

## EIOPA consultation on supervisory reporting and public disclosure requirements under Solvency II

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### 1. Introduction / Background

#### General comments:

The insurance industry welcomes the opportunity to comment on the draft Implementing Technical Standards (ITS). EIOPA's objective of reducing the reporting burden is strongly supported, and the inclusion of Annex III – providing transparency on the supervisory use of reporting templates – is commendable.

At the same time, concerns regarding burden remain:

#### ■ **Concerns regarding actual burden relief**

New templates under the IRRD, plus additional data on pensions and natural catastrophes, offset anticipated relief. The estimated 26% reduction in data points will not be achieved in practice. The burden should be assessed in a consolidated manner, otherwise significant new requirements (e.g. IRRD, SFCR/RSR revisions, liquidity and sustainability reporting) risk being overlooked. Early implementation efforts indicate savings of only 10–15% for annual QRTs and 5–10% for quarterly QRTs, only looking at the deletions and disregarding the new and changed templates – far below EIOPA's estimates.

#### ■ **Misalignment between measured and actual burden**

EIOPA's approach of counting templates and data points does not capture insurers' operational reality. Even small technical changes can require costly system updates. Deletion of entire templates would deliver more meaningful relief. For example, revisions to QRT S.19 (non-life claims) illustrate how minor changes generate disproportionate effort.

#### ■ **Limited proposals for burden in group reporting and financial stability reporting**

Relief in group reporting is minimal, with only one group template (S.37.03) reduced. Deletions limited to solo level (e.g. S.23.02, S.23.03) do not benefit undertakings within groups. Considerable potential for group reporting reductions remains untapped. Similarly, financial stability reporting continues to overlap with Solvency II reporting, resulting in double reporting despite the higher thresholds.

#### ■ **Proportionality too narrowly applied**

Proportionality remains focused on SNCUs, which represent a small share of the market. To achieve the EC's 25% burden reduction target, measures should also cover smaller non-SNCUs or undertakings with simple profiles. Exemptions for templates such as S.06.04 (climate risks) and new NatCat reporting could be based on size or materiality, not just SNCU status. The current approach risks creating an uneven playing field and is not fully in line with the objectives of the Solvency II review.

#### ■ **Need for a full picture**

As long as Level 2 measures are excluded, the overall burden picture remains incomplete.

#### ■ **Preferred timing option: Option 1**

To avoid the heavy burden of operating in two taxonomy environments in parallel, the application of Taxonomy 2.10.0 should be aligned with the Directive and Delegated Acts (from 30 January 2027, i.e. as of Q1/2027). A one-off extension of at least four weeks for the Q1/2027 reporting deadline would help ensure a smooth transition. In addition, undertakings should not be required to complete templates already identified for deletion under Taxonomy 2.10.0 when preparing their 2026 annual reporting. If feasible, EIOPA is also encouraged to consider removing the deleted templates ahead of time.

#### ■ **Further remarks**

- **Technical simplifications:** Adjustments to validation tolerances and longer intervals between ITS updates are supported, though more detail is needed to assess the full impact.
- **Future mid-term areas for reporting and disclosure reduction:** The proposed centralised publication of SFCR QRTs is in principle supported, as it could relieve undertakings of the burden of individual publication. However, this would only deliver meaningful relief if EIOPA extracted the relevant information directly from supervisory reporting, such that undertakings are no longer required to prepare SFCR QRTs at all. At the same time, it would need to be ensured that undertakings remain in control of their own published numbers. Legal and technical questions on this point remain unresolved. The use of existing centralised databases is fully supported, provided that existing QRTs are deleted as a result.
- **Currencies:** A reconsideration of the list of currencies for which interest rates are provided by EIOPA is encouraged. For international insurers, many of the currencies that are no longer considered remain relevant. Calculating own curves for these currencies not only creates additional manual effort but also reduces comparability.
- **Sustainability requirements:** Extensive legal requirements on sustainability have already been introduced and continue to expand. It would be more effective to bundle sustainability requirements in a single framework, rather than generating additional layers within Solvency II requirements (as currently proposed in the draft delegated regulation).

#### ■ **ECB add-ons**

##### ■ **Late and unclear introduction of ECB-related additions**

ECB additions were absent from the release notes of Taxonomy 2.10.0 PWD 1 (August 13) and appeared only in later updates, without clear notification or consultation. While the notes refer to an ongoing ECB evaluation under Regulation ECB/2014/50, no links or references were provided, limiting understanding of the rationale and scope. This reduces transparency and confidence. When the ECB additions were first introduced, there was significant engagement with industry, also involving EIOPA. Such engagement should continue, and future ECB changes should be aligned with the 2.10.0 update to avoid extra implementation efforts.

##### ■ **Unannounced introduction of new reporting templates**

The new E.05.01 "Price of insurance" template was introduced without notice or guidance. Its scope (life, non-life, or both) remains unclear.

##### ■ **Insufficient marking of significant changes in templates**

Templates such as SE.17.01.17 and SE.17.03.16 now include ECB fields but are not flagged as significant ("blue"), making it harder to identify material updates.

■ **Extended uncertainty due to delayed publication of PWD 2**

Clarification on the ECB-related changes will only come with PWD 2, expected in Q1–Q2 2026. This long delay leaves stakeholders uncertain about the final requirements and makes planning and implementation more difficult.

## 2. Scope of ITS amendments

### 2.1. Changes stemming out of Solvency II Level I Review

**For this section** - if applicable:

Please clearly indicate in your comment if you are referring to the **solo, group - or both** requirements.

**Q1.** Please include any comment you might have regarding the amendments to **S.22.01 - Impact of long-term guarantee measures and transitional measures** (both at solo and group reporting):

- In the event that phasing-in for the extrapolation in accordance with Article 77a(2) of the Solvency II Delegated Regulation is not applied, the adjustment effort is not expected to be significant (solo and group).
- Furthermore, the industry does not see a clear need for any amendments in this QRT. For example, new column C0054 just seems to be the difference between columns C0010 and C0060. This is additional system implementation work, for zero additional benefit, because the data is already there.

**Q2.** Please include any comment you might have on the proposed amendments to template **S.22.06 - Best estimate subject to volatility adjustment by country and currency** (replaced with **S.22.07 - Calculated volatility adjustment and corresponding best estimates by country and currency**):

- While the implementation effort of the proposed amendments is considered manageable, the industry does not see a clear need for such amendments.
- To avoid additional reporting burden, the industry suggests restricting the QRT for disclosure to its current extent. It is unclear why QRT S.22.06 should be added as a new template for solo SFCR. The consultation paper does not mention that S.22.06 is proposed to be a new public disclosure template. The detail reported in this template is quite granular and more suited for supervisory purposes. Further, by retaining S.22.06 for public disclosure and introducing S.22.07 for supervisory reporting, EIOPA is effectively doubling the reporting burden in this area, which goes against its objectives to reduce the reporting burden as set out in Section 2.4 of the consultation paper. Therefore, EIOPA is urged to not to include S.22.06 within the scope of public disclosure.
- To reduce unnecessary changes to templates, an equally effective alternative would be to:
  - keep S.22.06 as it is; and
  - add the newly proposed columns regarding the CSSR, company specific risk corrected spread and euro VA to the new template S.22.07, which already covers the details of the new VA calculation.
- This approach would be less burdensome from an IT implementation perspective, as it avoids changes to an existing QRT.
- According to industry feedback it is expected that the QRT level of detail and the current materiality thresholds for valuing the 'Country' will remain unchanged.

