

5 March 2015

Commenting on the consultation on the second set of the European Insurance and Occupational Pensions Authority's (EIOPA) Solvency II implementing technical standards (ITS) and guidelines, Olav Jones, deputy director general of Insurance Europe, said:

"Reviewing the over 1600 pages and 271 reporting templates included in this extensive consultation was extremely challenging, especially given how much work is currently being undertaken by the industry to implement Solvency II. While Insurance Europe strongly supports the implementation date of 1 January 2016, a consequence of this timetable is the very late finalisation of the reporting package, which adds significantly to the implementation challenge and costs for insurers.

"The proposed significant acceleration of deadlines for financial stability reporting will be particularly expensive and difficult, and is not realistic. Given the extremely short time allowed to implement the very extensive reporting requirements, Insurance Europe requests that EIOPA and supervisors allow simplifications and limited gaps in reporting during the first year of implementation.

"EIOPA should limit further changes to the templates once the final version is issued in June 2015 and, if changes are needed, should introduce them after consultation, on a periodic and predictable basis, with appropriate time for implementation.

"While Insurance Europe recognises the need for some guidelines, it is important for EIOPA to limit the number of guidelines required at the launch of Solvency II to those which are essential to ensure appropriate levels of harmonisation across Europe. This is because each guideline creates a cost for supervisors, the industry and for policyholders. It can also create restrictions not intended by regulators, while also adding to an already challenging implementation timetable. Similarly, EIOPA should also make it clear that undertakings are not requested to abide by the explanatory text, as these texts are not guidelines, but rather examples that serve as a basis for open dialogue with supervisors.

"While the number of guidelines proposed in the consultation was considerably lower than the number in the first consultation, and were generally more necessary, there is still scope for eliminating some and improving the wording of others. Given the very large scope of this consultation, the significant feedback EIOPA is likely to get from stakeholders and the importance of the issues, Insurance Europe recommends that EIOPA holds a series of stakeholder workshops to ensure the final ITS and guidelines work as intended and avoid unnecessary costs and unintended consequences."

Notes for editors

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