Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
Company name:	**Actuarial Association of Europe (AAE)**		
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	Please follow the instructions for filling in the template:		
	Please send the completed template to CP-19-004@eiopa.europa.eu, in MSExcel Format, (our IT tool does not allow processing of any other formats).		
Document reference	**Paragraph or other detailed reference**	**Comment**	
SFCR			
EIOPA-BoS-19-309: SFCR	**General remarks**	We welcome EIOPA's approach to revise the requirements with regard to the SFCR. The current requirements in Level 1 and Level 2 are apparently not sufficient to provide the requested information in a structured and easy readable manner to particular groups of readers. The now proposed split of the report in two parts can at least be a first step to overcome part of this weak point. Because of remaining open issues that will be added in the announced second wave of proposals, a final and comprehensive assessment is not possible based on this document solely. Given the proposed changes in structure and content of the SFCR we welcome EIOPA's proposal to extent to extend the annual reporting and disclosure timelines by 2 weeks is welcome.	
EIOPA-BoS-019-309 SFCR	**EIOPA proposal** **General** point 5; p.3	The current proposal states no group information is to be provided within the policyholder section of the SFCR. We understand the argument for proposing this however there may be situations where information on the Group is very relevant (e.g. parental guarantee) even for the policyholder part of the SFCR. Therefore we believe undertakings should, within the policyholder section of the SFCR, be permitted to provide a reference to the section of the non-policyholder SFCR that explains the relevance of Group as well as providing a link to the group/parent SFCR. In addition, it is proposed in the 'Business and performance' section (of the SFCR part addressing policyholders) that undertakings that are part of a group need to disclose information on the name of the group, legal form and jurisdiction of the group. This is in contrary to the initial section of the proposal that states that there will be no information on group level in the SFCR part addressed to the policy holders. We would recommend limiting translation costs to an acceptable level, ensuring that SFCR can be made available in the national languages of the Member State plus English as international language. We note that advice 5.7 appears to be stricter referring to one national language of the Member State.	
EIOPA-BoS-019-309 - SFCR	**EIOPA proposal** **Business and performance** point 5	Quantitative information on underwriting performance: While premiums, claims can be reliably determined per line of business, it is unclear how investment return should be allocated to a line of business, if assets are not assigned to this LOB. Profit and losses can not be identified on the basis of Solvency II data. A comparison of best estimate parameters with actual results does not give any information concerning profit or loss. The effect resulting from the deviation of an actually observed result from a best estimate parameter cannot be taken as an indicator for a profit or a loss caused by this deviation. See our comments on the template S.29.05 and S.29.06 in the consultation paper EIOPA proposals template by template. Under the 'Business and performance' section for the policyholder part of the SFCR the proposal includes providing quantitative information on the reinsurance undertaking's underwriting performance. To avoid confusion can the proposal be amended to exclude reference to reinsurance undertakings because reinsurance undertakings are exempt from the part of the SFCR addressing policyholders (p3)?	

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EIOPA-BoS-019-309 - SFCR	**EIOPA proposal** **Point 24 - sensitivities**	Undeniably, the disclosure of information resulting from prescribed scenarios could be helpful in order to better understand the main risk drivers. <u>However, we do note that:</u> The wording "Impact on the SCR coverage ratio and impact on the amount of the Own Funds in million euros of the following key sensitivity tests" could be extremely burdensome, if interpreted strictly. This would result in a recalculation of the Own Funds for each of the sensitivities plus a full SCR recalculation starting from this new position. For example, for life insurers, introducing a market sensitivity with high quality requirement is equivalent to a full pillar 1 calculation, as it is necessary to regenerate new economic scenarios (for rate and credit spread sensitivities at least). a) It would be more instructive from a policyholder perspective to see the change in Own Funds and how the SII ratio would evolve while keeping a constant SCR. It would allow to identify the key risks and be reassured when the SII ratio still remains above a specific threshold b) The methodology for change in own funds should be clear as to whether or not a zero floor for sensitivities applies at contract level; i.e. negative AND positive impacts would be taken into account, allowing for compensations. c) The treatment of LTG-measures is not discussed in this paper. Undertakings can apply for the use of LTG-measures, and, in this case, Solvency II requirements (SCR-coverage, Own funds) have to calculated based on these measures. The effect resulting from the use of LTG-measures has to be disclosed in QRT S.22. The scenarios are calculations on a "what-if" basis. They might not reflect the full scope of possible options of undertakings to improve the capital position, if such a scenario incurs. It seems to be recommendable to only publish the figures on a basis needed to comply with supervisory requirements; i.e. including LTG-measures if applied by the undertaking. More detailed analysis should be part of the ORSA. d) The number of standard sensitivities (13) proposed in the consultation paper is rather high. This especially holds for insurance undertakings that, in addition to the 13 standard sensitivities, may be inclined to disclose additional scenarios that are more in line with their own risk profile (as proposed in paragraph 12 of the consultation paper). The number of sensitivities should preferably be less in order to focus on the most relevant for the SFCR users and limit the reporting efforts for insurance undertakings. In addition: By prescribing sensitivities in this matter, and in particular given the large	
EIOPA-BoS-019-309 - SFCR	**point 24** **Question to stakeholders**	This scenario analysis aims at providing additional information concerning the risk exposure of the undertaking. As such it should be included as a table in the planned new section on risk profile and capital management of the SFCR. Narrative information is necessary in order to understand the effect and the assessment of the undertaking with regard to the achieved results. A standard format is welcome. A template format should not cause additional burden to complete over and above a table format (as the same software will likely be used for both).	
EIOPA-BoS-019-309 - SFCR	**Point 63 EIOPA proposal** **Actuarial report**	The actuarial report is an essential source of information for AMSB and supervisor concerning the calculation of the technical provisions . We agree that this report should be kept internal.	
EIOPA-BoS-19-300_General issues Reporting_Disclosure			
EIOPA-BoS-19-300_General issues Reporting_Disclosure	**1.5.1** point 48	Rules on the allocation/establishment of “non-core” QRTs need to be clear, explicit, standardised across Europe and not up to individual NCAs to decide upon. Such an approach aids supervisory convergence, promotes harmonisation, avoids gold-plating and ensures that entities have certainty over what requirements they face and how those requirements may change as, e.g. their business grows. This may be of particular relevance for cross-border companies, given proposed changes to the QRTs.	

