures and transitionals should obviously be included in all TP, SCR and OF calculations and respective disclosures. All figures should reflect them in this situation.</p> <p>The impact of the measures are subject to a specific disclosure requirement (see also Commission Delegated Regulation and ITS on Disclosure).</p>
71.	IRSG	1.34.	<p>21. Guideline 34 – Any other material information:</p> <p>22. This should not be requested in separate guidelines as the Delegated Acts do not specify what has to be reported here apart from requiring consistency between SFCR and RSR. Neither the framework directive nor the delegated acts require a “description of the nature and appropriateness of the data used”. So, the information requested here goes beyond the Framework Directive and the Delegated Acts.</p>	<p>See point 2 on comment 2</p> <p>Data quality is key, it is important that a description of the process in place for checking data quality is disclosed.</p>
72.	GDV	1.34.	<p>Guideline 18</p> <p>Point g.) goes beyond the Delegated Acts. In Art. 70 (3) is stated that the elements of the reconciliation reserve should not be assessed separately. The reconciliation reserve contains several elements, which display the valuation differences between Solvency II and Local GAAP. One element, which undertakings have to display, is the expected profits included in future premiums. We do not support the fact that beside the EPIFP further elements have to be explained. Hence, this point should be</p>	<p>EIOPA believes it is important that the content of the reconciliation reserve is properly disclosed. It is an item considered as Tier 1 by default and therefore information on its elements</p>

			removed or aligned with the Delegated Acts.	is important. EIOPA believes that this is not contradicting article 70(3) of the Commission Delegated Regulation 2015/35/EC.
73.	Insurance Europe	1.34.	<p>Guideline 18</p> <p>This guideline should be deleted as it both duplicates and goes beyond the Delegated Acts (DAs).</p> <p>Subsequently, we believe the requirements set out in point a) are already sufficient. However, the requirement to provide information on each own fund item goes beyond the Delegated Acts. The wording should be aligned with Article 297(1)(b) of the Delegated Acts. Nevertheless, by doing so the guideline will not add any value to the existing legal text and is therefore redundant. Hence, our proposal to delete the guideline. Besides, we have the following concerns with the guideline :</p> <p>Point b) is too vague and already covered in point a): if an item satisfies the features set out in Articles 69, 72, 74, 76 or 78, then it should not be needed nor required to explain why it is available or subordinated. Besides, as stated above the wording should be aligned with the Delegated Acts. These guidelines should either mention "each tier" or "each material own fund item" instead of "each own fund item".</p> <p>Point d) is inconsistent with the criteria existing for subordinated debt as part of the own funds: that debt is not aimed to be sold frequently, on the contrary there are requirements on its minimum duration. During that period, it does not make sense to require a risk free rate depending valuation. Instead, the requirements in CP-14-043 are already enough.</p> <p>Point e) it should be clarified that the restrictions to "available own funds" are only those referred to in Article 70 of the Delegated Acts. Indeed, other restrictions are likely to prevent an own fund item to be eligible, in which case that item should not be in the scope of this guideline.</p> <p>Point i) goes beyond the DAs, as well as the ITS and Guidelines already existing in relation to Ancillary Own Funds. Indeed, once the approval is given, it is deemed to be permanent, and the process to eventually withdraw it follows clear rules and can only happen under given circumstances. The only exception is defined in Article 67(c) of the DAs and relates to "the time period for which the calculation of the ancillary own funds item using that method [to determine the amount] is granted". Hence, this point should be removed or aligned with the DAs.</p>	<p>Guidelines explain what supervisors expect to see included in the referred section. Text was aligned.</p> <p>Point b: This paragraph brings clarity in what is expected.</p> <p>Para. d) has been clarified. Reference to CP-14-043 is not understandable.</p>

			<p>Last but not least, the wording using “at least” and “any other features that are relevant” is too far reaching and could lead to level playing field issues.</p>	<p>Point e) All Guidelines have to be read in the context of the Solvency II Framework.</p> <p>Paragraph i has been clarified.</p> <p>The expressions referred capture the materiality principle and the undertakings specificities.</p>
74.	IRSG	1.36.	<p>23. Guideline 36 – Any other material information on business:</p> <p>24. This should not be requested in separate guidelines as the Delegated Acts do not specify what has to be reported here apart from requiring consistency between SFCR and RSR. So, the information requested here goes beyond the Delegated Acts.</p>	See point 2 of comment 2.
75.	Insurance Europe	1.36.	<p>Guideline 20</p> <p>This guideline should be deleted as template G01 (S.32.01.) requires extensive information on the scope of the group; i.a. method of consolidations, included and excluded entities etc. This template should be disclosed once a year. For that reason it is not evident which additional explanation of differences between the scopes</p>	This addresses a specific situation reported by the market where the scope of consolidation for the financial statements might be different from the one

			undertakings should explain.	for Solvency II purposes.
76.	IRSG	1.37.	25. Guideline 37 – Risk profile: 26. Editorial: par. 1.54 j): “ or a liability or whether it is an”	See amended text.
77.	CFO Forum and CRO Forum	1.37.	b) Information on own funds – groups 1. It is not clear how insurers should reconcile amounts in different currencies and some clarification would be helpful. 2. We assume that this guideline is not applicable to the reconciliation reserve, given the nature of this own fund item.	Paragraph was deleted. Disagree. There is reference on reconciliation reserve even for residual related undertakings.
78.	GDV	1.37.	Guideline 21 It is not clear how amounts in different currencies shall be reconciled. Clarification would be helpful.	See comment 77.
79.	Insurance Europe	1.37.	Guideline 21 It is not clear how to reconcile amounts in different currencies. Clarification would be helpful.	See comment 77.
80.	IRSG	1.38.	Guideline 38 – Any other material information: This should not be requested in separate guidelines as the Delegated Acts do not specify what has to be reported here apart from requiring consistency between SFCR and RSR. So, the information requested here goes beyond the Delegated Acts.	See point 2 of comment 1.
81.	CFO Forum and CRO Forum	1.38.	1. We do not follow the requirement in the explanatory text (paragraph 2.4) for reporting by Solvency II line of business. Under section A we show a purely local GAAP view and the level of detail is identical with annual reporting (LoB’s, Split of geographical areas, Split by class of assets). In doing so, section A is consistent with annual reporting and the reuse of available material (IFRS annual report) leads to reduction in the effort required. No additional value is provided by the extra effort of reporting the information on a Solvency II line of business basis.	The link between this information (based on financial statements) and the rest of the information being disclosed is very important from a disclosure perspective. In addition comparability is also important. Therefore EIOPA believes that SII LoB should be used.
82.	Insurance	1.38.	Guideline 22	Disagree, guidelines

