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Actuarial Association of Europe (AAE) inputs its comments on EIOPA reporting and disclosure consultation

AAE has concerns at the relevance, proportionality and value for users of some elements of reporting and disclosure and, in response to the consultation, has submitted the following comments to EIOPA.

- AAE considers that a number of reporting requirements impose significant burdens on insurers with limited management or regulatory gain, e.g. detailed look through unit-linked asset information (life), some loss triangle reporting and underwriting risk templates (non-life)
- AAE advocates greater application of proportionality in reporting, e.g. for captive insurers
- AAE identifies a lack of harmonisation in reporting requirements between countries, which runs counter to the general objective of Solvency II
- AAE notes duplication in information reported under Solvency II which it suggests should be addressed. This is particularly evident with the RSR and SFCR requirements but also affects Actuarial Function Reports, ORSA and Risk Appetite statements.
- AAE considers that the level of public interest in SFCR is not sufficient, or at a sufficient level of detail, to warrant the substantial effort involved in preparing these documents. In particular, much of the information is also available from statutory annual reports. A simpler, more accessible document with less prescription and repetition could be more useful.

AAE also made some more specific comments in response to the consultation, as follows:

- AAE suggests that quarterly submissions should not be required in respect of period ends when annual submissions are required.
- AAE suggests that it is not likely to be feasible to provide detailed internal model reporting in formats which are designed for standard formula reporting.
- AAE suggests that variation analysis templates should be simplified to enable consistent explanations and interpretations.

AAE is supportive of efforts to improve the relevance, proportionality and value of Solvency II reporting and disclosure and will continue to input to EIOPA in relation to its work in this area.

For more information please contact

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