EIOPA-BoS-19-300_General issues Reporting_Disclosure	**Point 138, but also a general comment.**	Any planned additions to the annual reporting package should be carefully considered so as not to introduce an additional reporting burden - development and submission of new templates can be a significant challenge for entities. EIOPA's discussion within the paper indicates that EIOPA views new templates as a "one-off" issue – i.e. there is IT development cost and effort upfront, but effort thereafter is minimal/the same as at present . Empirical evidence would indicate this is not the case; most entities do not have automated processes for producing annual templates – data gathering can be a costly, time intensive exercise. This exercise needs to be repeated each year and, even if automation is in place, results still need to be validated and reviewed. All QRTs entail costs and effort and changes will not result in a one-off cost in isolation; comparisons of expected ongoing costs versus the current state are only valid in some cases.	
Financial Stabilöity Reporting			
EIOPA-BoS-19-306_Financial Stability Reporting	**Open question to stakeholders** point 10	We agree that a consistent calculation of asset- and liability-durations is required. Neither the Macaulay nor the modified duration are an appropriate metric to assess a potential duration-gap for with-profit business of life insurers or to assess the quality of the asset-liability-matching. Changes of cash-flows caused by policyholder participation are treated as fixed which does not reflect reality. These metrics are based on fixed cash-flows and do not take into account risk-absorption by policyholder participation or deferred taxes. The effective duration is better suited for this purpose. Concerning feasibility: The assessment of the Technical Provisions in this case (based on the formula set out by EIOPA) would require additional model runs at each reporting date, with a +/- 100bps sensitivity required. This result may not be available from existing core SII results for standard formula companies, especially in the current low rate environment. It thus creates an additional burden in terms of results to review and prepare for inclusion in a QRT. We suggest that a pragmatic approach be taken if the regulatory bodies view this result as highly important, e.g. assess a proxy effective duration using a single sensitivity or scaled results. A result could be provided that is materially accurate which does not entail two additional sensitivities. It should be noted that the SFCR document (EIOPA-BoS-19-309_SFCR_Disclosure) proposes the disclosure of a standard set of sensitivities. The sensitivities proposed also include an interest rate up/down stress, with the movement proposed being 50bps. Within this paper, the movement proposed is 100 bps. Hence, combined, both proposals would cause entities to prepare four additional sets of results. It may lighten the burden and halve the overall workload if the sensitivities required for both were the same. In order to ensure consistency and minimize effort, the interest rate stress should be applied to the liquid part of the yield curve which should then be extrapolated to the unchanged UFR. .	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template			
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**General comment: Consistency between EIOPA-BoS-19-309 and EIOPA-BoS-19-305**	We believe that EIOPA should consider aligning proposed changes in QRTs that are reported to NCAs with QRTs disclosed publicly in the SFCR to avoid inconsistencies and confusion when completing templates for different purposes (e.g. template S.05.02). We note that the current consultation paper on the SFCR states that "EIOPA proposes to keep unchanged the templates that are currently disclosed."	

EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**General comment**	The proposal related to numbers (number of insured, number of contracts) at different granularity level could generate a lot of complexity for undertakings. In particular : - S.05.01 : Adding number of contracts and number of insured in the S.05 by LoB for both quarterly and annual templates - S.12.01 : Adding the number of contracts at the end of the year , of which have surrender options, surrended during the year, etc. - S.12.01 : adding the number of insured at the end of the year, of which related to new contracts during the year. We understand that the number of contracts and number of insured by LoBs is an important source of information in order to calculate gross and net loss ratio. However, for most insurers, this information is only correct and relevant for annual reporting. Keeping high quality standard for quarterly reporting would be very burdensome and does not seem necessary here. Also, the management of data could be complicated because of different databases and process at different granularity level. If numbers are kept in the reporting, it should not be in more than one template to avoid reconciliation issues.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.01.01 - Content of submission** Section: 2.4 Identification of the issues; Points 10, 11	We do not have any material concerns with the proposed changes to this QRT. We believe that the information should generally be readily available and should not represent a burden for (re)insurers. We welcome the proposal to improve the "exemption" or "non business" drop-down options. In particular, for some QRTs, the "special justification needed" option must currently be selected in situations where there should be another option available (e.g. not required as in run-off). Another example is the Deposits to Cedants ECB add-on; it is not possible to upload an empty QRT, but there is currently no option for those reinsurance entities which do not have any such items on their balance sheet.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.01.02 - Basic information** Section: 2.4 Identification of the issues; Points 15, 16, 17.	We do not have any material concerns with the proposed changes to this QRT. However, we would highlight a potential timing issue in relation to the provision of the URL for the SFCR within this template.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.02.01 - Balance sheet** Section: 2.4 Identification of the issues; Points 23	We do not have any material concerns with the proposed changes to these QRTs. We believe that the information should generally be readily available and should not represent a significant burden for (re)insurers. Government bonds: The proposal reduces the asset 'government bonds', or will government bonds with a nonzero risk charge be shown elsewhere on the balance sheet? If not, this reduces the OF which we don't agree on.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.02.02 - Assets and liabilities by currency** Section: 2.4 Identification of the issues; Points 28, 29	We welcome the removal of the asset part of the template as the information is generally available in other QRTs. 1. Not implementing a threshold will increase workload significantly. Typically a few countries account for the majority of the total gross written premiums (GWP) and are relevant. Without threshold companies would have to report on small exposures in many countries, which do not materially cointribute to the GWP. 2. Information about “number of insured” and “number of contracts underwritten” are not reasonable applicable for reinsurance business as it is common that whole insurance portfolios/baskets are insured.	

EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.03.01 - Off-balance sheet items – General** Section: 2.4 Identification of the issues; Points 34, 35, 36, 37	We do not have any material concerns with the proposed changes to this QRT and support the use of risk-based thresholds.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.03.02 - Off-balance sheet items** List of unlimited guarantees received by the undertaking S.03.03 - Off–balance–sheet items – List of unlimited guarantees provided by the undertaking Section: 2.4 Identification of the issues; Points 42	We welcome the deletion of QRTs S.03.02 and S.03.03 as they are not frequently used but can be burdensome for insurers where they are required.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.04.01 and S.04.03 - Activity by country** Section: 2.4 Identification of the issues; Points 56, 57	Consolidation of S.04.01, S.05.02, S.12.01 and S.17.01 is welcomed. However, we note that there may be some duplication of information with QRT S.04.03 and QRT S.14.01 on items such as premiums and the number of contracts and that EIOPA will take this into consideration in its final advice. As S.14.01 has a more granular split of information (by product) we believe that it may be best to keep information in this template (if it is proposed to delete duplicate fields from some QRTs). It may be possible to add extra files to this QRT to ensure no information is lost by doing this. This in turn might enable the deletion of another template. For example, S.14.01 already contains information on country and line of business so S.05.01 could be deleted if other information from this QRT was added to S.14.01. We would also highlight the following concerns/ questions on the new template: - The inclusion of no thresholds in 05.02 - S12.02 - S17.02 means that there is more information required than under the existing templates; it may be onerous and time consuming to collect the required level of detail, in particular for very small lines of business in certain jurisdictions. - Can you confirm that this template now requires reinsurance entities to report their technical provisions by country? They previously had an exemption from S.17.02. - Will the definition of "location of risk" be changed? That is, for non-life liability cover, is the "country contract entered into" still applicable? - The additional requirement to report on the number of insureds increases the burden further. Can you clarify the definition of an "insured" for reinsurers? Is this the same as number of contracts? There will be potential issues here too for multiline contracts. In addition, the lack of a clear definition how to count, for instance, master agreements and multi-risk-contracts exacerbates the data acquisition problems. - C37	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	point 81 **S.05.01**	The choice of relevant metrics should cover a large spectrum of insurance business in order to reflect the activity level and ensure comparability across undertakings. The use of number of policies or number of contracts added as metrics (S.05.01) could be problematic. Those metrics might not represent an adequate basis to assess the business volume for all insurance types, especially in general insurance. Indeed, they ignore the specific features of comprehensive cover where the notion of contract is less meaningful (e.g. covering the entire sale turnover of an insured). Some “niche” insurance businesses (marine insurance, aviation) are also underestimated. It would make more sense for some LoBs to use as metrics "exposure amount" or "insured amounts". This would meet the objective of reflecting the activity level while allowing comparability between insurers.	

EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.16 to S.21 Thresholds**	We note that risk based thresholds have been introduced, mainly as a specific percentage of technical provisions. However, the application of subrogation rights w.r.t. indemnities paid may lead to negative best estimate in case of exposure mismatch between assets and liabilities (by country or by currency): o By country: the asset receivables may include the exercise of subrogation right in country X where no more exposure exists as the claim has already been settled; o By currency: the exposure to a specific currency may disappear on the liability side after settlement while a certain proportion of this amount is still recorded on asset side as receivables. Moreover the exposure on the assets side may exceed the corresponding one in liability side. We would therefore recommend using as threshold Best Estimate gross of subrogation rights. In order to be consistent it should be better to explicitly recommend a proportionality threshold based on the technical provisions gross of subrogation rights (Expected recovery on paid claims).	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.05.01 - Premiums, claims and expenses by line of business** Section: 2.4 Identification of the issues; Points 77, 78, 79, 80, 81	The choice of relevant metrics should cover a large spectrum of insurance business in order to reflect the activity level and ensure comparability across undertakings. The use of number of policies or number of contracts added as metrics (S.05.01) could be problematic. Those metrics might not represent an adequate basis to assess the business volume for all insurance types, especially in general insurance. Indeed, they ignore the specific features of comprehensive cover where the notion of contract is less meaningful (e.g. covering the entire sale turnover of an insured). Some “niche” insurance businesses (marine insurance, aviation) are also underestimated. It would make more sense for some LoBs to use as metrics "exposure amount" or "insured amounts". This would meet the objective of reflecting the activity level while allowing comparability between insurers. Concerning reinsurance: Can you clarify the definition of an "insured" for reinsurers? Is this the same as number of contracts? However, we note that there may be some duplication of information with QRT S.04.03 and QRT S.14.01 on items such as premiums and the number of contracts and that EIOPA will take this into consideration in its final advice (as indicated in point 79). As S.14.01 has a more granular split of information (by product) we believe that it may be best to keep information in this template (if it is proposed to delete duplicate fields from some QRTs). It may be possible to add extra files to this QRT to ensure no information is lost by doing this. This in turn might enable the deletion of another template. For example, S.14.01 already contains information on country and line of business so S.05.01 could be deleted if other information from this QRT was added to S.14.01	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.05.02 - Premiums, claims and expenses by country** point 81, EIOPA proposal	We welcome the deletion of this QRT as information is available elsewhere. It is important to consider this also in the SFCR - reporting. (see EIOPA-BoS-19-309 SFCR; point73)	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.06.01 - Summary of assets** Section: 2.4 Identification of the issues; Points 86, 87	We welcome the deletion of this QRT as it is not frequently used .	

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EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.06.02 - List of assets** Section: 2.4 Identification of the issues; Points 97, 98	Some of the additional information requested in this QRT might be difficult and costly to obtain. For example, where firms use third parties to provide asset information there may be an increase in fees as the third parties seek to pass on the cost of obtaining extra information. In addition, companies often struggle to receive asset information in time to produce the QRTs. Adding more fields to the list of information that needs to be sourced could lead to further time pressure for regular reporting. Perhaps consideration could be given to extending timelines for this QRT (at least in the first year after the changes have been introduced). We welcome EIOPA's view that NCAs could use other sources of information in addition to QRTs. We also agree that the use of a consistent Fund Number across all reporting would be beneficial. Why does EIOPA not introduce a new CIC for RGLA comparable to the "government bonds issued in a different currency", rather than a technically elaborate solution to add an additiomal field? Most custodians sign a so called "waiver of lien rights" or documents with similar content (this is mandatory in Germany). What additional information can be read from the LEI to protect the policyholder? Each additional introduction of another field in S.06.02 is technically complex and requires additional resources.	
EIOPA-BoS-19-333 EIOPA-BoS-19-334	**Annex II_S.06.02_revised**	For some CIC-combinations the filling of data fields is no loner required. Even in case of not filling the data fields a validation might be required. This would lead to an additional administrative effort for the undertaking. Basically filling or not-filling should be an option for the undertakings. Relating to custodians: In addition to the data fields C0110 (country of custody), C0120 (Custodian-Name), the extension by two new data fields is proposed: C0121 (Code of Custodian), C01122 (Type of code of Custodian) The definition seem to be not consistent: The definition „No custodian" from C0121 should be reported in C0120. This would be more in line with the current validation of the German Bundesbank. Four additional data fields C0293, C0294, C0295, C0296 should not be introduced, in order to avoid the effort of implementation: - C0293 Bail-in Rules; Instead of introducing a new data field, it should be checked, if this information could not be requested in a CIC or an other existing data field - C0294 ESG-Characteristic (definition missing) - C0295 RGLA, seems to be unnecessary; the characteristic listed/not listed can be seen in the CIC - C0296 Cryptocurrencies: instead of introducing a new data field it should be tested if this specificity could not be requested in an already existing data field	
EIOPA-BoS-19-331	**ANNEX II – Preliminary proposals to improve Instructions of S.06.02**	An ad hoc analysis has shown that the main challenges will arise in merging the cross-border QRTs (S.04.01, S.05.02, S.12.02 and S.17.02). In addition, QRTs S.14 Nonlife and S.05.01 will provide significantly more extensive P&L and statistic information (e.g. premiums and contract unit payments by distribution channels). After processing these QRTs from different data sources and from several organizational units, this leads to significantly more complexity, processual and system-technical changes. We thus question the necessity of these QRTs considering the disproportionate effort necessary to produce them.	

EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.06.03 / S.06.04** point 113, page 33,	We welcome the use of a threshold in this QRT. We also welcome the allowance to use the last known investment position (with a maximum delay of one month). However, we believe that the thresholds in QRT S.06.03 and S.06.04 should be aligned to ensure consistency (as both templates are effectively trying to capture look-through information (albeit at a different level of granularity). We are also concerned that the amount of additional information that firms will be required to source to complete this template could lead to increased costs and could make it difficult for firms to adhere to reporting timelines. Perhaps consideration could be given to extending timelines for this QRT (at least in the first year after the changes have been introduced). Instead of introducing an additional template, S.06.03 could be extended, to obtain more information from the fund look-through. A new template would require considerable administrative efforts. When introducing a new template, it is necessary to define for which funds this additional QRT should be used and what the term "influence" means. Special funds are issued for institutional investors and only for a previously defined group of investors. it is in the nature of the product that only this predetermined circle of investors should have an influence on the fund strategy. The same applies to closed funds. it is already stipulated by contract that only a certain number of investors may invest. Whether it is a participation in the sense of SII, this is already shown in S.06.02 in the participation field. Redundancies should be strictly avoided.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.06.03 - Collective investment undertakings - look-through approach** Section: 2.4 Identification of the issues; Points 113	We welcome the introduction of revised thresholds, which should mean that less information needs to be reported in this QRT. We also welcome the allowance to use the last known investment position (with a maximum delay of one month).	
EIOPA-BoS-19-337 EIOPA-BoS-19-338	**Annex IV_Look-through_template_rev** **Annex V_Instructions Lookthrough_rev** **S.06.03**	We propose not to change the currently used simplified reporting. Until now a fund-look-through for solo-entities had to be reported according to the requirements of QRT S.06.03 in a simplified manner. The now proposed extension of reporting to data relating to the look through of collective investment undertakings or investments packaged as funds, including when they are participations would result in a considerable additianl effort to harmonize QRTs without creating benefits for supervisors. This data are already reproted by means of group-QRTs.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.06.04 - Collective investment undertakings - look-through approach** Section: 2.4 Identification of the issues; Points 113	We welcome the use of a threshold in this QRT. We also welcome the allowance to use the last known investment position (with a maximum delay of one month). However, we believe that the thresholds in QRT S.06.03 and S.06.04 should be aligned to ensure consistency (as both templates are effectively trying to capture look-through information (albeit at a different level of granularity). We are also concerned that the amount of additional information that firms will be required to source to complete this template could lead to increased costs and could make it difficult for firms to adhere to reporting timelines. Perhaps consideration could be given to entending timelines for this QRT (at least in the first year after the changes have been introduced).	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.08.01 - Open derivatives** Section: 2.4 Identification of the issues; Points 138, 139, 140	We do not have any material concerns with the proposed changes to the QRT. We believe that the introduction of a "unique transaction identifier" should be beneficial in terms of linking with other sources of information. However implementing this proposal requires a considerable change in data delivery.	

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EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.08.02 - Derivative transactions** Section: 2.4 Identification of the issues; Points 143, 144, 145	We welcome the deletion of this QRT as it was very burdensome for insurers to produce.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.11.01 - Assets held as collateral** Section: 2.4 Identification of the issues; Points 167, 168	We welcome the use of a threshold in this QRT.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.12.01 - Life and Health SLT technical provisions** Section: 2.4 Identification of the issues; Points 174	We welcome this simplification.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.12.02 - Life and Health SLT technical provisions by country** Section: 2.4 Identification of the issues; Points 176	We welcome proposals to delete this template as information will be captured elsewhere.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.13.01 - Projection of future gross cashflows** Section: 2.4 Identification of the issues; Points 181, 182, 183	We believe that it may prove difficult for some insurers to split the cashflows for “future benefits” between “future guaranteed benefits” and “future discretionary benefits” as it will depend on how their modelling systems are set up. Introducing this may increase the cost and time required for insurers to complete this template. Please clarify: - The definition of “discretionary” and “guaranteed benefits” - How benefits for unit-linked business without guarantees should be treated.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.14.01 - Life obligations analysis** Section: 2.4 Identification of the issues; Points 192, 193	The changes proposed to template S.14.01 are very substantial and will require a lot of effort to implement. The value added for EIOPA and NSAs is not clear. In the Annex there are two S.14.01 templates. We suggest implementing the template that does not include S.14.01.01.03 as it would seem more appropriate to use to show all information at a product level rather than showing some information at a product level and other information at a HRG level. In addition, exit conditions may be more aligned to products than HRGs. However it may be difficult for companies to provide Best Estimate and capital at risk at a product level. Companies may need to use approximations to provide these values at a product level. We note that there may be some duplication of information with QRT S.04.03 and QRT S.05.01 on items such as premiums and the number of contracts and that EIOPA will take this into consideration in its final advice. Regarding the number of new requests (huge increase of data added to the QRT) the question of the EIOPA of a new format / granularity seems not to be the priority. Even ignoring this increase in required Information, the proposal of EIOPA could create a lot of operational problems. Such Information like "best estimate as a whole" are not available on a product-level without a very simplified scaling approach, creating effort with no benefits. It seems then easier to keep the old format for reporting. Recommendation: RI contracts should better be reported separately, as Non-proportional treaties not placed on that level therefore it is not possible to apply cover on	