	Europe		<p>The list of information to include (a to d) goes beyond the Delegated Acts as there are no requirements setting out the need to report on full time equivalent employees, the list of related undertakings, internal organisational structures or distributions made to shareholders and hence, should be deleted.</p> <p>Subsequently, in indent b, for consistency reasons reference should only be made to related undertakings and branches in accordance with Article 212(1)(b) in the Directive and it should be moved to "group RSR" as this is group related.</p>	<p>explain what supervisors expect to see included in the referred section.</p> <p>Para. c) was moved to section B.1. and para. d) was moved to section E.1. of the Regular Supervisory Report.</p>
83.	MetLife	1.38.	Guideline 22 – Since branch figures will be part of the RSR, it is unclear why a listing of branches is needed.	See comment 82.
84.	Munich Reinsurance Company	1.38.	See 1.13.	See comment 30.
85.	IRSG	1.39.	<p>28. Guideline 39 – Identification and trigger for reporting of pre-defined events:</p> <p>29. The definition of pre-defined events provided in this guideline is too broad, and it could lead to confusion. Submission of information upon occurrence of pre-defined events should stick to those cases recognized in the Directive (e.g.: articles 102 (1), 129 (4), 138 or 245), the Implementing Measures (e.g.: articles 62, 191 or 257 (1)). Therefore, this guideline should be omitted.</p>	See comment 12.
86.	Deloitte Touche Tohmatsu	1.39.	<p>Paragraph 2.80 should be supplemented with the following examples of pre-defined events;</p> <p>A refusal by the auditors to certify the accounts or a serious qualification of the audit opinion</p> <p>Key staff leaving, exposing the undertaking to risks of not being able to fulfil its financial or regulatory reporting requirements</p> <p>Whether the control functions have not been able to function as intended, leading to a major loss, failure or break-down of governance</p> <p>Difficulties in performing supervision</p> <p>Paragraph 2.81 should clarify whether there is a prescribed format for notifying the supervisory authorities of circumstances that give rise to the occurrence of a predefined event, for example in writing to be valid or recognised as a formal notification. We believe that there should be no ambiguity on whether notification</p>	<p>Agreed.</p> <p>Please note that the explanatory text will be included in the consultation paper only and not in the final Guidelines.</p> <p>The second point has not been specified in the Guidelines.</p>

			has actually taken place or not. For instance, it could be required that the supervisory authority confirms that they have received such a notification.	
87.	Insurance Europe	1.39.	Guideline 23 This guideline does not comply with the proportionality principle. The wording "material risk mitigation" should be used which is also in line with Article 307(2)(e) of the Delegated Acts where reference is made to "material risk mitigation".	Agreed. See proposal in the Guidelines.
88.	IRSG	1.40.	30. Guideline 40 – Supervisory reporting following pre-defined events – additional ORSA: 31. Editorial: par. 1.57: "with Article 45(5) of Directive 2009/138/EC as a result of a"	Changed.
89.	Insurance Europe	1.40.	Guideline 24 2. We propose that guideline 24 paragraphs 1.40.a) and b) should be deleted because they repeat the Delegated Acts Article 372(2)(a)(iv). Furthermore requirement to disclose quantitative and qualitative information about intra-group transactions refer til Group RSR and not Individual RSR, and hence do not belong in this section.	The article referred relates to Group Regular Supervisory Report, whereas the Guideline at stake refers to solo Regular Supervisory Report. EIOPA believes it is important information also at an individual level.
90.	Investment & Life Assurance Group (ILAG)	1.40.	Guidance could be provided on what constitutes 'significant transactions within the group' for disclosure in the group SFCR.	Materiality principle as defined in Commission Delegated Regulation should apply. (significant transaction has material decisive impact)
91.	IRSG	1.41.	32. Guideline 41 – Public disclosure policy: - Under b) with the requirement to disclose the processes for completion of the various disclosure requirements and for review and approval by the AMSB two different points are included under one line item. We suggest to split the requirements in two different items.	Amended

			<ul style="list-style-type: none"> - Editorial: o par. 1.58 c): "that the insurance or reinsurance undertaking believes is equivalent" o par. 1.58 d): "that the insurance or reinsurance undertaking... set out in Article 53(1) of Directive 2009/138/EC" o par. 1.58 e): "under Article 54(2) of Directive 2009/138/EC" 	<p>Amended</p> <p>Amended</p> <p>Amended</p>
92.	Insurance Europe	1.41.	<p>Guideline 25</p> <p>Please refrain from referring to "policies" in plural as Article 275 of the Delegated Acts only refer to a remuneration policy.</p>	Amended.
93.	IRSG	1.42.	<p>33. Guideline 42 – SFCR – Non-disclosure of information:</p> <p>34. Editorial: par. 1.59: "should not enter into a contractual obligation with policyholders or other counterparty relationships binding them to secrecy"</p>	Text has been amended.
94.	IRSG	1.43.	<p>35. Guideline 43 – RSR – Format of reporting:</p> <p>36. Editorial: par. 1.60: "templates and consider the data"</p>	Text has been amended.
95.	Insurance Europe	1.43.	<p>Guideline 27</p> <p>In order to comply with the proportionality principle, this guideline should include the wording reference to "material derivative exposures". Hence, the sentence would read as follows: "... the undertakings should, in case they hold material derivative exposures and within the information on risk exposure, explain how they ensure that material derivatives contribute.....".</p>	Please see amended text.
96.	Insurance Europe	1.44.	<p>Guideline 28</p> <p>A word seems to be missing in the guideline. Please consider adding "provide" in the last sentence so the sentence will read as follows: "Under section "Other material risks" (C.6) of Annex XX of the Implementing Measures insurance and reinsurance undertakings should, within the information on the risk mitigation techniques used, where the undertaking selected 'Other' in item "C0140 - Type of underwriting model" in template S.30.03, provide an explanation of the underwriting model applied." Otherwise the sentence does not seem to make sense.</p>	Amended.
97.	IRSG	1.45.	<p>37. Guideline 45 – RSR – References to other documents:</p> <p>38. Editorial: par. 1.62: "these references should lead directly"</p>	Amended.

