Summary of comments on CEIOPS-CP-34/09 CEIOPS-SEC-98/09

Consultation Paper on the Draft Advice on Transparency and Accountability

23 October 2009

CEIOPS would like to thank **AVIVA, PEARL GROUP LIMITED, FFSA, UNESPA (Spanish Insurance Association), Association of British Insurers (ABI), Legal and General Group, RSA Group, PricewaterhouseCoopers, ROAM (Réunion des Organismes Assurance Mutuelle – France), Lloyd's, Institut des actuaires (France), CRO Forum, KPMG ELLP, German Insurance Association – Gesamtverband der Deutschen Versicherungswirtschaft (GDV), CEA, European Union member firms of Deloitte Touche Tohmatsu**

The numbering of the paragraphs refers to Consultation Paper No. 34 (CEIOPS-CP-34/09).

No.	Name	Reference	Comment	Resolution
1.	AVIVA	General comment	In our opinion the paper addresses some key points. There should be further clarification on Article 30 as follows: what should be understood by "key aspects" (Art 30. point 2c), "manner of exercise of options" (Art 30. point 2e); and "objectives and supervision" (Art 30. point 2e)	CEIOPS has added further clarification on "key aspects". The other terms are considered to have been "defined" very clearly already.
2.	PEARL GROUP LIMITED	General comment	This is a key area of Solvency II for ensuring supervisory convergence It would be helpful if the CP acknowledged the requirement in Article 51 (2) for CEIOPS to disclose specific information about capital add-ons for all Member States and at Member State level. Otherwise it is appropriate for much of the detail of the supervisors disclosure to be left to Level 3 so that it can readily evolve into what is useful and meaningful based on practical experience of implementing Solvency II across the EU Historical data should also be accessible in order to allow for comparisons More detail for disclosure on supervisory review process is required, in particular it would be useful to explicitly mention the supervisory tools	Since Article 30 and thus the Consultation Paper exclusively focuses on the disclosure requirements on supervisory authorities, it should be noted that other Consultation Papers from CEIOPS also include disclosure requirements, namely CP57 on Capital add-on where CEIOPS' disclosure requirements under Article 51 are referred to. It is the intention to build up a time series of the Annex data

			employed as part of Supervisory Review.	from 2012 onwards (although 2012 data is likely to be incomplete – see footnote 3). The text was amended in order to incorporate the amendment introduced in the Level 1 text. See amended text in paragraphs 3.34 and 3.37 Since the SRP will only be more developed on Level 3 it is difficult to give more details on it now but CEIOPS provides some further clarification in the Advice and also mentions tools in so far as this is possible at this point in time.
3.	FFSA	General comment	The FFSA finds the proposals made in this CP regarding transparency and accountability a good but insufficient start, as these elements are believed to be key factors for succeeding in reaching Solvency objectives, and particularly in terms of convergence and level playing field. The FFSA recommends that the supervisors provide much more details on the criteria they apply when performing their supervisory task (see comments on Para 2.1 / Annex part B	Noted. There are some issues, as the SRP, where it is not feasible to give more details on it now but CEIOPS will develop Level 3 as necessary. This will be covered under Article 30 (2)(b) with regard to the SRP. It is only not included in the Annex Part B as criteria applied by supervisors are not aggregate

				statistical data which is what the Annex is all about.
4.	FFSA	General comment	In our view, more details should be given in the advice at level 2 A list including all elements that will be communicated by the supervisors on a regular basis to all stakeholders shall be included in the level 2 text (with a view to harmonizing the disclosure of statistical data from one country to the other). The list should also be completed after the exhaustive review of all level 2 implementing measures.	CEIOPS intends to determine the aggregate statistical data to be disclosed on Level 3 after the contents of supervisory reporting which forms the basis for the aggregate statistical data on undertakings has been decided on.
5.	UNESPA	General comment	The document underlines CEIOPS's intention to harmonise transparency in supervisory activity and the solvency of undertakings. Some of the things proposed are difficult to judge as they are not sufficiently fully developed; for example, it talks of the need for a common standard relating to information, but this is only developed partially. In this regard, we regard it as critical that, whatever the solution adopted, it should be sufficient to guarantee comparability, both in terms of solvency between markets and in terms of activity by the supervisor. The former is of fundamental importance for effective benchmarking and comparisons between markets. The latter is of fundamental importance for being able to judge in the future whether supervisors are complying with specific harmonised standards. Harmonisation is of particular importance for risk-based supervision, for which the information and framework used and the decisions made	Noted. CEIOPS is aware of the importance of transparency and will develop Level 3 guidance on this issue. Noted. Noted.

			must be clear for all parties. As a final general comment, we also agree that all the regulations should be developed at Level 3; any other solution would result in these regulations and their development being excessively rigid.	Noted.
6.	International Underwriting Association of London	General comment	We support the proposal for supervisory disclosure, and agree that it will facilitate supervisory harmonisation throughout Europe. We believe that harmonisation is a key benefit of the Solvency II regime, and is necessary to prevent regulatory arbitrage. We therefore support the extension of harmonisation to supervisory disclosure.	Noted.
7.	International Underwriting Association of London	General comment	The provision of common formats for minimum required information is welcome and will facilitate the necessary harmonisation and transparency between supervisors.	Noted.
8.	ABI	General comment	a. One of the biggest issues to be faced once Solvency II will come into force is the harmonisation of supervisory practices. We therefore welcome this paper which will take part in this effort and which will help enhance supervisory convergence. *b.* We agree it is appropriate for much of the detail of the supervisors disclosure to be left to Level 3 so that it can readily evolve into what is useful and meaningful based on practical experience of implementing Solvency II across the EU.	Noted. Noted.

			c. We believe some caution must be exercised in developing and publishing aggregate industry data to avoid inadvertently identifying individual insurers – particularly where only part returns are available, or certain larger firms have distinctive products of lines or business models.	Noted. It is intended that any data published would include a sufficient number of contributors at each country's level. The confidentiality constraint would however not apply where the quantitative data is in the public domain through public disclosure by undertakings already.
9.	PricewaterhouseCoopers	General comment	We support the emphasis on transparency and accountability by supervisory authorities, the importance of which has been highlighted by recent market conditions. However it may be difficult for supervisory authorities with different ranges of skills and competencies to ensure equivalence across the EU. Our clients do have a concern regarding super equivalence and	Noted. Level 2 implementing measures and Level 3 guidance on both transparency and other issues, such as approval of internal models, should ensure an appropriate level of harmonisation.

			therefore it is important as Level 2 implementing measures develop, that supervisory authorities collectively moderate the application and interpretation of the rules and regulations within Europe particularly in relation to the approval of use of the internal model.	
10.	Lloyd's	General comment	Lloyd's welcomes the opportunity to comment on this paper. We consider that the approach taken therein is sensible. We support harmonised and consistent approaches to the way supervisors operate and to the disclosure of information. We consider the overall objective of increasing the level of transparency that the supervisory authorities have to be a step forward. The paper outlines the aim of this transparency as "promoting supervisory convergence" which is valid as an objective, but we consider this may be difficult to achieve in practice. Consistency of reporting is good step forward, especially as some supervisory authorities may not currently report to any real degree. We note that English is required as the reporting language. The comment in the paper that "these translations should be made available on a best effort basis" may lead to inconsistency if there are areas where supervisors have reporting freedom. We note that a lot of the matters covered in this paper are dealt with in a general way only with the specifics to be covered in the Level 3 process. In particular, the Annex contains the detail on what data will be reported. This is where Level 3 guidance will provide further clarification. The Annex currently provides a summary of the information, but the difficulty may come out of the detailed	Noted. Noted. "Best effort basis" means the translation has to be provided as soon as possible but with no fixed timeline. Noted. There will be "definitions" for the quantitative data to be supplied

			interpretation of these items.	by undertakings so the data disclosed as Part A should be consistent. For Part B there will also be specifications to ensure disclosure of consistent content.
11.			Confidential comment deleted.	
12.			Confidential comment deleted.	
13.	Institut des actuaires (France)	General comment	Institut des actuaires, the third European actuarial local association, representing 2300 actuaries from France, welcomes the Consultation 34-09 which is important to go to a high level of convergence.	Noted.
14.	CRO Forum	General comment	It is crucial to promote the Single Market and a level playing field as supervisory standards and practices are an issue of competition – within and across markets, countries and sectors. As a result, disclosure by supervisory authorities should serve supervisory discipline, help in convergence of supervisory practices and foster harmonisation of supervision in Europe. As stated in all other CP, the CRO Forum would welcome more details, properly addressed in Level 2, on the criteria and guidance regarding: ▪ Criteria for the validation/refusal of internal models, ▪ Criteria for acceptation/refusal of major internal model changes ▪ Criteria for the application of capital add-ons, ▪ Procedures used for the application of the capital add-ons ▪ Criteria for removal of capital add-ons ▪ Criteria for calculation of capital add-ons, ▪ Criteria for the analysis and approbation of Ancillary Own Funds, ▪ Criteria for the application of the proportionality principle,	Noted. Much of this will be addressed in other Level 2 advice, and is covered in other Consultation Papers.

			▪ Procedures used and elements investigated during Supervisory Review Processes	
15.	KPMG ELLP	General comment	We agree that transparency of supervisory approach to Solvency II implementation is critical to engender confidence in the process and maximise industry engagement. We fully support the objectives set out in relation to supervisory disclosure. In particular, it will be important to ensure consistency and convergence of supervisory practices within the EEA in order to minimise regulatory arbitrage within the Solvency II regime.	Noted.
16.	GDV	Key comments	**The GDV welcomes the opportunity to comment on CEIOPS' consultation paper CP-34-09. Moreover, in general the GDV supports the comments given by the CEA.** **Implementing measures on Article 30 should not place any additional burden on undertakings.** Required disclosures by supervisors should not place any additional burden on the supervised undertakings. We would expect that information disclosed by supervisors is based on information which is already publicly disclosed by the undertakings. We would like to remind CEIOPS to be consistent in its advice as regards implementing measures to Article 55 (public disclosure of solo undertakings, foreseen in the second wave) and to Art. 260 (public disclosure of groups, foreseen in the third wave) with its advice to Article 30. **It is essential to ensure that entity-specific data remains confidential.** In general, we wish to underline the importance of confidentiality, not only in relation to the disclosure of statistical data under Article	See comment 4 above. The aggregate statistical data on undertakings will be based on supervisory reporting. Article 30(2)(c) is the only sub-section in Article 30 where confidentiality issues could arise as the other sub-sections do not

