



EIOPA-BoS-15/112

30 June 2015

**Final Report**  
**on**  
**public consultation No. 14/050 on**  
**Guidelines on**  
**exchange of information on a**  
**systematic basis within colleges**

## Table of Contents

<b>1. Executive summary .....</b>	<b>3</b>
<b>2. Feedback statement .....</b>	<b>5</b>
<b>3. Annexes .....</b>	<b>7</b>
<b>Annex I: Guidelines.....</b>	<b>8</b>
<b>Technical Annexes .....</b>	<b>14</b>
<b>Annex II: Impact Assessment.....</b>	<b>26</b>
<b>Annex III: Resolution of comments .....</b>	<b>31</b>

# 1. Executive summary

## Introduction

According to Article 16 of Regulation (EU) No 1094/2010 (hereinafter "EIOPA Regulation") EIOPA may issue Guidelines addressed to competent authorities or financial institutions.

EIOPA shall, where appropriate, conduct open public consultations and analyse the potential costs and benefits. In addition, EIOPA shall request the opinion of the Insurance and Reinsurance Stakeholder Group (hereinafter "IRSG") referred to in Article 37 of the EIOPA Regulation.

EIOPA has developed guidelines on the exchange of information on a systematic basis within colleges in order to ensure a sufficient level of convergence as regards the scope of information to be exchanged on a systematic basis.

As a result of the above, on 2 December 2014 EIOPA launched a public consultation on the draft Guidelines on the exchange of information on a systematic basis within colleges. The Consultation Paper is also published on EIOPA's website<sup>1</sup>.

These Guidelines are addressed to competent authorities within the colleges of EEA groups to:

- facilitate activities of colleges by means of ensuring a consistent approach to exchange of information on a systematic basis and providing supervisory authorities with flexibility necessary to adopt the scope of information exchanged to the needs of particular colleges;
- enhance the single market level playing field through a proportionate approach in their practical application.

## Content

This Final Report includes the feedback statement to the consultation paper (EIOPA-CP-14/050) and the full package of the public consultation, including:

Annex I: Guidelines

Annex II: Impact Assessment

Annex III: Resolution of comments

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<sup>1</sup> [Consultation Paper](#)

## **Next steps**

In accordance with Article 16 of the EIOPA Regulation, within 2 months of the issuance of these Guidelines, each competent authority shall confirm if it complies or intends to comply with these Guidelines. In the event that a competent authority does not comply or does not intend to comply, it shall inform EIOPA, stating the reasons for non-compliance.

EIOPA will publish the fact that a competent authority does not comply or does not intend to comply with these Guidelines. The reasons for non-compliance may also be decided on a case-by-case basis to be published by EIOPA. The competent authority will receive advanced notice of such publication.

EIOPA will, in its annual report, inform the European Parliament, the Council and the European Commission of the Guidelines issued, stating which competent authority has not complied with them, and outlining how EIOPA intends to ensure that concerned competent authorities follow its Guidelines in the future.

## **2. Feedback statement**

### **Introduction**

EIOPA would like to thank the IRSG and all the participants to the public consultation for their comments on the draft Guidelines. The responses received have provided important feedback to EIOPA in preparing a final version of these Guidelines. All of the comments made were given careful consideration by EIOPA. A summary of the main comments received and EIOPA's response to them can be found in the sections below. The full list of all the comments provided and EIOPA's responses to them is published on EIOPA's website.

### **General comments**

The following is a summary of the key topics raised during the public consultation and EIOPA's consideration of these issues:

#### **2.1. The content of Technical Annexes 1 and 2**

- a. A significant number of comments suggested that Annexes 1 and 2 are unnecessary, since they merely repeat the content of Commission Delegated Regulation (EU) 2015/35.
- b. EIOPA did not agree with those comments and explained that the aim of these guidelines is to facilitate the exchange of information between supervisors. The annexes do not duplicate the provisions of Commission Delegated Regulation (EU) 2015/35. The purpose of the guidelines and annexes is to identify relevant extract from the content of SFCR and RSR, as specified in that Delegated Regulation and in EIOPA guidelines on reporting and public disclosure (as regards operations and transactions), which should be taken into account by the group supervisor and the other supervisory authorities within the college when deciding in the coordination arrangements upon the scope of information to be exchanged within colleges pursuant to Article 357 of that Delegated Regulation.

#### **2.2. Deletion of Guideline 1**

- a. It was suggested to delete Guideline 1, since the criteria used within the college to assess the information not needed to be exchanged on a systematic basis should not be subject to a guideline. It was argued by stakeholders that the college to decide which criteria are the most appropriate. It was also raised in this context that the list is exhaustive which could not be adequate for some colleges.
- b. EIOPA explained that the aim of this guideline is to assist the colleges in their decision-making process. It recommends the supervisory authorities to consider specific criteria when deciding upon the scope of information to be exchanged. However, the text of the guideline was slightly amended in order to clarify that the list of criteria is not exhaustive. Therefore, it is possible to consider also other criteria, relevant for the college concerned.

### **2.3. Localisation of the guidelines**

- a. Some stakeholders commented that all guidelines should be moved to EIOPA Guidelines on operational functioning of colleges, since there is no purpose of having two different guidelines to deal with the same issues, which is to facilitate the activities of colleges and to ensure a consistent approach in deciding the scope of the information to be exchanged within the colleges.
- b. EIOPA explained that these guidelines were developed separately for practical reasons. The guidelines address a specific area of supervisory cooperation, which is the scope of information exchange on a systematic basis.

### **General nature of participants to the Public Consultation**

EIOPA received comments from the IRSG and two responses from other stakeholders to the public consultation. All the comments received have been published on EIOPA's website.

Respondents can be classified into the category of European trade, insurance or actuarial associations.

### **IRSG opinion**

The particular comments from the IRSG on the Guidelines at hand can be consulted on EIOPA's website<sup>2</sup>. The IRSG commented in particular that all guidelines should be moved to EIOPA Guidelines on operational functioning of colleges, since there is no purpose of having two different guidelines to deal with the same issues, which is to facilitate the activities of colleges and to ensure a consistent approach in deciding the scope of the information to be exchanged within the colleges. EIOPA partially agreed with the comment and explained that these guidelines were developed separately for practical considerations.