98.	Insurance Europe	1.45.	<p>Guideline 29</p> <p>This guideline goes beyond the Delegated Acts and should be deleted as no reporting requirements are mentioned in the Delegated Acts regarding reinsurance and financial mitigation techniques and future management actions. If the guideline is to be in line with the Delegated Acts only material reinsurance and financial mitigation techniques should be requested and the guideline should be merged with guideline 30 "Any other information".</p>	Disagree. The Guideline refers to "C.6 Other material risks".
100.	IRSG	1.46.	<p>39. Guideline 46 – Reporting policy:</p> <ul style="list-style-type: none"> - By referring to Guideline 7 of the Guidelines on System of Governance this Guideline can only apply if Guideline 7 exists (as drafted); so Guideline 7 is stipulated by Guideline 46. We would prefer a more pragmatic wording in order not to create unnecessary bureaucracy. - Editorial: par 1.64 b) "set out processes and timelines for completion" 	Wording has been amended.
101.	Insurance Europe	1.46.	<p>Guideline 30</p> <p>In order to comply with the proportionality principle, this guideline should include the wording "insurance and reinsurance undertakings which have material positions in structured products". This guideline could also duplicate information provided under C.2 Market risk, C.3 Credit risk, C.4 Liquidity risk and ehnce, should include the wording "...if not mentioned yet under paragraphs C.2, C.3 or C.4"</p> <p>Please add "material" to indents a) to d), as the Delegated Acts clearly state that only "any other material information" should be included.</p>	Amended.
102.	IRSG	1.47.	<p>40. Guideline 47 – Approval of information to be submitted to the supervisory authority:</p> <p>41. It is required here that insurance and reinsurance undertakings should have the transitional information, the RSR and the annual quantitative reporting templates approved by the AMSB before submitting them to their supervisor. In our view it should be sufficient for the AMSB to approve the qualitative reporting because there are also all quantitative main figures included. It should be sufficient to approve the detailed quantitative data by the department leads, not by the AMSB. So, this guideline should be deleted. See also general comments above.</p>	See comment 1.
103.	CFO Forum	1.47.	We would prefer a reference to IAS 12 to ensure consistent reporting.	Please see EIOPA

	and CRO Forum			Guidelines on Valuation for relation between Solvency II valuation and IFRS. In this case IAS12 is not considered consistent with Solvency II.
104.	Insurance Europe	1.47.	Guideline 31 In order to comply with the proportionality principle, this guideline should include the wording "material deferred tax benefits", consistent with guideline 10 of these guidelines. A reference to IAS 12 should also be added to ensure coherent reporting.	Material has been added. On IAS 12 please see comment 103.
105.	Munich Reinsurance Company	1.47.	"Under section "Assets" (D.1) of Annex XX of the Implementing Measures insurance and reinsurance undertakings should explain, when deferred tax assets are recognised, how they assess the probability of future taxable profits, where applicable, and identify the amount and expected time horizons for reversal of temporary differences." No, we prefer a reference to IAS 12. In doing so a coherent reporting could be ensured.	See comment 103.
106.	Federation of European Accountants (FEE)	1.48.	This paragraph should be a separate Guideline as it does not relate to the stated subject of Guideline 31 (Valuation of deferred tax assets)	Agreed, guidelines have been changed.
107.	Insurance Europe	1.48.	Guideline 31 It is not clear why information detailing unlimited guarantees (corresponding to disclosures in QRT S.03.03) are requested under the heading of this guideline "Deferred taxes".	Changed. Unlimited guarantees have been included in a separate Guideline.
108.	Actuarial Association of Europe (AAE)	1.49.	Technical provisions: There seems to be no differentiation for groups. Information on technical provision on group level should be according to the materiality for the group	See comment 69.
109.	GDV	1.49.	Guideline 32 Regarding the detailed information requested in 1.49 b), c), f) on contract boundaries, key options and guarantees and homogeneous risk groups it should be	See comment 69.

			clarified that they are required for Solo-Reporting purposes only. For reporting and disclosure at group level the burden of providing information for "each different business" and "details of any contract", "details of options and guarantees and how they are evolving" seems out of proportion in view of the benefit – in particular as such information is included in each Solo-Report.	
110.	Insurance Europe	1.49.	<p>3. Guideline 32</p> <p>4. For indents j) and i) the word "material" should be added in order to comply with the proportionality principle:</p> <p>5. Indent j): "... unbundling for material contracts". Indent l) "material reinsurance recoverables."</p>	Agreed.
111.	3.1.	3.2.	This comment was submitted as confidential by the stakeholder.	
112.	Insurance Europe	1.50.	<p>Guideline 33</p> <p>If the guideline is to be in line with the Delegated Acts only material contingent liabilities for which a maximum value cannot be reported in QRT S.03.01.b should be requested and the guideline should be merged with guideline 30 "Any other information".</p>	See comment 54.
113.	Investment & Life Assurance Group (ILAG)	1.50.	<p>Under IFRS, firms do not have to disclose certain information regarding provisions and contingent liabilities under IAS 37 if the information could be prejudicial to them:</p> <p>In extremely rare cases, disclosure of some or all of the information required by paragraphs 84–89 can be expected to prejudice seriously the position of the entity in a dispute with other parties on the subject matter of the provision, contingent liability or contingent asset. In such cases, an entity need not disclose the information, but shall disclose the general nature of the dispute, together with the fact that, and reason why, the information has not been disclosed.</p> <p>We would propose that the same exemption should be afforded under Solvency II.</p>	See comment 66.
114.	Federation of European Accountants (FEE)	1.51.	This guideline indicates that certain additional disclosure should be made 'within the description of the nature and appropriateness of the data used'. However it is unclear where the requirement to give a 'description of the nature and appropriateness of the data used' stems from in the context of Section D of the RSR. In particular no such requirement is set out in Article 310 of the Delegated Acts.	See comment 71.

115.	CFO Forum and CRO Forum	1.53.	1. The requested degree of detail and additional description would be burdensome and time-consuming, and we do not consider that it would add additional value.	The Guideline refers to important information on significant intra-group transactions that complement the QRT.
116.	GDV	1.53.	Guideline 36 This guideline requires a degree of detail which would be very burdensome to provide. Further, it does not create any additional benefit. Therefore it should be deleted.	See comment 115.
117.	Insurance Europe	1.53.	Guideline 36 Please add "material" to the sentence: "...should provide information on the terms and conditions of the material intra-group operations and transactions..." as the Delegated Acts clearly state that only "any other material information" should be included. Furthermore, it is not clear what "intra-group operations" refer to as such a term are not used nor defined in either the Directive or the Delegated Acts. We request to delete this term and only refer to "intra-group transactions" which is commonly used in the Directive and Delegated Acts.	Reference to "significant" was added and reference to "operations" was deleted.
118.	Munich Reinsurance Company	1.53.	"Guideline 36 – Any other material information on business "... provide information on the terms and conditions of the intra-group operations and transactions including information on:..." The requested degree of details and additional descriptions would be very exhausting, time-consuming and would lead to no additional value.	See comment 115.
119.	Insurance Europe	1.54.	Guideline 37 Please add "material" to indents a) to j)), as the Delegated Acts clearly state that only "any other material information" should be included. This guideline should also be merged with guideline 38 "Any other material information" in accordance with our general comments.	Only information on any significant risk concentration is requested. See comment1 part 5.)
121.	GDV	1.56.	Guideline 39 Due to vague legal terms, the explanatory text on guideline 39 goes much further	The referred paragraphs in