			30(2)(c) but also in relation to disclosures stated under the other subparagraphs of Article 30 as well as in relation to any disclosures of additional information (not specifically required by Article 30). We see a risk that the notion of confidentiality could be interpreted differently in each country and believe that additional guidance at Level 3 may be needed to ensure confidentiality. **More detail on the implementing measures for Article 30 should be given at Level 2.** Whilst we agree that some details (e.g. the detailed requirements on the aggregate statistical data) can be left to Level 3, in many areas there should more details at Level 2. The Supervisory Review Process, in particularly, is an area where we would like more details disclosed at Level 2.	require any information on undertakings to be disclosed. CEIOPS will take due care regarding confidentiality issues. See also the changed wording in 3.42 of the Advice. CEIOPS has elaborated on this to the limited extent to which it is possible in view of the fact that the particularities of the SRP will only be determined at a later date on Level 3.
17.	GDV	General comment	**Disclosure by supervisory authorities will promote convergence of supervisory practices and foster harmonisation of supervision in Europe.** It is crucial to promote the Single Market and a level playing field. Supervisory standards and practices are an issue of competition – within and across markets, countries and sectors. We are in favour of harmonised requirements for disclosure. In our view the requirements should be based on best practice.	Noted. Noted.
18.	GDV	General comment	It would be helpful if the CP acknowledged the requirement in Article 51 (2) for CEIOPS to disclose specific information about capital add-ons	See comment 2 above.

			for all Member States and at Member State level.	
19.	CEA	Introductory remarks	The CEA welcomes the opportunity to comment on the Consultation Paper (CP) No. 34 on Transparency and Accountability. It should be noted that the comments in this document should be considered in the context of other publications by the CEA. Also, the comments in this document should be considered as a whole, i.e. they constitute a coherent package and as such, the rejection of elements of our positions may affect the remainder of our comments. These are CEA's views at the current stage of the project. As our work develops, these views may evolve depending in particular, on other elements of the framework which are not yet fixed.	Noted.
20.	CEA	Key comments	**Implementing measures on Article 30 should not place any additional burden on undertakings.** Required disclosures by supervisors should not place any additional burden on the supervised undertakings. We would expect that information disclosed by supervisors is based on information which is already publicly disclosed by the undertakings. **It is essential to ensure that entity-specific data remains confidential.** In general, we wish to underline the importance of confidentiality, not only in relation to the disclosure of statistical data under Article 30(2)(c) but also in relation to disclosures stated under the other	The information to be published is not necessarily limited to information that undertakings disclose publicly as it will be based on the supervisory reporting (as opposed to the SFCR). But undertakings will not be required to provide information just for the sake of supervisory disclosure. Since Article 30 concerns disclosure about supervisory work and

			subparagraphs of Article 30 as well as in relation to any disclosures of additional information (not specifically required by Article 30). We see a risk that the notion of confidentiality could be interpreted differently in each country and believe that additional guidance at Level 3 may be needed to ensure confidentiality. It is important that the consultation paper explains clearly how practical issues will be addressed. Whilst we agree that some details (e.g. the detailed requirements on the aggregate statistical data) can be left to Level 3, in many areas there should more details at Level 2. The Supervisory Review Process, in particularly, is an area where we would like more details disclosed at Level 2.	practices the implication is that no information about undertakings that the supervisory authorities do not actually use themselves (i.e. information to be reported for supervisory purposes) has to be published. Article 30(1) requires supervisory authorities to protect confidential information. This is outside the scope of Level 2 implementing measures and the explanatory text. CEIOPS has added further details on the SRP insofar as this is possible at this point in time when the specificities of the SRP process still need to be determined on Level 3.
21.	CEA	General comment	**Disclosure by supervisory authorities will promote convergence of supervisory practices and foster harmonisation of**	Noted.

			supervision in Europe. It is crucial to promote the Single Market and a level playing field. Supervisory standards and practices are an issue of competition – within and across markets, countries and sectors. We are in favour of harmonised requirements for disclosure. In our view the requirements should be based on best practice. **The advice should acknowledged the requirement in Article 51 (2) for CEIOPS to disclose specific information about capital add-ons for all Member States and at Member State level.**	Noted. See comments 2 above.
22.	Deloitte	General comment	Overall, we agree with the proposals of this Consultation Paper, although we have made some minor suggestions in respect of the data that is published and retained by supervisors and CEIOPS.	Noted.
23.	ROAM	1.3 - 1.4 - 1.5	We approve the principle of transparency and accountability of the supervisor activities as a guarantee of **the convergence** and **the application** of local supervision practices between the member states : • application of the same regulations within member states • publication of the same prudential information to insurance undertakings, to their partners and intermediaries, to policyholders, to shareholders, etc	Noted.
24.			Confidential comment deleted.	
25.			Confidential comment deleted.	
26.	FFSA	2.1 / Annex	Additionally to the point d) of the 2.1 paragraph, we emphasise that a	What will be in the aggregate

		part B	list including all elements that will be communicated by the supervisors on a regular basis to all stakeholders shall be included in the level 2 text (with a view to harmonizing the disclosure of statistical data from one country to the other). This level 2 list should at least include the following elements, where each supervisor explains its policy : ▪ Criteria for the validation/refusal of internal models, ▪ Criteria for acceptation/refusal of major internal model changes ▪ Criteria for the application of capital add-ons, ▪ Procedures used for the application of the capital add-ons ▪ Criteria for removal of capital add-ons ▪ Criteria for calculation of capital add-ons, ▪ Criteria for the analysis and approbation of Ancillary Own Funds, ▪ Criteria for the application of the proportionality principle, ▪ Procedures used and elements investigated during Supervisory Review Processes	statistical data cannot be included on Level 2 as it can only be determined on the basis of information depending on the outcome of Level 3 (details on Supervisory reporting and the SRP) and thus not yet available. See comment 14 above.

			The list should also be completed after the exhaustive review of all Consultation Papers.	
27.	GDV	2.1	The final advice should reflect the changes in the Level I text (insertion of "including the tools developed in accordance with Article 34 (4)" in Art. 30 (1) b)).	These changes in the wording of the Level 1 text were taken into account in the final Advice. See amended text in paragraph 3.34.
28.	CEA	2.1	The final advice should reflect the changes in the Level I text (insertion of "including the tools developed in accordance with Article 34 (4)" in Art. 30 (1) b)).	These changes in the wording of the Level 1 text were taken into account in the final Advice. See amended text in paragraph 3.34.
29.	ABI	3.1	We would like to highlight that public disclosure by supervisors has to be seen as supplementary in the sense that we expect supervisors to exchange information regularly on a bilateral and/or multilateral basis, especially within CEIOPS. Convergence of supervisory practices needs ongoing discussions within the supervisory community. Due to confidentiality restrictions the scope of public disclosure by supervisors cannot be as effective as the exchange of views between supervisors.	CEIOPS expects Level 3 work to be a continuous process and agrees that the exchange of information and views between CEIOPS members will be the more important factor in the pursuit of supervisory convergence.
30.	ROAM	3.1 – 3.3	To facilitate the well understanding of the prudential disclosure released by national supervisors we confirm that the use of English as unique reference language for each member state, in addition to their national language, can not constitute an efficient requirement because : • All Europeans do not master or do not speak English. • The profile of the undertakings, receivers of the prudential	CEIOPS does not consider it appropriate to aim for total efficiency here as the cost would be way out of proportion to the benefit. In the age of globalisation providing a translation in English means a considerable facilitation of

			information, is heterogeneous. Consequently, the translation means of an international undertaking are disproportionate compared to the one of the local insurance, broker and other intermediaries. We would like the supervisor of each member state to communicate in at least 2 procedural languages (English, French and German) in addition to their national language.	effective access.
31.	CRO Forum	3.1	*"Supervisory disclosure aims to make information related to supervision, and in particular to prudential supervision, available in a timely manner to all interested parties, including (re)insurance undertakings, brokers and intermediaries, other market participants, other supervisory authorities, and (potential) policyholders. It has two main objectives:* *a) Enhancing the effectiveness of supervision; and* *b) Helping to foster convergence of supervisory practices and thus promoting a level playing field throughout Europe."* We agree that availability of supervisory disclosure "in a timely manner" is important. If supervisors take too long in providing feedback the (re-)insurer is faced with uncertainty which could lead to unnecessary delay and administrative burdens necessary to deal with the uncertainty. We believe it is important to stress this aspect and suggest underlining or otherwise marking the word "timely". We would like to highlight that public disclosure by supervisors has to be seen as supplementary in the sense that we expect supervisors to exchange information regularly on a bilateral and/or multilateral basis, especially within CEIOPS. Convergence of supervisory practices needs ongoing discussions within the supervisory community. Due to	This is the reason that there is a time limit for disclosures set out in paragraphs 3.52 to 3.54. But that is for public disclosure – dialogue between undertakings and supervisory authorities can take place at any time and of course would not be in the public domain. See comment 29 above.

			confidentiality restrictions the scope of public disclosure by supervisors cannot be as effective as the exchange of views between supervisors. We would suggest amending 3.1 to the following: "Supervisory disclosure aims to make information related to supervision, and in particular to prudential supervision, available in a timely manner to all interested parties, including (re)insurance undertakings, brokers and intermediaries, other market participants, other supervisory authorities, and (potential) policyholders. *However, supervisory exchange of information should also take place between different supervisors, e.g. in colleges of supervisors, and cannot be replaced by supervisory public disclosure. Non-public exchange of information, in particular, would allow confidential information to be exchanged*." Furthermore, we would suggest adding a third objective: "Ensuring that supervisory practices are transparent".	The purpose of the supervisory disclosure is to provide information to stakeholders other than supervisory authorities. There will be other (confidential) information flows between supervisory authorities under Article 257. Disclosure is the means of transparency. The objectives of disclosure explain why supervisory practices are being made transparent. So, transparency itself cannot be an objective.
32.	GDV	3.1	**In addition to public disclosure by supervisors, we expect supervisors to exchange information regularly on a bilateral and/or multilateral basis, especially within CEIOPS.** Convergence of supervisory practices needs ongoing discussions within the supervisory community. Due to confidentiality restrictions the scope of public disclosure by supervisors cannot be as effective as the exchange	See comments 29 and 31 above.

			of views between supervisors. We would suggest amending 3.1 to the following: "Supervisory disclosure aims to make information related to supervision, and in particular to prudential supervision, available in a timely manner to all interested parties, including (re)insurance undertakings, brokers and intermediaries, other market participants, other supervisory authorities, and (potential) policyholders. However, supervisory exchange of information should also take place between different supervisors, e.g. in colleges of supervisors, and cannot be replaced by supervisory public disclosure. Non-public exchange of information would allow confidential information to be exchanged."	
33.	GDV	3.1	We agree that "availability in a timely manner" is important. If supervisors take too long in providing feedback the (re-)insurer is faced with uncertainty which could lead to unnecessary "plan B" and administrative burdens necessary to deal with the uncertainty.	See comment 31 above.
34.	GDV	3.1	We would suggest adding a third objective: "Ensuring that supervisory practices are transparent".	See comment 31 above.
35.	CEA	3.1	**In addition to public disclosure by supervisors, we expect supervisors to exchange information regularly on a bilateral and/or multilateral basis, especially within CEIOPS.** Convergence of supervisory practices needs ongoing discussions within the supervisory community. Due to confidentiality restrictions the scope of public disclosure by supervisors cannot be as effective as the exchange of views between supervisors. We would suggest amending 3.1 to the following: "Supervisory disclosure aims to make information related to	See comments 29 and 31 above.