EIOPA-BoS-19-337 ; EIOPA-BoS-19-338	**Annex VIII_S.14.01_proposals** **Annex IX_Intructions** **S.14.01_revised**	The generation of the Product ID Code is supposed to follow a mandatory rule whereas currently the characteristics that differentiate between different Product IDs can be freely chosen by the undertaking. Therefore, additional data is required. In particular, a splitting of data (e.g. with respect to distribution channel or expense types) will pose severe problems: Currently, no appropriate technique is available to perform this task. Newly introduced fields will require additional implementation efforts, not only in local cashflow models but also in tool-chains processing the flow of information from business systems to reporting systems. More granular reporting on an externally defined scheme would not only require implementation efforts but also analyses w.r.t. feasibility and stability of more granular modelling. We do not think this would be feasible and suggest to keep the current approach.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.15.01 - Description of the guarantees of variable annuities** Section: 2.4 Identification of the issues; Points 195	We welcome the deletion of this QRT as it is not frequently used	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.15.02 - Hedging of guarantees of variable annuities** Section: 2.4 Identification of the issues; Points 197	We welcome the deletion of this QRT as it is not frequently used	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.16.01 - Information on annuities stemming from Non-Life Insurance obligations** Section: 2.4 Identification of the issues; Points 203 - 208	We welcome the amendments proposed to this template.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.17.02 – Non-Life Technical Provisions - by country** Section: 2.4 Identification of the issues; Points 217	We welcome the consolidation of this template into a new S.04 template (see comments on S.04 for any issues raised with the new template).	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.18.01 - Projection of future cash flows (Best Estimate - Non Life)** Section: 2.4 Identification of the issues; Points 223 - 226	We agree that aggregated cashflow information has limited analytic value without the context of the split by LOB, and in any case this information should be readily available from the undertaking's technical provisions calculation model. However, it will likely still prove to be a reporting burden on entities who will have to restructure their reporting setup to allow for the change. In addition: If the exit condition categories have to be changed in order to be more detailed, it would be difficult to assess the information on a HRG level (different Products in one HRG may have different surrendering rules)	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.19.01 - Non-life insurance claims** Section: 2.4 Identification of the issues; Points 232 - 238	We welcome the amendments proposed to this template, which should act to ease the reporting burden on undertakings. Reporting by currency can be required under the current rules for any LoB that represents more than 3% of the total gross best estimate. EIOPA discussed an alternative approach in the consultation, where the existing LoB threshold of 3% could be increased to 5-10%, but no definitive decision has been made on this. The higher limit, if applied, could ease the reporting burden considerably for some companies. In addition, we note that currently the guidance for this template states that "The information by currency shall be reported in the original currency of the contracts unless otherwise specified". We would welcome the proposal on page 57, point 232, of the consultation (copied below in italics for reference), which we believe is effectively suggesting that the original currency should be defined as settlement currency instead of contract currency. The requirement to use contract currency may be particularly burdensome for undertakings who have contracts (e.g. reinsurance treaties) that cover multiple geographical areas and where the settlement currency may differ from the contract currency. It also, as highlighted in the paragraph below, may be different to the approach used in the valuation of the claims provisions. *"BE claims provisions are calculated with regard to claims settlement currencies but not contract currencies. Consequently if information by currency shall be reported in the original currency of contracts (i.e. the currency in which contracts are priced and sold), then for e.g. MTPL contracts all information should be reported in local currency without split by currencies despite the value of claims incurred abroad and valuated in foreign currency is significant (met condition ii(b) or ii(c)). Therefore it should be possible to specify original currency as the currency of gross Best Estimate claims provisions valuation"* Furthermore, we note that this is one of the publically reported QRTs and would therefore request clarification on the knock on impact on the SFCR of removing "total by reporting currency" from this template? An up to 90% reporting is not very helpfull and only complex in automated procedures.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.20.01 - Development of the distribution of the claims incurred** Section: 2.4 Identification of the issues; Points 243, 244, 245	We welcome the addition of the risk based threshold for reporting material LOBs. However, we would suggest that consideration also be given to possible exemptions from this QRT low risk companies (e.g. captives) on the grounds of proportionality, where it can be very time consuming and burdensome to report this information. An up to 90% reporting is not very helpfull and only complex in automated procedures.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.21.01 – Loss distribution risk profile** Section: 2.4 Identification of the issues; Points 250, 251, 252	We welcome the addition of the risk based threshold for reporting material LOBs. However, we would suggest that consideration also be given to possible exemptions from this QRT for low risk companies (e.g. captives) on the grounds of proportionality, where it can be very time consuming and burdensome to report this information. An up to 90% reporting is not very helpfull and only complex in automated procedures.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.21.02 – Loss distribution risk profile** Section: 2.4 Identification of the issues; Points 257, 258	We request clarification on whether this template is required for undertakings that are in run-off. We would also suggest that consideration be given to possible exemptions from this QRT for low risk companies (e.g. captives) on the grounds of proportionality.	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.21.03 – Non–life distribution of underwriting underwriting risks – by sum insured** Section: 2.4 Identification of the issues; Points 263 - 267	We request clarification on whether this template is required for undertakings that are in run-off. We welcome the addition of the risk based threshold for reporting material LOBs. However, we would also suggest that consideration be given to possible exemptions from this QRT for low risk companies (e.g. captives) on the grounds of proportionality. An up to 90% reporting is not very helpfull and only complex in automated procedures.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.23.02 - Detailed information by tiers on own funds** Section: 2.4 Identification of the issues; Points 284	Please confirm what you mean by *"to obtain a second subtotal corresponding to Own funds from the financial statements Subordinated liabilities (as valued in the financial statements):* *o Surplus fund (as valued in the financial statements);* *o Deferred tax assets (if accounted in the financial statements and to the value in the financial statements) ; "* If the subtotal relates to subordinated liabilities why would Deferred Tax Assets be included here - is there an error in the name of the sub-total or the constituent parts?	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.23.03 - Annual movements on own funds** Section: 2.4 Identification of the issues; Points 289, 290, 291	We welcome the use of a threshold in this QRT.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.23.04 - List of items on own funds** Section: 2.4 Identification of the issues; Points 296, 297, 298	We welcome the use of a threshold in this QRT.	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.25.01 - Solvency Capital Requirement - for undertakings on Standard Formula** **S.25.02 - Solvency Capital Requirement - for undertakings using the standard formula and partial internal model** **S.25.03 - Solvency Capital Requirement - for undertakings on full internal models** **S.26.01 - Solvency Capital Requirement - Market risk** **S.26.02 - Solvency Capital Requirement – Counterparty default risk** **S.26.03 - Solvency Capital Requirement – Life underwriting risk** **S.26.04 - Solvency Capital Requirement – Health underwriting risk** **S.26.05 - Solvency Capital Requirement – Non-life underwriting risk** **S.26.06 - Solvency Capital Requirement - Operational risk** **S.27.01 - Non-life and Health catastrophe risk**	Requiring all internal model firms to produce standard formula figures may be overly burdensome, especially where reasons for differences between the standard formula and internal model are already understood by NCAs. For example, if the internal model captures risks not present in the standard formula then this comparison would not be of any use. This attempt at increasing comparability between internal model and standard formula companies will likely lead to more administrative burden, production of less meaningful information which has little value add and could potentially confuse or distort any comparison. Supervisors can already request standard formula results from internal model companies for specific purposes (as per Article 112(7) of the Directive); this is preferable rather than requiring formal reporting of the results on a regular basis. We would raise the following concerns in relation to the proposal to introduce a standard template for (partial) internal model firms: - We believe it would be difficult to achieve meaningful comparability across internal model firms, since most firms use different taxonomy of risks. In particular, it will not be possible to capture all of the features of every company's internal model in a standard template, which may lead to confusion and missing information; - The template is also unlikely to achieve sufficient comparability between internal model and standard formula companies due to the underlying differences; - If it is decided to proceed with a template like this, we would recommend that EIOPA provided detailed instructions on its completion, including possible simplifications and estimations that can be made. Information with regard to SF SCR should be limited to sub SCR risk level for internal model insurers.	