

Comments Template on EIOPA-CP-11-002 Technical Consultation on the Solvency II XBRL Taxonomy	
Company name:	CEA
Disclosure of comments:	<p>EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential.</p> <p>Please indicate if your comments on this consultation should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential.</p>
Please follow the instructions for filling in the template:	<ul style="list-style-type: none"> ⇒ Do not change the numbering in column "Reference". ⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph, keep the row <u>empty</u>. ⇒ Our IT tool does not allow processing of comments which do not refer to the specific paragraph numbers below. <ul style="list-style-type: none"> ○ If your comment refers to multiple paragraphs, please insert your comment at the first relevant paragraph and mention in your comment to which other paragraphs this also applies. ○ If your comment refers to sub-bullets/sub-paragraphs, please indicate this in the comment itself. <p>Please send the completed template to consultation.taxonomy-201107@eiopa.europa.eu, in MSWord Format, (our IT tool does not allow processing of any other formats).</p> <p>The paragraph numbers below correspond to the document: <i>EIOPA-CP-11-002_Introduction_Taxonomy_Consultation.doc</i></p>
Reference	Comment
General Comment	<p>The CEA welcomes the opportunity to consult with EIOPA at this early stage of the drafting process however, due to the technical nature of the subject and the limited time allowed for consultation, we are unable to provide extensive comments at this stage.</p> <p>The exact cost of implementation will ultimately depend on the content of quantitative reporting templates. While the sample templates are useful as a simulation tool, it will not be possible to perform a detailed and accurate costs analysis until the templates have been finalised.</p> <p>While some insurance undertakings are familiar with XBRL from its use in other sectors, XML is the most widely used format in the insurance industry. At this early stage, without having completed a full cost analysis, it is difficult to comment on many of the questions posed by EIOPA in terms of XBRL reporting.</p>

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	<p>In some countries, we received feedback that XBRL could not be fully linked to the national accounting system therefore two systems would have to be run in parallel. It should not be the case that undertakings have to perform duplicate activities therefore supervisors should allow sufficient time for the development and testing of any new system, and also for undertakings to fully migrate to the new system, before it is launched operationally.</p> <p>As a general point, the templates should reflect Pillar 1 requirements used to assess the solvency situation of an undertaking, and not add additional requirements for the purpose of supervisory reporting only.</p> <p>It should be noted that few CEA members were in a position to provide quantitative feedback on potential costs of XBRL reporting. Any figures referred to in this document are based on limited participation and does not constitute a representative sample of the European Insurance Industry.</p>
10.	
11.	
11.1.	
11.1.1.	
11.1.2.	
11.1.3.	
11.2.	<p>The XBRL taxonomy is currently being developed around sample templates however the templates are currently not fixed. We query whether there will be enough time between the templates being fixed and entry into force of Solvency II, to allow for a full XBRL taxonomy to be developed. EIOPA should therefore consider industry models which are currently being used and accepted by national supervisors. The mapping exercise should be carefully managed by EIOPA to ensure that all data requirements are mapped correctly to accurately reflect the risk profile of undertakings and also to correspond to the harmonised data cells in the reporting templates. A collective approach to harmonisation should be adopted by supervisors to ensure the European templates are used as the industry standard in each country. National add-ons will add ambiguity to the process.</p> <p>Since XBRL is used as a data format for different reporting requirements (e.g. accounting, tax information) it will be important to work towards having the same definitions for the same position in all related taxonomies. If definitions differ per country it will cause problems in the consolidation process of groups.</p>

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	The management of the taxonomy should be dynamic and sufficiently managed by EIOPA to ensure the industry does not bear unnecessary burden as the taxonomy evolves to accommodate further reporting requirements.
12.	Cost increases are envisaged from using XBRL instead of current XML format.
12.1.	
12.2.	Some undertakings expect to use an XBRL solution from a software provider, any costs would mainly derive from mapping their internal taxonomy with that of the Solvency II XBRL taxonomy. Costs would largely be associated with hiring external experts. This could amount to €250 000.
12.3.	We understand the largest task ahead in terms of developing XBRL reporting will be drafting and mapping national standards to a European taxonomy. Feedback from some countries indicates this process could take approximately 2 years. Once the taxonomy has been drafted and mapped accordingly, implementation on the side of the undertaking could take approximately 6 months.
13.1.	
13.2.	It is expected that taxonomy adjustment as a result of business change will be developed largely as an extension to an undertaking's data governance process. Additional costs could amount to approximately €10 000 depending on how extensive the change would be.
13.3.	Please refer to section 13.2.
14.	Undertakings will incur additional costs in terms of gaining additional knowledge about XBRL. Costs could amount to approximately €40 000.
15.	The greatest risk/threat potentially influencing taxonomy implementation will be the mapping of the European taxonomy to that of the undertaking. It is likely that both will continually change throughout the implementation process and to keep both in sync will be difficult. Lack of experience in using XBRL may lead to late adjustments of the taxonomy.
16.	
18.	
19.	
20.	Please refer to section 11.2.
21.	We believe that it would be better if the different versions were defined in the TargetNameSpace, for example: http://www.eiopa.europa.eu/pr/solvencyii/t-BS_C1_BalanceSheetTemplate/1.0.0 .

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	This is because it is often necessary to have different versions on the same scheme installed in the test environment, and since some integration platforms identify the scheme on TargetNameSpace, it would not allow for a duplicate scheme.