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<sup>2</sup> [IRSG opinion](#)

### **3. Annexes**

# Annex I: Guidelines

## Guidelines on exchange of information on a systematic basis within colleges

### 1. Introduction

- 1.1. According to Article 16 and 21(3) of Regulation (EU) No 1094/2010 of the European Parliament and of the Council (hereinafter EIOPA Regulation)<sup>3</sup> and with regard to Article 249 of Directive 2009/138/EC of the European Parliament and of the Council (hereinafter "Solvency II Directive")<sup>4</sup> as well as to Article 357 of Commission Delegated Regulation (EU) 2015/35<sup>5</sup>, EIOPA developed guidelines on exchange of information on a systematic basis within the colleges of supervisors (hereinafter colleges). These guidelines address the practical needs of colleges for regular exchange of information, identified by EIOPA in comprehensive reviews of their work through action plans for colleges, EIOPA's college reports and peer reviews. Based on these elements EIOPA assessed the level of convergence needed and identified the areas and content to be covered by these guidelines.
- 1.2. These guidelines aim at facilitating activities of colleges in the field of exchange of information on a systematic basis. By developing common practices in this area, the guidelines ensure a consistent approach in deciding upon the scope of information to be exchanged within colleges on a regular basis. These guidelines also aim at enhancing the single market level playing field through a proportionate approach in their practical application.
- 1.3. These guidelines address a particular aspect of supervisory cooperation within colleges by supplementing the Guidelines on operational functioning of colleges.
- 1.4. These guidelines are addressed to supervisory authorities within the colleges of EEA groups.
- 1.5. If not defined in these Guidelines, the terms have the meaning defined in the legal acts referred to in the introduction.
- 1.6. The Guidelines shall apply from 1 January 2016.

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<sup>3</sup> Regulation (EU) No 1094/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/79/EC (OJ L 331, 15.12.2010, p. 48)

<sup>4</sup> Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p.1)

<sup>5</sup> Commission Delegated Regulation (EU) No 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 12, 17.01.2015, p. 1)



## **Guideline 1 – Assessment of the scope of the information exchanged on a systematic basis**

- 1.7. When determining whether part of information to be exchanged on a systematic basis pursuant to Article 357 of Delegated Regulation (EU) 2015/35 is not needed for the activities of the college, supervisory authorities within the college should consider at least the following elements:
- the significance of the information considering the nature, scale and complexity of the risks of the group and individual related undertakings which are part of the group;
  - the significance of the related undertakings within the group and their materiality in the local market;
  - supervisory authorities' specific needs in terms of the supervisory review process at both individual and group level;
  - the group supervisor's tasks of planning and coordinating the supervisory activities;
  - the avoidance of duplication of tasks and reporting;
  - supervisory authorities' limitations to a timely exchange of additional information;
  - the existence and relevance of cross-border intra-group transactions that could possibly raise contagion risk within the group.

## **Guideline 2 – Information provided by the other supervisory authorities to the group supervisor**

- 1.8. When deciding in the coordination arrangements on the scope of information to be exchanged within colleges pursuant to Article 357(2) of Delegated Regulation (EU) 2015/35, the group supervisor and the other supervisory authorities within the college should take into account the information listed in Technical Annex 1 in the light of the elements provided in Guideline 1.

## **Guideline 3 – Information provided by the group supervisor to the other supervisory authorities**

- 1.9. When deciding in the coordination arrangements on the scope of information to be exchanged within colleges pursuant to Article 357(3)(a) of Delegated Regulation (EU) 2015/35, the group supervisor and the other supervisory authorities within the college should take into account the information listed in Technical Annex 2 in the light of the elements provided in Guideline 1.

## **Guideline 4 – Exchange of selected data**

- 1.10. The group supervisor and the other supervisory authorities within the college should agree on a list of selected data to be exchanged as part of the systematic exchange of information. When deciding in the coordination arrangements on the list of selected data, the group supervisor and the other supervisory authorities should take into account the information listed in Technical Annex 3 in the light of the elements provided in Guideline 1.

## **Compliance and Reporting Rules**

- 1.11. This document contains Guidelines issued under Article 16 of the EIOPA Regulation. In accordance with Article 16(3) of the EIOPA Regulation, competent authorities and financial institutions shall make every effort to comply with guidelines and recommendations.
- 1.12. Competent authorities that comply or intend to comply with these Guidelines should incorporate them into their regulatory or supervisory framework in an appropriate manner.
- 1.13. Competent authorities shall confirm to EIOPA whether they comply or intend to comply with these Guidelines, with reasons for non-compliance, within two months after the issuance of the translated versions.
- 1.14. In the absence of a response by this deadline, competent authorities will be considered as non-compliant to the reporting and reported as such.

## **Final Provision on Reviews**

- 1.15. The present Guidelines shall be subject to a review by EIOPA.

## 2. Explanatory text

### **Guideline 1 – Assessment of the scope of the information exchanged on a systematic basis**

When determining whether part of information to be exchanged on a systematic basis pursuant to Article 357 of Delegated Regulation (EU) 2015/35 is not needed for the activities of the college, supervisory authorities within the college should consider at least the following elements:

- the significance of the information considering the nature, scale and complexity of the risks of the group and individual related undertakings which are part of the group;
- the significance of the related undertakings within the group and their materiality in the local market of the Member State where they are authorized;
- supervisory authorities' specific needs in terms of the supervisory review process at both individual and group level;
- the group supervisor's tasks of planning and coordinating the supervisory activities;
- the avoidance of duplication of tasks and reporting;
- supervisory authorities' limitations to a timely exchange of additional information;
- the existence and relevance of cross-border intra-group transactions that could possibly raise contagion risk within the group.

- 2.1. Supervisory authorities in the college exchange information provided for in Article 357(2) and (3) of Delegated Regulation (EU) 2015/35, unless they decide that certain parts of this information are not needed for the activities of the college. Annexes 1 and 2 of these guidelines include a list of selected parts of information listed in Article 357(2) and (3) of Delegated Regulation (EU) 2015/35, which needs to be taken into account by supervisory authorities within the college when deciding about the scope of information to be exchanged.
- 2.2. Considering the elements provided in Guideline 1, supervisory authorities may decide that certain items listed in Annexes 1 and 2 at individual and group level are not needed or additional items are needed for the activities of the college. Supervisory authorities within the college can decide upon different pieces of information to be exchanged within each of the following flow of information:
  - to be provided by the other supervisory authorities to the group supervisor pursuant to Article 357(2) of Delegated Regulation (EU) 2015/35;
  - to be provided by the group supervisor to the other supervisory authorities pursuant to Article 357(3)(a) of Delegated Regulation (EU) 2015/35;
  - to be disseminated by the group supervisor to the other supervisory authorities pursuant to Article 357 (3)(b) of Delegated Regulation (EU) 2015/35.

## **Guideline 2 – Information provided by the other supervisory authorities to the group supervisor**

When deciding in the coordination arrangements on the scope of information to be exchanged within colleges pursuant to Article 357(2) of Delegated Regulation (EU) 2015/35, the group supervisor and the other supervisory authorities within the college should take into account the list provided in Annex 1 in the light of the elements provided in Guideline 1.

2.3. This guideline refers to information which needs to be provided by the other supervisory authorities to the group supervisor in accordance with Article 357(2) of Delegated Regulation (EU) 2015/35. Supervisory authorities within each college are allowed to agree upon a different scope of information to be exchanged depending on the needs of the activities of the college.

## **Guideline 3 – Information provided by the group supervisor to the other supervisory authorities**

When deciding in the coordination arrangements on the scope of information to be exchanged within colleges pursuant to Article 357(3)(a) of Delegated Regulation (EU) 2015/35, the group supervisor and the other supervisory authorities within the college should take into account the list provided in Annex 2 in the light of the elements provided in Guideline 1.