			supervision, and in particular to prudential supervision, available in a timely manner to all interested parties, including (re)insurance undertakings, brokers and intermediaries, other market participants, other supervisory authorities, and (potential) policyholders. However, supervisory exchange of information should also take place between different supervisors, e.g. in colleges of supervisors, and cannot be replaced by supervisory public disclosure. Non-public exchange of information would allow confidential information to be exchanged."	
36.	CEA	3.1	We agree that "availability in a timely manner" is important. If supervisors take too long in providing feedback the (re-)insurer is faced with uncertainty which could lead to unnecessary "plan B" and administrative burdens necessary to deal with the uncertainty.	See comment 31 above.
37.	CEA	3.1	We would suggest adding a third objective: "Ensuring that supervisory practices are transparent".	See comments 29 and 31 above.
38.	UNESPA	3.3 (transparency in the supervision process)	We consider that this CEIOPS document is not very complete in this regard. It would be preferable if the opposite were the case, ie. if it was more precise and specific about when and in what format information should be provided on SRP processes.	CEIOPS has added further details on this issue. However, it is not possible to provide complete information at this point in time as the specificities of the SRP process remain to be determined on Level 3.
39.	International Underwriting	3.3 & 3.4	We support both these general requirements. The availability of a common language (in addition to the national language) will facilitate transparency and comparability. We also agree that information should be accessible via supervisors' websites.	Noted.

	Association of London			
40.			Confidential comment deleted.	
41.	Institut des actuaires (France)	3.3	To ensure a high level of convergence and comparability, using only English language doesn't seem enough. French and German languages are also procedural languages. Documents from CEIOPS should be translated in the EU procedural languages instantly at least, and in all the official languages in a short term. All the stakeholders and the insured person don't speak English in the EU. The comparability begins with giving access to documents in the languages people speaks.	CEIOPS believes the costs of multiple translations outweigh the potential benefits.
42.	CRO Forum	3.3	*"CEIOPS considers it important for ensuring comparability that non English speaking Member States provide the adequate level of supervisory disclosures in English in addition to their national language(s). However, any requirement on the extent and timeframe for translation should be developed under Level 3 guidance."* We agree. Supervisory standards and disclosure are particularly important not only to increase convergence and transparency across the EEA, but are also an important issue of competition in the market. For this reason we strongly support the requirement to provide information in English in addition of the local national language for each member state**.** However, it should be noted that groups may not have all the internal model documentation in the language of the Member States where the group is based. Implementing measures should provide some flexibility to provide detailed documentation in any official language of	Noted. Providing information for supervisory purposes in the language of the Member States of the supervisor authorities to

			the European Union, in addition to English.	which the information is to be disseminated is not a disclosure issue.
43.	KPMG ELLP	3.3, 3.4, 3.12 and 3.14	We agree that it will aid transparency if the relevant disclosures are available on the internet, easy to locate and in English as well as the local language, if different. We also agree that comparative information would be helpful.	Noted.
44.	GDV	3.3-3.4	**It is important that information is disclosed promptly and in English.** We support the requirement for each member state to provide information in English in addition to their national language. We do not think that it is sufficient that information is provided in English on a best efforts basis. In our view all information should be in English in addition to the language of the member state. Disclosures in English are of great importance to cross-border groups where certain functions are centralized at group level. We believe that the supervisory authorities in general need to enhance the level of resources allocated to translations of regulations and guidelines. CEIOPS should consider the extent to which translation will be necessary and the appropriate timeframes. Work on translation should start before the entry into force of Solvency II. One possibility would be to establish a coordination role for CEIOPS for the process of the translation of relevant documents. Corresponding resources and sufficient funding of CEIOPS are pre-requisites for such a translation project. We agree that supervisory disclosures should be accessible on the	"Best effort basis" does not mean that individual supervisory authorities may choose not to disclose the relevant information in English but only that the supervisory authorities cannot commit to a specific timeframe for providing the translation but can only promise "as soon as possible". In CEIOPS' view Solvency II does not require a translation project and providing information in English goes a very long way towards ensuring widespread accessibility and comparability.

			Internet. The CEIOPS website should be the starting point and should allow an easy comparison of supervisory disclosure. If information is only available via the national supervisory authorities' websites and is not stored on a central website, the structure of information should be consistent. For clarification we suggest adding the definition of "to publicly disclose information" from the Level I text (Recital 21). "**To publicly disclose information related to supervision by supervisors means to make it available to the public either in printed or electronic form free of charge.** It is also important that supervisory disclosures are accessible on the Internet, **consistently in a common format** via the national supervisory authorities' websites. In order to allow stakeholders easier access to this information, CEIOPS is currently developing its website further, **with the aim of a central storage.**"	Article 30 does not cover CEIOPS disclosures, but only addresses disclosures required of Member States. However, CEIOPS' proposals as to what should voluntarily and additionally be disclosed by CEIOPS would provide such a starting point. Article 30 requires that the disclosure be accessible at a single electronic location in each Member State and therefore, unlike the public disclosures by undertakings under Art. 50 where there is no requirement that the disclosure be made electronically, there is no need for referring to recital 21.
45.	CEA	3.3-3.4	**It is important that information is disclosed promptly and in English.** We support the requirement for each member state to	See comment 44 above.

			provide information in English in addition to their national language. We do not think that it is sufficient that information is provided in English on a best efforts basis. In our view all information should be in English in addition to the language of the member state. Disclosures in English are of great importance to cross-border groups where certain functions are centralized at group level. We believe that the supervisory authorities in general need to enhance the level of resources allocated to translations of regulations and guidelines. CEIOPS should consider the extent to which translation will be necessary and the appropriate timeframes. Work on translation should start before the entry into force of Solvency II. One possibility would be to establish a coordination role for CEIOPS for the process of the translation of relevant documents. Corresponding resources and sufficient funding of CEIOPS are pre-requisites for such a translation project. We agree that supervisory disclosures should be accessible on the Internet. The CEIOPS website should be the starting point and should allow an easy comparison of supervisory disclosure. If information is only available via the national supervisory authorities' websites and is not stored on a central website, the structure of information should be consistent. For clarification we suggest adding the definition of "to publicly disclose information" from the Level I text (Recital 21). "**To publicly disclose information related to supervision by supervisors means to make it available to the public either in**	

			printed or electronic form free of charge. It is also important that supervisory disclosures are accessible on the Internet, **consistently in a common format** via the national supervisory authorities' websites. In order to allow stakeholders easier access to this information, CEIOPS is currently developing its website further, **with the aim of a central storage.**"	
46.	FFSA	3.4	The FFSA points out that stakeholders and (re)insurance undertakings must have access in English to the whole disclosures of statistical data, for their country and for other European countries, through their supervisors' website.	It is not intended that Member States provide disclosure of statistical or any other data for other Member States on the website of their supervisory authorities. The intention is that CEIOPS' website will be the gateway to link different Member States' data.
47.	Institut des actuaires (France)	3.4	The key elements for disclosures should be in the CEIOPS web site to ensure comparability.	This is not a requirement of the Level 1 text but CEIOPS is assessing ways and means for disclosures on CEIOPS' website with the aim of improving comparability.

48.	CRO Forum	3.4	*"It is also important that supervisory disclosures are accessible on the Internet, via the national supervisory authorities' websites."* We agree that supervisory disclosures should be accessible on the Internet. The CEIOPS website should be the starting point and should allow an easy comparison of supervisory disclosure. If information is only available vie the national supervisory authorities' website and is not stored on a central website, the structure of information should be consistent and the relevant parts should be available in English. For clarification we suggest adding the definition of "to publicly disclose information" from the Level I text (Recital 21). *„To publicly disclose information related to supervision by supervisors means to make it available to the public either in printed or electronic form free of charge***.** It is also important that supervisory disclosures are accessible on the Internet, *consistently in a common format* via the national supervisory authorities' websites. In order to allow stakeholders easier access to this information, CEIOPS is currently developing its website further, *with the aim of a central storage***."**	Noted. See comment 44 above.
49.	CRO Forum	3.6	*"When disclosing the texts of laws, regulations, administrative rules, and general guidance in the field of insurance regulation under Article 30(2)(a) of the Level 1 text, the emphasis should be on providing accurate and complete information."* We agree but we think that a common glossary, as element of common format, is important to grant a complete and clear communication. We propose to add the following sentence to the paragraph. "Authorities should provide a common and unique glossary with all definitions of the most widespread and common used terms. All	The intention is that the definitions provided for the quantitative data templates will include definitions. However, CEIOPS does not believe it is possible across the range of disclosures to develop a common glossary, especially as individual country's laws, regulations, administrative rules and guidance

			regulation specific terms (i.e. process, procedures, risk management, compliance, organizational chart ect.) should be included"	will be written in their national language in the first instance.
50.	GDV	3.6	As required by the Level I text supervisory information under Art. 30 (2) (a) is not exempted from the requirement of a common format. We would therefore ask 3.6 to be changed into the following: "When disclosing the texts of laws, regulations, administrative rules, and general guidance in the field of insurance regulation under Article 30(2)(a) of the Level 1 text **in a common format**, the emphasis should be on providing accurate and complete information."	Actually, what CEIOPS stresses here is that the common format should not be seen as being of paramount importance in this context.
51.	CEA	3.6	As required by the Level I text supervisory information under Art. 30 (2) (a) is not exempted from the requirement of a common format. We would therefore ask 3.6 to be changed into the following: "When disclosing the texts of laws, regulations, administrative rules, and general guidance in the field of insurance regulation under Article 30(2)(a) of the Level 1 text **in a common format**, the emphasis should be on providing accurate and complete information."	See comment 50 above.
52.	FFSA	3.7	We believe that a "broad understanding" of the assessment of the procedures and systems by the supervisory authorities "giving undertakings an idea of what to expect" is not sufficient and could even prove detrimental to the convergence of the supervisory practices across the Member States and the level playing field to be maintained in the context of Solvency II. For legal certainty undertakings and other stakeholders need and do expect clear and relevant information from the supervisory authorities which can be relied upon. Insurance undertakings will invest significant time and money in order to adjust	CP34 should be read in conjunction with other Consultation Papers issued and to be issued by CEIOPS.

