	Comments Template on EIOPA-CP-14-047 Draft proposal for Level 3 Guidelines on reporting and public disclosure	**Deadline** **02.Mar.2015** **23:59 CET**
Company name:	AMICE	
Disclosure of comments:	EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential. Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential.	Public

	Please follow the instructions for filling in the template:
	  ⇨ Do **not** change the numbering in column "Reference".
	  ⇨ Please fill in your comment in the relevant row. If you have no comment on a paragraph, keep the row empty.
	  ⇨ Our IT tool does not allow processing of comments which do not refer to the specific paragraph numbers below.
	     ○ 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.
	Please send the completed template to Consultation_Set2@eiopa.europa.eu, in MSWord Format, (our IT tool does not allow processing of any other formats).
	
	The paragraph numbers below correspond to Consultation Paper No. EIOPA-CP-14-047.	

Reference	**Comment**	
General Comment	The demands for public disclosure in the SFCR are generally excessively detailed and far too extensive compared to the target group of the information. Many of the information requirements have no use even for highly informed readers – unless they are professionals within the industry itself. Annex I needs to be cross checked to eliminate all reference errors.	

Reference is made to the structure (chapters as defined in Annex XX of Delegated Acts) of SFCR and RSR. For some defined chapters there are guidelines. However, for many others no guidelines are provided:

SFCR: Section A.3 Investment Performance,
Section A.4 Performance of other activities
Section A.5 Any other information
Section B.2 Fit and Proper requirementss
Section B.4 Internal control system
Section B.5 Internal audit function
Section B.6 Actuarial function
Section B.7 Outsourcing
Section B.8 Any other information
Section C.2 Market risk
Section C.3 Credit risk
Section C.4 Liquidity risk
Section C.5 Operational risk
Section C.6 Other material risks
Section C.7 Any other information
Section D.3 Other liabilities
Section E.3 Use of the duration-based equity risk sub-module in the calculation of the SCR
Section E.5 Non-compliance with the MCR and non-compliance with the SCR
Section E.6 Any other information

Can EIOPA confirm whether further guidelines are expected on these chapters?

These Guidelines do not provide any indication as to where the information on the LTG measures should be reported. Although the LTG reporting is not defined in Annex XX of the Delegated Acts, some NSAs have requested firms in the preparatory phase to report on the LTG measures in chapter D.5.
Could we expect further guidance on LTG reporting for RSR/SFCR from EIOPA?

	These guidelines should ensure the transparency and comparability of the information disclosed. Additionally, important information also needs to be clear and visible in the defined structure. However, we note that the most relevant information needs to be disclosed in the chapter named 'Any other information'. Another example is Concentration risk (Guideline 27 Group) that is to be disclosed in chapter C.6. "Other material risk", and Data quality (Guideline 34) to be disclosed in chapter D.5. 'Any other information'. In Annex XX there are more chapters where the risk management practice and the risk management cycle need to be disclosed based on EIOPA requirements. For example: Chapter A.2 Underwriting performance (Guideline 23), B.3 Risk Management including ORSA, and C.1 Underwriting risk. This will lead to an overlap and redundancy in the RSR/SFCR. Wouldn't it be clearer to describe the risk mitigation measures as part of the risk management cycle and ORSA? The AMSB or the persons who effectively run the insurance and reinsurance undertaking should be requested to approve the Solvency and Financial Condition Report before it is publicly disclosed. This should be clearly stated in the guidelines.	
1.1.		
1.2.		
1.3.		
1.4.		
1.5.		
1.6.		
1.7.		
1.8.		
1.9.		
1.10.		

	Comments Template on EIOPA-CP-14-047 Draft proposal for Level 3 Guidelines on reporting and public disclosure	Deadline 02.Mar.2015 23:59 CET
1.11.		
1.12.		
1.13.		
1.14.		
1.15.		
1.16.		
1.17.		
1.18.		
1.19.		
1.20.		
1.21.		
1.22.		
1.23.		
1.24.		
1.25.		
1.26.		
1.27.		
1.28.		
1.29.		
1.30.		
1.31.		
1.32.		
1.33.		
1.34.		
1.35.		
1.36.		