## 2.2. Corrections on errors/inconsistencies and clarifications of the instructions

## 2.3. Request of new information in the ITS on Reporting

**Q3.** Please include any comment you might have regarding the amendments to template **S.14.01** - (Life obligation analysis) on new pensions data:

- The introduction of new reporting requirements is viewed critically, particularly in light of EIOPA's stated objective to reduce the overall reporting burden. Any additions should be avoided, and, if introduced, must serve a clearly defined and well-substantiated supervisory purpose, ensuring that the information cannot be obtained from other sources.
- The proposed extensions to template S.14.01 are of concern, **as this template is already highly granular**. In particular, the required split between main and supplementary insurance, combined with the detailed breakdown by product codes, places a significant burden on insurers. Additional reporting layers would further increase complexity and resource demands without a clear proportional benefit. Moreover, the instructions in Annex II indicate that the planned extensions should be part of the characteristics of the product, while Annex I lists them under the portfolio product table. This inconsistency introduces ambiguity.
- It is unclear why the column for Country maintained in template S.14.01 but removed in template S.14.02 (the non-life counterparty). This seems inconsistent, and it is proposed to delete the Country column also in S.14.01.
- Finally, the requirement that the product ID in all three tables of template S.14.01 must be the same is problematic. One of the tables requests both accounting and Solvency II data, but these frameworks operate with different levels of granularity and do not have a one-to-one link. This makes reporting at the required level very difficult. Some companies have addressed this by creating an aggregated mutual level solely for this table, which is not usable for the other tables. Insurance Europe therefore strongly recommends that EIOPA remove all Solvency II data points from the table if it requires identical reporting levels across all tables. Otherwise, companies will be forced to apply proxy measures, which would dilute the quality and the value of the reported information.
- In addition, the industry puts forward the following further proposals regarding QRT S.14.01:
  - Granularity at Lines-of-Business Level (S.14.01):  
It is recommended to define the granularity at the Lines-of-Business level rather than at the level of Homogeneous Risk Groups. This would align S.14.01 reporting with all other QRT templates, avoid a breakdown that has no wider application within Solvency II, and reduce reliance on approximate classifications not derived from the Solvency II cashflow model, thereby improving both accuracy and efficiency.
  - Removal of "Number of Insured" for Life Insurance (S.14.01.01):  
It is proposed to delete the "Number of insured" requirement for life insurance in S.14.01.01. Life portfolios are managed by contracts rather than by individuals, and the figure is typically very close to the number of contracts, offering little additional analytical value.
  - Simplification of Premium Breakdown (S.14.01.01):  
It is suggested to limit the breakdown of written premiums in S.14.01.01 to direct versus non-direct sales. Further segmentation by distribution channels is not consistent with the Solvency II framework, relies on classifications from external data sources, and may introduce unnecessary complexity and data quality concerns.

**Q4. Regarding new pensions data:** Do you agree that Option 1 (Enhancing Template S.14 with classifications from E.02.16) as presented in Annex II is currently the most appropriate approach for collecting enhanced data on occupational pensions provided by insurance undertakings? If not, what do you consider as the most appropriate way forward?

- **Option 1 is preferred, on the condition that QRT E.02.16 is effectively phased out and its discontinuation coincides with the entry into force of the revised QRT S.14 concerning pension entitlements.** This alignment is essential to avoid duplication and ensure a smooth transition.
- Regarding the "**Unique Product ID**", it is recommended that EIOPA ensures compatibility with existing national requirements, for example the interpretation of 'Product Codes' as outlined by IVASS in its Market Letter of 15 December 2020. Any inconsistencies should be avoided to ensure coherent implementation across jurisdictions.

**Q5. Are there other data points on pension products that are currently missing or insufficiently captured in existing reporting frameworks?**

- No

**Q6. Please include any comment you might have regarding the new template S.27.02 - Catastrophe data - Loss data:**

- The introduction of new reporting requirements is viewed critically, especially in the context of EIOPA's stated objective to reduce the overall reporting burden. Any additions should be avoided, especially given the ECB's intention to possibly introduce further reporting requirements. If new requirements are nonetheless introduced, EIOPA should explain the supervisory purpose of this data collection in detail.
- In this context, **the extensive new data requirements on natural catastrophes raise concerns.** While EIOPA justifies these additions by referencing the need for improved risk-based supervision and the protection of financial stability amid rising climate-related losses, it should be noted that detailed information is already collected through QRT S.27.01. This template provides supervisors with comprehensive data for the analysis of catastrophe risks, including natural catastrophes, and supports supervisory assessments of potential business risks. The added value of the proposed new data points, beyond what is already available, remains unclear and risks introducing unnecessary duplication and burden. S.27.02.01 and S.27.03.01 seem to be especially burdensome.
- The level of granularity required in the QRTs would entail a significant workload and may ultimately result in data of limited quality. The requested information (e.g. premiums, reinsurance) is not always available at such a detailed level, making it necessary to perform complex allocations based on assumptions and judgement.
  - In the case of premiums, pricing is not necessarily performed at the peril level or with a distinction between catastrophic events and other types of risks. As a result, allocating premiums to a contract can be particularly challenging and may lead to information of insufficient quality.
  - Moreover, identifying catastrophic events requires additional elements, such as temporal aspects (e.g. the duration of a climatic phenomenon) and the causes of the events (e.g. whether a storm and a subsequent flood should be considered as a single event or two separate ones). Since these elements may be interpreted differently by insurers, the reported data would not be based on consistent definitions, thereby raising comparability issues.
- Furthermore, there is a risk of overlapping or duplicate reporting, as ad-hoc data requests are also made for special events.

- It is required to provide data on the history of catastrophic events in the QRTs. However, the concept of a “catastrophic event” is not defined in the logs. As a result, interpretations of the return period could vary significantly across insurers, leading to high heterogeneity in the submitted data and limiting its supervisory value. A clearer definition of “catastrophic event” is therefore needed. In particular, the CRESTA framework, which is based on geographical zones, does not appear sufficient to accurately identify such events.
- The proposed QRT would also **create significant implementation challenges**, as a specific IT solution would need to be developed. This effort is not justified by a clearly demonstrated supervisory benefit. In addition, for reinsurance, a clear allocation of losses by event and year would be highly complex due to the varying liability concepts in reinsurance contracts and arrangements.

**Q7.** *Please include any comment you might have regarding the new template **S.27.03** - Exposure and premium data:*

- Please refer to Q6.  
The information value of cost data is questionable. The proposed QRT would cause significant implementation effort, particularly for gross and reinsurance business, as the data at the desired level of granularity is not readily available. Hence, we propose not to introduce this new QRT.

**Q8.** *Regarding Collecting data for natural catastrophes: To improve the collection of catastrophe losses, it would also be possible to collect the data per event for a given year. Would you find this information important? Which unique identifier could be used to identify an event?*

- In light of the ongoing efforts to reduce reporting burdens and the already substantial regulatory obligations, new data requirements should only be introduced if they serve a clearly defined supervisory purpose and objective.
- In addition, in cases where different liability concepts apply in the reinsurance context (event-based versus year-based), a precise attribution of reinsurance participation to individual events cannot always be clearly identified.

## 2.4. EIOPA's approach on reducing the reporting burden

### 2.4.1. Reduction of the frequency of quarterly templates

**Q9.** *Regarding **S.28.01/S.28.02**: Please include any comment you might have regarding the proposal to remove S.28.01 and S.28.02 from the quarterly reporting package and instead rely on S.23.01 to ensure compliance with Article 129(4) of Directive 2009/138/EC:*

- The deletion of the quarterly reporting requirements for templates S.28.01 and S.28.02 is welcomed as a step toward reducing reporting burden. However, it should be noted that these templates, in particular, require comparatively little effort to produce, as they can be predominantly generated automatically within the reporting software and as such, their removal delivers only limited actual burden relief. Furthermore, concerns remain regarding the future reporting of the Minimum Capital Requirement (MCR) within template S.23.01. Procedural issues may arise in cases where undertakings are exempt from reporting S.23.01 but are still required to report the MCR value. This inconsistency could create confusion and additional administrative burden. It is noted that entities still need to prepare all inputs in order to calculate the MCR to be reported in S.23.01. The only difference is whether S.28 is provided to the supervisors or not. Therefore, in practice, the deletion does not ease reporting obligations.

- Furthermore, it needs to be clarified whether the quarterly reporting requirement for QRTs S.28.01/S.28.02 is also to be discontinued in the context of ECB reporting.

**Q10. Regarding S.06.03** - *Collective investment undertakings look through approach: Please include any comment you might have regarding the proposal to reduce the reporting frequency from quarterly to semi-annually:*

- The proposed reduction in the reporting frequency of QRT S.06.03 to a semi-annual basis is welcomed. Preparing this template involves handling significant data volumes and entails considerable operational effort due to its granularity. In particular, the requirement for detailed fund look-through information necessitates input from external data providers, adding complexity and cost.
- Given these considerations, it is recommended to have an **annual reporting frequency**, as this could sufficiently meet supervisory needs or it is suggested to simplify the fund selection process, considering that ready-made data in the required format is generally unavailable. The preparation of the form requires meticulous collection and processing of a significant amount of data on individual funds' portfolios. In parallel, the industry highly values EIOPA's initiative to explore the use of ECB-hosted databases as a potential alternative source for the information currently reported in S.06.02 and S.06.03. Enhanced data sharing between authorities should be prioritised over additional direct reporting by undertakings. This approach could ultimately enable the removal of both templates from the regular reporting framework.
- Additionally, QRT S.06.03 should be removed from **group-level reporting**, as the consolidated information it provides offers limited added value from a supervisory perspective.
- Furthermore, it needs to be clarified whether the reporting frequency for the ECB reporting will also be amended.
- There is an **inconsistency** between the consultation document and the logs: in section 2.4.4 of the document, it is stated that S.06.03 should not be submitted as part of the annual reporting if it is already submitted as part of Q4. However, this exemption is not included in the log of the QRT (unlike S.06.02 and S.08.01, both subject to the same exemption, which is included in the document and the logs). The inclusion of the same wording should be added in the log: "*The template shall be reported annually only if the undertaking has been exempted from reporting it in the last quarter.*".