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.29.01 - Excess of Assets over Liabilities** **S.29.02 - Excess of Assets over Liabilities - explained by investments and financial liabilities** **S.29.03 - Excess of Assets over Liabilities - explained by technical provisions** **S.29.04 - Detailed analysis per period - Technical flows versus Technical provisions** Section: 2.4 Identification of the issues; Points 413, 414, 415	We welcome the deletion of templates 29.01 and 29.02 as information is available elsewhere. We also welcome the proposal to split templates 29.03 and 29.04 into a life and non-life template and the introduction of new instructions. Some of the additional information requested in this QRT might however be overly burdensome and time-consuming to calculate with low added value: o The introduction of 24 (S.29.05) and 21 (S.29.04) new key figures at a very high granularity level would require very intensive analysis. For life insurance, the new template S.29.05 requires for every detailed component of the best estimate a systematic analysis between: o deterministic and stochastic calculation; o actual experience and calculation. Companies often struggle to produce these QRTs and adding more granular fields to the analysis of the variance could lead to further time pressure for regular reporting. Companies may need to run their model multiple times to be able to split impacts into the proposed categories. We also note the following specific points on the proposed templates: 1. Where should model changes be reported if not in "Exceptional elements triggering restating of opening Best Estimate"? 2. It is proposed that S.29.05.01.02 will contain the actual and expected cash-flows within the period (e.g. mortality and lapse benefits). Where would the impact of these cashflows on future profits be captured? (For example, if actual lapses are higher than expected in the current period then future profits (and therefore BEL) mightl be impacted.) 3. We cannot see the added value in splitting the impacts of all the assumption changes in S.29.05.01.03 especially when this could mean a large number of model runs for companies. Mortality, longevity etc could be grouped together. 4. We cannot see the added value for NSAs from the granular lapse information in S.29.05.01.05 when the expected and actual lapse benefits would be provided in S.29.05.01.02. 5. Splitting new business benefits and premiums in S.29.05.01.06 into those that are still in force and those that aren't could be difficult for companies. While the changes do better reflect how non-life business is managed, this will still be a burdensome template to complete for non-life (re)insurance companies. EIOPA should consider if there are further ways to simplify and combine the drivers of change. If the objective of the template is to describe the variation in own funds between two reporting periods, it should	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**EIOPA-BoS-19-351 Annex XXII – Explanatory text for new template on VA** General remark	Under Point 6 it is said that this variation analysis were part of EIOPA's macroprudential policy. The enhancement of reporting should prevent from market-wide under-reserving. We are of the opinion that the proposed changes of the templates S.29.05 and S.29.06 are not suitable to achieve this goal. This measure has been part of those macroprudential elements listed in EIOPA's paper on "Other potential macroprudential tools and measures to enhance the current framework" (published in 2018) for further consideration. Commission has explicitly requested a limitation to only four of these elements (closed list). Enhanced monitoring to prevent from market-wide under reserving is not an item in this list. macroprudential policy would require a discussion on the treatment of this aspect between supervisors: who is responsible for this macroprudential supervision and where is the border between microprudential and macroprudential responsibility. It will not be sufficient to collect data in order to assess the adequacy of reserving especially in a life insurance. Without reference to narrative reports of the Actuarial Function or Riskmanagement Function the calculation cannot reliably be assessed only based on data. In order not to merge this aspect with the comprehensible approach to analyse the change of technical provision during a year, EIOPA should clearly state that this macroprudential motivated approach of assessing profitability or loss resulting from deviations from the best estimate were not in the scope of these proposed changes. This could be done by eliminating the sentence in point 415 of the consultation paper: ***This will allow the undertaking and the supervisory authority to understand their profitability by focussing on the variation of the best estimate.***	
EIOPA-BoS-19-351 EIOPA-BoS-19-348	Annex XXII_Explanatory notes on new VA template, Annex XIX_Template VA new proposal **S.29.05.01.01**	It is explicitly mentioned that R0030 should not include any model changes. We suggest to clarify that thus the starting point for one period might not be the same as the end-point for the preceding period It is not clear what exactly should be reported in R0050. Our understanding is that this should be the expected roll forward using the old forward rates and the elimination of the complete first year's cash flow but the description is not clear. R70 / R80 : from our understanding this should rather be reported in the actual to expected section of S.29.05. Also it is not clear why the actual costs should include actual costs for new business that do not have any impact on the opening or closing BE and cannot be reconciled to any expectation.	
EIOPA-BoS-19-351 EIOPA-BoS-19-348	Annex XXII_Explanatory notes on new VA template, Annex XIX_Template VA new proposal **S.29.05.01.02**	R0160: It is not clear what should be reported. Examples would be helpful. The only benefits for German business that could be reported here are annuities that are within a guaranteed annuity period. Are those meant to be reported here? If yes, it might be difficult for most companies to separate those from other annuity payments in the projection model. R0170: This is not the result from the entries reported in this template. It is not clear why R0170 should be included in this template. This would rather be an element of the Analysis of chnage.	
EIOPA-BoS-19-351 EIOPA-BoS-19-348	Annex XXII_Explanatory notes on new VA template, Annex XIX_Template VA new proposal **S.29.05.01.03**	It will be a very high effort to perform the analysis at closing date with reference to the business in-force at opening date and still in force at closing date. It is not clear why the effect of the assumption changes could not be analysed for the BECE at closing date which would be much easier with the same quality of information.	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-351 EIOPA-BoS-19-348	Annex XXII_Explanatory notes on new VA template, Annex XIX_Template VA new proposal **S.29.05.01.04**	In some cases reinsurance has only immaterial effects on the BE (e.g. for most German life insurance companies). Therefore these companies model reinsurance in a very simplified way (e.g. cost of reinsurance in % of premium). For these companies it will not be possible to perform the analysis required in this template. Also in the case that the reserves are deposited at the cedent, which is mainly the case in Germany, there is not much effect of reinsurance on the BE even if the proportion of the reinsured statutory reserve is high. We would recommend to delete the template or to define conditions for the need of reporting this template. Also, this information is not relevant for the purpose, i.e. to validate the assumptions used for determining technical provisions.	