2.4. This guideline refers to information which needs to be provided by the group supervisor to the other supervisory authorities within the college in accordance with Article 357(3)(a) of Delegated Regulation (EU) 2015/35. Supervisory authorities within each college are allowed to agree upon a different scope of information to be exchanged depending on the needs of the activities of the college.

2.5. Additionally, supervisory authorities within the college may decide in accordance with Guideline 1 what parts of information regarding each related insurance or reinsurance undertaking falling within the scope of group supervision, referred to in Article 357(2) of Delegated Regulation (EU) 2015/35, should be disseminated by the group supervisor to the other supervisory authorities, in accordance with Article 357(3)(b) thereof.

## **Guideline 4 – Exchange of selected data**

The group supervisor and the other supervisory authorities within the college should agree on a list of selected data to be exchanged as part of the systematic exchange of information. When deciding in the coordination arrangements on the list of selected data, the group supervisor and the other supervisory authorities within the college should take into account the list provided in Annex 3 in the light of the elements provided in Guideline 1.

2.6. This guideline refers to exchanging on systematic basis information other than selected parts of information referred to in Article 357 of Delegated Regulation (EU) 2015/35. Items referred to in Guidelines 2 and 3, as listed in Annexes 1

and 2, are simply extracted from regular supervisory reporting and solvency and financial condition reports. Selected data referred to in this guideline are calculated on the basis of information submitted to supervisory authorities by individual undertakings and groups.

## Technical Annexes

### Technical Annex I – Information provided by the other supervisory authorities to the group supervisor

1. Material extracted from the solvency and financial condition report of the insurance or reinsurance undertaking, covering the following areas:
  - 1.1. Concerning the business and performance of the undertaking (Article 293 of Delegated Regulation (EU) 2015/35):
    - 1.1.1. name and legal form of the undertaking;
    - 1.1.2. any significant business or other events that have occurred over the reporting period that have had a material impact on the undertaking.
  - 1.2. Concerning the system of governance (Article 294 of Delegated Regulation (EU) 2015/35):
    - 1.2.1. any material changes in the system of governance that have taken place over the reporting period.
  - 1.3. Concerning capital management (Article 297 of Delegated Regulation (EU) 2015/35):
    - 1.3.1. indication if the undertaking is using an internal model or a partial internal model for the calculation of its Solvency Capital Requirement;
    - 1.3.2. a description of any item deducted from own funds and a brief description of any significant restriction affecting the availability and transferability of own funds within the undertaking;
    - 1.3.3. the amounts of the undertaking's Solvency Capital Requirement and the Minimum Capital Requirement at the end of the reporting period, accompanied, where applicable, by an indication that the final amount of the Solvency Capital Requirement is still subject to supervisory assessment;
    - 1.3.4. any material change to the Solvency Capital Requirement and to the Minimum Capital Requirement over the reporting period, and the reasons for any such change;
    - 1.3.5. regarding any non-compliance with the undertaking's Minimum Capital Requirement: the period and maximum amount of each non-compliance during the reporting period, an explanation of its origin and consequences, any remedial measures taken, as provided for under Article 51(1)(e)(v) of Directive 2009/138/EC and an explanation of the effects of such remedial measures;
    - 1.3.6. where non-compliance with the undertaking's Minimum Capital Requirement has not been subsequently resolved: the amount of the non-compliance at the reporting date;
    - 1.3.7. regarding any significant non-compliance with the undertaking's Solvency Capital Requirement during the reporting period: the period and

maximum amount of each significant non-compliance and, in addition to the explanation of its origin and consequences as well as any remedial measures taken, as provided for under Article 51(1)(e)(v) of Directive 2009/138/EC and an explanation of the effects of such remedial measures;

1.3.8. where a significant non-compliance with the undertaking's Solvency Capital Requirement has not been subsequently resolved: the amount of the non-compliance at the reporting date.

2. Material extracted from the regular supervisory reporting of the undertaking, covering the following areas:

2.1. Summary highlighting any material changes that have occurred in the undertaking's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period, with a concise explanation of the causes and effects of such changes, following Article 304(2) of Delegated Regulation (EU) 2015/35.

2.2. Concerning business and performance (Guideline 20 of EIOPA Guidelines on reporting and public disclosure):

2.2.1. qualitative and quantitative information regarding significant transactions within the group including information on:

- the amount of the transactions;
- the amount of outstanding balances, if any;
- relevant terms and conditions of the transactions.

2.3. Concerning risk profile (Article 309 of Delegated Regulation (EU) 2015/35):

2.3.1. with respect to risk concentration, information on the material risk concentrations to which the undertaking is exposed to and an overview of any future risk concentrations anticipated over the business planning time period given the undertaking's business strategy, and how these risk concentrations will be managed.

3. The following quantitative templates:

3.1. S.23.01.01

3.2. S.23.02.01

3.3. S.23.03.01

3.4. S.23.04.01

3.5. S.04.01.01

4. The outcome of the risk assessment framework from the supervisory review process.

## **Technical Annex II – Information provided by the group supervisor to the other supervisory authorities**

1. Material extracted from the group solvency and financial condition report, covering the following areas:
  - 1.1. Concerning business and performance (Article 359 of Delegated Regulation (EU) 2015/35):
    - 1.1.1. any significant business or other events that have occurred over the reporting period that have had a material impact on the group.
  - 1.2. Concerning the system of governance (Article 359 of Delegated Regulation (EU) 2015/35):
    - 1.2.1. any material changes in the system of governance that have taken place over the reporting period.
  - 1.3. Concerning capital management (Article 359 of Delegated Regulation (EU) 2015/35):
    - 1.3.1. indication if the group is using an internal model or a partial internal model for the calculation of its Solvency Capital Requirement;
    - 1.3.2. information on the objectives, policies and processes employed by the group for managing its own funds and on any material changes over the reporting period;
    - 1.3.3. a description of any item deducted from own funds and a brief description of any significant restriction affecting the availability and transferability of own funds within the group;
    - 1.3.4. the amount of the group's Solvency Capital Requirement at the end of the reporting period, accompanied, where applicable, by an indication that the final amount of the Solvency Capital Requirement is still subject to supervisory assessment;
    - 1.3.5. any material change to the Solvency Capital Requirement over the reporting period, and the reasons for any such change;
    - 1.3.6. regarding any non-compliance with the minimum consolidated group Solvency Capital Requirement during the reporting period: the period and maximum amount of each non-compliance, an explanation of its origin and consequences, any remedial measures taken, as provided for under Article 51(1)(e)(v) of the Directive 2009/138/EC and an explanation of the effects of such remedial measures;
    - 1.3.7. regarding any significant non-compliance with the group Solvency Capital Requirement during the reporting period: the period and maximum amount of each non-compliance, an explanation of its origin and consequences, any remedial measures taken, as provided for under Article 51(1)(e)(v) of the Directive 2009/138/EC and an explanation of the effects of such remedial measures;