**Q11. Regarding Small and Non-complex undertakings (SNCUs) and small non-complex groups (SNCG):** Please include any comment you might have regarding the proposal to reduce the required information for SNCU and SNCG in **Q1 and Q3**:

- The reduction of quarterly reporting requirements for SNCUs and SNCGs is generally welcomed.
- However, the added value of these amendments remains questionable given the existing exemption option provided under Article 35a of the Solvency II Directive. It is unclear to what extent the proposed changes offer a meaningful simplification beyond what is already achievable under current rules.
- Further, the high focus on SNCUs risks creating the impression that only SNCUs can benefit from proportionality measures. SNCUs represent only a small share of the market. To align with the European Commission's aim of reducing the administrative burden across the financial sector by 25%, similar measures should be extended to smaller non-SNCUs or undertakings with simple risk profiles. For example, templates such as S.06.04 (climate-related risks) and the new NatCat reporting could be made subject to exemptions based on materiality or size, rather than solely SNCU status. The current approach risks creating an uneven playing field and is not fully aligned with the objectives of the Solvency II review.
- Furthermore, it should be noted that in order to report the S.23.01 undertakings still have to calculate the information contained in S.02.01 and SCR and MCR. Hence, although only one QRT needs to be reported the undertaking still has considerable effort for providing the required data which is subject to other QRT.



- It is unclear whether the amendments are supported by the ECB. If national banks and ECB still require QRTs SE.02.01, SE.06.02, or SE.17.01, the effect of this simplification is nullified.

#### 2.4.2. Deletion of annual templates

**Q12.** Please include any comment you might have regarding the proposal to **delete S.21.01 - Loss distribution risk profile (solo)**:

- The deletion of QRT S.21.01 is welcomed, as this will lead to tangible relief in reporting burdens in practice. At the same time, the relief for some undertakings might be limited due to fully automated reporting.

**Q13.** Please include any comment you might have regarding the proposal to **delete S.21.02 Underwriting risks non-life (solo)**:

- The deletion of QRT S.21.02 is welcomed, as this will lead to tangible relief in reporting burdens in practice.

**Q14.** Please include any comment you might have regarding the proposal to **delete S.21.03 Non-life distribution of underwriting risks by sum insured (solo)**:

- The deletion of QRT S.21.03 is welcomed, as this will lead to tangible relief in reporting burdens in practice.

**Q15.** Please include any comment you might have regarding the proposal to **delete S.23.02 - Detailed information by tiers on own funds (solo)**:

- While the deletion of QRT S.23.02 is welcomed, the industry notes it should also be removed from group-level reporting as it offers limited added value from a supervisory perspective.
- Indeed, as a consequence of the fact that the deletion only applies to solo undertakings and the QRT still has to be reported for groups, all solo undertakings which are part of a group cannot benefit from the deletion as they still have to provide the information for group reporting. Solo QRTs generally serve as the basis for group QRTs.
- It should be noted that the most resource-intensive processes (e.g. reconciliation of intragroup items, consistency checks across entities, and adjustments for minority interests) continue to apply at group level and require substantial effort.
- At the solo level, the section "Excess of assets over liabilities – attribution of valuation differences" has already been removed. Its continued inclusion at the group level appears questionable given this alignment.

**Q16.** Please include any comment you might have regarding the proposal to **delete S.23.03 - Annual movements on own funds (solo)**:

- While the deletion of QRT S.23.03 at solo level is generally welcomed, as these templates add limited value and their content is largely duplicative of S.23.01 and narrative disclosures, the industry notes it should also be removed from group-level reporting as it offers limited added value from a supervisory perspective, delivering more meaningful burden reduction without compromising supervisory objectives.
- Indeed, as a consequence of the fact that the deletion only applies to solo undertakings and the QRT still has to be reported for groups, all solo undertakings which are part of a group cannot benefit from



the deletion as they still have to provide the information for group reporting. The most resource-intensive processes (e.g. reconciliation of intragroup items, consistency checks across entities, and adjustments for minority interests) thus continue to apply at group level and require substantial effort.

**Q17.** Please include any comment you might have regarding the proposal to **delete S.29.01 - Excess of Assets over Liabilities (solo)**:

- The deletion of template S.29.01 is welcomed, as variation analysis templates are particularly burdensome to prepare. **However, to achieve a meaningful reduction in reporting burden, the deletion should extend to all S.29 templates, including S.29.03.01.** These templates involve significant operational effort, rely on approximations, suffer from limited data quality and comparability, and often overlap with existing financial reporting. In fact, the S.29.03 template is currently the most burdensome, and its removal would contribute more effectively to the simplification objective.
- Furthermore, the S29 templates can be seen as a package, therefore keeping only S.29.03 does not make sense. Should EIOPA decide to keep S.29.03, as an alternative it could also consider:
  - Remove for Non-Life
  - Introduce materiality for the Life column in Non-Life
  - Remove lower part of S.29.03.01.OX for  $X > 4$

**Q18.** Please include any comment you might have regarding the proposal to **delete S.29.02 - Excess of Assets over Liabilities - explained by investments and financial liabilities (solo)**:

- The deletion of this template is welcomed as it, together with the other S29 templates, is particularly burdensome. The removal of this QRT brings significant benefits in terms of reduced operational costs for its completion. The industry notes that there is still a connection between S.29.02, S.09.01 and E.04, which might limit the relief for undertakings since similar information has to be provided for S.09.01.
- **However, to achieve a meaningful reduction in reporting burden, the deletion should extend to all S.29 templates, including S.29.03.01.** These templates involve significant operational effort, rely on approximations, suffer from limited data quality and comparability, and often overlap with existing financial reporting. In fact, the S.29.03 template is currently the most burdensome, and its removal would contribute more effectively to the simplification objective.

**Q19.** Please include any comment you might have regarding the proposal to **delete S.29.04 - Detailed analysis per period - Technical flows versus Technical provisions (solo)**:

- The deletion of this template is welcomed as it, together with the other S29 templates, is particularly burdensome. The removal of this QRT brings significant benefits in terms of reduced operational costs for its completion.
- **However, to achieve a meaningful reduction in reporting burden, the deletion should extend to all S.29 templates, including S.29.03.01.** These templates involve significant operational effort, rely on approximations, suffer from limited data quality and comparability, and often overlap with existing financial reporting. In fact, the S.29.03 template is currently the most burdensome, and its removal would contribute more effectively to the simplification objective.
- In addition, template S.29.03 still requires data from QRT S.29.04, meaning that the data would otherwise continue to have to be generated. If the deletion of S.29.03 is not feasible, it is at least recommended that, to ensure consistency with the valuation of amounts related to this QRT across other templates, lines R0300 to R0370 of QRT S.29.03 are also eliminated at the same time.

**Q20.** Please include any comment you might have regarding the proposal to **delete S.30.01 - Facultative covers for non-life and life business basic data (solo)** from the regular reporting package while keeping it available for justified ad-hoc requests:

- The deletion of QRT S.30.01 is generally welcomed. However, this change also removes the threshold for S.30.03 and S.30.04, which results in an additional effort that may outweigh the burden reduction achieved by removing S.30.01. Furthermore, the possibility of ad-hoc requests would present a major challenge for undertakings, as these may be even more resource-intensive than regular reporting.
- It could also be considered whether this amendment might be implemented earlier, for example with the annual 2025 submission.

**Q21.** Please include any comment you might have regarding the proposal to **delete S.30.02 - Facultative covers for non-life and life business shares data - item-by-item reporting on facultative reinsurance at contract level (solo)** from the regular reporting package while keeping it for justified ad-hoc requests:

Please refer to Q20.

**Q22.** Please include any general comment you might have regarding the proposal to **delete S.37.03 - Risk Concentration – Exposure by asset class and rating (group)**:

- The deletion of QRT S.37.03 is welcomed. In this context, it would also be consistent to delete S.37.02, as most of the information on Group level can be retrieved from Group QRTs S.06.02, S.08.01, S.31.01 and S.37.01.
- At the same time, it is noted that the proposed change does not result in a material reduction of the reporting burden at group level, as the underlying data must still be maintained for the reporting of the other S.37 templates.
- It is also unfortunate that this appears to be the only relief measure currently envisaged for groups. For the sake of clarity, the industry also notes that QRT S.37.03 is not marked as an element to be deleted in Annex I of the proposed ITS on Reporting.

### 2.4.3. Increase proportionality

### 2.4.4. Simplify templates and clarify instructions

#### Note from secretariat:

**For this section** - if applicable:

Please clearly indicate in your comment if you are referring to the **solo, group - or both** requirements.