			<p>than the guideline itself and defines reporting requirements earlier than implied by the Guideline itself. Therefore, it should be adjusted.</p> <p>Examples:</p> <ul style="list-style-type: none"> - Guideline 39 requires undertakings to report following pre-defined events, which lead or have led to material changes in their risk profile. Accordingly, we suggest to clarify in the explanatory text to Guideline 39 2.79 (b) that only significant losses from mortgage loans would be a triggering event. - 2.80 g: It is unclear what "significant" governance failures are? - 2.80 h: Do we understand it correctly, that all internal frauds have to be reported? - 2.81/2.82: We do not agree with the required timeliness of certain notification requirements, for example, with respect to "mergers". Here, information has to be provided when the operation is still strictly confidential and no final intention for a merger exists. We ask to delete or adjust this requirement in a way that is operationable. 	<p>the explanatory text are just examples to be considered by the undertakings.</p> <p>It is out of scope to have exhaustive list of detailed examples in par. 2.80.</p> <p>Confidentiality between supervisors and undertakings is not subject to question. In addition, it is clearly stated that this does not preclude earlier dialogue.</p>
122.	Munich Reinsurance Company	1.56.	<p>Explanatory text:</p> <p>2.80: The examples for the pre-defined events are vague and are characterized by the use of abstract legal terms. It remains e.g. entirely open, in which case a lawsuit or a governance failure is "significant". Therefore, the criteria should be defined for determining when an activity is to be considered as significant.</p> <p>2.81: The obligation to notify arises at a very early stage ("at the earliest opportunity"). It would reduce the administrative efforts on both sides if the reporting e.g. for the significant lawsuits could be on a basis of regular reports.</p> <p>2.82: The example creates the impression that is expected from the undertakings to include the supervisory authorities into their consideration even before the internal decision is made. It should be clarified that the reporting obligations only arise when the respective decision is made.</p>	<p>See comment 121.</p> <p>The aim of an explanatory text is to give further details or concrete applications or examples.</p> <p>Please note that the explanatory text will be included in the consultation paper only and not in the final Guidelines.</p>
123.	Insurance Europe	1.58.	<p>Guideline 41</p> <p>Indent b) goes beyond Article 55 (1) of the Directive as this Article only mentions that the insurance and reinsurance undertakings should have a written policy ensuring the ongoing appropriateness of any information disclosed. There is no requirement that the Policy needs to be approved by the AMSB</p>	<p>The Guideline is on the content supervisors expect to see on the policy not the approval of the policy. It is expected that AMSB approves the information to be disclosed.</p>

124.	MetLife	1.58.	Guideline 41 - 1.58(b) goes beyond Article 55 (1) of the Directive. There is no requirement for review and approval by the Board of all reports.	See comment 123.
125.	Deloitte Touche Tohmatsu	1.59.	Guideline 42. It may be difficult to prove or to establish whether an insurance undertaking has not signed a NDA with an other party in order to avoid disclosure in the SFCR. We suggest to rephrase "for the sole purpose to avoid disclosure in the SFCR"	EIOPA believes the Guideline is important, however it has been redrafted.
126.	Federation of European Accountants (FEE)		Under (b) with the requirement to disclose the processes for completion of the various disclosure requirements and for review and approval by the AMSB two different points are included under one line item. We suggest the requirements are split into two different items.	The text was amended.
127.	Insurance Europe	1.60.	<p>Guideline 43</p> <p>On further reviewing this guideline on reporting format specifically, we would welcome some further clarification on which of the ITSs and guidelines the final XBRL format will be applicable, as QRTs templates are presented in:</p> <ul style="list-style-type: none"> <input type="checkbox"/> CP-14-052 ITS on regular supervisory reporting (RSR) <input type="checkbox"/> CP-14-055 ITS on public disclosure: procedures, formats and templates (SFCR) <input type="checkbox"/> CP-14-045 Guidelines on financial stability reporting <p>This is necessary information as this guideline only refers to RSR, which would potentially exclude –CP-14-055 and CP-14-045 from the scope.</p> <p>The ITS on RSR and SFCR do not contain any explicit reference to reporting format (e.g. DPM/XBRL), yet both sets of reports are expected to be submitted to supervisors in accordance with the Directive and Delegated Acts Article 300 (SFCR) and Articles 312-313 (RSR).</p> <p>Similarly to the Delegated Acts, the guidelines on financial stability (CP-14-045) only mention format for reporting to supervisors should be submitted electronically, without further defining format (guideline 20, paragraph 1.57 in CP-14-045).</p> <p>As an extra link to this comment, upon review of the Technical Annex referred to in guideline 44 (paragraph 1.61 - Data checks) the validation rules only give reference</p>	<p>The DPM has been developed for the QRT. For the Solvency and Financial Condition Report, although the same DPM might be applicable, the templates defined are to be included in the Solvency and Financial Condition Report, and therefore should be in a readable format.</p> <p>As for the FS templates a similar Guideline has been included in the relevant Guidelines.</p>

			to the RSR reports (a,b,f,g). But for instance specific Group Specific Templates (such as the IGT templates in series S.36.01– S.36.04 and the RC template S.37.01 as well as the financial stability-specific add-on templates (e.g. S.41.01 Lapse Life Business), are missing. We further note that Data plausibility checks are contained for the financial stability reporting within guideline 21 (paragraph 1.58), Technical Annex C, but do not cover all financial stability templates, either financial stability -specific add on templates, or other templates that are common between financial stability and the RSR/SFCR packages.	The reporting format is to be determined by each NSA. Please see new Guideline for FS in the relevant Guidelines. See point 6 of comment 1.
128.	MetLife	1.60.	Guideline 43 – It is unclear what is the linkage between data model point in QRTs and the RSR disclosure.	The drafting has been amended so to include the following sentence in the Guideline: "when reporting information included in the quantitative reporting templates".
129.	MetLife	1.61.	Guideline 44 – The scope of data submitted to the supervisory authorities should be clarified.	Text has been clarified.
130.	RSA Insurance Group plc	1.62.	We welcome the change in EIOPA's view on this. Previously no references to other documents were permitted at all, even to those documents already within the scope of supervisory review. We are therefore pleased that a more practical stance has been taken.	Noted.
131.	RSA Insurance	1.63.	See above.	Noted.