			to Solvency II, including without limitation the development of internal models and in maintaining appropriate risk management or other internal control processes across their groups. In this context, they need a clear understanding of the key elements which might influence the assessment to be made by the supervisory authorities. Absent a comprehensive and clear disclosure of these elements, we are doubtful that any convergence is achievable. The same remark applies to any requirements from the supervisory authorities on the insurance undertakings such as requirements on capital add-on which should be consistent across the various Member States: disclosure of the main principles and procedures applied with respect to these requirements will foster a greater convergence and limit "forum shopping" effects.	
53.			Confidential comment deleted.	
54.	CRO Forum	3.7	*"The disclosure stated under Article 30(2)(b) of the Level 1 text on supervisory review general criteria and methods referred to in Article 36 is a tool to provide undertakings with a broad understanding of how supervisory authorities will assess the systems and procedures required by the Level 1 text. Accordingly, the information provided does not need to be exhaustive on what might influence the supervisory assessment but sufficient to give undertakings an idea of what to expect. […]"* We believe that "giving undertakings an idea of what to expect" is not sufficient. Undertakings and other stakeholders do expect information that can be relied upon, so the information should provide at least a good understanding.	See comment 52 above.
55.	CRO Forum	3.7 (above) -	*"The disclosure of aggregate statistical data under Article 30(2) (c) is intended to provide general information on national insurance sectors*	This is about requirements on

		3.8	*as well as on important supervisory activities of the supervisory authorities themselves. […]"* CEIOPS aims to develop a common format for the Supervisory Review Process. We support this for encouraging greater harmonisation and supervisory convergence. We want to stress that the common format should be compliant with the principles of proportionality and flexibility. It should not lead to disclosure requirements for individual (re-) reinsurers which are not for the benefit of the specific supervision of that (re-)insurer. Furthermore the common format information should not exceed the requirements of the Level 1 text.	supervisory authorities not on undertakings. The disclosures will largely be based on the quantitative data (determined at Level 3) provided to the supervisory authorities by undertakings, augmented by data held by the supervisory authorities themselves.
56.	GDV	3.7, 3.3.2, 3.23, 3.31-3.33	**<u>There should be more detailed disclosure requirements for the Supervisory Review Process at Level 2.</u>** We believe that "giving undertakings an idea of what to expect" in paragraph 3.7 is not sufficient. For legal certainty undertakings and other stakeholders need and do expect information that can be relied upon. Insurance undertakings will invest significant time and money in order to adjust to Solvency II, including the development of internal models and maintaining appropriate risk management or other internal control processes across their groups. In this context they need a clear understanding of the key elements which might influence the assessment to be made by supervisory authorities. Supervisory authorities should also disclose how proportionality principle has been applied in relation to the Supervisory Review Process. We would ask for a number of additional areas to be disclosed in relation to the SRP. Supervisors should disclose supervisory	See comment 52 above. There will be Level 3 guidance in relation to Article 36 (and Article 34(4)), and the intention is that the disclosures under Article 30 will explain how Member States have implemented and are applying that guidance. Thus this Consultation Paper is only focusing on setting the disclosure criteria, not on setting the processes of supervision.

			guidelines/tools such as risk assessment methods/handbooks. By doing this supervisors would not only foster a greater understanding and compliance, but also make it possible for undertakings to perform self assessments that could potentially be used for supervisory purposes. We would like capital add-ons (and other tools that supervisory authorities employ to address problems in undertakings) to be explicitly mentioned in 3.33. At the moment the advice only mentions monitoring tools but not tools or actions for addressing the problems. We support the aim to develop a common format for information disclosure on the SRP.	
57.	CEA	3.7, 3.3.2, 3.31-3.33	**There should be more detailed disclosure requirements for the Supervisory Review Process at Level 2.** We believe that "giving undertakings an idea of what to expect" in paragraph 3.7 is not sufficient. For legal certainty undertakings and other stakeholders need and do expect information that can be relied upon. Insurance undertakings will invest significant time and money in order to adjust to Solvency II, including the development of internal models and maintaining appropriate risk management or other internal control processes across their groups. In this context they need a clear understanding of the key elements which might influence the assessment to be made by supervisory authorities. Supervisory authorities should also disclose how proportionality principle is applied in relation to the Supervisory Review Process. We would ask for a number of additional areas to be disclosed in	See comments 2 and 52 above.

			relation to the SRP. Supervisors should disclose supervisory guidelines/tools such as risk assessment methods/handbooks. By doing this supervisors would not only foster a greater understanding and compliance, but also make it possible for undertakings to perform self assessments that could potentially be used for supervisory purposes. We would like capital add-ons (and other tools that supervisory authorities employ to address problems in undertakings) to be explicitly mentioned in 3.33. At the moment the advice only mentions monitoring tools but not tools or actions for addressing the problems. We support the aim to develop a common format for information disclosure on the SRP.	
58.	ABI	3.8	We agree that the precise detail of the statistical data should be defined at Level 3.	Noted.
59.	RSA Group	3.8	We agree that the detail of the statistical data should be defined at Level 3. This detail should include information already supplied to regulators. There should also be guidance on the specific data to be provided so that the comparisons are like for like. For example, disclosing complaints data can result in different statistics based on how each firm defines a complaint.	CEIOPS is aware that with regard to aggregate statistical data guidance is necessary to ensure that the same input is used across Member States in order that data is as comparable as possible.
60.			Confidential comment deleted.	
61.	Institut des actuaires (France)	3.8	The development of a united and unified data base with non specific entity datas is important to enable the stakeholders to understand the risks of the insurance market and the options adopted in the different	Noted.

			countries. Beginning with a EU QIS5 database, could be a first step to disclose about the impact of Solvency2.	
62.	CEA	3.8	**We agree with CEIOPS that the precise details of what aggregate statistical data should be disclosed should be left to Level 3**. This ensures that that there is sufficient flexibility. However, minimum requirements on the aggregate statistical data to be disclosed should be at Level 2. We would therefore like them to be in an advice box. Article 30.4 requires that implementing measures are adopted specifying the key aspects on which aggregate statistical data are to be disclosed. We have suggested a number of additional items to be disclosed as part of aggregate statistical data. Please see our comments on Annex Part A and Part B.	CEIOPS' intention is to base the data that is disclosed on the quantitative data which undertakings will provide to supervisory authorities and that will only be defined at Level 3. For that reason, defining the data to be published in aggregate will also be set at level 3 and will identify the quantitative data underlying it.
63.	AVIVA	3.9	We do not have any specific comments concerning the list of "aggregate statistical data" in the Annex. We agree with the list providing the rule that "the data can be disclosed only insofar as entity-specific data cannot be derived from the aggregate data" will be in-force	Noted.
64.	FFSA	3.9	The FFSA highlights, additionally to the paragraph 3.9, the importance for the supervisor not to use data of the (re)insurance undertakings, if it has not been approved by the undertakings. This comment is nonetheless not applicable to data, which the undertakings are required to disclose under Pillar III.	Article 30(2)(c) requires the Member States to ensure that certain aggregate statistical data is disclosed. As long as such information does not enable identification of the contributor, CEIOPS does not see that there is

				justification for imposing an additional requirement that undertakings must agree to the publication of data in aggregated form.
65.	International Underwriting Association of London	3.9	We strongly agree with the principle that entity specific data should not be able to be derived from the aggregate data.	Noted.
66.	RSA Group	3.9	We agree that it should not be possible to identify specific entities from the data published on regulator's websites to maintain firm confidentiality.	Noted.
67.			Confidential comment deleted.	
68.	CRO Forum	3.9	*"Since the need for supervisory disclosure does not override the confidentiality principle as regards the exchange of information and professional secrecy, the aggregate statistical data referred to above may be disclosed only insofar as entity-specific data cannot be derived from the aggregate data. However, any data that an undertaking itself is required to disclose, e.g. under Pillar III, does not raise confidentiality issues."* We agree that it should not be possible to derive entity specific data from the aggregated disclosures. This is a very important point. In general, we wish to underline the importance of confidentiality, not only in relation to the disclosure of statistical data under Article	Noted. The problem does not arise with regard to the other letters in paragraph 2 as these do not

			30(2)(c) but also in relation to disclosures stated under the other subparagraphs of Article 30 as well as in relation to any disclosures of additional information (not specifically required by Article 30). We see a risk that the notion of confidentiality could be interpreted differently in each country and believe that additional guidance at Level 3 may be needed to ensure confidentiality. We think that an emphasis on confidentiality should be added with a new paragraph or as last sentence to 3.9 "To ensure confidentiality Member State Authorities should define the principles, process and procedures and disclose these."	require information about undertakings to be disclosed. Any additional disclosures provided outside the scope of Article 30 are subject to national law and the obligations of professional secrecy under Article 63. Where supervisory authorities are required under national law to disclose certain information this is not a breach of confidentiality. Insofar as supervisory authorities voluntarily disclose additional information they are responsible for ensuring that national confidentiality rules are not breached. However, CEIOPS has added clarification that any aggregated data published by Member States should include data from a sufficient number of undertakings to guard against identification of individual undertakings.
69.	KPMG ELLP	3.9	It would be useful to develop a consistent application of what constitutes confidential information across the EEA to ensure the same standards are applied to all (re)insurance undertakings.	It is not within the scope of CEIOPS' work on Article 30 to define what constitutes

				confidential information.
70.	GDV	3.9, 3.40	**<u>It is essential to ensure that entity-specific data remains confidential.</u>** We agree with CEIOPS that aggregate statistical data can only be disclosed insofar as entity-specific data cannot be derived from it. This is very important. The term "aggregate statistical data" is not defined. CEIOPS should clarify that it relates to nationally aggregated data. In general, we wish to underline the importance of confidentiality, not only in relation to the disclosure of statistical data under Article 30(2)(c) but also in relation to disclosures stated under the other subparagraphs of Article 30 as well as in relation to any disclosures of additional information (not specifically required by Article 30). We see a risk that the notion of confidentiality could be interpreted differently in each country and believe that additional guidance at Level 3 may be needed to ensure confidentiality. To ensure the confidentiality of entity-specific data CEIOPS could include in advice 3.40 a provision that any insight into individual legal entity data has to be avoided. This constraint may require that the level of granularity proposed in the annex has to be adjusted for some Member States. Alternatives could be to merge nationally aggregated data of specific countries with other countries or to rely on the nationally aggregated statistical data of publicly available data (i.e. either data obtained from the Solvency and Financial Condition Report, from financial reporting or from more detailed entity-specific public disclosure, such as information already disclosed to financial analysts). In any case these issues should be addressed.	CEIOPS does not consider this to need clarification. See comment 68 above See comment 69 above.