#### ITS on Reporting

**Q23.** Please include any comment you might have regarding the proposals on **S.02.01 - Balance sheet**:

- The industry agrees with the proposed amendments. However, the industry suggests the following further proposal regarding S.02.01.01 reporting:
  - It is recommended to delete the statutory accounts column from S.02.01.01 in Q1, Q2, and Q3 reporting to the Financial Stability Reporting Group. Statutory accounting is only required on an annual basis, while interim closings are neither official nor capable of delivering the same data quality level.

**Q24.** Please include any comment you might have regarding the proposal to increase the **threshold from 2% to 3,5% in S.03.01 - Off-balance sheet items – general:**

- While the increased threshold is welcomed, the reduction of effort is very limited as data has to be analysed anyway. EIOPA is asked to set out its rationale for choosing a 3.5% threshold.

**Note from secretariat:**

Questions below, from EIOPA, begin with "Please include any comment you might have regarding the proposals on..."

**Q25. S.04.03 - Basic Information - List of underwriting entities:**

The industry agrees with the amendments proposed and acknowledges that some clarification has been achieved.

**Q26. S.04.04 - Activity by country - location of underwriting:**

- This template is highly granular, and the suggested changes do not lead to meaningful simplifications or do not include clarified instructions or enhanced proportionality.
- For instance, the country of law applicable to a reinsurance contract is usually subject to agreement of the parties of a reinsurance contract and as such is in the industry's understanding not necessarily an appropriate indicator for the location of underwriting
- It should be considered whether a reporting threshold or limit could be introduced for different lines of business (e.g. based on premium volume) in order to avoid disproportionate reporting effort for immaterial exposures. A threshold could for example be when foreign business exceeds 5%. This would ensure that supervisors receive only relevant information and would align with other materiality thresholds already applied within QRTs, such as S.04.05.
- In addition, though QRT S.04.04 requires country reporting per location of underwriting, the detailed definitions for column C0020/C0030 (business underwritten through FPS) refer to "Member States in which the risk is situated" and as such the definitions from QRT S.04.05. The industry kindly requests EIOPA to provide further clarification.

**Q27. S.04.05 - Activity by country - location of risk:**

- The clarification that template S.04.05 is not required when the location of underwriting and the location of risk coincide for all insurance and reinsurance business (per underwriting entity and line of business) is welcomed. This addition brings greater clarity and helps avoid unnecessary reporting where no meaningful distinction exists, allowing undertakings to focus on the relevant templates S.04.03 and S.04.04. However, for internationally active undertakings the amendment is not helpful.
- It is suggested that QRT S.04.05 (Premiums, claims and expenses by country) should not be included in the SFCR annex. This template contains detailed, country-specific information that, while valuable for supervisory purposes, is not suitable for public disclosure. Including it in the SFCR risks misinterpretation by external stakeholders and could potentially disclose commercially sensitive information.
- It should be emphasised that there are effectively two different S.04.05 templates – one for public disclosure, and one for supervisory reporting, each with its own analysis. The version of S.04.05 required in the SFCR annex is aggregated differently from the regular supervisory submission. This requires undertakings to perform additional transformation and reconciliation work, creating a disproportionate and duplicative reporting burden without adding meaningful transparency for the public.
- Against this background, it is recommended that S.04.05 remain part of the private reporting to supervisors but be excluded from the SFCR annex.

**Q28. S.05.01 - Premiums, claims and expenses by line of business:**

While the industry takes note of the proposed amendments, the amended explanation of earned premiums does not provide additional clarity. It remains important that, for IFRS users, the KPI of premiums continues to be based on earned premiums and is not replaced by insurance revenue.

**Q29. S.05.02 - Premiums, claims, and expenses by country:**

- The amended explanation of earned premiums does not provide additional clarity. It remains important that, for IFRS users, the KPI of premiums continues to be based on earned premiums and is not replaced by insurance revenue.

**Q30. S.06.02 - List of assets:**

- We generally support the deletions of several data fields in S.06.02, and these deletions will have some impact on the effort required to populate this template; however, because of the sheer size of this template, the remaining effort will still be significant and S.06.02 overall will remain highly burdensome.
- Elimination of the annual S.06.02 where this template has been reported in Q4 will be difficult, as the report precedes the annual financial statements.
- It is recommended to remove the following LOG file requirement for C0200 and C240: "*When available, this item corresponds to the entity name in the LEI database. When this is not available corresponds to the legal name.*" If a LEI code is reported, additionally providing the name of the entity does not provide any added value to the supervisor. The reason behind any technical ID such as LEI codes is to avoid the necessity of exact spelling matches when transmitting names of legal undertakings.
- Further, while the clarification that when S.06.02 is reported in Q4 it shall not be reported annually is welcomed, it should be clarified that undertakings that report this QRT in Q4 can still report it annually on a voluntary basis.

**Q31. S.06.03 - Collective Investment Undertakings - look through approach:**

- Exemptions:
  - Funds contained in unit-linked products where the risk is borne by the policyholder should be exempted from the look-through requirement of S.06.03.
  - S.06.03 should not be necessary to be reported if the insurance entity uses an asset management company for management of their funds. The asset managers need to report these decompositions as well which leads to doubled reporting obligations.
- For group reporting, it is noted that this template is already reported at the level of individual insurance undertakings; a consolidated group report does not create added value.
- The approach of granting EIOPA access to international databases of the ECB (CSDB, Fund Look-through information) and enabling EIOPA to share this information with national authorities is strongly supported. This would reduce the information requirements currently reported in QRT S.06.03. The exchange of existing data between authorities should always be prioritised over additional reporting by companies.
- As indicated above, it should also be considered to reduce the frequency of S.06. 03, as this would effectively reduce the reporting burden.
- The country of issue (C0040) should not be applicable for CIC Category 0 (e.g. crypto assets, commodities, artworks, ...).
- Further, while the clarification that when S.06.03 is reported in Q4 it shall not be reported annually is welcomed, it should be clarified that undertakings that report this QRT in Q4 can still report it annually on a voluntary basis.

**Q32. S.06.04 - Climate change-related risks to investments:**

- The proposed exemption of SNCUs from the reporting of template S.06.04 is welcomed. Nevertheless, support is reiterated for the complete removal of this QRT, as its practical relevance remains unclear. Transition risks may apply to a broad range of assets, which limits the added value of the prescribed breakdown and raises questions about the proportionality of the reporting burden.

- The changes to the instructions are welcome, and they do help to clarify what firms need to report here. However, the value of the data remains questionable; the choice of which NACE sectors to include will be subjective and is likely to vary between firms, resulting in inconsistency. Further, firms will very likely not have access to NACE-level information relating to the S.06.03 'Collective Investment Undertakings' template, which will lead to more subjectivity. We therefore see little value in this template and would urge EIOPA to delete it.

**Q33. S.08.01 - Open derivatives:**

- EIOPA's proposals only include clarifications and do not propose simplifications. As consistently pointed out since the implementation of SII in 2016, the template should be completely removed as derivatives are already subject to daily EMIR reporting (avoidance of doubled reporting).
- Further, while the clarification that when S.08.01 is reported in Q4 it shall not be reported annually is welcomed, it should be clarified that undertakings that report this QRT in Q4 can still report it annually on a voluntary basis.

**Q34. S.14.01 - Life obligation analysis:**

- Please refer to Q3 and Q4. The industry does not expect a tangible reduction of effort from the proposed amendments, and the template granularity should be substantially reduced.
- Exit conditions at reporting date should also be removed from the financial stability version of the template (S.14.04.11) to be consistent with the Solvency II approach.

**Q35. S.14.02 - Non-life business - policy and customer information:**

- Cf. answer to Q3 and Q4. The industry does not expect a tangible reduction of effort from the proposed amendments.
- The field "Country" should also be removed from the financial stability version of the template (S.14.05.11) to be consistent with the Solvency II approach.

**Q36. S.16.01 - Information on annuities stemming from Non-Life insurance obligations:**

- While the industry broadly agrees with the amendments proposed, it is suggested to introduce a **materiality threshold** for lines of business classified as annuities stemming from non-life, below which the completion of this QRT would no longer be required. This proposal is based on the fact that the template is particularly burdensome, while the business volume – both in terms of the number of contracts and the size of technical provisions – is often limited. As such, the cost of reporting may outweigh its supervisory value in immaterial cases.