- 1.3.8. where a significant non-compliance with the group Solvency Capital Requirement, has not been subsequently resolved: the amount of the non-compliance at the reporting date.
2. Material extracted from the group regular supervisory reporting, covering the following areas:
    - 2.1. Summary highlighting any material changes that have occurred in the group's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period, with a concise explanation about the causes and effects of such changes, following Article 304(2) of Delegated Regulation (EU) 2015/35.
    - 2.2. Concerning business and performance (Article 372 of Delegated Regulation (EU) 2015/35):
      - 2.2.1. an analysis of the group's overall underwriting performance during the reporting period;
      - 2.2.2. information on the group's underwriting performance by line of business during the reporting period against projections, and significant factors affecting deviations from these projections;
      - 2.2.3. projections of the group's underwriting performance, with information on significant factors that might affect such underwriting performance, over its business planning time period;
      - 2.2.4. an analysis of the group's overall investment performance during the reporting period and also by relevant asset class;
      - 2.2.5. projections of the group's expected investment performance, with information on significant factors that might affect such investment performance, over its business planning time period;
      - 2.2.6. information on any material income and expenses, other than underwriting or investment income and expenses, over the undertaking's business planning time period;
      - 2.2.7. a description of activities and sources of profits or losses for each material related undertaking within the meaning of Article 256a of Directive 2009/138/EC;
      - 2.2.8. description of the contribution of each subsidiary to the achievement of the group strategy;
      - 2.2.9. qualitative and quantitative information on significant intra-group transactions by insurance and reinsurance undertakings within the group and the amount of the transactions over the reporting period and their outstanding balances at the end of the reporting period (Article 372 of Delegated Regulation (EU) 2015/35); including information on the terms and conditions of the intra-group operations and transactions including information on (Guideline 27 of EIOPA Guidelines on reporting and public disclosure):
        - commercial rationale for the operation or transaction;

- risks borne by, and rewards available to, each party to the operation or transaction;
- any particular aspects of the operation or transaction that are (or may become) disadvantageous to either party;
- any conflicts of interest that may have arisen in negotiating and executing the operation or transaction, and any potential conflicts of interest that may arise in the future;
- if the transaction is linked to other operations or transactions in terms of timing, function and planning, the individual effect of each operation or transaction and the overall net impact of the linked operations and transactions on each party to the operation or transaction and on the group; and
- extent to which the operation or transaction is depending on a winding-up and circumstances in which the operation or transaction can be executed.

2.3. Concerning risk profile (Article 372 of Delegated Regulation (EU) 2015/35):

2.3.1. with respect to risk concentration, information on the material risk concentrations to which the group is exposed to and an overview of any future risk concentrations anticipated over the business planning time period given the group's business strategy, and how these risk concentrations will be managed. If the group regular supervisory report is submitted less frequently than annually, the group supervisor should provide the other supervisory authorities with the template S.37.01.g.

3. The following quantitative templates:

- 3.1. S.23.01.04
- 3.2. S.23.02.01
- 3.3. S.23.03.01
- 3.4. S.23.04.04
- 3.5. S.25.01.04
- 3.6. S.25.02.04
- 3.7. S.25.03.04
- 3.8. S.32.01.04
- 3.9. S.36.01.01
- 3.10. S.36.02.01
- 3.11. S.36.03.01
- 3.12. S.36.04.01

4. The outcome of the group risk assessment framework from the group supervisory review process.

### Technical Annex III – List of selected data

No	Selected data	At individual level	At group level
1	Government bonds	X	X
2	Corporate Bonds – Financial and insurance activities	X	X
3	Corporate Bonds – Non-Financial and insurance activities	X	X
4	Cash & Deposits	X	X
5	Equity	X	X
6	Participations		X
7	Property	X	X
8	Gross written premium life	X	X
9	Gross written premium non-life	X	X
10	Non-life technical provisions	X	X
11	Change in life technical provisions	X	X
12	Investment returns	X	X
13	Net combined ratio	X	X
14	Reinsurance part of premiums	X	X

#### 1) Investments in Government Bonds as a percentage of total investments and cash

This ratio is the percentage of government bonds held by the undertaking or group within the total amount of investments and cash held by the undertaking or group.

The amount of government bonds (the numerator) is divided by the amount of total investments and cash (the denominator). This number will be a percentage between 0 and 100%.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the numerator is calculated by screening the first category of the Complementary Identification Code which corresponds to the category of government bonds.

The denominator corresponds to the sum of the amount listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

## **2) Investments in Corporate Bonds – Financial and insurance activities as a percentage of total investments and cash**

This ratio is the percentage of financial and insurance related corporate bonds held by the undertaking or group within the total amount of investments and cash held by the undertaking or group.

The amount of financial and insurance related corporate bonds (the numerator) is divided by the amount of total investments and cash (the denominator). This number will be a percentage between 0 and 100%.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the numerator is calculated by screening the second category of the Complementary Identification Code which corresponds to the category of corporate bonds. An additional screening is needed to identify the issuer's economic sector in order to figure out the corporate bonds issued by the companies classified as financial and insurance activities (financial service activities, insurance, reinsurance, pension funding, activities auxiliary to financial services and insurance activities). The issuer's economic sector is identified based on the NACE code (acronym used to designate the various statistical classifications of economic activities developed since 1970 in the European Union).

The denominator corresponds to the sum of the amount listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

## **3) Investments in Corporate Bonds - Non-Financial and Insurance activities as a percentage of total investments and cash**

This ratio is the percentage of non-financial and insurance related corporate bonds held by the undertaking or group within the total amount of investments and cash held by the undertaking or group.

The amount of non-financial and insurance related corporate bonds (the numerator) is divided by the amount of total investments and cash (the denominator). This number will be a percentage between 0 and 100%.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the numerator is calculated by screening the second category of the Complementary Identification Code which corresponds to the category of corporate bonds. An additional screening is needed to identify the issuer economic sector in order to figure out the corporate bonds issued by the companies classified as other than financial and insurance activities. The issuer economic sector is identified based on the NACE code (acronym used to designate the

various statistical classifications of economic activities developed since 1970 in the European Union).

The denominator corresponds to the sum of the amount listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

#### **4) Cash and Deposits as a percentage of total investments and cash**

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in cash and other similarly short term investments that could be considered more liquid than other types of investments.

The amount of cash and deposits (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof the amount listed in the assets category under 'Cash and Cash Equivalents' is summed with the amount listed in the assets category under 'Deposits other than cash equivalents' and is then divided by the sum of the item listed in the assets category as 'investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

#### **5) Equity investments as a percentage of total investments and cash**

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in equity investments (which generally have uncertain income streams).

The amount of equity investments (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the amount listed in the assets category under 'Equities' is divided by the sum of the item listed in the assets category as 'Investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

#### **6) Participations as a percentage of total investments and cash**

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in participations of other undertakings.

The amount of participations (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the amount listed in the assets

category under 'Participations' is divided by the sum of the item listed in the assets category as 'Investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

### **7) Property as a percentage of total investments and cash**

This ratio demonstrates what percentage of a group or undertaking's total investments and cash are held in property.