			The last sentence of 3.9 states that any data that an undertaking itself is required to disclose, e.g. under Pillar III, does not raise confidentiality issues. We have two remarks to make in relation to this sentence. A difference should be made between information that undertakings are required to disclose publicly and information that they actually disclose. There are cases where there is a disclosure requirement but supervisors permit the undertaking to not disclose the information; Article 52 (1) states two cases. This has to be taken into account and the last sentence of 3.9 should be amended accordingly. In addition, supervisory authorities should ask for the undertaking's permission when they disclose data that the undertaking itself has not disclosed.	The last sentence was clarified by a footnote. If Article 52 (1) applies, undertakings are **not** required to disclose: in these cases stated supervisory permission not to disclose **has** to be granted. See comment 64 above.
71.	CEA	3.9, 3.40	**It is essential to ensure that entity-specific data remains confidential.** We agree with CEIOPS that aggregate statistical data can only be disclosed insofar as entity-specific data cannot be derived from it. This is very important. The term "aggregate statistical data" is not defined. CEIOPS should clarify that it relates to nationally aggregated data. In general, we wish to underline the importance of confidentiality, not only in relation to the disclosure of statistical data under Article 30(2)(c) but also in relation to disclosures stated under the other subparagraphs of Article 30 as well as in relation to any disclosures of additional information (not specifically required by Article 30). We see a risk that the notion of confidentiality could be interpreted differently in each country and believe that additional guidance at Level 3 may be	See comments 70 above.

			needed to ensure confidentiality. To ensure the confidentiality of entity-specific data CEIOPS could include in advice 3.40 a provision that any insight into individual legal entity data has to be avoided. This constraint may require that the level of granularity proposed in the annex has to be adjusted for some Member States. Alternatives could be to merge nationally aggregated data of specific countries with other countries or to rely on the nationally aggregated statistical data of publicly available data (i.e. either data obtained from the Solvency and Financial Condition Report, from financial reporting or from more detailed entity-specific public disclosure, such as information already disclosed to financial analysts). In any case these issues should be addressed. The last sentence of 3.9 states that any data that an undertaking itself is required to disclose, e.g. under Pillar III, does not raise confidentiality issues. We have two remarks to make in relation to this sentence. A difference should be made between information that undertakings are required to disclose publicly and information that they actually disclose. There are cases where there is a disclosure requirement but supervisors permit the undertaking to not disclose the information; Article 52 (1) states two cases. This has to be taken into account and the last sentence of 3.9 should be amended accordingly. In addition, supervisory authorities should ask for the undertaking's permission when they disclose data that the undertaking itself has not disclosed.	
72.			Confidential comment deleted.	

73.	Deloitte	3.10	We suggest that CEIOPS should consider publishing on its website a table of the common template aggregate statistical data published by each supervisory authority to facilitate access and comparison across member states.	Noted.
74.	ABI	3.12	See our comments on para 3.6	No comments on this point were provided.
75.			Confidential comment deleted.	
76.	AVIVA	3.13	We think that the same rule should be applied for additional information that can be disclosed by supervisory authorities	It is clear that disclosures must follow any common formats pre-defined by CEIOPS. However, any additional information disclosed by a supervisory authority cannot be required to follow a pre-defined format.
77.			Confidential comment deleted.	
78.	KPMG ELLP	3.13	We note that Level 1 text does not preclude national supervisory authorities from disclosing additional information and that this could lead to inconsistency of disclosure throughout the EEA. In these circumstances, in order to maintain a level playing field in terms of supervisory disclosure, we recommend that CEIOPS should consider additional guidelines relating to what types of information may additionally be disclosed by supervisory authorities above that which is required to be disclosed.	The level playing field does not require absolute conformity around disclosure. As everything important is covered by Article 30 supervisors disclosing additional information will not affect competition in any material way.
79.	AVIVA	3.14	We strongly support the CEIOPS view that the historical data should be kept.	Noted.

80.	International Underwriting Association of London	3.14	We believe that the availability of previous years information for would be helpful. Once data has been posted on websites, we would expect it would be little extra burden to require that information to remain available in forthcoming years. Supervisory discretion over whether to keep historical information available could hinder transparency and comparability.	CEIOPS has changed the text to show that a five years' timeframe will be aimed at.
81.	ABI	3.14	Data will be collected and processed at considerable cost by firms. Therefore, we believe that once the data has been collected regulators should hold on to it for a certain period of time. And if the data is relevant and meaningful, we would see advantage in allowing external stakeholders to access it. We realise this would need to be balanced against the cost of providing the information. But, as an ambition, we believe 5 years of data should be made available.	CEIOPS has changed the text to show that a five years' timeframe will be aimed at.
82.	GDV	3.14	**Publishing historical data in addition to up to date data should be required.** We do not agree with 3.14. Supervisory authorities should keep aggregate statistical data accessible after updated data has been disclosed. Our reading of Article 30 is that supervisory disclosure should enable comparisons and, hence, supervisors cannot replace information that is needed for comparison purposes by updated data. For example time series are a means of comparing data over time; data for a one-year time horizon does not allow for such an analysis. Our conclusion is that supervisory authorities are required to keep data starting from 2012 with Solvency II being in force in Member States. It should not be up to their discretion to decide this.	See comment 80 above.
83.	CEA	3.14	**Publishing historical data in addition to up to date data should**	See comment 80 above.

			be required. We do not agree with 3.14. Supervisory authorities should keep aggregate statistical data accessible after updated data has been disclosed. Our reading of Article 30 is that supervisory disclosure should enable comparisons and, hence, supervisors cannot replace information that is needed for comparison purposes by updated data. For example time series are a means of comparing data over time; data for a one-year time horizon does not allow for such an analysis. Our conclusion is that supervisory authorities are required to keep data starting from 2012 with Solvency II being in force in Member States. It should not be up to their discretion to decide this.	
84.	Deloitte	3.14	We suggest that supervisors should retain data and make it publicly available on their websites for a minimum period of three years, and similarly that CEIOPS should retain the table of aggregate data on its website for the same minimum three year period.	CEIOPS has changed the text to show that a five years' timeframe will be aimed at.
85.	CEA	3.16	**More details should be at Level 2.** Over the course of the development of Level 2, we will need greater definition and description which will be in part encoded at Level 2 and in part addressed at Level 3.	Level 2 still needs to be principle based.
86.	CEA	3.16	We would like to add a reference to level playing field to this paragraph.	CEIOPS sees no need to specifically mentioning it in this context.
87.	CEA	3.16a	**Supervisors should have appropriate systems and structures in**	This is outside the scope of the

			place to fulfil the disclosure requirements. To ensure that the information disclosed publicly by supervisors can be relied upon, appropriate systems and structures should be in place and a written policy should be required. Therefore we propose that the following text is put in an advice box after 3.16: "Supervisors should be required to have appropriate systems and structures in place to fulfil the requirements laid down in Articles 30, as well as to have a written policy ensuring the on-going appropriateness of any information disclosed in accordance with Article 30 and the Level 2 implementing measures relating to Article 30."	Level 2 implementing measures. However, CEIOPS would expect supervisory authorities to have processes and procedures in place to ensure the timely provision of reliable information. As most of the disclosure is basically predetermined by Levels 1 to 3 there would not be much room for a policy.
88.	Institut des actuaires (France)	3.16	For article 30 (2) (c), CEIOPS should also announce and publish on a fixed date aggregate EU statistical data enabling comparability.	Disclosure requirements with regard to CEIOPS are not covered by Article 30 but by Article 51(2). The Article does not stipulate the publication of aggregate statistical data besides information on capital add-ons. CEIOPS is however currently looking into whether it should publish certain data on a voluntary basis in order to facilitate EU data accessibility for stakeholders. What services CEIOPS will be able to provide will ultimately depend on a cost/benefit analysis. However, on account of the convergence in

				content and formats of disclosures on aggregate statistical data there will be no accessibility obstacles preventing stakeholders from carrying out the aggregation they are interested in.
89.	CRO Forum	3.16	*"Except for the publication dates of the disclosures, CEIOPS believes that implementing measures should be principles based with details to be determined between supervisory authorities on Level 3."* We would like to add a reference to level playing field to this paragraph.	See comment 86 above.
90.	GDV	3.16	We would like to add a reference to level playing field to this paragraph.	See comment 86 above.
91.	GDV	3.16a	**Supervisors should have appropriate systems and structures in place to fulfil the disclosure requirements.** To ensure that the information disclosed publicly by supervisors can be relied upon, appropriate systems and structures should be in place and a written policy should be required. Therefore we propose that the following text is put in an advice box after 3.16: "Supervisors should be required to have appropriate systems and structures in place to fulfil the requirements laid down in Articles 30, as well as to have a written policy ensuring the on-going appropriateness of any information disclosed in accordance with Article 30 and the Level 2 implementing measures relating to Article 30."	See comments 87 above.

92.	AVIVA	3.17	We think that it is crucial to have the same data disclosure template for all Member States.	Seems reasonable in theory but in practice is not feasible for all disclosures required under Article 30.
93.	ABI	3.17	Paragraph 3.17 stipulates that there is a set template to be used. As long as the information required to populate this template, to be published on each EU regulator's website, is information already provided to each EU regulator we do not object. However, if this information is in addition to that already provided then this would increase the cost to firms.	CEIOPS does not envisage any additional information to be required from undertakings for purposes of supervisory disclosure.
94.	RSA Group	3.17	Paragraph 3.17 stipulates that there is a set template to be used. Further clarity is needed around what information is to be provided to populate the template, to be published on each EU regulator's website. If this information is in addition to information already provided to local EU regulators then we object as this will increase costs to firms.	Filling in the templates is up to the supervisory authorities of each Member States and requires no additional input from undertakings.
95.			Confidential comment deleted.	
96.			Confidential comment deleted.	
97.	Legal and General Group	3.19(blue)	In principle very sensible. In practice differences between firms have hindered comparisons between firms except at a high level. The different market practices across the EU may introduce another level of difference.	Apart from paragraph 2 (c) Article 30 does not concern the disclosure of information about undertakings.
98.	Lloyd's	3.19	The proposed structure and format will allow easy accessibility and comparability for stakeholders. This is sensible.	Noted.

99.	CRO Forum	3.19	*"The structure and format shall allow the information to be easily accessible and comparable for stakeholders."* The Level I text requires common formats for supervisory disclosure. We suggest to modify 3.19 as follows: "The structure and common format shall allow the information to be easily accessible and comparable for stakeholders."	CEIOPS does not propose to use common formats for all information included in Article 30.
100.	GDV	3.19	The Level I text requires common formats for supervisory disclosure. "The structure and **common** format shall allow the information to be easily accessible and comparable for stakeholders."	See comment 99 above.
101.	CEA	3.19	The Level I text requires common formats for supervisory disclosure. "The structure and **common** format shall allow the information to be easily accessible and comparable for stakeholders."	See comment 99 above.