**Q37. S.19.01 - Non-Life Insurance claims:**

- **The added value of including all the newly proposed details on expenses is unclear.** Under taxonomy 2.8.0, Claims Paid and Undiscounted Best Estimate are reported including all elements that compose the claim itself, but excluding any expenses, in line with Commission Implementing Regulation (EU) 2023/894. At that time, new validation rules (BV1438, BV1439, BV1440, etc.) were introduced to cross-check the Best Estimate in S.17 with the details in S.19. These validations were not in line with the ITS, but EIOPA confirmed that the validation rules were to be followed and that the ITS should be adjusted accordingly. The new proposal introduces changes that would require adjustments to existing algorithms used to populate template S.19.01. These changes may result in additional implementation efforts and complexity, while the new split (BE + ALAE vs ULAE) still leaves the validation rules invalid and inconsistent with EIOPA's earlier response.
- The required additional detail is also burdensome and difficult to manage, as the split of ULAE is mainly accounting-based (cf. the expense details in S.05). A more efficient approach would be for EIOPA to refrain from adding these details and instead amend the ITS so that the BE details in S.19 include all expenses, thereby aligning the discounted BE in S.19 with S.17 and maintaining valid validation rules. The proposed deletion of the triangle "Undiscounted Best Estimate Claims Provisions – Reinsurance Recoverable" is acknowledged. While this reduces the number of data points reported to EIOPA, the

operational impact for insurers is minimal. Reinsurance recoverables can be easily derived by supervisory authorities as the difference between gross and net claims paid, and insurance undertakings must still report both gross and net values. Therefore, this change does not materially ease the reporting process.

- In parallel, new reporting requirements are introduced concerning expenses and other cash flows, and changes are made to the instructions. It should be noted that even clarifications to the instructions may entail system or process changes for insurers. These additions will result in **significant implementation and operational costs**.
- The proposal also entails aligning *Claims Paid* and *Undiscounted Best Estimate (UDBE)* reporting by including only direct claims management expenses (Allocated Loss Adjustment Expenses – ALAE) and requiring limited information on other expenses and cash flows. Although the reported data will now include discounted best estimates at the line-of-business level, the proposed approach increases complexity. The intended simplification is not achieved.
- On the surface, the number of data points may be reduced. However, the actual burden for insurance undertakings will increase considerably. **Relying solely on data point counts is not appropriate**, and the proposed changes do not contribute to the 25% reduction in reporting burden targeted by the European Commission.
- **Given the above, it is proposed to refrain from implementing the changes to this QRT.**
- If EIOPA nevertheless proceeds with the proposal:
  - The QRT should be reclassified under "*new information*" rather than "*simplification*", as the overall complexity of the template increases;
  - The validation rules must be consistent with the ITS, to avoid confusion.
  - The instructions should be further clarified, particularly regarding the treatment of *claims provision administrative expenses* and *claims provision acquisition expenses*. Specifically, confirmation is requested that these items do **not** need to be reported when such expenses are recognised immediately in profit or loss and no provisions are made. If reporting is still required, EIOPA is asked to clarify what is meant by these cost provisions and how they should be calculated.

#### Q38. S.23.01 - Own Funds:

- The reduction of quarterly reporting requirements for small and non-complex undertakings (SNCUs) and small and non-complex groups (SNCGs) to S.01.01 (Content of the submission), S.01.02 (Basic Information – General), and S.23.01 (Own Funds) is noted and the intended relief for SNCUs is welcomed.
  - However, it is questionable how many SNCUs will actually benefit from this reduction, as they should already be exempt from quarterly reporting under Article 35a of the Solvency II Directive. Moreover, even where requirements are reduced, for example with regard to template S.23.01, the relief may be limited given that this template requires a significant amount of underlying data to be maintained and processed.
- Note for group:** In S.23.01.04 for the group, rows R0450 to R0820 are formatted as if they all fall under the heading "*Own funds when using the Deduction and Aggregation (D&A) method, exclusively or in combination with method 1.*" However, according to current understanding, this heading only applies to rows R0450 and R0460. The related log texts do not provide further clarity, as there is no further subdivision following the heading "*Own funds when using the Deduction and Aggregation (D&A) method, exclusively or in combination with method 1.*" Clarification on the correct scope of this heading is therefore requested.

#### Q39. S.23.04 - List of items on own funds:

- In S.23.04.04, the title of non-available own funds at group level is changed by removing the term "exceeding the contribution of solo SCR to group SCR". If this amendment is merely a clarification with no impact on the meaning of the affected columns, this should be stated more explicitly. If, however,



it alters the values to be reported, the change is questionable as it could lead to misinterpretations. In any case, clarification is required.

- In the proposed QRT S.23.04.04 in Annex I, the formatting implies that columns C0870 to C0860 are to be part of the data submitted for each related undertaking. This is also the case in the current Annex I of Commission Implementing Regulation (EU) 2023/894. However, these values are currently reported as a total at group level in line with the instructions of Annex III of Commission Implementing Regulation (EU) 2023/894. As we understand from the publicly consulted PWD 1 of Insurance Data Point Model and Taxonomy 2.10.0 and proposed Annex III of the ITS on Reporting a change is not intended.
- To clarify this, it is proposed to split S.23.04.04. lines 61-79 in Annex I of the proposed ITS on Reporting into two sections:
  - (1) Calculation of non-available own funds at group level (such a calculation has to be done entity by entity) including C0720 -C0750 and
  - (2) Non available own funds at group level including C0870-C0860.

This would reflect the separation of S.23.04.04.10 and S.23.04.04.11 as in PWD 1 of Insurance Data Point Model and Taxonomy 2.10.0 and would avoid misinterpretation.

**Q40. S.25.05 - Solvency Capital Requirement - for undertakings using an internal model (partial or full)**  
**S.25.05 - Solvency Capital Requirement - for groups using an internal model (partial or full):**

- While the clarifications are welcomed, in general, the ITS remains unclear on a unique and consistent way of treating taxation and diversification benefits. The status quo leaves room for uncertainty regarding different reporting approaches within the market, compromising the possibility of a proper comparison among peers for both EIOPA and external analysts.
- The following inconsistencies were identified between Templates and Instructions that need further clarification:
  - **A discrepancy between Annex I – Reporting Templates ITS amendments for S.25.05.04 QRT and the corresponding ITS Reporting Annex III\_- Group instructions.** Specifically, values in cell R0020/C0010 appear crossed-out in the Template, while the instructions still contain specifications for these items. This inconsistency creates uncertainty regarding which guidance is binding for reporting entities. The crossed-out values in the template suggest these cells should not be completed, while the instructions imply they should be populated.
  - **Double counting issue:** the part adding some of the risks in **S.26.08** to determine **C0100/R0110** does not make sense, as any of these internally modelled risks should already be included in the reported values in **S.25.05 – C0010**. This results in a **double counting of certain risks**.  
 More specifically, there are the following inconsistencies in the taxonomy between S.25.05 and S.26.08 templates, more specifically:
    - ☐ 1) the usage of “Other risk” R0500 in S.26.08 is misleading and should be changed e.g. to “Residual Risk”. Using the same name convention for two different items in two different templates should be avoided;
    - ☐ 2) the “Other risk” module C0010/R0500 in S.25.05 should be equal to S.26.08 C0010/R0210 + R0220 + R0230 + R0240 + R0250 + R0260 + R0500 (i.e. equal to the sum of all those risks included in S.26.08 BUT NOT present in S.25.05)
    - ☐ 3) S.25.05 C0100/R0110 could be the simple sum of S.25.05 C0010/R0080 + R0200 + R0280 + R0320 + R0410 + R0490 + R0500 (i.e. full consistency within the same QRT template but also consistent with the S.26.08).
  - The industry disagrees with the EIOPA proposal:
    - ☐ C0100/R0060 should reflect the diversification effect between modules only.
    - ☐ Defining it as the difference between **C0010/R0030** (which in the industry’s view contains diversification between and within modules) and **C0100/R0110**



(no diversification anywhere, no tax) correctly gives the diversification between and within modules.

- Industry proposes to define the fields as follows:

- ☐  $C0010/R0040 = C0100/R0200 = C0010/R0570 + C0100/R0120 + C0100/R0160$
- ☐  $C0010/R0030 = C0010/R0040 - C0100/R0310$
- ☐  $C0100/R0110 = C0010 [R0080 + R0200 + R0280 + R0320 + R0410 + R0490 + R0500]$
- ☐  $C0100/R0060 = C0100/R0200 - C0010/R0110 - C0100/R0120 - C0100/R0160$

- The industry urges EIOPA to address the highlighted inconsistencies. While the proposed industry approaches provide a possible way forward, further technical validation is needed to ensure full consistency across templates and instructions.