The amount of property (the numerator) is divided by the amount of total investments and cash (the denominator) and this number will be a percentage between 0 and 100%.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the amount listed in the assets category under 'Property (other than for own use)' is divided by the sum of the item listed in the assets category as 'Investments' and the amount listed in the assets category under 'Cash and Cash Equivalents' in the balance-sheet.

### **8) Gross written premiums life - percentage change year-to-date**

This ratio demonstrates the year-to-date percentage change of gross written life insurance premiums including index-linked and unit-linked business, health similar to life insurance and life and health reinsurance business.

The amount of total gross life insurance written premiums (incl. index-linked and unit-linked business and health similar to life), life and health reinsurance written premiums of the current year (t) (numerator), is divided by the amount of total gross life insurance written premiums (incl. index-linked and unit-linked business and health similar to life), life and health reinsurance written premiums of the previous year (t-1) (denominator). Then the result is converted into a percentage by deducting 1 and multiplying by 100.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC, the sum of the amounts related to gross written premiums under the various lines of business for life obligations and life reinsurance obligations of the current year (t) is divided by the sum of the amounts related to gross written premiums under the various lines for life obligations and life reinsurance obligations of the previous year (t-1). Then the result is converted into a percentage by deducting 1 and multiplying by 100.

### **9) Gross written premiums non-life - percentage change year-to-date**

This ratio demonstrates the year-to-date percentage change of gross non-life insurance and reinsurance written premiums including direct, proportional and non-proportional reinsurance business accepted.

The amount of total gross non-life insurance written premiums (incl. direct business, proportional and non-proportional reinsurance accepted) for the current year (t) (numerator) is divided by the amount of total gross premiums written non-life

insurance (incl. incl. direct business, proportional and non-proportional reinsurance accepted) of the previous year (t-1) (denominator). Then the result is converted into a percentage by deducting 1 and multiplying by 100.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC, the sum of the amounts related to gross written premiums under the various lines of business for non-life obligations and non-life non-proportional reinsurance accepted of the current period (t) is divided by the sum of the amounts related to gross written premiums under the various lines for non-life obligations and non-life non-proportional reinsurance accepted. Then the result is converted into a percentage by deducting 1 and multiplying by 100.

### **10) Non-life technical provisions - percentage of gross non-life insurance written premiums**

This ratio measures the amount of non-life technical provisions compared to the amount of gross written premiums non-life insurance and reinsurance.

The sum (numerator) of total non-life technical provisions (excl. health) and total health technical provisions (similar to non-life) is divided by the sum of total gross written premiums non-life (denominator), i.e. the amount of total gross written premiums non-life insurance (incl. direct business, proportional and non-proportional reinsurance accepted).

The ratio shall be calculated on annualised basis, where:

- the numerator is calculated as average of the values at the end of the actual quarter and each of the three preceding quarters;
- the denominator shall reflect the value of a full reporting year or, for quarterly reporting, the sum of the values of the actual quarter and the preceding quarters needed to cover a full year period.

Using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the four quarter average of the sum of total gross non-life technical provisions (excl. health) in the balance-sheet is divided by the sum of the amounts related to gross written premiums under the various lines of business for non-life obligations and non-life non-proportional reinsurance accepted in the relevant template for the period (t), covering the four quarters preceding the current year's reporting date. Then the result is multiplied by 100 to convert the final result into 'percentage' format.

### **11) Change in life technical provisions (incl. health, excl. index-linked and unit-linked business) - % change year-over year**

This ratio measures the change in life technical provisions by comparing the current year's amount of technical provisions with the previous year's gross technical provisions.

The current year's life technical provisions (numerator) is divided by the previous year's life technical provisions (denominator) and then converted into a percentage by deducting 1 and multiplying by 100.

Using information from the template to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof, the sum of total life technical provisions (excluding health, index-linked and unit-linked,) and total health technical provisions (similar to life business) of the current period (t) in the balance sheet by the sum of total life technical provisions (excluding health, index-linked and unit-linked) and total health technical provisions (similar to life business) in the balance sheet of the previous period (t-1). Subtract 1 from the result and convert the final result into percentage format.

## **12) Investment returns ratio**

This ratio is a measure of assets investment returns compared to the total amount of investments. The ratio can also be used to measure the undertaking's investment returns over time by comparing it to previous versions.

The sum of investment returns (the numerator) is divided by the total investments (other than assets held for index-linked and unit-linked funds) (the denominator).

The numerator, Investment returns, measures the value of all returns on investments other than assets held for index and unit linked funds such as dividends, interests, rent, net gains and losses.

The denominator, Total Investments (other than assets held for index-linked and unit-linked funds), measures the value of all investments other than assets held for index and unit linked funds (property, participations, equities, bonds, investment funds, derivatives, deposits other than cash equivalents, other investments).

The ratio can be calculated on the basis of the template to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC and based on the valuation as described under Article 75 thereof. The numerator value can be taken from the relevant template that provides information about the investment performance by asset category defined in the Complementary Identification Code as the sum of all dividends, interests, rent and net gains and losses for all asset categories listed in the profitability section.

The denominator value can be taken from the relevant template that represents the value of all investments other than assets held for index-linked and unit-linked funds in the balance sheet.

The ratio shall be calculated on annualised basis, where:

- the numerator shall represent the value of a full reporting year, or, for quarterly reporting the sum of the values of the actual quarter and the preceding quarters needed to cover the full year period;
- the denominator shall be calculated as an average of the values at the end of the actual quarter and each of the three preceding quarters.

## **13) Gross combined Ratio**



This ratio is a measure of the underwriting performance of a non-life insurance or reinsurance undertaking or group. The result is expressed as a percentage and a value below 100% indicates that the company is making underwriting profit while a ratio above 100% means that it is paying out more money in claims and expenses than it is receiving from premiums. The gross combined ratio is comprised of the loss ratio and the expense ratio.

The sum of incurred losses and expenses (the numerator) is divided by the amount of premiums earned (the denominator).

The ratio can be calculated using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC. The value of the numerator can be obtained from the relevant template where non-life undertakings and groups report claims paid under the various lines of business and total Expenses.

The value of the denominator can be obtained from the relevant template where undertakings and groups report gross premiums earned under the various lines of business.

#### **14) Reinsurance Part of Premiums**

The ratio is used to measure the amount of reliance on reinsurance the group or undertaking has.

The amount of premiums ceded to a reinsurer (the numerator) is divided by the total amount of premiums earned (the denominator).

The ratio can be calculated using information from the templates to be received under the regular supervisory reporting as required by Article 35 of Directive 2009/138/EC.

The numerator can be computed, annually and quarterly, on the basis of the relevant template where undertakings and groups report the reinsurers' share of premium earned for non-life and for life and the denominator can be computed on the basis of the relevant template where undertakings and groups report the total amount of premiums earned for non-life and for life.

## **Annex II: Impact Assessment**

### **Section 1: Procedural Issues**

According to Article 16 of the EIOPA Regulation, EIOPA conducts analysis of costs and benefits in the policy development process. The analysis of costs and benefits is undertaken according to an Impact Assessment methodology.