	Group plc			
132.	MetLife	1.64.	<p>Guideline 46 – We question whether this should be business function, as opposed to business unit.</p> <p>We recommend detailed reporting timelines and processes in order to ensure accuracy and completeness be maintained separately to avoid the policy having to undergo frequent updates, particularly as the policy should be approved by the Board. The detailed requirements should be left at the discretion of management.</p>	The text has been amended, so to have “function”.
133.	RSA Insurance Group plc	1.64.	It is actually impossible to “guarantee” reliability, completeness and accuracy. No control framework could ever realistically make such a claim. Such an impossible stipulation is not made in, say, the IFRS Statement of Principles. What is important is that the risk of misstatement is minimised. We request EIOPA to amend the wording of this Guideline accordingly.	The undertaking should make all effort to ensure the reliability, completeness and consistency of the provided data. Drafting was amended to better reflect the idea.
134.	AMICE	1.65.	The AMSB or the persons who effectively run the insurance and reinsurance undertaking should be requested to approve the Solvency and Financial Condition Report before it is publicly disclosed. This guideline should be amended accordingly.	See comment 3.
135.	Insurance Europe	1.65.	<p>Guideline 47</p> <p>This guideline should be deleted as it is not clear why AMSB should approve some elements of the Regular Supervisory Reporting, as annual quantitative templates, before submitting them to the supervisory authority concerned. This guideline goes beyond article 35(5) of the Directive, which mentions that AMSB has to approve a written policy ensuring the ongoing appropriateness of the information submitted, but none of the elements of the Regular Supervisory Reporting themselves.</p>	See comment 1.
136.	MetLife	1.65.	Guideline 47 – It should be more explicit that there is no requirement for the Board to review the quarterly quantitative reports produced under the preparatory phase.	This Guideline concerns regular reporting, not the preparatory phase.
137.	IRSG	Comments on the Explanatory text	<p>42. Guideline 6 – Content by material classes of assets and liabilities other than technical provisions:</p> <p>43. Editorial: par. 2.12: “in line with Directive 2009/138/EC”</p> <p>44. Property:</p>	Deleted. No need for double points.

		<p>45. Editorial: par. 2.16: "by market evidence or whether it is more heavily based on other facts. If the latter is the case, these facts"</p> <p>46.</p> <p>47. Inventories:</p> <p>48. Editorial: par. 2.17: "When undertakings included....because they consider that the difference between the net...and the fair value is immaterial"</p> <p>49. Guideline 14 – Valuation of material lease liabilities:</p> <p>50. Editorial: par. 2.34: "into account changes in their own credit standing"</p> <p>51. Guideline 15 – Valuation of material provisions other than technical provisions and contingent liabilities:</p> <p>52. Editorial: par. 2.37: "where market values of liabilities"</p> <p>53. Guideline 16 – Valuation of material employee benefits:</p> <p>54. Editorial: par. 2.40: "differences between the general purpose financial statements"</p> <p>55. Guideline 27 – Risk Profile:</p> <p>56. Editorial: par. 2.68: "defined in Article 132(4) of Directive 2009/131/EC"</p> <p>57. Guideline 39 – Identification and trigger for reporting of pre-defined events:</p> <p>58. Editorial:</p> <ul style="list-style-type: none"> - par. 2.78: intro: "provided for by Directive 2009/131/EC" <p>59. a) "Article 102(1) which explicitly states"</p> <p>60. b) "Article 129 (4) which requires"</p> <p>61. c) "Article 138 which requires"</p> <p>62. d) "Article 245 which requires groups subject to group supervision under Solvency II to report"</p> <ul style="list-style-type: none"> - par. 2.79: same structure as above - par. 2.80: <p>63. c): "internal organisational restructuring"</p> <p>64. e): "include the amount and reason for the change"</p>	<p>Changed.</p> <p>No need for double points. Changed.</p> <p>No need for double points. Changed.</p> <p>No need for double points. Changed.</p> <p>No need for double points. Changed.</p> <p>Deleted.</p> <p>Changed. Changed. Changed. Changed.</p> <p>Changed.</p> <p>Changed. Changed. Changed. Changed.</p>
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			<p>65. i): "internal and/or external investigation"</p> <p>66. i): "mandated in Article 42(3) of Directive 2009/131/EC, but"</p> <p>67. j): "by the general meeting"</p> <p>- par. 2.84: "undertakings are not required to report information... authorisations process they are subject to"</p> <p>68. Guideline 41 – Public disclosure policy:</p> <p>69. Editorial: par. 2.87: "Article 55(1) of Directive 2009/131/EC" – also in 2.91 and 2.92</p> <p>70. Guideline 45 – RSR – References to other documents:</p> <p>71. Editorial: par. 2.90: "Elements from disclosures.... but they are included"</p>	<p>Changed.</p> <p>Deleted.</p> <p>Deleted.</p>
138.	Actuarial Association of Europe (AAE)	Annex I	<p>We would opt for option 1, not to have guidelines on narrative reports. There is already enough information within level 2 and very little value added with additional guidelines.</p>	<p>EIOPA believes it is important for supervisors to be clear since day 1 on the expectations. Guidelines clarify what supervisors expect to see in both reports, consistently with the content defined in the Commission Delegated Regulation.</p>
139.	AMICE	Annex I	<p>Please note that the code for negative values (such as ceded reinsurance, diversification effects, tax reduction) is not consistent across the cells. In some cells a negative sign is requested whereas in some other cells it is not. We recommend EIOPA to conduct a revision check for consistency reasons.</p> <p>The cells are not consistently referenced across the documents; Some are referenced as row / column whereas others as column / row. It would be useful to keep the same format in order to simplify the searches; Please find below some examples:</p> <p>- Check(Control) 1: column lines " 01.02. C0010 / R0050 - ISO 3166 codes of the country where the undertaking was authorised (Home-country)"</p> <p>- Check(Control) 1028: line / column " 23.01. R0010 / C0010 = 23.01. R0010 /</p>	<p>The Annex on the validations has been revised.</p>

C0020 + 23.01. R0010 / C0040 "

Risk Mitigation Techniques and Diversification Effects

The signs in the validations related to the risk mitigation elements such as the reinsurance contracts or other elements such as the diversification effects are not always consistent. A thorough cross-check analysis is needed so that all inconsistencies are eliminated and a unique rule is set.

We therefore suggest keeping a positive sign for these elements so that the gross valuation minus the net equals the mitigation effect.

It is worth pointing out that this latest version seems to set a negative sign for the diversification effects whereas the signs for reinsurance remains very heterogeneous.

Please find below some examples:

- The validations 653 – 668 which correspond to S.17.01 have a negative sign for the

Line "Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default" which is deducted from the Gross claims to obtain the Net claims (see below).