**Q41. S.26.08 - Solvency Capital Requirement - for undertakings using an internal model (partial or full)**  
**S.26.08 - Solvency Capital Requirement - for groups using an internal model (partial or full):**

- The clarifications are welcomed. However, some inconsistencies were identified in the formula for total stand-alone risk. The ITS Reporting Annex III – Group instructions for S.26.08.04 QRT define Total stand-alone risk as: Market & Credit risk diversified + Total Non-life catastrophe risk diversified + Non-life/Health net of reinsurance diversified + Life and Health underwriting risk diversified + Operational risk diversified + parts from Standard Formula. This formula notably excludes business risks and other risks, which impacts the completeness and accuracy of the reported risk profile.
- The industry therefore recommends the following:
  - Total Stand-alone Risk (R0010/C0010) is specified to only account for diversification within risk modules, but not between risk modules. This should be specified as the sum of R0080/C0010, R0200/C0010, R0280/C0010, R0320/C0010, R0380/C0010, R0490/C0010, R0500 (please also refer to taxonomy issues set out in response to Q40). Then all diversifications within Market & Credit Risk, Credit event risk, Total Business risk, Total Net Non-life underwriting risk, Total Life & Health underwriting risk, Total Operational risk and Other risks are covered, but no diversification within risk modules. This would accurately reflect the diversification within S.26.08 QRT and enable full reconciliation and transparency.
  - The following definition is proposed for Total diversified risk before tax (R0030/C0010): Calculated as the sum of LAC DT and Total diversified risk after tax (R0040/C0010 - R0050/C0010).
    - ☐ This includes diversified risk of SF entities and the Capital Requirements of residual entities.
  - Total diversification would then be calculated as: Total diversified risk before tax minus Total stand-alone risk. At the same time it is pointed out that ITS does not clarify whether diversification should be after/before LAC DT, since it makes reference to:  
*"All rows for C0010 refer to the amount of the capital charge for each component regardless of the method of calculation (either standard formula or partial internal model), after the adjustments for loss-absorbing capacity of technical provision and/or deferred taxes when they are embedded in the component calculation."*
- The industry urges EIOPA to address the highlighted inconsistencies. While the proposed industry approaches provide a possible way forward, further technical validation is needed to ensure full consistency across templates and instructions.

**Q42. S.26.09 - Internal model: Market & Credit risk - for financial instruments:**

There are no comments on S.26.09. However, some inconsistencies have been identified in the table referencing for QRT S.26.10. Specifically, table R0140–R0260 appears to be missing, while table R0400–R0520 is shown twice in exactly the same way. In addition, the headlines and descriptions do not appear consistent. It is therefore recommended to implement the necessary adjustments.

**Q43. S.26.13 – Internal model: Non-Life & Health NSLT Underwriting risk:**

- The industry expects a slight reduction in effort from the proposed amendments.
- However, the changes to S.26.13 introduce a number of unclear and potentially inconsistent elements that require clarification.
- The draft specifications introduce two new z-axis items:
  - **Z0005**: Catastrophe type (closed list of 4 options).
  - **Z0010** is replaced with **Z0030**: Catastrophe scenario, to be filled in only when Z0005 equals the fourth option (*Other*).
- Several issues arise from these changes:
  - Reference error
    - In the explanation for Z0005, there is a reference to Z0010. This appears to be an error and should refer to Z0030.
  - Duplicated reporting requirements
    - The draft states that when Z0030 is filled in, it should be equal to C0020 and C0160, requiring companies to report the same information three times.
    - This requirement is unclear because C0020 (*Classes impacted by the catastrophe event*) and C0160 (*Catastrophe*) are defined differently. It is therefore not understood why these data points should be the same.
    - If they are indeed intended to capture identical information, one of the columns should be removed to avoid unnecessary duplication.
  - Inconsistency between Z0030 and C0020/C0160
    - C0020/C0160 appear in the vendor models table, whereas Z0030 is part of the modelled losses table. These do not necessarily operate at the same level of detail, making the requirement for equality between them impractical.
  - Scope of reporting under Z0005 = Other
    - If Z0005 = *Other* is not selected, Z0030 should remain empty. It is unclear whether, in that case, the entire vendor models table would also remain empty.

Clarification is needed on the mentioned issues.

**Q44. S.30.03 – Outgoing Reinsurance Program basic data:**

- The industry sees the removal of the threshold critically, as it will cause a higher increase in workload than the reduction achieved by removing templates S.30.01 and S.30.02.

**Q45. S.30.04 – Outgoing Reinsurance Program shares data:**

- The removal of the reporting threshold is viewed critically, as it will create a significantly higher increase in workload than the reduction achieved by removing templates S.30.01 and S.30.02.

**Q46. S.31.01 – Share of reinsurers (including Finite Reinsurance and SPV's):**

- The focus of this template has so far been to provide insight into the carrying amounts in relation to the solvency balance sheet for reinsurance counterparties, e.g. reinsurance recoverables, receivables, and payables. With the introduction of the proposed new cells, a complex new set of data linked to SCR/CPD calculations is being added. The rationale for mixing this type of data (SCR-related information with solvency balance sheet data) in this way is unclear. Moreover, data relevant for the CPD calculation is already largely available in the S.26.02 templates and should be sufficient for supervisory purposes. Any additional or more detailed data should only be requested on an ad hoc basis.
- The new LOG instructions for template S.31 also appear to contain errors, particularly concerning new cells C0250 and C0260, which seem inconsistent. The template should remain focused on collecting information on reinsurers rather than on separate treaties.
- It might also be worth considering to keep C0155 "Currency" and therefore delete the Group QRT S.37.02. In this way the supervisory authorities would still have available the split of external exposures into countries, sectors and currencies as all information are available in other QRTs.

**Q48. S.33.01 — Insurance and reinsurance individual requirements:**

- The proposed amendments are supported.

**Q49. S.34.01 — Other regulated and non-regulated financial undertakings including insurance holding companies and mixed financial holding companies individual requirements:**

- The industry expects a slight reduction in effort from the proposed amendments.

**Q50. S.36.01 — IGT — Equity-type transactions, debt and asset transfer:**

- The industry welcomes the clarification.

**Q51. S.36.02 - IGT - Derivatives:**

- The clarification is welcomed. However, deletion of this template should be considered in order to achieve a meaningful reduction of the reporting burden.

**Q52. S.36.05 - IGT - Profit and Loss:**

- The clarification is welcomed. However, deletion of this template should be considered as all P&L information is already reported within the last columns of the other IGT QRTs. Deletion would help to achieve a meaningful reduction of the reporting burden.

**Q53. S.36.06 IGT — Off-balance sheet and contingent liabilities:**

- The industry welcomes the clarification.

**Q54. S.36.07 - IGT — Insurance and Reinsurance:**

- In principle, the industry welcomes the clarification. However, the List of LOB numbers needs to be reviewed (*no code Health Reinsurance but two for Health Insurance*).

**Q55. S.37.01 — Risk concentration – Exposure to Counterparties:**

- The industry welcomes the clarification. But it should be noted that switching from NACE Rev. 2 to NACE Rev. 2.1 will be an initial effort.

**Q56. S.37.02 — Risk Concentration – Exposure by currency, sector, country:**

- The industry welcomes the clarification. However, it could be considered to keep S.31.01\_C0155 "Currency" and then delete the Group QRT S.37.02. In this way the supervisory authorities would still have available the split of external exposures into countries, sectors and currencies as all information is available in other QRTs (e. g. S.06.02, S.08.01, S.31.01 and S.37.01).
- Additionally, it should be noted that switching from NACE Rev. 2 to NACE Rev. 2.1 will be an initial effort.

**Q59. Annex VI - Definitions of the CIC Table:**

- The proposed requirement to report both *mortgages* and *loans on policies* under CIC code "88" is problematic. Under the current classification, these asset types are distinguished using specific codes: CIC code "84" for mortgages and CIC code "86" for loans on policies. The proposed change, which gives precedence to code "88" over these specific classifications, would result in a **loss of granularity** and **reduced data quality**.
- The rationale for this change is unclear, as it does not appear to improve the quality or usability of the data. On the contrary, it undermines existing differentiation between distinct asset types. Additionally, the proposal lacks consistency, as CIC codes "84" and "86" are not being amended in the same manner (e.g. in terms of references to "other than natural person").
- It is therefore proposed to **delete the proposed change to CIC code "88"**.

#### ITS on Reporting: Legal Act

**Q60.** Please include any comment you might have regarding the amended **legal Act** on the ITS on Reporting:

- The deletions foreseen in the ITS should also be reflected in the ECB reporting. In addition, any divergence between the envisaged first application date under the legal acts and the corresponding date in the taxonomy is problematic.
- In addition, the industry would like to put forward the following further proposals regarding QRT S.12:
  - Deletion of “Best Estimate of Products with a Surrender Option” (S.12.01.01): it is recommended deleting the item “Best Estimate of products with a surrender option” in S.12.01.01, given its doubtful interpretation. This figure can only be approximated using statutory balance sheet data, is highly sensitive to interest rate movements without reflecting portfolio changes, and may even result in negative values (e.g., in Life/Health), which do not provide meaningful insights.
  - Deletion of “Surrender Value” (S.12.01.03): it is proposed deleting the “Surrender value” requirement in S.12.01.03, as it represents a statutory accounts figure without relevance or consistency in the Solvency II framework, particularly in relation to the Best Estimate of Liabilities.
  - Introduction of a Materiality Threshold for Foreign Activities (S.12.02): it is suggested introducing a materiality threshold for reporting foreign country activities in S.12.02, for example when foreign business exceeds 5%. This would ensure that supervisors receive only relevant information and would align with other materiality thresholds already applied within QRTs, such as S.04.05.