### **Section 2: Problem definition**

Pursuant to the Directive 2009/138/EC, supervisory authorities should exchange information within the colleges. This obligation is further specified in Commission Delegated Regulation (EU) 2015/35, which request supervisory authorities in colleges to exchange certain information, unless they decide that part of this information is not needed.

Sufficient level of convergence should be ensured as regards the scope of information exchanged on a systematic basis, in order to ensure that supervisory authorities receive information relevant to their needs. At the same time, supervisory authorities should be provided with flexibility necessary to adopt the scope of information exchanged to the needs of particular colleges.

The absence of specific guidelines may lead to inconsistent approach in deciding upon the scope of information to be exchanged in different colleges. Without the guidelines on this issue, supervisory authorities would need to agree upon the scope of information to be exchange within each college. This would lead to a lack of convergence in the scope of information exchanged, not justified by the needs of particular colleges. There is potential for further harmonisation in this field. Therefore, EIOPA propose the guidelines on systematic exchange of information within colleges.

### **Baseline**

When analysing the impact from proposed policies, the Impact Assessment methodology foresees that a baseline scenario is applied as the basis for comparing policy options. This helps to identify the incremental impact of each policy option considered. The aim of the baseline scenario is to explain how the current situation would evolve without additional regulatory intervention.

The baseline scenario constitutes of the relevant legal provisions regarding the exchange of information within colleges, in particular:

- Article 249 of the Directive 2009/138/EC, which provides for a general principle of information exchange within colleges;
- Article 357 of Commission Delegated Regulation (EU) 2015/35, which provides for the scope of information to be exchanged on a systematic basis between the supervisory authorities in the college, unless they decide as part of the coordination arrangements that part of it is not needed for the activities of the college.

## Policy Objective

The objective of developing these guidelines is to ensure uniform conditions of application in relation to exchange of information between supervisory authorities.

## Policy options

Key area 1 – the scope of information to be provided by the group supervisor to other supervisory authorities

- **Option 1** – no guidelines are issued on the scope of information to be provided by the group supervisor to other supervisory authorities;
- **Option 2** – the guidelines provide for a list of selected parts of information to be taken into account when deciding on the scope of information to be exchanged.

Key area 2 – the scope of information to be provided by the supervisory authorities to the group supervisor

- **Option 1** – no guidelines are issued on the scope of information to be provided by the supervisory authorities to the group supervisor;
- **Option 2** – the guidelines provide for a list of selected parts of information to be taken into account when deciding on the scope of information to be exchanged.

Key area 3 – the scope of information provided by the supervisory authorities to the group supervisor to be disseminated to the other supervisory authorities

- **Option 1** – the guidelines provide for the scope of information to be disseminated by the group supervisor;
- **Option 2** – no guidelines are issued on the scope of information to be disseminated by the group supervisor to other supervisory authorities.

Key area 4 – other information to be exchanged on a systematic basis within colleges

- **Option 1** – the guidelines provide for additional information which may be exchanged within the college;
- **Option 2** – the guidelines do not provide for additional information which may be exchanged within the college.

## Analysis of policy options

Analysis of key area 1 – the scope of information to be provided by the group supervisor to other supervisory authorities

Pursuant to Article 357(3) (a) of Commission Delegated Regulation (EU) 2015/35, the group supervisor shall exchange with the other supervisory authorities within the college on a systematic basis the following information, regarding the participating insurance or reinsurance undertaking, the insurance holding company, or the mixed financial holding company:

- the group solvency and financial condition report (group SFCR);
- the group regular supervisory report (group RSR), as well as relevant group annual and quarterly quantitative templates;

- the conclusions drawn by the group supervisor following the supervisory review process carried out at group level.

The following policy options have been considered:

- **Option 1** – no guidelines are issued on the scope of information to be provided by the group supervisor to other supervisory authorities;
- **Option 2** – the guidelines provide for a list of selected parts of information to be taken into account when deciding the scope of information to be exchanged.

In the analysis of the costs and benefits of the above-mentioned options it has been taken into account that Article 357(1) of Commission Delegated Regulation (EU) 2015/35 provides flexibility in this regards and allows supervisory authorities within the college to decide that some parts of information mentioned in this article are not needed for the activities of the college.

#### Analysis of key area 2 – the scope of information to be provided by the supervisory authorities to the group supervisor

Pursuant to Article 357(2) of Commission Delegated Regulation (EU) 2015/35, the other supervisory authorities within the college shall exchange with the group supervisor on a systematic basis, for each related insurance or reinsurance undertaking falling within the scope of group supervision, the following information:

- the solvency and financial condition report, unless the group supervisor has agreed under Article 256(2) of the Directive 2009/138/EC to the inclusion of subsidiaries within the group in a single solvency and financial condition report;
- the regular supervisory report, as well as relevant annual and quarterly quantitative templates;
- the conclusions drawn by the supervisory authority concerned following the supervisory review process carried out at the level of the individual undertaking.

The following policy options have been considered:

- **Option 1** – no guidelines are issued on the scope of information to be provided by the supervisory authorities to the group supervisor;
- **Option 2** – the guidelines provide for a list of selected parts of information to be taken into account when deciding the scope of information to be exchanged.

In the analysis of the costs and benefits of the above-mentioned options it has been taken into account that Article 357(1) of Commission Delegated Regulation (EU) 2015/35 provides flexibility in this regard and allows supervisory authorities within the college to decide that some parts of information provided thereof are not needed for the activities of the college.

### Analysis of key area 3 – the scope of information provided by the supervisory authorities to the group supervisor to be disseminated to the other supervisory authorities

The group supervisor shall exchange with the other supervisory authorities within the college on a systematic basis information referred to in Article 357(3) of Commission Delegated Regulation (EU) 2015/35 for each related insurance or reinsurance undertaking falling within the scope of group supervision.

The following policy options have been considered:

- **Option 1** – the guidelines provide for the scope of information to be disseminated by the group supervisor;
- **Option 2** – no guidelines are issued on the scope of information to be disseminated by the group supervisor to other supervisory authorities.

In the analysis of the costs and benefits of the above-mentioned options it has been taken into account that Article 357(3)(b) of Commission Delegated Regulation (EU) 2015/35 provides flexibility in this regards and allows supervisory authorities within the college to decide that some parts of information provided thereof are not needed for the activities of the college.

### Analysis of key area 4 – other information to be exchanged on a systematic basis within colleges

The following policy options have been considered:

- **Option 1** – the guidelines provide for additional information which may be exchanged within the college;
- **Option 2** – the guidelines do not provide for additional information which may be exchanged within the college.

It was analysed what additional information, apart from those referred to in Article 357 of Commission Delegated Regulation (EU) 2015/35, would be needed for the activities of the colleges. It was taken into account that sufficient flexibility needs to be ensured in this regard.

## **Comparison of options**

### Key area 1 – the scope of information to be provided by the group supervisor to other supervisory authorities

**Option 1** would not ensure convergence as regards exchange of information on a systematic basis within colleges. Option 2 indicates which parts of group SFCR and group RSR as well as which quantitative templates should be taken into account by supervisory authorities. At the same time it allows supervisory authorities within a college to adopt the scope of information exchanged to their needs.