653	S.17.01	$S.17.01.C0020/R0250 = S.17.01.C0020/R0160 + S.17.01.C0020/R0240$
654	S.17.01	$S.17.01.C0030/R0250 = S.17.01.C0030/R0160 + S.17.01.C0030/R0240$
655	S.17.01	$S.17.01.C0040/R0250 = S.17.01.C0040/R0160 + S.17.01.C0040/R0240$

			656	S.17.01	S.17.01.C0050/R0250 = S.17.01.C0050/R0160 + S.17.01.C0050/R0240	
			657	S.17.01	S.17.01.C0060/R0250 = S.17.01.C0060/R0160 + S.17.01.C0060/R0240	
			658	S.17.01	S.17.01.C0070/R0250 = S.17.01.C0070/R0160 + S.17.01.C0070/R0240	
			659	S.17.01	S.17.01.C0080/R0250 = S.17.01.C0080/R0160 + S.17.01.C0080/R0240	
			660	S.17.01	S.17.01.C0090/R0250 = S.17.01.C0090/R0160 + S.17.01.C0090/R0240	
			661	S.17.01	S.17.01.C0100/R0250 = S.17.01.C0100/R0160 + S.17.01.C0100/R0240	
			662	S.17.01	S.17.01.C0110/R0250 = S.17.01.C0110/R0160 + S.17.01.C0110/R0240	
			663	S.17.01	S.17.01.C0120/R0250 = S.17.01.C0120/R0160 + S.17.01.C0120/R0240	
			664	S.17.01	S.17.01.C0130/R0250 = S.17.01.C0130/R0160 + S.17.01.C0130/R0240	
			665	S.17.01	S.17.01.C0140/R0250 = S.17.01.C0140/R0160 + S.17.01.C0140/R0240	
			666	S.17.01	S.17.01.C0150/R0250 = S.17.01.C0150/R0160 + S.17.01.C0150/R0240	
			667	S.17.01	S.17.01.C0160/R0250 = S.17.01.C0160/R0160 + S.17.01.C0160/R0240	
			668	S.17.01	S.17.01.C0170/R0250 = S.17.01.C0170/R0160 + S.17.01.C0170/R0240	
		<p>- However in the validations 733 à 748 from the same template (S.17.01), the "Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole" has a positive sign (see below)</p>				

			733	S.17.01	S.17.01.C0020/R0340 = S.17.01.C0020/R0010 - S.17.01.C0020/R0050 + S.17.01.C0020/R0270 + S.17.01.C0020/R0280
			734	S.17.01	S.17.01.C0030/R0340 = S.17.01.C0030/R0010 - S.17.01.C0030/R0050 + S.17.01.C0030/R0270 + S.17.01.C0030/R0280
			735	S.17.01	S.17.01.C0040/R0340 = S.17.01.C0040/R0010 - S.17.01.C0040/R0050 + S.17.01.C0040/R0270 + S.17.01.C0040/R0280
			736	S.17.01	S.17.01.C0050/R0340 = S.17.01.C0050/R0010 - S.17.01.C0050/R0050 + S.17.01.C0050/R0270 + S.17.01.C0050/R0280
			737	S.17.01	S.17.01.C0060/R0340 = S.17.01.C0060/R0010 - S.17.01.C0060/R0050 + S.17.01.C0060/R0270 + S.17.01.C0060/R0280
			738	S.17.01	S.17.01.C0070/R0340 = S.17.01.C0070/R0010 - S.17.01.C0070/R0050 + S.17.01.C0070/R0270 + S.17.01.C0070/R0280
			739	S.17.01	S.17.01.C0080/R0340 = S.17.01.C0080/R0010 - S.17.01.C0080/R0050 + S.17.01.C0080/R0270 + S.17.01.C0080/R0280
			740	S.17.01	S.17.01.C0090/R0340 = S.17.01.C0090/R0010 - S.17.01.C0090/R0050 + S.17.01.C0090/R0270 + S.17.01.C0090/R0280
			741	S.17.01	S.17.01.C0100/R0340 = S.17.01.C0100/R0010 - S.17.01.C0100/R0050 +

				S.17.01.C0100/R0270 + S.17.01.C0100/R0280	
			742	S.17.01 S.17.01.C0110/R0340 = S.17.01.C0110/R0010 - S.17.01.C0110/R0050 + S.17.01.C0110/R0270 + S.17.01.C0110/R0280	
			743	S.17.01 S.17.01.C0120/R0340 = S.17.01.C0120/R0010 - S.17.01.C0120/R0050 + S.17.01.C0120/R0270 + S.17.01.C0120/R0280	
			744	S.17.01 S.17.01.C0130/R0340 = S.17.01.C0130/R0010 - S.17.01.C0130/R0050 + S.17.01.C0130/R0270 + S.17.01.C0130/R0280	
			745	S.17.01 S.17.01.C0140/R0340 = S.17.01.C0140/R0010 - S.17.01.C0140/R0050 + S.17.01.C0140/R0270 + S.17.01.C0140/R0280	
			746	S.17.01 S.17.01.C0150/R0340 = S.17.01.C0150/R0010 - S.17.01.C0150/R0050 + S.17.01.C0150/R0270 + S.17.01.C0150/R0280	
			747	S.17.01 S.17.01.C0160/R0340 = S.17.01.C0160/R0010 - S.17.01.C0160/R0050 + S.17.01.C0160/R0270 + S.17.01.C0160/R0280	
			748	S.17.01 S.17.01.C0170/R0340 = S.17.01.C0170/R0010 - S.17.01.C0170/R0050 + S.17.01.C0170/R0270 + S.17.01.C0170/R0280	
140.	CFO Forum and CRO Forum	Annex I	<p>1. Validations 76-80): These tests specify that the Amount of TP Gross of IGT (cells C1, F1, I1, L1, O1 in S.35.01) should match back to the Technical Provisions in the Balance Sheet (cells L1, L4, L6B, L7, L10 respectively in S.02.1.g). However, the current version of the cross template checks in Technical Annex VI to CP-13-10 states that the Amount of TP Net of IGT (cells D1, G1, J1, M1, P1 in S.35.01) should match cells L1, L4, L6B, L7 and L10 in S.02.01.g. We are unclear as to why these checks have changed, as our understanding is that it is the Net of IGT Technical Provisions that should tie back to the Balance Sheet, as the Balance Sheet is</p>		<p>1. It is right, it should be the net. Validations have been revised.</p> <p>2. Validation 1041 was amended.</p>