102.	AVIVA	3.22	Paragraph 3.22 is important. It will require supervisory authorities to have clear instructions for supervised undertakings concerning how to fulfill the legislative/regulatory requirements.	Noted.
103.			Confidential comment deleted.	
104.	CRO Forum	3.23	*"In order to ensure an adequate level of quality of supervisory assessments and supervisory conformity within the authority, supervisory authorities may establish internal guidelines setting out what is to be taken into account in reviewing and evaluating the compliance by supervised undertakings with applicable laws and regulatory requirements. […]"* We agree but we would suggest to not having only internal guidelines and suggest that at least the key characteristics and principles be disclosed, for example by adding the following sentence: "Authorities should stipulate and publish on their web sites a clear and transparent sanction's (disciplinary) process by which they define i.e. timing, how they have to disclose violation and their link to the alleged breached rules, laws etc."	This is outside the scope of the Level 2 advice. Article 30 does not require supervisory authorities to disclose any processes in connection with sanctioning. Whatever supervisory authorities disclose in this area is entirely up to them or to national law respectively.
105.	AVIVA	3.25	It would be beneficial for additional guidelines concerning the administrative rules/general guidance.	Noted, but the intention is not to set the format of such administrative rules or guidance centrally, instead allowing it to follow national practice. The disclosures should however allow stakeholders to find the relevant provisions.

106.			Confidential comment deleted.	
107.	Institut des actuaires (France)	3.26	It is important that information is accessible in the official EU languages.	CEIOPS disagrees. See comment 41 above.
108.	Legal and General Group	3.28(blue)	Sensible in principle. The same caveats apply as for 3.19	See comment there.
109.	Lloyd's	3.28	The disclosure scope set out appears reasonable.	Noted.
110.	FFSA	3.31 and 3.32	Same comment as under section 3.7: we recommend that appropriate and exhaustive disclosures beyond a simple "overview" or broad understanding are required in order to avoid material differences in the approach of the various supervisory authorities.	See comment 52 above.
111.	KPMG ELLP	3.31	The application of the principle of proportionality is a key aspect of the Solvency II regime. We suggest more clarity is provided by CEIOPS in this area, in particular regarding how consistency of application is to be achieved across the EEA. To this extent, we agree that Level 3 guidance (as described in paragraph 3.32) will be important.	This is outside the scope of the Advice. Anyway, it is in the nature of the principle of proportionality that general statements as to its application are possible, giving specific information is not.
112.			Confidential comment deleted.	
113.	International Underwritin	3.33	We note that the general criteria and supervisory methods which need to be disclosed by supervisors will include the means and measures to "review and evaluate compliance", and the "monitoring tools" which	See comment 52 above. The Level 2 draft advice relative to the criteria required for

	g Association of London		are to be employed. We would however query whether it is intended that this would include supervisor's criteria and methods for applying remedial measures, such as capital add-ons. We believe that remedial measures should be included within this paragraph. Similarly any criteria set out for the validation of internal models might also be included.	remedial measures are dealt with in separate Consultation Papers on the specific subjects e.g. CP 57 for capital add-ons.
114.	Legal and General Group	3.33(blue)	Sensible in principle. The same caveats apply as for 3.19. In addition a great deal will depend upon the individual data that a supervisor will release to the market, or make the forms release it. At present there are a number of discussions that occur between firms and supervisors that are very important but could be made more difficult if, for example, all the options available to a firm and approved by the regulator are disclosed. This is especially so for quoted firms where the active operation of for example, hedge funds, can lead to any perceived weakness being used to drive share prices down- this is especially the position where markets have low liquidity and hedge funds move from in one sense adding liquidity to a market to actually becoming the price driver. It is important that regulators do not publish data that enables a specific firm to be identified. Whilst this is essential it also raises the possibility that in certain countries the regulator may not be able to publish a full set of data – and in extremis anything.	Disclosures with regard to the SRP do not include disclosure on findings on undertakings (not even in aggregate form).
115.	Lloyd's	3.33	The basis of setting out the supervisory review process appears sensible.	Noted.
116.			Confidential comment deleted.	
117.	Internation	3.36	We strongly agree that required disclosures should not place any	Noted.

	al Underwriting Association of London		additional burdens on supervised undertakings, as the requisite information should already be available to supervisors.	
118.	ABI	3.36	We strongly support the last sentence of this paragraph. Required disclosures should not place any additional burden on the supervised undertakings.	Noted.
119.			Confidential comment deleted.	
120.	KPMG ELLP	3.36	We agree with the approach to ensuring that the requirements for undertakings to provide statistical information should not be onerous. However, the consistency of application of the criteria for determining 'key' statistical information across the EEA will be crucial.	CEIOPS will determine at Level 3 which statistical information (derived from the quantitative data provided by undertakings) will be disclosed, so there should be no issue over inconsistency.
121.	GDV	3.36, 3.16 b new	**Implementing measures on Article 30 should not place any additional burden on undertakings.** We strongly support the last sentence of 3.36. Required disclosures by supervisors should not place any additional burden on the supervised undertakings. We would expect that information disclosed by supervisors is based on information which is already publicly disclosed by the undertakings. Our concern is, for example, that formats might be not compatible and undertakings would have a duplication of work because of different formats for their disclosure and the common supervisory format.	Noted. The information to be disclosed by supervisors will be based on information received from the undertakings for supervisory (or legally required statistical) purposes. Preparing these disclosures does not involve the undertakings.

			The last sentence of 3.36 only refers to aggregate statistical data. We would, however, like this sentence to be extended to the whole consultation paper on transparency and accountability and to all implementing measures relating to Article 30. We would propose that a new paragraph is added after 3.16 and that this would state the following: "The implementing measures on Article 30 should not place any additional burden on the supervised undertakings. Supervisory disclosure should be based on the information that supervisory authorities already have."	This is because aggregate statistical data is the only information to be disclosed under Article 30 that requires any input from undertakings i.e. the quantitative data provided under the Report to Supervisors.
122.	CEA	3.36, 3.16 b new	**Implementing measures on Article 30 should not place any additional burden on undertakings.** We strongly support the last sentence of 3.36. Required disclosures by supervisors should not place any additional burden on the supervised undertakings. We would expect that information disclosed by supervisors is based on information which is already publicly disclosed by the undertakings. Our concern is, for example, that formats might be not compatible and undertakings would have a duplication of work because of different formats for their disclosure and the common supervisory format. The last sentence of 3.36 only refers to aggregate statistical data. We would, however, like this sentence to be extended to the whole consultation paper on transparency and accountability and to all implementing measures relating to Article 30. We would propose that a	See comments 121 above.

			new paragraph is added after 3.16 and that this would state the following: "The implementing measures on Article 30 should not place any additional burden on the supervised undertakings. Supervisory disclosure should be based on the information that supervisory authorities already have."	
123.	KPMG ELLP	3.38	If disclosure is to be made of aggregate information, then we struggle to understand why some data would be excluded on the grounds of confidentiality. It would be helpful if CEIOPS were to provide some examples.	This would apply if the sample that provides the aggregate data is very small and a person knowledgeable about the national insurance market could therefore derive private entity-specific information from the data.
124.	ABI	3.40	The term "aggregate statistical data" is not defined. CEIOPS should clarify that it relates to nationally aggregated data. Aggregated data at Member States level should be disclosed only insofar as private entity-specific data cannot be derived from aggregated data (see 3.9 for details and art 30 (1) of the Directive requesting respect of confidential information). To ensure the confidentiality of entity-specific data CEIOPS could include in advice 3.40 a provision that any insight into individual legal entity data has to be avoided. This constraint may require that the level of granularity proposed in the annex has to be adjusted in for some cases. One option would be to rely on the nationally aggregated statistical data of publicly available data (ie either data obtained from	The text has been expanded and clarified. As Article 30 (1) already requires that the protection of confidential information be duly respected and every supervisory authority is subject to confidentiality requirements anyway, CEIOPS does not consider it necessary to specify the issue further on Level 2.

			the Solvency and Financial Condition Report, from financial reporting or from more detailed entity-specific public disclosure, such as information already disclosed to financial analysts). Whichever approach is chosen, careful consideration of the effects of disclosure will need to be made, including the risk of developing inappropriate benchmarks by third parties.	
125.	Legal and General Group	3.40 (blue)	Sensible in principle. The same caveats apply as for 3.19.	Noted.
126.	Institut des actuaires (France)	3.40	Publishing every year aggregate statistical data about the solvency of the undertakings (on the form of aggregation of QIS 5 answers) is important for transparency and comparability. CEIOPS should also take the duty to publish in a maximum of 2 months after the deadline for transmission of data by the undertakings.	Any disclosure will not be as detailed as QIS5. CEIOPS proposes 3 months after the transmission deadline.
127.	CRO Forum	3.40	"Aggregate statistical data on the key aspects of the application of the prudential framework to be disclosed cover quantitative general information on the national insurance sectors about aspects that are subject to prudential requirements as well as important supervisory activities with regard to the supervisory review process. […]" The term "aggregate statistical data" is not defined. CEIOPS should clarify that it relates to nationally aggregated data. Aggregated data at Member States level should be disclosed only insofar as private entity-specific data cannot be derived from aggregated data (see 3.9 for details and art 30 (1) of the Directive requesting respect of confidential	See comment 124 above.

			information). To ensure the confidentiality of entity-specific data CRO Forum proposes to include in advice 3.40 a provision that any insight into individual legal entity data has to be avoided. This constraint may require that the level of granularity proposed in the annex (part A of CP34, minimal requirement on aggregate statistical data) has to be adjusted for some Member States. Alternatives could be to merge nationally aggregated data of specific countries with other countries or for the nationally aggregated statistical data to rely on publicly available data (ie either data obtained from the Solvency and Financial Condition Report, from financial reporting or from more detailed entity-specific public disclosure, such as information already disclosed to financial analysts).	See comment 124 above.
128.	GDV	3.42	**More clarity is needed on what a member state option is.** We would like CEIOPS to define what is meant by a member state option and for the final advice to give examples of this (even if the development of the template mapping all the options is left to Level 3).	These options refer to choices the Level 1 text gives to Member States in the implementation of the Solvency II Directive. This could be between specific ways to reach a certain aim or between introducing a specific provision or not. An example for the latter would be the option in Art. 50(2) third subparagraph that Member States may provide that the capital add-on need not be separately disclosed during a

				transitional period. Owing to the aim of Solvency II to foster supervisory convergence options in the Level 1 text are comparatively rare.
129.	CEA	3.42	**More clarity is needed on what a member state option is.** We would like CEIOPS to define what is meant by a member state option and for the final advice to give examples of this (even if the development of the template mapping all the options is left to Level 3).	See comment 128 above.
130.			Confidential comment deleted.	
131.	KPMG ELLP	3.43	We support the use of a common template regarding disclosure of the exercise of options under the Framework Directive.	Noted.
132.	ABI	3.47	The advice on objectives, functions and activities of supervision does not include a reference to the supervisory ladder of intervention driving the activities of the supervisors. ABI suggests to include in para 3.47 that the ladder of intervention for undertakings having a solvency capital adequacy level higher than 100% should be restricted to the standard supervisory tasks, any non-standard supervisory request should be justified and only be applicable under exceptional circumstances. Based on para 3.1/3.2 a supervisor should provide information on supervision to the interested parties by addressing the legitimate expectations of the undertakings. One of the key expectations of undertakings is to be informed of an ad hoc delegation of part of the supervisory activities to a third party (eg outsourcing of supervisory	CP34 does not cover the objectives, functions and activities of supervision as such but rather the disclosure of those aspects. Thus any guidance around the Supervisory Review Process (Article 36) is outside the scope of this advice under Article 30. Insofar as information on the supervisory authorities themselves is concerned,