On that basis, **Option 2** has been chosen.

## Key area 2 – the scope of information to be provided by the supervisory authorities to the group supervisor

**Option 1** would not ensure convergence as regards exchange of information on a systematic basis within colleges. Option 2 indicates which parts of SFCR and RSR of individual insurance and reinsurance undertakings as well as which quantitative templates should be taken into account by supervisory authorities. At the same time it allows supervisory authorities within a college to adopt the scope of information exchanged to their needs.

On that basis, **Option 2** has been chosen.

## Key area 3 – the scope of information provided by the supervisory authorities to the group supervisor to be disseminated to the other supervisory authorities

It was considered that the scope of this flow of information may differ significantly between colleges, taking into account which parts of information will be considered as needed or not needed by supervisory authorities within colleges, as regards individual undertakings that are part of the group. This flow of information would depend very much on individual features of the insurance group and structure of the college. **Option 2** provides more flexibility in this regard and serves in a better way the objective of proportionality.

On that basis, **Option 2** has been chosen.

## Key area 4 – other information to be exchanged on a systematic basis within colleges

It was found that certain selected data would be valuable for group supervisor and other supervisory authorities within colleges. On that basis it was concluded that **Option 2** would not serve the purpose of convergence. **Option 1** would enhance harmonisation in the field of information exchange. At the same time it is necessary to ensure that supervisory authorities are able to adopt the scope of information exchanged in this area to the nature, scale and complexity of the group as well as to the needs of a particular college.

On that basis, **Option 1** has been chosen.

## **Monitoring Indicators**

Possible indicators of progress towards meeting the objective could be:

- Frequency of systematic information exchange within colleges,
- Average length of a deadline for an exchange of information (on a systematic and ad-hoc basis),
- Number of colleges for which information exchange (at least part of it) was carried out in a language other than most commonly understood in the college.

## Annex III: Resolution of comments

Summary of Comments on Consultation Paper EIOPA-CP-14/050				
CP-14-050-GL on exchange of information				
EIOPA would like to thank Insurance and Reinsurance Stakeholder Group (IRSG), CRO Forum - CFO Forum, and Insurance Europe. The numbering of the paragraphs refers to Consultation Paper No. EIOPA-CP-14/050.				
No.	Name	Reference	Comment	Resolution
1.	IRSG	General Comment	<p>All Guidelines should be moved to the EIOPA Guidelines on the operational functioning of colleges of supervisors.</p> <p>Since the aim of these two guideline documents is to facilitate the activities of colleges and in both cases ensuring a consistent approach in deciding the scope of the information to be exchanged within the colleges, there is no purpose of having two different guidelines to deal with the same issues</p> <p>In the technical annexes, all references to the Solvency II Directive should be replace with a reference to Directive 2009/138/EC"</p>	<p><b>Not agreed</b></p> <p>These guidelines were developed separately for practical reasons. The guidelines address a specific area of supervisory cooperation, which is the scope of information exchange on a systematic.</p> <p>The complete reference to the Solvency II Directive appears at the beginning of each legal instrument, later abbreviations may be used</p>
2.	CRO Forum - CFO Forum	General Comment	<p>The guidelines on the whole appear sensible. However, we would question the need for the Technical Annexes 1 and 2. If these are intended to identify selected content from the Financial Condition Report and Regular Supervisory Report, then the relevant references for the Articles could be listed.</p>	<p><b>Agreed</b></p> <p>The articles of the Delegated Regulations will be listed in the annexes.</p>

			<p>As currently drafted, repeating information extracted from the Articles within the guidance appears to add little value. Also interpretation of the information required in the AFCR and RSR within the guidance, or adding new data not currently specified in the AFCR and RSR should be avoided. The College should work with the information contained within these and the guidance should not add to these reporting requirements.</p> <p>We suggest two sets of ratios for the information sharing. The first set covers ratios common to all insurance groups. The second set covers a long list of ratios which can be tailored to the insurance group under supervision. Group supervisor should consider which information is relevant in the report based on this second set.</p>	<p><b>Not agreed</b></p> <p>These guidelines intend to facilitate the exchange of information between supervisors by managing the amount of information in the most effective way. The annexes do not duplicate the provisions of the Delegated Regulation. The purpose of the guidelines and the annexes is to identify relevant extract from the content of SFCR and RSR as specified in the delegated regulation and in draft GLS on reporting and public disclosure (as regards operations and transactions). Also, all selected data specified in Annex 3 are ratios which can be calculated on the basis of reported data. There are no additional data specified in the annexes, therefore there will be no additional reporting requirements created by those guidelines.</p> <p><b>Not agreed</b></p> <p>The purpose is not to provide an exhaustive list of ratios, but rather to</p>
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				provide the most relevant one that could serve as a standard. However, each college should decide whether there is a need to exchange additional selected data, taking into account nature, scale and complexity of the risks inherent to the business of the group and insurance and reinsurance undertakings being part of this group.
3.	Insurance Europe	General Comment	<p>Insurance Europe welcomes the opportunity to comment on the guidelines on exchange of information on a systematic basis within colleges.</p> <p>However, we believe that this guidance would be better fit in EIOPA Guidelines on the operational functioning of colleges of supervisors, instead of having two separate documents.</p> <p>EIOPA's objective is to have two different documents to address the two types of exchange of information: on a systematic basis and ad-hoc exchange of information.</p> <p>The aims of these two sets of guidelines are the same: to facilitate colleges' activities and to ensure a consistent approach to deciding the scope of information to be exchanged within the colleges. We therefore do not see the purpose of having two different sets of guidelines to deal with the same issues.</p> <p>There would be added value in combining these into a single document, divided into chapters covering the two types of information exchange.</p>	<p><b>Partially agreed</b></p> <p>See response to comment 1</p>
4.	CRO Forum - CFO Forum	1.7.	<p>Guideline 1 in assessing the information to be exchanged, focuses on the materiality of the undertaking to the group, but perhaps should also include an assessment of materiality of the information.</p>	<p><b>Agreed</b></p> <p>These criteria will be added.</p> <p>In GL1, the first criteria will be amended as</p>

				follows: The significance of the information in relation with the nature, scale and complexity of the risks of the group and individual related undertakings that are part of the group"
5.	Insurance Europe	1.7.	<p>Guideline 1</p> <p>This Guideline should be deleted.</p> <p>The criteria used within the college to assess the information not needed to be exchanged in a systematic basis should not be subject to a Guideline that can be binding. It is up to the college to decide which criteria is the most appropriate. The list is exhaustive which could not be adequate for some colleges.</p> <p>In addition, the last bullet point ("The existence and relevance of cross-border intra-group transactions that could possibly raise contagion risk within the group") can be an important reason for exchanging information within the college. We do not see the reason of having this criteria in the list. The last bullet point should be deleted.</p>	<p><b>Partially agreed</b></p> <p>The aim of this guideline is to assist the college in their decision-making process. It requires the supervisory authorities to consider specific criteria when deciding upon the scope of information to be exchanged. However, it was added in the Guideline1 "at least" in order to stipulate, that the list of criteria is not exhaustive. Therefore it is possible to consider also other criteria, relevant for particular colleges.</p> <p><b>Partially agreed</b></p> <p>The existence and relevance of cross-border intra-group transactions is an important reason for exchanging information within the college and advocates for</p>