EIOPA-BoS-19-351 EIOPA-BoS-19-348	Annex XXII_Explanatory notes on new VA template, Annex XIX_Template VA new proposal **S.29.05.01.05**	In general we don't believe that this template is required to perform an AoC for the BECE. Some elements of this template seem to be meant including and some excluding new business. It should be documented more clearly if new business effects should be included or not. Our general understanding was that new business is only referred to in S.29.05.01.06. R470: The definition of the BECE of surrendered contracts at opening date is not clear. From our understanding this would be the (discounted) surrender benefit less (discounted) premium payment of surrendered contracts of the period which is not a useful information in tems of the change in BECE or the validation of assumptions.	
EIOPA-BoS-19-351 EIOPA-BoS-19-348	Annex XXII_Explanatory notes on new VA template, Annex XIX_Template VA new proposal **S.29.05.01.06**	R0540: Are actual benefits in period or expected future benefits meant here? R0570: Do the expected costs for new business include acquisition costs?	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**Question to stakeholders S.29.06** point 415	A split of the variation by lines of business increases workload significantly. We recommend a materiality threshold. Only material lines of business should be presented The key performance indicators for the premium provision calculation are additional information and not a direct part of the best estimate variation itself. Therefore one should omit it at least in S.29.06. Template 29.06.01.01 suggests to have two positions with "AY analysis only". It is our understanding - similar to how it is handled today - that these items would only have to be delivered if an analysis by accident year is performed by the reporting entity. I.e., if an entity uses underwriting year analyses, it would not report anything in the "AY analysis only" items. We do not see a benefit in separating undiscounted and discounted data in S.29.06. 29.06.01.03 would introduce material additional work. It does not reflect the actuarial approach. Reporting in terms of "undiscounted" changes would create new values and thus more possibilities for confusion/mistakes/misinterpretation. Since the story of changes due to non-economic risks is the same in both terms, we would prefer to stay in our discounted provisions world. 29.06.01.04 suggests a separate view on annuities from non-life business. Provisions related to annuities stemming from non-life contracts (LoB 34) have to be calculated using life insurance techniques. Filling in S.29.05 should only be required if the contribution of this business is material. There are differences between the expected and the actual roll forward of the Technical Provisions due to modelling, e.g. the technical assumptions are averages of several years. Therefore this comparison without an analysis of the differences is not valuable. An analysis of change in the proposed fashion is only imaginable for the BE on CE-scenario. Effects of the financial options and guarantees are therefore neglected but created another difference to the BE. We suggest therefore to focus on the analysis of change without an actual to expected analysis.	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.30.01 - Facultative covers for non-life and life business basic data** **S.30.02 - Facultative covers for non-life and life business shares data** **S.30.03 - Outgoing Reinsurance Program basic data** **S.30.04 - Outgoing Reinsurance Program shares data** Section: 2.4 Identification of the issues; Points 421, 422, 423, 424, 425, 426, 427, 428	We welcome the proposal to clarify the instructions and would like this clarification to include specific instructions on how to populate the QRTs for long-term Life contracts. We feel that these QRTs would be easier to populate if they were split into life and non-life versions with specific relevant fields for each. We also welcome the introduction of a risk-based threshold. However, we question why the proposed threshold is so low (only 1 % of Best Estimate) for this QRT. Other QRTs have much higher thresholds. Please also clarify how the "Total Non-life catastrophe risk after diversification after risk mitigation is lower than 70% of the amount after risk mitigation" threshold should be calculated.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**S.31.01 - Share of reinsurers [including Finite Reinsurance and SPV's]** Section: 2.4 Identification of the issues; Points 432, 433, 434, 435	We do not have any concerns with the proposed change to this QRT.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**XBRL taxonomy** Section: 2.4 Identification of the issues; Points 463, 464	We welcome the proposal to use a standard template for some forms of ad-hoc reporting. However, we question if using XBRL taxonomy is optimal - firms would either need to invest time and resources into developing XBRL functionality that they may never use or else they would need to be reactive in developing XBRL functionality in response to regulatory requests which would take time. Perhaps using a standard Excel-based template would be easier.	
EIOPA-BoS-19-331	**ANNEX II – Preliminary proposals to improve Instructions of S.06.02**	An ad hoc analysis has shown that the main challenges will arise in merging the cross-border QRTs (S.04.01, S.05.02, S.12.02 and S.17.02). In addition, QRTs S.14 Nonlife and S.05.01 will provide significantly more extensive P&L and statistic information (e.g. premiums and contract unit payments by distribution channels). After processing these QRTs from different data sources and from several organizational units, this leads to significantly more complexity, processual and system-technical changes. We thus question the necessity of these QRTs considering the disproportionate effort necessary to produce them.	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-352, EIOPA-BoS-19-353	**Annex XXIII_Cyber Risk_template, Annex XXIV_Instructions Cyber risk template** point 449, 452	449 We consider a splitting out Cyber into a separate SII LoB to be disproportional given the current business volume of the LoB (e.g. in terms of premium relating to total portfolio). A new SII LoB would come at a high cost to the industry as it requires changes to processes and reporting tools. We recommend to embed affirmative into existing SII Lobs. If a change to SII LoB settings is considered, it should be notified at a very early stage and a sufficiently long time for implementation (e.g. more than 1.5 years) should be allowed for. 452 Although we consider the introduction of a cyber template reasonable we do have the following remarks: The current proposal is considered to be too granular: we recommend to significantly reduce the requested information. The level of granularity (split Risk description C0030 and Risk detailed description C0040) is currently not available for most contracts. Those "portfolio segments" are not used for reporting Depending on this granularity selected information is often not available (e.g. non-proportional RI on policy/coverage level). Approximations will need to be applied and would most likely strongly reduce quality and comparability of results. In addition new data collection processes need to be implemented by the industry. Proposed template: It is yet unclear what granularity level the template aims for. Given the details asked, it can range from single policy /coverage level to portfolio segment level. In any case the proposed granularity would result in a high number of sub-exposures / portfolio sub-segments to be reported Information for Non-affirmative covers cannot be provided on that level without high level of approximations. Quality of data will not be sufficient to draw conclusions or aggregate / compare between companies. E.g. sum insured for non-affirmative exposure would comprise a high share of the complete portfolio exposure and therefore be significantly misleading. Technical Provisions could only be provided in a highly approximate way. For non-affirmative exposure TP cannot be provided at all. Recommendation: Non-affirmative covers should be treated separately – split out of covers in those "portfolio segments" in most cases not reasonably possible. E.g. Cyber related premium can currently only be provided on an estimated basis. Recommendation: RI contracts should better be reported separately, as Non-proportional treaties not placed on that level therefore it is not possible to apply cover on "portfolio segment" level. Recommendation: Reduce complexity of reporting – materiality thresholds where reporting is not required (e.g. if not material in company portfolio)	

EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**New templates - Cyber risk** Section: 2.4 Identification of the issues; Points 449 - 452	In principle, the data suggested for inclusion in this template seems sensible. Where a specific cyber policy is underwritten, it is likely that this level and type of information would be readily available and could be reported on easily (not withstanding the effort needed to update the reporting process). However, it is likely that granular information on premiums, expenses and technical provisions in particular may be incredibly difficult, if not impossible, to collect where cyber risk is a covered peril under a broader policy (for example a business interruption policy or general liability policy). Further issues would arise where a cyber event is inadvertently covered under another policy of the (re)insurance entity. EIOPA should consider introducing simplifications for policies where cyber is a component peril, rather than being the main and only risk underwritten. In particular, under the requirements as proposed in the consultation, it is likely that significant estimates and assumptions would have to be made by companies to produce these figures by cyber risk and may therefore provide an inaccurate or misleading view of the level of cyber risk on the company's books. Information for Non-affirmative covers cannot be provided on that level without high level of approximations. Quality of data will not be sufficient to draw conclusions or aggregate / compare between companies. E.g. sum insured for non-affirmative exposure would comprise a high share of the complete portfolio exposure and therefore be significantly misleading. Technical Provisions could only be provided in a highly approximate way. For non-affirmative exposure TP cannot be provided at all. Recommendation: Non-affirmative covers should be treated separately – split out of covers in those "portfolio segments" in most cases not reasonably possible. E.g. Cyber related premium can currently only be provided on an estimated basis.	