			<p>reported on a Net of IGT basis for Group Reporting purposes.</p> <p>2. Validation 1041: Some of the formulae in the validation sheet for template S.23.01 (own funds) appear incorrect, for example "S.23.01.R0290/C0020=S.23.01.R0010/C0020+ S.23.01.R0030/C0020+ S.23.01.R0040/C0020+S.23.01.R0070/C0020+S.23.01.R0130/C0020+ S.23.01.R0180/C0020 - S.23.01.R0230/C0020": it appears to us that "- S.23.01.R0220/C0020" should be added to the end of the formula.</p>	
141.	Deloitte Touche Tohmatsu	Annex I	<p>3.3. Annex I includes a list of validations many of which used to be the formulas contained in the LOGs. It was more useful to have formulas (most of the validations referred as WT) within the LOG files, and the real validations in Annex I. Besides, we do not understand the issuing of these validations in the current CP (Guidelines) while the QRTs are published under CP 14-052 (Implementing Technical Standards).</p> <p>Comments on specific validations:</p> <p>1) #1835:</p> <ul style="list-style-type: none"> - It uses a cell reference which is crossed-out (C0110/R0090). - It does not subtract the recoverables of TP as a whole of LoB Insurance with profit participation on Accepted reinsurance (Gross) (cell under A7A, since it is not required but it is not consistent with the calculation of other LoBs). <p>2) #1836:</p> <ul style="list-style-type: none"> - It uses cells references which are crossed-out (C0030/R0090 and C0120/R0090). - It does not subtract the recoverables of TP as a whole of LoB Index-linked and unit-linked insurance on Accepted reinsurance (Gross) (cell under A7B, since it is not required but it is not consistent with the calculation of other LoBs). <p>3) #1837:</p> <ul style="list-style-type: none"> - It adds and subtract the same cell in the formula (three cases: C0060/R0010, C0090/R0010, C0210/R0010). - It uses cells references which are crossed-out (C0060/R0090, C0130/R0090, C0140/R0090). - The sign between C0090/R0090 and C0130/R0010 is missing. 	<p>The validations were taken out of the templates and LOGs because they are not covered by the empowerment of the technical standard. As always EIOPA, following the approach of the last years of developing working documents with the sole purpose of helping the industry (e.g. the changes logs among others,) will consider this issue.</p> <p>Validations have been revised.</p>

		<p>- It does not subtract the recoverables of TP as a whole of LoB Other life insurance on Accepted reinsurance (Gross) (cell under A7C, since it is not required but it is not consistent with the calculation of other LoBs).</p> <p>- It does not subtract the recoverables of TP as a whole of LoB Annuities stemming from non-life accepted insurance contracts and relating to insurance obligation other than health insurance obligations (Gross) (it is not required in the reporting but it is not consistent with the calculation of other LoBs).</p> <p>Same comments for validations: 1854, 1855 and 1856.</p> <p>4) #1834: all references in the formula to cells under column C1500 are wrong. It should be column C1510. Besides, the capital charge for Income protection is not being taken into account in the formula.</p> <p>5) #1652: all references in the formula to cells under column C1500 are wrong. It should be column C1510.</p> <p>6) #1653: reference C1510/R4320 is incorrect. It should be C1510/R4430.</p> <p>7) #1464: It says that Z0030 is to be completed only when item Z0020=1. The current QRT does not contain any item Z0020.</p> <p>8) #1286: formula refers to cells Z0030 and Z0020. None of them exist in the QRT template.</p> <p>9) #1292: reference to cell C0090/R0130 is incorrect. It should be C0100/R0130.</p> <p>10) #1293 to 1297 are the same as validations #1287 to 1291.</p> <p>11) #1298 is equal to validation #1292.</p> <p>It is time consuming for undertakings to correct the validation formula before submitting information to EIOPA.</p>	
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142.	3.4. Insurance Europe	Annex I	<p>We note when reviewing validation rules included in the Technical Annex that there appears to be no consistency to when validation rules reference the .a (solo quarterly) and .b (solo annual) series, or when .f (solo quarterly) and .g (solo annual) series are also included. This is the case for example with S.23.01. Here the validation rules appear to mostly reference the .a (quarterly) and .b (annual) series of the RSR templates, with some exceptions for example rule 1083, which appears to instead only reference to f & g (but the same rule could be applied to a and b it seems). This approach could be interpreted to mean that validation rules would also cover corresponding group templates (.f, .g), unless specific reference is made to group-template specific aspects but when we move on to rules under the next OF template S.23.02, as an example, there are now rules mentioned explicitly as applicable to all series of templates (mentioning a,b,f,g, not just a,b). Here we would welcome some consistency as to whether rules should be applicable to group version of templates, as this is important when developing the validation rules and the reporting templates (e.g. when WT rules are used to populate some of the cells of the reports).</p>	<p>Noted.</p> <p>Validations have been revised.</p>

			<p><input type="checkbox"/> The proposed Cross Template checks (validation numbers 76 to 80) specify that the Amount of TP Gross of IGT (cells C1, F1, I1, L1, O1 in S.35.01) should match back to the Technical Provisions in the Balance Sheet (cells L1, L4, L6B, L7, L10 respectively in S.02.1.g).</p> <p><input type="checkbox"/> However, the current version of the cross template checks in Technical Annex VI to CP-13-10 states that the Amount of TP Net of IGT (cells D1, G1, J1, M1, P1 in S.35.01) should match cells L1, L4, L6B, L7 and L10 in S.02.01.g.</p> <p><input type="checkbox"/> It is unclear as to why these checks have changed, as our understanding is that it is the Net of IGT Technical Provisions that should tie back to the Balance Sheet, as the Balance Sheet is reported on a Net of IGT basis for Group Reporting purposes. This is also in line with Articles 339 (Method 1) and 342 (Method 2) of the Delegated Acts.</p>	See comment 140.
143.	IRSG	Annex I	<p>Annex I – Impact Assessment: Analysis of impact par. 1.14 (Costs):</p> <p>It is stated here that “the proposed guidelines build on other policy requiring industry to generate the SFCR and RSR and that therefore the impact of having guidelines...in terms of costs was considered as not material”. We want to address that the costs for additional IT infrastructure, automation, human resources and capital are very high, especially for smaller insurance companies. This will have a negative impact on the overall insurance market: the number of insurance undertakings will decrease, which would result in decreased completion. Subsequently, the customers will pay higher costs. It is important to be sensible with the phasing in of the reporting, calculation and documentation requirements in the first years.</p> <p>72. Annex I – Impact assessment: Policy options, par. 1.11 and par. 1.19:</p> <p>73. In our view option 2 – which is the preferred option of EIOPA – sounds reasonable because of the balance between „supervisors establishing requirements at more or less same level on one hand, maintaining certain level of judgment and flexibility without being too restrictive and rules based on the other hand”.</p>	EIOPA believes it is important for supervisors to be clear since day 1 on the expectations. Guidelines clarify what supervisors expect to see in both reports, consistently with the content defined in the Commission Delegated Regulation. Clarifications after day 1, once all systems have been developed, would be more costly.
144.	Federation of European Accountants (FEE)	Annex I	In our view option 2 sounds reasonable because of the balance between supervisors establishing requirements at more or less the same level on one hand and maintaining certain levels of judgment and flexibility without being too restrictive and rules based on the other.	Noted. EIOPA believes that the Guidelines proposed achieve that balance.
145.	Insurance Europe	Annex I	<p>(2) S.29.01 – Referring to incorrect report in ‘Technical Annex 1’</p> <p>3.5. C 1873 S.29. b S.23 b S.26.01.C0010/R0010 =</p>	All formulas listed in the question were amended.