				<p>considering this element. If there are no cross-border intra-group transactions, then it may not be needed to exchange some part of the information. Therefore, the presence of IGT should remain in the list. However, we understand that the word criteria may have been misleading to some stakeholders. It will therefore be replaced by "elements" to consider. Modifications in GL 1, 2, 3 and 4.</p>
6.	IRSG	1.8.	Last line: "... considering the criteria"	<p><b>Agreed</b> Typo will be corrected.</p>
7.	IRSG	1.9.	Same as in 1.8	<p><b>Agreed</b> Typo will be corrected.</p>
8.	IRSG	1.10.	Title: "Exchange of selected data"	<p><b>Agreed</b> Typo will be corrected.</p>
9.	CRO Forum - CFO Forum	Technical Annex 1, point 1	<p>In general the provided guidance in several articles is unnecessary. The articles are listed below:  1.1 and 1.1.1 are covered in Article 293 1(a) of the implementing measures.  1.1.2 is covered in Article 293 1 (g) of the implementing measures  1.2.1 is covered in Article 294 1 (b) of the implementing measures.  1.3.1 whilst not expressed in exactly the same is covered by the requirements in Article 297 4 of the implementing measures.</p>	<p><b>Not agreed</b> See response to comment 2.</p>

			<p>1.3.2 is covered in Article 297 1(h) of the implementing measures.</p> <p>1.3.3 is covered in Article 297 2 (a) of the implementing measures.</p> <p>1.3.4 is covered in Article 297 2 (h) of the implementing measures.</p> <p>1.3.5 is covered in Article 297 5 (a) of the implementing measures.</p> <p>1.3.6 is covered in Article 297 5 (b) of the implementing measures.</p> <p>1.3.7 is covered in Article 297 5 (c) of the implementing measures.</p> <p>1.3.8 is covered in Article 297 5 (d) of the implementing measures.</p>	
10.	CRO Forum - CFO Forum	Technical Annex 1, point 2	<p>In general the provided guidance in several articles is unnecessary. The articles are listed below:</p> <p>2.1 effectively repeats what already appears in Article 304 (2) of the SII implementing measures.</p> <p>2.2 is unclear in terms of the nature of 'operations and transactions' within the group it is seeking to identify, and why, to assist the college in its assessment of business and performance. Article 307 (business and performance) of the SII implementing measures sets out a prescriptive list of underwriting and investment performance factors that should be included within the regular supervisory report.</p> <p>2.3 seems to summarise some of the information that Article 309 requires to be included within the regular supervisory report.</p>	<p><b>Not agreed</b></p> <p>Regarding point 2.1, see response to comment 2</p> <p>Regarding point 2.2, the phrase "operations and transactions" in the annex stems from the GLs on reporting and public disclosure</p> <p>Regarding point 2.3, see response to comment 2. Furthermore, point 2.3 of Annex 1 is not a summary but selects one specific elements referred to in Article 309(4) of Delegated Regulation.</p>
11.	CRO Forum - CFO Forum	Technical Annex 2, point 1	<p>As with Technical Annex 1 above, other than replacing undertaking with group this largely reflects requirements set out in the implementing measures.</p>	<p><b>Not agreed</b></p> <p>See comment 2</p>
12.	CRO Forum - CFO Forum	Technical Annex 2, point 2	<p>2.1 to 2.26, as above with Technical Annex 1 reflect requirements set out in the implementing measures. The guidelines should not merely repeat level 2.</p>	<p><b>Not agreed</b></p> <p>See response to comment 2</p>

13.	CRO Forum - CFO Forum	Technical Annex 2, point 3	2.3 is additional to the requirements set out on the implementing measures. This is therefore a new requirements rather than guidance, and inappropriately extends the scope of the regular supervisory report as set out in the legislation	<b>Not agreed</b> Point 2.3 of Annex 2 will be deleted
14.	CRO Forum - CFO Forum	Technical Annex 2, point 4	2.4.1 reflects what is in the implementing measures, and therefore guidance would appear unnecessary.	<b>Not agreed</b> It is unclear whether comment refers to point 2.4.1 regarding Risk concentration or TA2 Point 4 regarding SRP.  In the first case (Risk concentration), see response to comment 2 In the second case (Point 4 of TA2)  Art.357 of the delegated regulation only refers to the conclusions drawn by the group supervisor following the SRP carried out at group level and the individual undertakings. The TA further specifies the conclusions of the SRP
15.	CRO Forum - CFO Forum	Technical Annex 3, point 12	As noted in our response to the EIOPA consultation on guidelines on the operational function of colleges, we do not consider it would be appropriate to develop a ratio for investment returns, as this would not provide meaningful trend analysis that could be used to inform the College discussions with the insurance group. The ratios that the College develop should be capable of being derived from the regulatory returns insurance groups submit. The College should not seek to introduce additional reporting requirements.	<b>Not agreed</b> The investment return ratio is relevant and derived from the Solvency II regulatory reporting. Therefore, the College will not need to ask for additional reporting requirements.
16.	CRO Forum -	4.21.	Option 2 is noted as indicating which parts of SFCR and RSR of insurers	4.21 refers to the impact

	CFO Forum		<p>should be taken into account by supervisory authorities. If this is the intended outcome for Annex 1, this could be achieved through listing the sections of the Articles that should be included rather than copying parts of the Articles into the guidance.</p> <p>Whilst supervisory authorities within a college may adapt the scope of information exchanged to their needs, this should not lead to additional reporting requirements on the supervised insurers. The College should work with the information contained in the SFCR and RSR and not seek additional information.</p>	<p>assessment</p> <p><b>Not agreed</b></p> <p>Option 2 is confirmed</p> <p>See response to Comment 2</p> <p>Relevant references will be added (the aim of the annexes is to identify relevant extracts of SFCR and RSR to be exchanged on a systematic basis within the colleges).</p>
17.	CRO Forum - CFO Forum	4.22.	We disagree that option 1 would not ensure convergence as regards exchange of information on a systematic basis within colleges. The implementing measures for Solvency II provide clear guidance for the content of the Solvency and Financial Condition Report and the Regular Supervisory Report and the proposed guidance generally replicates some of this content, and therefore the guidance would appear unnecessary.	<p><b>Not Agreed</b></p> <p>See response to comment 2</p>
18.	CRO Forum - CFO Forum	4.23.	Option 2 is noted as indicating which parts of SFCR and RSR of insurers should be taken into account by supervisory authorities. If this is the intended outcome for Annex 1, this could be achieved through listing the sections of the Articles that should be included rather than copying parts of the Articles into the guidance, or interpreting what the Articles require, as in Annex 1, 2.2 which makes the information requirements less clear.	<p><b>Partially agreed</b></p> <p>References to articles will be added. However, description of elements will be kept for the purpose of clarity and transparency.</p>