

WP (EIOPA-DSTF-24/071) Comments resolution Survey on taxonomy implementation				
No	Stakeholder	Question	Response	EIOPA comment
1	AMICE	Q9. Do you have general comments?	<p>Our preference generally would be to retain a Q4/YE implementation of changes in the reporting taxonomy. We view a shift towards implementation date on 1st January as “negative” mainly for the following reasons:</p> <ul style="list-style-type: none"> • This would result in the need to implement a new taxonomy while the undertaking’s reporting departments are already fully engaged with other ongoing reporting commitments and processes, e.g., those linked to the annual reporting. Hence the workload is already very high. This means that due to the reporting timetables there simply are no capacities to assess or implement any changes during Q1. 	Agreed.

			<ul style="list-style-type: none">• If a new taxonomy was implemented on 1st January this would mean it needs to be used for Q1 reporting. Thereby, two different taxonomies would need to be run in parallel: the older version for annual reporting and the new version for Q1. Maintaining more than one taxonomy at the same time would not be a preferable solution for AMICE's members.• The current methodology used de facto has become established practice in the industry, i.e., both Solvency II regulated undertakings (since 2016) and IORP II regulated undertakings (since 2020) have set up their processes for Q4/YE implementation. This has been the current practice for all taxonomies introduced except the 2.9.0 taxonomy for Pension funds, which is the notable exception. <p>In addition to the above concerns raised – we also believe the following matters are also important to consider in the decision-making process surrounding a change of taxonomy implementation (which are not explicitly mentioned in the EIOPA consultation paper):</p> <ul style="list-style-type: none">• EIOPA has yet to finalise and present publicly, the extent of changes foreseen as a result of the Solvency II 2020 review and its plans for the implementation of	
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			<p>2.10.0. If the extent of the changes is comparable to those introduced in 2.8.0 – this was a taxonomy version which introduced major changes, which proved to be very resource-intensive (both in terms of staff and IT resources). With larger changes – a YE/Q4 implementation would be preferable.</p> <ul style="list-style-type: none">• We do not yet know the extent or exact timelines of other future changes EIOPA has presented regarding the DPM - these have also been presented as changes that could affect taxonomy change 2.10.0. Introducing multiple changes would make it increasingly difficult to estimate the exact consequences of running parallel taxonomies (refer comments above).	
2	If P&C Insurance Ltd	Q9. Do you have general comments?	<p>If P&C Insurance is strongly opposed to changing the starting date of implementation of new taxonomies from Q4 to Q1. There are several risks introduced by implementing new taxonomies with a starting date in Q1, we list the most significant risks below.</p> <p>1. Lack of resources: During the period January to April insurance entities are firstly involved in the timely reporting of the Solvency II Q4 QRT reporting packages and then directly thereafter the Solvency II</p>	Agreed.

			<p>annual QRT reporting packages. This means that the resources that usually dedicate their time to implementing new taxonomies are busy with reporting. There is no time available to be allocated to the work required for the implementation of a new taxonomy starting from in Q1.</p> <p>2. Risks related to data quality, data flows and systems: The deadline for Annual QRT reporting is the beginning of April, and in April work commences on Q1 QRT reporting. There are several risks connected to maintaining two parallel taxonomies from a systems and data flow perspective. Implementing a new taxonomy often involves the need to change data flows. There is a large risk of not being able to deliver timely QRT packages with sufficient data quality given the need to change data flows that are only to impact the upcoming quarterly Q1 reporting and not the ongoing annual reporting. Achieving a solution where dual data flows in is possible is a huge, near impossible, challenge given the current system and data flow set ups. A starting date in January also leaves little to no time for testing which creates a significant risk of lower data quality in both the annual and quarterly QRT reporting.</p>	
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			<p>It must be stressed that the current system setup cannot handle two parallel taxonomies. The time available for implementing a new taxonomy is limited to the autumn. Any later implementation, as would be required by an implementation at 1 January, requires prerequisites for running two taxonomies in parallel. This requires large financial investments from the insurance industry in order to develop systems to cater to this. Not only does this entail large financial investments, but it will also likely involve the need to change system suppliers. Such a change will require at least 1,5 years to implement and must be reflected in determining the starting point for any changes to the current implementation date in Q4.</p> <p>3. Availability of documentation and technical solutions: Based on experience documentation and technical solutions have not been published by EIOPA in optimal time prior to the application date of a new taxonomy with starting dates in Q4. Given the same timelines for coming taxonomies this would mean that EIOPA would publish the relevant technical solutions and documentation during November or December. This would give little to no time to prepare for the new Taxonomy, available time further reduced as we enter January and resources will be involved in the Q4</p>	<p>EIOPA usually publishes its documentation and technical solutions at the latest mid July. For the latest taxonomy amendments, public working drafts had been released several months prior to its publication.</p>
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			<p>and annual reporting. A starting date from 1 January requires that EIOPA ensures the same deadlines for all documentation and technical solutions provided by EIOPA are applied as today even though the implementation date is pushed back one quarter. EIOPA must guarantee that they will provide all the necessary documentation and technical solutions so that all implementation work can be completed and tested before Christmas, any failure to provide this will significantly jeopardize the insurance industry's possibility to report on time for the Q1 reporting.</p> <p>4. Readiness of local FSAs: We question whether local FSAs would be able to provide technical solutions for reporting based on new taxonomies in time. Despite the time available for the implementation of Taxonomy 2.8 the local Swedish reporting solution was not ready on time. When the deadline for the first Q4 reporting based on Taxonomy 2.8 was reached there were still bugs in relation to validation rules where the local FSA was dependent on system providers to perform updates before correct reports could be filed. Should two taxonomies be run in parallel as the Q1 proposal entails, there are large risks that the FSAs would be able to readjust in time.</p>	Noted.
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3	German Insurance Association (GDV)	Q9. Do you have general comments?	<p>While we understand the presented pros and cons of both options, we would like to reiterate that ultimately, the timing of new XBRL taxonomies' publication is crucial. New taxonomies must be released as early as possible. Additionally, it must be ensured that the Implementing Technical Standards (ITS) seamlessly correspond with the templates. Furthermore, the guidance from EIOPA must be clear and free of major bugs and inconsistencies. Taxonomy 2.8.0 has demonstrated that EIOPA received numerous inquiries due to unclear guidance. Regardless of how the implementation date is set, the publication of a new taxonomy must happen much</p>	Noted.