			T	01	.01	S.23.01.C0010/R0010						
			DB	3.6.	1	3.7.	3.8.	3.9.	3.10	3.11.	S.26.01.C0010/R0010 =	
					8						S.23.01.C0010/R0010	
					7							
					4							
			3.12.	C	3.13.	1	3.14.	3.15.	3.16.	3.17	3.18.	S.26.01.C0010/R0020 =
				T		8						S.23.01.C0010/R0030
					7							
					5							
			3.19.	C	3.20.	1	3.21.	3.22.	3.23.	3.24	3.25.	S.26.01.C0010/R0030 =
				T		8						S.23.01.C0010/R0040
					7							
					6							
			3.26.	C	3.27.	1	3.28.	3.29.	3.30.	3.31	3.32.	S.26.01.C0010/R0040 =
				T		8						S.23.01.C0010/R0050
					7							
					7							

			3.33.	C	3.34.	1	3.35.	3.36.	3.37.	3.38	3.39.	S.26.01.C0010/R0050 =	
				T		8						S.23.01.C0010/R0070	
						7							
						8							
			3.40.	C	3.41.	1	3.42.	3.43.	3.44.	3.45	3.46.	S.26.01.C0010/R0060 =	
				T		8						S.23.01.C0010/R0090	
						7							
						9							
			3.47.	C	3.48.	1	3.49.	3.50.	3.51.	3.52	3.53.	S.26.01.C0010/R0070 =	
				T		8						S.23.01.C0010/R0130	
						8							
						0							
			3.54.	C	3.55.	1	3.56.	3.57.	3.58.	3.59	3.60.	S.26.01.C0010/R0080 =	
				T		8						S.23.01.C0010/R0140	
						8							
						1							

			3.61. C T	3.62. 1 8 8 2	3.63.	3.64.	3.65.	3.66	3.67.	S.26.01.C0010/R0090 = S.23.01.C0010/R0160	
			3.68. C T	3.69. 1 8 8 3	3.70.	3.71.	3.72.	3.73	3.74.	S.26.01.C0010/R0100 = S.23.01.C0010/R0180	
			3.75. D B	3.76. 1 8 8 4	3.77.	3.78.	3.79.	3.80	3.81.	S.26.01.C0010/R0020 = S.23.01.C0010/R0030	
			3.82. D B	3.83. 1 8 8 5	3.84.	3.85.	3.86.	3.87	3.88.	S.26.01.C0010/R0030 = S.23.01.C0010/R0040	

			3.89. D	3.90. 1	3.91.	3.92.	3.93.	3.94	3.95.	S.26.01.C0010/R0040 =	
			B	8						S.23.01.C0010/R0050	
				8							
				6							
			3.96. D	3.97. 1	3.98.	3.99.	3.100	3.10	3.102.	S.26.01.C0010/R0050 =	
			B	8						S.23.01.C0010/R0070	
				8							
				7							
			3.103. D	3.104. 1	3.105.	3.106.	3.107	3.10	3.109.	S.26.01.C0010/R0060 =	
			B	8						S.23.01.C0010/R0090	
				8							
				8							
			3.110. D	3.111. 1	3.112.	3.113.	3.114	3.11	3.116.	S.26.01.C0010/R0070 =	
			B	8						S.23.01.C0010/R0130	
				8							
				9							

			<p>3.117. D 3.118. 1 3.119. 3.120. 3.121 3.12 3.123. S.26.01.C0010/R0080 = B 8 S.23.01.C0010/R0140 9 0</p> <p>3.124. D 3.125. 1 3.126. 3.127. 3.128 3.12 3.130. S.26.01.C0010/R0090 = B 8 S.23.01.C0010/R0160 9 1</p> <p>3.131. D 3.132. 1 3.133. 3.134. 3.135 3.13 3.137. S.26.01.C0010/R0100 = B 8 S.23.01.C0010/R0180 9 2</p>	
146.	3.138. Insuranc e Euro pe	Annex I	<input type="checkbox"/> S.29.02 – Should the cells ‘C0010/R0040’ and ‘C0010/R0110’ coincide, it seems possible after looking at 2012-07 requirements but a ‘WT’ verification is not included in ‘Technical Annex 1’? <input type="checkbox"/> S.29.03 – ‘Closing BE – reinsurance recoverable’ = ‘C0030C0040/R0130’ should be R0140 according to template? <input type="checkbox"/> S.29.03 – Description in log not the same as template, ex Log ‘Opening Best Estimate of reinsurance recoverables’ (C0050/R0150) and template ‘Opening Best estimate’. <input type="checkbox"/> S.29.03 – Does not look like a ‘WT’ lookup?	<p>New validation: S.29.02.C0010/R0040=S.29.02.C0010/R0110</p> <p>Changed in the LOG.</p> <p>It's Opening Best estimate in the LOG and in the</p>

		<p>3.139. 192 S.29.03 b S.29.03.C0120/R0360 <= 0 1</p> <p>WT 3.140 3.141. S 3.14 3.143. S.29.03.C0130/R0360 . 2 <= 0 9 . 0 3</p> <p><input type="checkbox"/> Reinsurance templates. Per EIOPA’s Navigation tool, the CP-14-047 is meant to contain the previous “cross-templates” summations/formulas/data checks (“CT”). In the previous version of the template J1-Shares (S.30.02), we noted a formula for the cell C0100 (P1), which was driven by formula = cell C0080(N1) in the Shares template x value as contained in the Basic Template (now S.30.01, C0160 (O1)). We cannot identify this CT data check in the Technical Annex of CP-14-047. It does not appear to contain any formulas or CT checks at all in relation to either S.30.01 or S.30.02. We would like EIOPA to clarify whether data checks in Technical Annex 1 will be updated to also cover the Reinsurance templates for WT and CT that previously existed either in the LOG/cells of the templates.</p>	<p>template.</p> <p>Validations were deleted.</p> <p>Validations have been revised.</p>
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