#### **2.4.5. Technical simplifications**

**Q61.** Please include any general comments you might have regarding the proposals presented in **section 2.4.5 on technical simplification** of the Consultation paper:

- The effort to increase transparency by including **Annex III**—providing an overview of the supervisory use of the main reporting templates—is welcomed. However, the inclusion of such an overview also raises the question of whether templates not listed in Annex III (e.g. **S.37 QRTs**) are truly necessary and justified.
- The proposed adjustment of **validation tolerances** is also welcomed in principle. However, the impact will depend on how the changes are implemented in practice. It remains to be seen whether these adjustments will meaningfully ease the reporting process for undertakings.
- Finally, the intention to allow for **sufficient lead time** between ITS amendments is appreciated, as this can enhance stability and reduce implementation costs. Nonetheless, it remains unclear how EIOPA plans to operationalise this commitment, and further clarification would be useful.

#### Application date of the taxonomy 2.10.0

**Q62.** Please share which of the following **two options** you would prefer:  
Maximum 1 selection(s)

##### **Answer**

**Option 1: Application date as of 30 January 2027** - the application of the new taxonomy will be aligned with the application date of the legal acts. This will imply that the Q4/2026 and Annual/2026 reporting will be still done based on the old taxonomy (2.8.2, to be submitted in 2027), while the Q1/2027 reporting will be done based on the new taxonomy 2.10.0. Possibly to reduce the reporting burden already for the Annual 2026 reporting by allowing undertakings to submit the templates proposed for deletion (present in the 2.8.2 taxonomy) empty without filling them

Answer

**Option 2: Application date as of 31 December 2026** - This approach will require 2 application dates in the ITS, e.g. a clear specification that while the ITS is applicable as of 31 December 2026, the changes stemming from Level 1 and Level 2 review (e.g. changes in the annual S.22.01, S.22.06 – renamed to S.22.07 and new cell in S.01.02) shall be applicable as of 30 January 2027 to align with the Level 1 and Level 2 application date.

■ **Preferred option: Option 1**

A fundamental technical challenge arises when undertakings are required to apply two different taxonomies in parallel due to reporting deadlines and transitional implementation periods. This creates a considerable burden, as companies must operate within two separate reporting environments simultaneously. The challenge is further compounded by the implementation of changes introduced through the ITS revision.

Aligning the application of Taxonomy 2.10.0 with the application date of the Directive and Delegated Acts (i.e. from 30 January 2027 and as of the Q1/2027 reporting) seems to be the least burdensome technical and operational approach. However, given the heavy workload of annual reporting and disclosure obligations, combined with the additional implementation efforts required for the new amendments and the parallel use of two taxonomy environments, it would be highly beneficial to grant a one-off extension of the Q1/2027 reporting deadline by at least four weeks to ensure a smooth transition.

In addition, the possibility for undertakings to submit templates that are proposed for deletion under Taxonomy 2.10.0 as empty for the annual 2026 reporting in Taxonomy 2.8.2 is a welcome simplification measure and should be confirmed irrespective of the chosen option. If feasible, EIOPA is also encouraged to consider removing the deleted templates ahead of time.

■ **On Option 2**

Option 2 appears impractical. While EIOPA has clarified that there will be only one taxonomy with a single set of QRTs, undertakings will nonetheless be required to assess which information amended by Level 1 and Level 2 changes can already be provided as of 31 December 2026. This approach could cause significant manual effort and may introduce uncertainty regarding the fulfilment of reporting requirements at year-end 2026. It therefore risks adding unnecessary complexity and operational burden for both undertakings and regulators.

[ITS on Reporting: General comments](#)

**Q64.** Please include any other comment you might have regarding the proposals on the ITS on Reporting:

- In principle, the proposal to reduce the reporting burden through reduced quarterly reporting frequency, deletion of certain annual QRTs, simplification of templates, and clarification of instructions is welcomed.
- From an operational perspective, the **most effective means** of reducing the reporting burden remains the **deletion of entire QRTs**.
  - In this regard it should be noted that the effort involved varies greatly as some QRTs are produced more or less automatically while for other QRTs, the information must be generated specifically for that QRT. While the industry welcomes the deletion of three Variation Analysis QRT, it regrets that S.29.03 has not been deleted and **urges EIOPA to delete the Variation Analysis QRT S.29.01 – S.29.04 completely**.
  - By contrast, simplifications within existing templates and changes to instructions often require **significant implementation efforts**, as they necessitate adjustments to established systems and processes.
- Regarding quarterly reporting, while the proposed amendments are a step in the right direction, they are not considered sufficient. A **more meaningful reduction** could be achieved by **eliminating Q4 reporting entirely** or by limiting it strictly to data required for **ECB statistical purposes**. Generally, it remains unclear how the proposed amendments affect ECB reporting.

- The industry is disappointed that for groups the simplifications are very limited and therefore, undertakings which are part of a group cannot fully benefit from the simplifications either as they still have to provide the information for group reporting, e.g. S.23.02 and S.23.03.
- In light of the above, there is scepticism that the estimated burden reduction of **26% for quarterly** and **30% for annual QRTs** will be realised in practice. Nonetheless, the overarching **ambition to reduce the reporting burden** is strongly supported.

#### ITS on Disclosure

##### **Q65. S.02.01 - Balance sheet:**

- The proposed amendments are agreed.

##### **Q66. S.04.05 - Activity by country - *Premiums, claims and expenses by country*:**

- The proposed amendments are agreed, however, to effectively reduce the burden of reporting it is suggested that QRT S.04.05 (Premiums, claims and expenses by country) should not be included in the SFCR annex. This template contains detailed, country-specific information that, while valuable for supervisory purposes, is not suitable for public disclosure. Including it in the SFCR risks misinterpretation by external stakeholders and could potentially disclose commercially sensitive information.
- In addition, the version of S.04.05 required in the SFCR annex is aggregated differently from the regular supervisory submission. This requires undertakings to perform additional transformation and reconciliation work, creating a disproportionate reporting burden without adding meaningful transparency for the public.
- It is also critical that this QRT must be disclosed for IFRS users because the KPI of premiums was not changed to Insurance Revenue. As there are no premiums under IFRS 17 anymore, this QRT gives no additional value for the public.
- Against this background, it is recommended that S.04.05 remain part of the private reporting to supervisors but to exclude it from the public disclosure templates (SFCR annex).

##### **Q67. S.05.01 - Premiums, claims and expenses by line of business:**

- The amendments proposed can be agreed. However, for supervisory reporting, it is recommended to reduce the Lines-of-Business granularity in S.05.01.02 quarterly reporting, as reporting only total values would be sufficient. The allocation of totals across individual LoBs is usually based on prior annual reporting and does not provide additional analytical insight.
- It remains important that this QRT be reviewed in the context of IFRS users, as the KPI of premiums has not been replaced by insurance revenue. Since premiums no longer exist under IFRS 17, the QRT provides limited added value for public disclosure. Therefore, for IFRS users, either the LOG file should be adjusted accordingly or the QRT should be removed from the Public Disclosure package.

##### **Q68. S.05.02 - Premiums, claims, and expenses by country:**

- The proposed amendments are agreed.
- However, it is questioned whether this QRT should be disclosed for IFRS users, as the KPI of premiums has not been replaced by insurance revenue. Since premiums no longer exist under IFRS 17, the QRT provides no additional value for public disclosure. It is therefore recommended to either adjust the LOG file for this QRT or remove it from the Public Disclosure package.

##### **Q69. S.12.01 – Life and Health SLT Technical Provisions:**

- The proposed amendments are agreed.

##### **Q70. S.19.01 - Non-Life Insurance claims:**

- The proposed amendments are agreed.



**Q71. S.22.01 – Impact of long term guarantees measures and transitional:**

- In the event that the phasing-in for the extrapolation in accordance with Article 77a(2) of the Solvency II Delegated Regulation is not applied, the adjustment effort is expected to be manageable (solo and group).

**Q72. S.22.06 - Best estimate subject to volatility adjustment by country and currency:**

- The introduction of a new QRT for the solo SFCR is viewed critically. The **rationale for introducing this additional reporting requirement remains unclear**. Further justification and clarification are needed to assess its necessity and proportionality. The detail reported in this template is quite granular and more suited for supervisory purposes. Further, by retaining S.22.06 for public disclosure and introducing S.22.07 for supervisory reporting, EIOPA is effectively doubling the reporting burden in this area, which goes against its objectives to reduce the reporting burden as set out in Section 2.4 of the consultation paper. Against this background, EIOPA is urged not to include S.22.06 within the scope of public disclosure.