	Comments Template on EIOPA-CP-14-047 Draft proposal for Level 3 Guidelines on reporting and public disclosure	Deadline 02.Mar.2015 23:59 CET
1.37.		
1.38.		
1.39.		
1.40.		
1.41.		
1.42.		
1.43.		
1.44.		
1.45.		
1.46.		
1.47.		
1.48.		
1.49.		
1.50.		
1.51.		
1.52.		
1.53.		
1.54.		
1.55.		
1.56.		
1.57.		
1.58.		
1.59.		
1.60.		
1.61.		
1.62.		

1.63.		
1.64.		
1.65.	The AMSB or the persons who effectively run the insurance and reinsurance undertaking should be requested to approve the Solvency and Financial Condition Report before it is publicly disclosed. This guideline should be amended accordingly.	
1.66.		
Annex I[1]	Please note that the code for negative values (such as ceded reinsurance, diversification effects, tax reduction) is not consistent across the cells. In some cells a negative sign is requested whereas in some other cells it is not. We recommend EIOPA to conduct a revision check for consistency reasons. The cells are not consistently referenced across the documents; Some are referenced as row / column whereas others as column / row. It would be useful to keep the same format in order to simplify the searches; Please find below some examples: - Check(Control) 1: column lines " 01.02. C0010 / R0050 - ISO 3166 codes of the country where the undertaking was authorised (Home-country)" - Check(Control) 1028: line / column " 23.01. R0010 / C0010 = 23.01. R0010 / C0020 + 23.01. R0010 / C0040 " **Risk Mitigation Techniques and Diversification Effects** The signs in the validations related to the risk mitigation elements such as the reinsurance contracts or other elements such as the diversification effects are not always consistent. A thorough cross-check analysis is needed so that all inconsistencies are eliminated and a unique rule is set.	

---

[1] If you have specific comments on Technical Annex 1 – Validations, please provide them line by line.

We therefore suggest keeping a positive sign for these elements so that the gross valuation minus the net equals the mitigation effect.

It is worth pointing out that this latest version seems to set a negative sign for the diversification effects whereas the signs for reinsurance remains very heterogeneous.

Please find below some examples:

- The validations 653 – 668 which correspond to S.17.01 have a negative sign for the Line "*Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default*" which is deducted from the Gross claims to obtain the Net claims (see below).
-

653	S.17.01	S.17.01.C0020/R0250 = S.17.01.C0020/R0160 + S.17.01.C0020/R
654	S.17.01	S.17.01.C0030/R0250 = S.17.01.C0030/R0160 + S.17.01.C0030/R
655	S.17.01	S.17.01.C0040/R0250 = S.17.01.C0040/R0160 + S.17.01.C0040/R
656	S.17.01	S.17.01.C0050/R0250 = S.17.01.C0050/R0160 + S.17.01.C0050/R
657	S.17.01	S.17.01.C0060/R0250 = S.17.01.C0060/R0160 + S.17.01.C0060/R
658	S.17.01	S.17.01.C0070/R0250 = S.17.01.C0070/R0160 + S.17.01.C0070/R
659	S.17.01	S.17.01.C0080/R0250 = S.17.01.C0080/R0160 + S.17.01.C0080/R
660	S.17.01	S.17.01.C0090/R0250 = S.17.01.C0090/R0160 + S.17.01.C0090/R
661	S.17.01	S.17.01.C0100/R0250 = S.17.01.C0100/R0160 + S.17.01.C0100/R
662	S.17.01	S.17.01.C0110/R0250 = S.17.01.C0110/R0160 + S.17.01.C0110/R
663	S.17.01	S.17.01.C0120/R0250 = S.17.01.C0120/R0160 + S.17.01.C0120/R
664	S.17.01	S.17.01.C0130/R0250 = S.17.01.C0130/R0160 + S.17.01.C0130/R
665	S.17.01	S.17.01.C0140/R0250 = S.17.01.C0140/R0160 + S.17.01.C0140/R
666	S.17.01	S.17.01.C0150/R0250 = S.17.01.C0150/R0160 + S.17.01.C0150/R
667	S.17.01	S.17.01.C0160/R0250 = S.17.01.C0160/R0160 + S.17.01.C0160/R
668	S.17.01	S.17.01.C0170/R0250 = S.17.01.C0170/R0160 + S.17.01.C0170/R

