



# Reporting requirements – EIOPA approach

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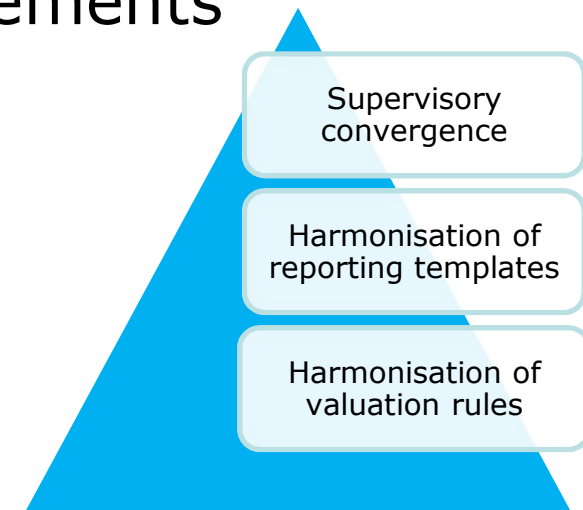
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# Reporting requirements – EIOPA approach

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## **Solvency II Directive**

- Challenge and opportunity
- Harmonisation of reporting requirements
- Supervisory Convergence



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## **Solvency II Directive**

- After 3 years implementation:
  - o Annual ITS amendments
  - o Taxonomy governance with annual releases
  - o Harmonisation between S2 and PF, including ECB additions single reporting flow
  - o Analytical tools implemented for EIOPA and for NCAs use
  - o Regular publications of statistics
  - o Open dialogue with the industry

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## Reporting

- Still some challenges:
  - o Data quality – using taxonomy and other tools to increase data quality
  - o Dilemma between continuously improving the package or aim for more stability
  - o Consistency and overlaps between financial sectors requirements
  - o Effective and efficient use of data
  - o ... and pensions data arriving this year

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## **Supervisory Convergence**

- BI 2.0 under preparation
- SupTech
  - o Use of new technologies in the Supervisory processes
  - o Developing some tools/pilots in the area of SupTech
  - o But essentially identifying improvements on data collection, data sharing and efficient use of data
  - o Aiming for more granular data

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## **COM CfA 3.15. Reporting and disclosure**

EIOPA is asked to assess, taking into account stakeholders' feedback to the Commission public consultation on fitness check on supervisory reporting:

- the ongoing appropriateness of the requirements related to reporting and disclosure, in light of supervisors' and other stakeholders' experience;
- whether the volume, frequency and deadlines of supervisory reporting and public disclosure are appropriate and proportionate, and whether the existing exemption requirements are sufficient to ensure proportionate application to small undertakings.

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- **Fit-for-purpose:** the information received should be fit for the purpose of the Supervisory Review Process.
- **Proportionality principle:** the supervisory reporting and public disclosure should, as all Solvency II requirements, be proportionate to the nature, scale and complexity of the risk undertakings face or may face.
- **Data standardisation:** the data requested under Solvency II should as much as possible use standardised codes such as LEI.
- **Consistency between reporting frameworks within the financial sector:** Solvency II should be as much as possible consistent with other reporting frameworks.

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## **2020 Consultation approach**

The first wave (July-October) covers areas on Reporting and Disclosure:

- General issues on supervisory reporting and public disclosure
- Individual Quantitative Reporting Templates (QRTs)
- SFCR
- Financial Stability Reporting

Later in the year:

- Other 2020 Review areas, including Article 4 adequacy
- Group Quantitative Reporting Templates (QRTs)
- Regular Supervisory Report
- **Technical aspects of the reporting and disclosure processes**
- Data quality aspects
- Individual QRTs linked to other areas of the Solvency II 2020 Review, in particular (but not necessarily only) the LTG templates



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- **Technical aspects of the reporting and disclosure processes**
  - o Review of the XBRL taxonomy and submission processes to improve data quality while reducing the reporting cost
  - o Open dialog with NCAs and EIOPA but as well to external stakeholders
  - o Availability and usability of narrative reports, such as the Solvency and Financial Condition Report
  - o Availability and usability of the Public Disclosure templates in a machine readable format (for example using the disclosure entry points of the XBRL taxonomy)
  - o Following the development of initiatives that could be useful for EIOPA: Single Data Dictionary, BIRD, pull approach, EUCLID, etc

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- New legislative initiatives: PEPP and ESAs Review, Sustainable Finance, further activities to advance the Capital Markets Union (CMU)...

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## Solvency II Directive

Back in 1997 as a Portuguese supervisor...

22 years later...



“...new pathways for the future of the connected world by promoting collaboration between regulatory and market societies and building on the latest experiences and developments revolving around the policies, data and technology mix.”