**Q73. S.23.01 - Own Funds:**

- The same considerations raised under Q38 regarding group reporting apply here.

**Q74. S.25.01 – Solvency Capital Requirement – for undertakings on Standard Formula and**

**S.25.01 – Solvency Capital Requirement – for groups on Standard Formula.**

- The proposed amendments are agreed.

**Q75. S.25.05 – Solvency Capital Requirement – for undertakings using an internal model (partial or full) and**

**S.25.05 – Solvency Capital Requirement – for groups using an internal model (partial or full).**

*For both solo and groups*

- Regarding the Diversification Calculation Methodology (QRT S.25.05): Assuming “Total Diversification (R0020/C0010)” should be filled according to ITS Reporting Annex III Group instructions for S.25.05.04 QRT (and not left empty as the Excel templates show), there are two different diversification values within one QRT. The “Total diversification” in C0010/R0020 is specified as the same value as S.26.08.04 C0010/R0020. However, since S.26.08 QRT is not publicly available, public investors cannot reconcile this number at all. “Total undiversified components (R0110/C0010)” is specified as sum of S.25.05.04 QRT values R0070/C0010, R0190/C0010, R0270/C0010, R0310/C0010, R0400/C0010, R480/C0010 and R0500/C0010. On top of this, further internal model values for basis risk, derivatives, participation, liquidity, pension and concentration risks from S.26.08 QRT should be included. Again, if insurers have these modules in their Internal Model, the values inside the S.25.05.04 QRT cannot be reconciled, since public investors do not have access to S.26.08 QRT values. Both issues could lead to confusion and non-comparable results between insurers. Therefore it is recommended that:
  - “Total diversification (R0020/C0010)” should be not filled at all, so only one unique diversification exists in this QRT.
  - “Total undiversified components (R0110/C0010)” should only be specified as sum of S.25.05.04 QRT values R0070/C0010, R0190/C0010, R0270/C0010, R0310/C0010, R0400/C0010, R480/C0010 and R0500/C0010.
  - “Diversification (R0060/C0010)” could be calculated as difference between “Total undiversified components (R0110/C0010)” and “Total diversified risk before tax (R0030/C0010)”.

This approach ensures consistency within a single QRT, allows public investors to reconcile the figures, and provides meaningful insights across insurers.



- The industry urges EIOPA to address these inconsistencies. While the proposed industry approaches provide a possible way forward, further technical validation is needed to ensure full consistency across templates and instructions.

#### [ITS on Disclosure: Legal Act](#)

#### [ITS on Disclosure: General comments](#)

##### **Q77.** *Please include any other comment you might have regarding the proposals on the ITS on Disclosure:*

- In general, adjustments to the QRTs result in increased implementation effort, even if they may be necessary in certain cases. It therefore raises concerns that **EIOPA does not explicitly address these adjustments** in the consultation paper. Greater transparency on the scope and rationale of such changes would support more effective stakeholder input and planning.

### **3. Guidelines on reporting for financial stability purposes**

##### **Q78.** *Please include any comment you might have regarding the proposed deletions in the Guidelines:*

- In general, the streamlining of the guidelines is welcomed. In particular, the **increased threshold in Guideline 2** is a positive development. The adjustment will especially benefit small and medium-sized undertakings. However, it is suggested considering an even higher threshold to avoid many undertakings and groups soon falling back within this scope. Alternatively, the threshold should be subject to regular (e.g. annual) inflation adjustment, to avoid the threshold remaining static – as was the case with the previous EUR 12 billion threshold (remained unchanged since 2016). This kind of “automatic” revision occurs in several places in the Solvency II directive, e.g. the absolute floor amount for the MCR calculations.
- In this context, a review of the QRTs required under the Guideline on Financial Stability Reporting should also be encouraged. As part of the revision process, it would be worthwhile to critically assess whether the scope of reporting could be reduced, particularly given the significant overlap with regular Solvency II reporting, which results in considerable double reporting.

### **4. Guidelines on the supervision of branches of third-country insurance undertakings**

##### **Q81.** *Please include any comment you might have regarding the proposed deletions in the Guidelines:*

- In general, the streamlining of the guidelines is welcomed.

##### **Q82.** *Please include any other comment you might have on the Guidelines:*

- With regard to the revised Guideline 53, it remains to be seen what the final wording in the Delegated Regulation will be. Any **divergence between the guidelines and the Level 2 text** should be avoided to ensure consistency and legal clarity.

### **5. Potential further mid-term areas for reporting and disclosure reduction**

## Annex I: Impact Assessment on the overall reporting burden reduction

### Q83. Please include any general comment you might have on this section of the document

- It is noted that further reporting amendments will be proposed following finalisation of the Level 2 text; the industry will only be in a position to answer this question once this text is published.
- The **assessment methodology** used in EIOPA's impact assessment is viewed as insufficient, as it does not adequately reflect the **actual implementation effort** and **complexity** associated with the reporting templates. For example, some QRTs have a high-level of granularity (e.g. S.04 and S.05) which result in an unreasonably high effort to produce in relation to the value of the information provided. Furthermore, adjustments to the QRT cause increased effort initially (implementation effort), but may be necessary under certain circumstances. It is considered critical that EIOPA does not specifically address the adjustments in the consultation paper itself.
- Moreover, the **calculation basis**—which relies on the average number of templates reported to EIOPA (7.5 per quarter and 36 per year)—is **questionable in terms of its representativeness**. It is unclear whether this approach provides a realistic estimate of the reporting burden across the diverse range of undertakings.
- While it is difficult to provide an exact figure, initial estimates suggest that the current annotated templates include approximately **80 solo annual templates**, although not all undertakings are required to submit every template. In the current ITS draft, around **10 solo annual templates** are proposed for deletion. This represents a reduction of approximately **12.5%**, which is **significantly lower than the 28% reduction** estimated by EIOPA.
- Initial estimates from undertakings indicate that the savings potential for groups' affected solo undertakings and for the groups themselves is a maximum of 10–15% for the annual QRTs and a maximum of 5–10% for the quarterly QRTs. Large internationally active firms see even less reduction, amounting to 3–5% for solo entities. For groups there are only marginal changes and no significant relief.
- EIOPA has also introduced changes to **63 templates, or 30%**. While not all changes might be as complicated, Insurance Europe highlights that even minor changes could have a big impact as each and every company needs to run through a stepwise process:
  - Analyse the exact changes and how they impact the generation process:
    - ☐ Analysing the templates in Excel.
    - ☐ Reviewing the legal texts.
    - ☐ Verifying any Q&A that might already have been asked.
  - Aligning the next steps to take within the company:
    - ☐ Do we need to correct inputs?
    - ☐ Check which department(s) is(are) currently providing data.
    - ☐ Check if the corrected input is deliverable via the current process.
    - ☐ Check if the corrected input is available in the systems.
  - Do we need to adjust (automated) processes?
    - ☐ Which processes are impacted?
    - ☐ To what extent do they require implementation changes to inputs, outputs and logic?
    - ☐ New specifications need to be written.
    - ☐ Documentations need to be adjusted and updated.
    - ☐ All changes, big or small, need to be properly tested and debugged.
  - The full generation process needs to be tested:
    - ☐ Do all systems run correctly without any unintended effects on other processes?
    - ☐ Are all EIOPA validations fulfilled or explainable?
  - Keep track of all issues, corrections and improvements and foresee to implement them independent whether they are flagged internally, by the supervisor or EIOPA.

So even what looks like a small change, might have a relatively big workload and consequently strain a company's resource availability.

- It remains unclear whether the relevant reliefs will also be reflected in the ECB reporting.
- The general elimination of Q4 reporting, or its limitation to the scope of the ECB reporting (or to QRT S.06.02), which would result in genuine relief for all undertakings, is unfortunately not being pursued.
- Apart from changes in the template it would be helpful to set a fixed date for the quarterly reporting of x+25 working days. Time is always a big problem when finalising the QRT reporting.

## General questions

**Q84.** *Please include any other comment you might have regarding the Consultation Paper:*

- Regarding reducing frequency, the templates S.05 and S.08 should be considered as well.
- S.20.01 - Development of the distribution of the claims incurred
  - It is recommended to delete the table altogether or alternatively to omit the industry level, as the triangles in S.19.01 (Non-life insurance claims) should be sufficient for the required insight.

*Insurance Europe is the European insurance and reinsurance federation. Through its 39 member bodies — the national insurance associations — it represents insurance and reinsurance undertakings active in Europe and advocates for policies and conditions that support the sector in delivering value to individuals, businesses, and the broader economy.*