			activities for audit-like evaluations).	supervisory disclosure according to Article 30 refers to publishing general information. It does not include disclosure about individual decisions taken by the supervisor or information addressed to individual undertakings.
133.	Legal and General Group	3.47	No comment	Noted.
134.	Lloyd's	3.47	The information required regarding 'objectives, main functions and activities of supervision' appears reasonable.	Noted.
135.	CRO Forum	3.47	"Information about objectives, main functions and activities of supervision comprises information about the legally defined aims of (re)insurance supervision and the objectives the supervisory authorities set themselves in the exercise of their supervisory tasks. It also covers the scope of duties of the national supervisory authorities and the key actions supervisory authorities take in order to discharge these duties." The advice on objectives, functions and activities of supervision does not include a reference to the supervisory ladder of intervention driving the activities of the supervisors. CRO Forum suggests to include in para 3.47 that the functions and activities are linked to the ladder of intervention. I.e. for undertakings having a solvency capital adequacy level higher than 100% activities of supervision should be restricted to the standard supervisory tasks, any non-standard supervisory request should be justified and only be applicable under exceptional	See comment 132 above.

			circumstances. Based on para 3.1/3.2 a supervisor should provide information on supervision to the interested parties by addressing the legitimate expectations of the undertakings. One of the key expectations of undertakings is to be informed of an ad hoc delegation of part of the supervisory activities to a third party (e.g. outsourcing of supervisory activities for audit-like evaluations). To avoid conflicts of interests for an undertaking CRO Forum suggests to include in advice 3.47 that supervisors should inform an undertaking prior to any outsourcing of part of the supervisory activities.	
136.	GDV	3.47	**The advice on disclosing the objectives of supervision and its main functions and activities should be expanded.** The advice on objectives, functions and activities of supervision does not include a reference to the supervisory ladder of intervention driving the activities of the supervisors. We suggest including in paragraph 3.47 that the ladder of intervention for undertakings having a solvency capital adequacy level higher than 100% should be restricted to the standard supervisory tasks; any non-standard supervisory request should be justified and only be applicable under exceptional circumstances. Based on paragraphs 3.1/3.2 a supervisor should provide information on supervision to the interested parties by addressing the legitimate expectations of the undertakings. One of the key expectations of undertakings is to be informed of an ad hoc delegation of part of the supervisory activities to a third party (e.g. outsourcing of supervisory activities for detailed audit-like evaluations). To avoid conflicts of interest for an undertaking we suggest to include in advice 3.47 that supervisors should inform an undertaking prior to any outsourcing of	See comment 132 above.

			part of the supervisory activities.	
137.	CEA	3.47	**The advice on disclosing the objectives of supervision and its main functions and activities should be expanded.** The advice on objectives, functions and activities of supervision does not include a reference to the supervisory ladder of intervention driving the activities of the supervisors. We suggest including in paragraph 3.47 that the ladder of intervention for undertakings having a solvency capital adequacy level higher than 100% should be restricted to the standard supervisory tasks; any non-standard supervisory request should be justified and only be applicable under exceptional circumstances. Based on paragraphs 3.1/3.2 a supervisor should provide information on supervision to the interested parties by addressing the legitimate expectations of the undertakings. One of the key expectations of undertakings is to be informed of an ad hoc delegation of part of the supervisory activities to a third party (e.g. outsourcing of supervisory activities for detailed audit-like evaluations). To avoid conflicts of interest for an undertaking we suggest to include in advice 3.47 that supervisors should inform an undertaking prior to any outsourcing of part of the supervisory activities.	See comment 132 above.
138.	CRO Forum	3.50	"What is to be considered timely depends on the kind of disclosure and the language(s) of publication. […] These translations should be made available on a best effort basis." We disagree. We believe this advice is incorrect because timeliness is not emphasized strongly enough and because translation on a best effort basis is inadequate to ensure the transparency principle declared	CEIOPS does not consider the timely provision of a translation to be a transparency issue but rather a matter of comparability since disclose in the national language(s) makes the information widely accessible.

			in the introduction. We propose the following wording for the last sentence of 3.50: "These translations should be made available in due time and in any case not later than 15 days from related disclosure of information in the national official language(s)." In addition, we have some concern on the possible exceptions as mentioned in footnote 1. We believe there is a need to have clear/strict rules for exceptions.	Comparability is not even marginally impaired if translations take a couple of weeks longer than two weeks. These are not exceptions. The footnote is included to clarify that supervisory authorities may use the usual disclaimer for courtesy translations.
139.	Legal and General Group	3.52 (blue)	Sensible as a framework. Difficulties may occur either when the details are available under level 3 or over time where pressure could build to produce any item more frequently. In certain cases this may be difficult to build into a model at outset without expanding the scope materially and at some cost.	None of the information referred to in the paragraph does require input from supervised undertakings. Article 30(2)(c) is not mentioned on purpose.
140.	Lloyd's	3.52 - 3.54	We support the requirement for the supervisor to publish aggregate data for supervised entities, but believe that the deadline for supervisors to do this should be kept flexible, recognising the potential complexity of the population of the (re)insurers being supervised within a supervised market, and the linkage with the deadline dates for the (re)insurers to submit their supervisory return to the supervisor of that market.	Noted.
141.	KPMG ELLP	3.54	We agree that it will aid comparability to require all the statistical data to be disclosed at the same date across the EEA.	Noted.
142.	GDV	3.54	The deadline for publication set in the advice should not prevent	The text was changed to "within three months of the submission

			supervisory authorities to make their data available before that dead. "Aggregate statistical data on the supervised undertakings under Article 30 (2) c) should be made available **at the latest** by 31 July each year, starting 2013."	for undertakings' reporting". The "within" clearly shows that the three months are the maximum timeframe.
143.	Lloyd's	Annex	We consider that the information provided regarding aggregate statistical data in the Annex is sensible. We note, however, that this will be covered in greater detail within the Level 3 process.	Noted.
144.	GDV	General comment on Annex	**The list of areas to be reported in Annex Part A and Part B cannot be completed until the end of the Level 2 consultations.** We may like to add or remove areas to be disclosed under Part A or Part B after we have seen the content of the second and third wave of consultation papers on Level 2 implementing measures.	Noted. The list will not be finalized until Level 3.
145.	CEA	General comment on Annex	**The list of areas to be reported in Annex Part A and Part B cannot be completed until the end of the Level 2 consultations.** We may like to add or remove areas to be disclosed under Part A or Part B after we have seen the content of the second and third wave of consultation papers on Level 2 implementing measures.	See comment 144 above.
146.	UNESPA	Annex on the minimum data set	The document includes an annex with the minimum data which should be published, which also indicates that CEIOPS is interested in receiving contributions on this issue. In our opinion, CEIOPS's list is missing some items, such as:	

			• Composition of SCR by risks and sub-risks. If this information meet the first condition of being homogeneous between markets –which is at the heart of using a common European methodology- this would enable comparisons of risk profiles to be made between markets. • Although this is not the main objective of Solvency II, we consider that it would be a good idea for CEIOPS to take advantage of this opportunity to harmonise the presentation and publication of basic accounting information (balance sheet, technical and non-technical accounts, etc) by supervisors. • We consider it important that progress should be made on the commitment in CP34 to create templates with homogeneous formats for information.	This level of detail is unlikely to be available for undertakings on internal models but will be reviewed when the final list of disclosures is prepared. This is outside the scope of the Level 2 implementing measures for Article 30. Anyway, where the accounting systems remain different, harmonisation of the presentation and publication does not really improve comparability. Noted.
147.			Confidential comment deleted.	
148.	Legal and General Group	Annex (white text) – Part A	The list is in line with current practice with the possible exception of the interpretation of IORPs. This may be a material is for the UK and DB arrangements.	The inclusion of IORPs did not imply that these were insurance undertakings. It was just an acknowledgement that they may be subject to supervision by insurance supervisory authorities. However, the reference to IORPs was deleted in the final Advice.
149.	GDV	Annex Part A, new	**We propose that a number of additional areas are added to Part A of the Annex.**	

			• We think that information that has to be published by CEIOPS in accordance with Article 51 should also be disclosed by supervisory authorities. Therefore, the following should be added to the annex: "The distribution of capital add-ons, measured as a percentage of the Solvency Capital Requirement, covering all insurance and reinsurance undertakings in that Member State". • Number of simplifications used by undertakings, divided into the different simplifications. • Quality of own funds covering the group SCR; division into tiers and distinction between basic and ancillary own funds. • Number of groups using an approved internal model for the calculation of the group SCR. • The composition of the SCR at national level (the average weight of each risk module to the overall SCR).	CEIOPS considers it sufficient that this information is published by CEIOPS. Publishing this could promote the use of simplifications which is something CEIOPS wishes to avoid. CEIOPS has included this suggestion. CEIOPS has included this suggestion. The information on risk modules may not be available for undertakings on internal models. This will be reviewed once the quantitative data requirements are drawn up.
150.	CEA	Annex Part A, new	**We propose that a number of additional areas are added to Part A of the Annex.** • We think that information that has to be published by CEIOPS in accordance with Article 51 should also be disclosed by supervisory authorities. Therefore, the following should be added to the annex: "The distribution of capital add-ons, measured as a	See comment 149 above.

			percentage of the Solvency Capital Requirement, covering all insurance and reinsurance undertakings in that Member State". • Number of simplifications used by undertakings, divided into the different simplifications. • Quality of own funds covering the group SCR; division into tiers and distinction between basic and ancillary own funds. • Number of groups using an approved internal model for the calculation of the group SCR. • The composition of the SCR at national level (the average weight of each risk module to the overall SCR).	
151.	GDV	Annex Part A, 14	**The coverage SCR ratio should not be reported at a sub-group level.** Point 14 states that the coverage SCR (aggregated) ratio of all subgroups identified at national level should be disclosed. This would require the calculation of subgroup SCRs. This is not in line with the level text 1 which foresees the group SCR calculation to be done at the ultimate level of the group. Only in the rare cases of application of Article 214 or 215 of the Framework Directive a sub-group SCR would be available. Level 2 implementing measures should not create any additional layers of subgroup supervision. It is also misleading to speak about "national" groups when referring to cross-border groups. We therefore propose the following wording for point 14: Coverage SCR (aggregated) ratio for the insurance groups	The disclosure requirement does not constitute a requirement for all subgroups to calculate their SCR. There is an "if applicable" implied. CEIOPS has changed the text to

			identified in (12) and (13).	avoid ambiguity. See point 17.
152.	CEA	Annex Part A, 14	**The coverage SCR ratio should not be reported at a sub-group level.** Point 14 states that the coverage SCR (aggregated) ratio of all subgroups identified at national level should be disclosed. This would require the calculation of subgroup SCRs. This is not in line with the level text 1 which foresees the group SCR calculation to be done at the ultimate level of the group. Only in rare cases Article 214 or 215 of the Framework Directive a sub-group SCR would be available. Level 2 implementing measures should not create any additional layers of subgroup supervision. It is also misleading to speak about "national" groups when referring to cross-border groups. We therefore propose the following wording for point 14: Coverage SCR (aggregated) ratio for the insurance groups identified in (12) and (13).	See comment 151 above.
153.	CRO Forum	General comment to annex B	To foster convergence of supervisory practices and thus promote a level playing field throughout Europe, information on service quality to undertakings should be contained in the statistical information. As stated in CP37, the CRO Forum would welcome release of anonymised real examples of (1) criteria used for internal model approval/rejection and of (2) model changes identified by supervisors as major changes. These examples may in particular contribute towards a better understanding of what constitutes a "major model change" and help safeguard consistency across Member States.	Noted. At this stage CEIOPS does not believe that this would be feasible. This does not belong in the Annex as it is not about "aggregate statistical data". CEIOPS expects the criteria for internal model approval to be covered by "laws, regulation, administrative rules and general guidance".