- However in the validations 733 à 748 from the same template (S.17.01), the "*Total*

Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole" has a positive sign (see below)

733	S.17.01	S.17.01.C0020/R0340 = S.17.01.C0020/R0010 - S.17.01.C0020/R(S.17.01.C0020/R0270 + S.17.01.C0020/R0280
734	S.17.01	S.17.01.C0030/R0340 = S.17.01.C0030/R0010 - S.17.01.C0030/R(S.17.01.C0030/R0270 + S.17.01.C0030/R0280
735	S.17.01	S.17.01.C0040/R0340 = S.17.01.C0040/R0010 - S.17.01.C0040/R(S.17.01.C0040/R0270 + S.17.01.C0040/R0280
736	S.17.01	S.17.01.C0050/R0340 = S.17.01.C0050/R0010 - S.17.01.C0050/R(S.17.01.C0050/R0270 + S.17.01.C0050/R0280
737	S.17.01	S.17.01.C0060/R0340 = S.17.01.C0060/R0010 - S.17.01.C0060/R(S.17.01.C0060/R0270 + S.17.01.C0060/R0280
738	S.17.01	S.17.01.C0070/R0340 = S.17.01.C0070/R0010 - S.17.01.C0070/R(S.17.01.C0070/R0270 + S.17.01.C0070/R0280
739	S.17.01	S.17.01.C0080/R0340 = S.17.01.C0080/R0010 - S.17.01.C0080/R(S.17.01.C0080/R0270 + S.17.01.C0080/R0280
740	S.17.01	S.17.01.C0090/R0340 = S.17.01.C0090/R0010 - S.17.01.C0090/R(S.17.01.C0090/R0270 + S.17.01.C0090/R0280
741	S.17.01	S.17.01.C0100/R0340 = S.17.01.C0100/R0010 - S.17.01.C0100/R(S.17.01.C0100/R0270 + S.17.01.C0100/R0280
742	S.17.01	S.17.01.C0110/R0340 = S.17.01.C0110/R0010 - S.17.01.C0110/R(S.17.01.C0110/R0270 + S.17.01.C0110/R0280
743	S.17.01	S.17.01.C0120/R0340 = S.17.01.C0120/R0010 - S.17.01.C0120/R(S.17.01.C0120/R0270 + S.17.01.C0120/R0280
744	S.17.01	S.17.01.C0130/R0340 = S.17.01.C0130/R0010 - S.17.01.C0130/R(S.17.01.C0130/R0270 + S.17.01.C0130/R0280
745	S.17.01	S.17.01.C0140/R0340 = S.17.01.C0140/R0010 - S.17.01.C0140/R(S.17.01.C0140/R0270 + S.17.01.C0140/R0280
746	S.17.01	S.17.01.C0150/R0340 = S.17.01.C0150/R0010 - S.17.01.C0150/R(S.17.01.C0150/R0270 + S.17.01.C0150/R0280

| | 747 | S.17.01 | S.17.01.C0160/R0340 = S.17.01.C0160/R0010 - S.17.01.C0160/R0050 + S.17.01.C0160/R0270 + S.17.01.C0160/R0280 | |
| | 748 | S.17.01 | S.17.01.C0170/R0340 = S.17.01.C0170/R0010 - S.17.01.C0170/R0050 + S.17.01.C0170/R0270 + S.17.01.C0170/R0280 | |