			earlier than July. Implementing changes on short notice poses a significant technical challenge for preparers. Furthermore, taxonomy changes should be implemented simultaneously for Solvency II and IORP reporting.	
4	Deutsche Bundesbank	Q9. Do you have general comments?	Thank you very much for publicly discussing this important matter.	Noted.
5	F&P	Q9. Do you have general comments?	The most important are that a date are sat and not changed in the near furture, since changes to the systems are expencive and burden some.	Noted.
6	ISS Software GmbH	Q9. Do you have general comments?	<p>What I can't fully understand is the fact that insurance companies are expected to make risk prevention. At the same time, EIOPA is taking a very big risk with the introduction of taxonomy 2.8.0. The central points have been changed all at once:</p> <ul style="list-style-type: none">- Change to Datamodel 2.0- Extensive adjustments to the taxonomy- Change of software manufacturer during a critical transition phase	Noted.

			From my point of view, one can only expect a difficult change process.	
7	AMICE	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	No	Noted.
8	Finanzmarktaufsicht	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	Yes	Noted.
9	If P&C Insurance Ltd	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	No	Noted.
10	German Insurance Association (GDV)	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	Yes	Noted.

11	Deutsche Bundesbank	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	Yes	Noted.
12	zeb.it gmbh & co.kg	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	Yes	Noted.
13	Afa Försäkring	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	Yes	Noted.
14	F&P	Q10a. Do you agree with the advantages and disadvantages of Q4 as implementation starting date?	Yes	Noted.
15	ISS Software GmbH	Q10a. Do you agree with the advantages	Yes	Noted.

		and disadvantages of Q4 as implementation starting date?		
16	AMICE	Q10b. Please explain your response to Q10a.	<p>While we agree largely with the advantages presented by EIOPA in the consultation paper, we did not agree with the disadvantages presented by EIOPA, as it does not reflect the practical experiences of AMICE members with regards to the taxonomy changes for IORPs.</p> <p>Among the AMICE members there are groups with both Solvency II regulated and IORP regulated entities who have not experienced any issues with the current Q4/YE implementation; quite the contrary it has been perfectly adequate for both types of undertakings and their reporting needs – thus the current implementation model presents a viable model also for both types of undertakings.</p> <p>EIOPA's forgone conclusion seems to be that this would not be the case for IORPs, given the main disadvantages presented in the consultation paper. The consultation paper also does not present persuasive enough arguments as to why all four quarters need to be established on the same taxonomy/basis. e.g., for insurance undertakings the</p>	Noted.