			The decision whether or not to disclose a decision to reject internal model usage directly impacts the commercial position of the (re-)insurance company. We therefore would like to stress the importance of common requirements across Members States here, supporting a level playing field.	
154.			Confidential comment deleted.	
155.	GDV	Annex Part B, point 1 and new	**We propose that a number of additional areas are added to Part B of the Annex.** • The first point of Part B should be more specific (number of on-site inspections undertaken). Whilst the footnote clarifies the requirement, further details are needed so that data of different supervisory authorities can be compared. The requirement should be divided into full scale regular inspections, ad hoc inspections, inspections by third parties (e.g. external auditors) for meaningful comparisons to be possible. In addition, in our view on-site inspections should be conducted only by the supervisory authority and not by "external auditors, appointed by the supervisory authority". It may be helpful to clarify the wording here. If external auditors are undertaking on-site inspections, this should be for a specific review of a particular part of the undertaking. General on-site inspections should not be outsourced to third parties. • The general criteria for the validation/refusal of internal models. • The general criteria for the validation/refusal of major changes to internal models. • The general criteria for the application of capital add-ons. We would	CEIOPS has included the proposal in the final Advice. The wording does not require clarification. Most supervisory laws give this power to supervisors at the current time and CEIOPS expects the power to be extended to the rest of the supervisory authorities under Solvency II. This is not "aggregate statistical data" and therefore not part of the Annex. It would be covered by "laws, regulations,

			also like other information on capital add-ons (such as criteria for calculation and removal of capital add-ons etc.) to be disclosed. This is of course related to how much harmonisation the implementing measures on capital add-ons will require. • Based on the Solvency II Directive Recital 13a plus Article 27 Member States are required to equip their supervisory authorities with the necessary resources. Furthermore Article 34 (6) states that "Supervisory powers shall be applied in a timely and proportionate manner". We therefore propose that the following three points are also added to Part B of the Annex: o Number of responses to enquiries (e.g. queries on how to interpret specific regulations) and authorisation requests from undertakings. o Legal/internal maximum timeframes for responding to enquiries and authorisation requests from undertakings, and for undertaking supervisory actions (e. g. approval of ancillary own funds or of internal models). These should classified by type. (This information could also be disclosed as part of the requirement under Article 30.2a to disclose the texts of laws, regulations, administrative rules and general guidance.) o The average time taken for responding to enquiries and authorisation requests, and for undertaking supervisory actions.	administrative rules and general guidance". CEIOPS does not see how this could be considered helpful information to comply with the objectives defined and the effort necessary to provide reliable data on this would be very significant. Of course many of the maximum timeframes for responding to or taking decisions are set out in laws, regulations, administrative rules and general guidance which is already encapsulated in the disclosure under Article 30(2)(a).
156.	CEA	Annex Part B, point 1 and new	**We propose that a number of additional areas are added to Part B of the Annex.**	

			• The first point of Part B should be more specific (number of on-site inspections undertaken). Whilst the footnote clarifies the requirement, further details are needed so that data of different supervisory authorities can be compared. The requirement should be divided into full scale regular inspections, ad hoc inspections, inspections by third parties (e.g. external auditors) for meaningful comparisons to be possible. In addition, in our view on-site inspections should be conducted only by the supervisory authority and not by "external auditors, appointed by the supervisory authority". It may be helpful to clarify the wording here. If external auditors are undertaking on-site inspections, this should be for a specific review of a particular part of the undertaking. General on-site inspections should not be outsourced to third parties. • The general criteria for the validation/refusal of internal models. • The general criteria for the validation/refusal of major changes to internal models. • The general criteria for the application of capital add-ons. We would also like other information on capital add-ons (such as criteria for calculation and removal of capital add-ons etc.) to be disclosed. This is of course related to how much harmonisation the implementing measures on capital add-ons will require. • Based on the Solvency II Directive Recital 13a plus Article 27 Member States are required to equip their supervisory authorities	See comment 155 above.

			with the necessary resources. Furthermore Article 34 (6) states that "Supervisory powers shall be applied in a timely and proportionate manner". We therefore propose that the following three points are also added to Part B of the Annex: - Number of responses to enquiries (e.g. queries on how to interpret specific regulations) and authorisation requests from undertakings. - Legal/internal maximum timeframes for responding to enquiries and authorisation requests from undertakings, and for undertaking supervisory actions (e. g. approval or non-approval of ancillary own funds or of internal models). These should classified by type. (This information could also be disclosed as part of the requirement under Article 30.2a to disclose the texts of laws, regulations, administrative rules and general guidance.) - The average time taken for responding to enquiries and authorisation requests, and for undertaking supervisory actions.	
157.	ABI	Annex Part B, 3a new	We propose to add the following areas to Annex Part B: o High level criteria for the validation of internal models, including partial models, model extensions and major model changes o High level criteria or parameters for the approval of the firm's model change policy	This is not "aggregate statistical data" and therefore not part of the Annex. It would be covered by "laws, regulations, administrative rules and general

			○ Description of the process that may lead to a Pillar I or a Pillar II capital add-on ○ High level criteria for the calculation of capital add-ons (for Pillar I we understand this would be a mathematical quantification to restore the 99.5% calibration whereas for Pillar II this would be done on a case by case basis) ○ To the extent that supervisors have discretion, a description of the criteria for the approval of ancillary own funds ○ High level description of the supervisory review process (para 2) and periodic, perhaps annual report and overview on the process, its effectiveness and a commentary on key issues emerging from the industry. This would help firms understand what the major regulatory issues are and help them address these weaknesses in advance of individual supervisory reviews.	guidance".
158.	CRO Forum	Annex Part B, 3a new	"Number of reviews of ongoing compliance of full or partial internal models with requirements in relation to number of internal models in use;" We generally agree but the following new point no 7 below should be added: Based on the Solvency II Directive recital 13a plus article 27 Member States are required to equip their supervisory authorities with the necessary resources. Furthermore article 34 (6) states that "Supervisory powers shall be applied in a timely and proportionate manner". We suggest adding: 7. "Number of responses to enquiries and authorization requests.	CEIOPS does not consider this information to be helpful. It would be misguided to assume that average time data would allow anybody to draw conclusions as to the timeframe necessary to deal with any specific requests.

			Legal maximum time frame for responses, classified by type, and comparison with average elapsed time from first enquiry or authorization request. Statistical information should separately address a supervisor's interaction with undertakings."	
159.	ABI	Annex Part B, para 4	Supervisors should not have discretionary powers over disclosure of internal model rejection. Only aggregate statistical data on internal models should be disclosed and only when individual undertakings cannot be recognised from the aggregate data (e.g. in case of small samples).	This refers only to the number of applications that were approved and rejected, i.e. aggregate statistical data. As any undertaking can potentially develop an IM and apply for its approval, even disclosing in a small market that X requests for approval were rejected does not allow for "recognition" but only for "guessing".
160.	International Underwriting Association of London	Annex Part B(4)	As we noted in our response to CP37 (section 3.5), we firmly believe that the rejection of an entity's application for an internal model should not be permitted to be publically disclosed. We therefore believe that the number of internal model approvals and rejections should only be provided on an aggregate basis, provided that the sample is not sufficiently small that individual entities are identifiable. Further to our comment in CP37 we would also query whether it would be helpful for all supervisors to disclose a high level overview of their reasons for internal model rejections.	This refers only to the number of applications that were approved and rejected. "Aggregate statistical data" does not cover information about individual cases of internal model rejection. Any such information aimed at helping undertakings avoid common mistakes would have to be too detailed to be covered by "aggregate statistical data".

161.	GDV	Annex Part B, point 4	**Disclosing aggregate statistical data on the number of internal models rejected may breach confidentiality.** Even in big markets there could be a just a small number of undertakings that are planning to use internal models. It would be easy to derive from the figure of non-approvals the undertakings whose applications were unsuccessful. This information would normally not be disclosed by the undertaking itself. Public disclosure of this information could harm the undertaking, especially because the reasons for the rejection of the internal model would not be disclosed. If there is such a disclosure requirement, it should be accompanied by disclosing the reasons for the rejection. We propose that point 4 is amended as follows: Number of (partial/full) internal models approved.	CEIOPS does not share this concern. However, if there were reasons to believe the unsuccessful applicants could be identified the confidentiality considerations laid down in 3.42 would apply. CEIOPS does not comprehend how this is supposed to make a difference. CEIOPS disagrees.
162.	CEA	Annex Part B, point 4	**Disclosing aggregate statistical data on the number of internal models rejected may breach confidentiality.** Even in big markets there could be a just a small number of undertakings that are planning to use internal models. It would be easy to derive from the figure of non-approvals the undertakings whose applications were unsuccessful. This information would normally not be disclosed by the undertaking itself. Public disclosure of this information could harm the undertaking, especially because the reasons for the rejection of the internal model would not be disclosed. If there is such a disclosure requirement, it should be accompanied by disclosing the reasons for the rejection. We propose that point 4 is amended as follows: Number of (partial/full)	See comment 161 above.

			internal models approved.	
163.	Deloitte	Annex Part B, 4	We suggest that it would helpful for CEIOPS to expand this item to include the average time taken to reach a decision on the approval/rejection of partial/full internal models.	CEIOPS does not consider this useful. Undertakings should always base their expectations on the maximum possible timeframe.