EIOPA-BoS-19-305 - QRTs EIOPA proposals template by template	**New templates - 'S.14' template for non-life** Section: 2.4 Identification of the issues; Points 455, 456	We do not have any material concerns with the addition of this QRT. However, the information required in respect of the breakdown of premium (by distribution channel) and commission (new and renewal) may require substantial effort and changes in accounting systems to implement. The value added for EIOPA and NSAs is not clear. Clarification is required on : - 'Insured Persons' under a Non-Life perspective - 'Product Classification' as Single Non-Life, Collective. These should be based on a non-life perspective (i.e. Personal Lines or Commercial Lines)	
EIOPA-BoS-19-305	**New templates - Model changes to the internal model** Section: 2.4 Identification of the issues; Points 461, 462	We raise the following concerns in respect of the introduction of a standard model change template: - It is our view in the first instance that this matter is better dealt with on a one by one case with the NSAs, due to the lack of comparability of firms' Internal Models and of their governance processes resulting in model changes. - If proceeding with a template like this, materiality and proportionality will need to be considered to avoid discrepancies between different countries and regulators. - If proceeding with a template like this, EIOPA should consider developing a common framework in terms of model changes and their related governance, to be applied consistently across companies and regulators.	
EIOPA-BoS-19-341	**Annex XII_Structured IM specific codes** General comments	A new SII LoB would come at a high cost to the industry as it requires changes to processes and reporting tools. We recommend to embed affirmative into existing SII Lobs. If a change to SII LoB settings is considered, it should be notified at a very early stage and a sufficiently long time for implementation (e.g. more than 1.5 years) should be allowed for.	

Comments Template on EIOPA-CP-19-004 Consultation paper on proposals for Solvency II 2020 Review Package on Supervisory Reporting and Public Disclosure			Deadline 18/10/2019 23:59 CET
EIOPA-BoS-19-341	**Annex XII_Structured IM specific codes** General comments	A new SII LoB would come at a high cost to the industry as it requires changes to processes and reporting tools. We recommend to embed affirmative into existing SII Lobs. If a change to SII LoB settings is considered, it should be notified at a very early stage and a sufficiently long time for implementation (e.g. more than 1.5 years) should be allowed for.	
EIOPA-BoS-19-341	**Annex XII_Structured IM specific codes** NON-LIFE & HEALTH NSLT	Although we consider the introduction of a cyber template reasonable we do have the following remarks: Does the requested data in the reserve risk and the premium risk also contains components for exchange rate risk and default risk or are just the isolated reserve and premium risks requested? If discounted data is requested, which interest rates shall we use? Deterministic interest rates or stochastic rates	
EIOPA-BoS-19-341	**Annex XII_Structured IM specific codes** NON-LIFE & HEALTH NSLT Operational Probability distribution	The loss distribution of internal scenarios does not necessarily consist of one single probability distribution.Often mixed distributions are used.	
EIOPA-BoS-19-341	**Annex XII_Structured IM specific codes** Operational Last table	The current proposal is considered to be too granular: we recommend to significantly reduce the requested information. The level of granularity (split Risk description C0030 and Risk detailed description C0040) is currently not available for most contracts. Those “portfolio segments” are not used for reporting	
EIOPA-BoS-19-341	**Annex XII_Structured IM specific codes** Sensitivity scenarios	Depending on this granularity selected information is often not available (e.g. non-proportional RI on policy/coverage level). Approximations will need to be applied and would most likely strongly reduce quality and comparability of results. In addition new data collection processes need to be implemented by the industry. For non-life insurers the are no options and guarantees in the insurance contracts. In this case are the sensitivity scenarios in R21-R26 relevant for non-life insurers?	
EIOPA-BoS-19-341	**Annex XII_Structured IM specific codes** Market & Credit FinInstr	When the volatility of the interest rates is not modelled stochasticly, are the fields "interest rate risk diversified" and "interest rate risk sum" identical?	
EIOPA-BoS-19-357	**Annex XXVIII Model changes structured template_Instructions**	This new template requires additional effort without adding much benefit. During regular communications with the regulators, sufficient information is provided to allow for monitoring the model evolution and provide an overview of the impacts. The information presented in the template are less granular than the notification package that is submitted to the local regulator and does not provide more insight. In addition, the template cannot fit exactly to the entity’s internal model, there will always be fields reported empty or in an approximated way (e.g. split into subcomponents for major model changes). Most likely company specific governance frameworks deviate from each other. The point in time for (re-)setting the minor model change threshold depends on the company specific model change calendar and application process. This would lead to further approximations and increase artificial reporting complexity, assuming that EIOPA would ask for this QRT submission in a quarter which is fixed for the whole industry (e.g. Q4).	