			QRT S.05.01 has not been affected by the current Q4 routine during all these years since the 2016 first-time adoption.	
17	If P&C Insurance Ltd	Q10b. Please explain your response to Q10a.	<p>The Survey on taxonomy implementation states in section 2.1.1 Main advantages that it is equally feasible to achieve synchronization between simultaneous quarterly and annual amendments under a 1 January starting date compared to a Q4 starting date. As stated in the response left as a general comment to question nine, it is not equally feasible to achieve synchronization with a 1 January starting date. On the contrary a 1 January starting date imposes several significant and crucial obstacles that have a high risk of resulting in delayed reporting, reports of lesser data quality and impossible timelines for the implementation of a new taxonomy given the available resources at hand, resources both from the insurer preparing reports, but also for system suppliers as well as local FSAs.</p> <p>Apart from what is mentioned above, we agree with the other points raised as main advantages of a Q4 starting date.</p> <p>We do not agree with the main disadvantages raised in section 2.1.2 Main disadvantages. The</p>	Noted.

			disadvantages raised focus too much on the disadvantages of a Q4 starting date from the perspective of an IORP entity. A fair analysis of disadvantages need also put equal focus on any disadvantages from the perspective of Insurance entities. As an insurance entity, we have not identified any disadvantages of a Q4 starting date compared to a Q1 starting date.	
18	German Insurance Association (GDV)	Q10b. Please explain your response to Q10a.	Yes, however, section 1 does not fully address the underlying issue of changing the commencement of application for taxonomies to January 1st. It only focuses on solo reporting. The group's annual reporting occurs in mid-May and often coincides with the reporting deadline for the group's Q1 reporting. Consequently, multiple reports would result, which would need to be reported within the same time frame using different taxonomies. For instance, the group's annual reporting still requires Tax 2.8.0 by mid-May, while the Q1 solo reporting is due at the beginning of May, and the Q1 group FS-reporting, which is due in the middle of May, already requires Tax 2.10. Implementing multiple systems to enable processing of different taxonomies simultaneously would entail immense technical effort for the preparers.	Noted.

19	Deutsche Bundesbank	Q10b. Please explain your response to Q10a.	As the Deutsche Bundesbank is involved in the ECB reporting system, we strongly favour keeping the status quo.	Agreed.
20	Afa Försäkring	Q10b. Please explain your response to Q10a.	The advantage is that we have enough time for testing/implementation during the autumn and that a broken year is not a challenge for our company.	Noted.
21	F&P	Q10b. Please explain your response to Q10a.	It has proven stability	Agreed.
22	ISS Software GmbH	Q10b. Please explain your response to Q10a.	It's well established process. I don't see any reason to change this topic.	Noted.
23	AMICE	Q11. Do you know any additional advantages of a Q4 implementation date?	Yes. Regarding the development perspective, we see it as challenging that you would initially focus on quarterly reports and then only in a later stage focus on annual reports when in fact there will be many synergies and use of data in templates for both quarterly and annual reporting. Given this fact, there is an obvious advantage with implementation of Q4 and annual reporting occurring at the same time since quarterly	Agreed.

			reporting in many parts constitute an aggregate of data contained in the annual reports. Given this, a risk of first implementing quarters with aggregated simplified data may be that an undertaking may subsequently have to rebuild the solution when developing the annual report.	
24	If P&C Insurance Ltd	Q11. Do you know any additional advantages of a Q4 implementation date?	<p>We can identify several additional advantages of a Q4 implementation date</p> <p>1. Resources: As resources involved in Q4 and Annual QRT reporting focus their time and energy to these reports during January-March, there is little or no time available to work on implementing a new taxonomy with a starting date in Q1. If the starting date is instead in Q4, the resources have more available time prior to Q4 to work on implementing the new taxonomy.</p> <p>2. Dual data flows, system solutions and resulting data quality: The deadline for Annual QRT reporting is the beginning of April, and in April work commences on Q1 QRT reporting. There are several risks connected to maintaining two parallel taxonomies from a systems and data flow perspective. Implementing a new taxonomy often involves the need to change data flows. There is a large risk of not being able to deliver</p>	Agreed.

			<p>timely QRT packages with sufficient data quality given the need to change data flows that are only to impact the upcoming quarterly Q1 reporting and not the ongoing annual reporting. Achieving a solution where dual data flows in is possible is a huge, near impossible, challenge given the current system and data flow set ups. A starting date in January also leaves little to no time for testing which creates a significant risk of lower data quality in both the annual and quarterly QRT reporting. A starting date in Q4 does not impose such risks and is therefore preferable. In addition it must also be stressed the current system setup applied today cannot handle two parallel taxonomies. The time available for implementing a new taxonomy is limited to the autumn. Any later implementation, as would be required by an implementation at 1 January, requires prerequisites for running two taxonomies in parallel. This requires large financial investments from the insurance industry in order to develop systems to cater to this. Not only does this entail large financial investments, but it will also likely involve the need to change system suppliers. Such a change will require at least 1,5 years to implement and must be reflected in determining the starting point for any changes to the current implementation date in Q4. Once again, there is a clear advantage to retain the current Q4 starting</p>	
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			<p>date.</p> <p>3. Timing of documentation and technical solutions from EIOPA: Based on experience documentation and technical solutions have not been published by EIOPA in optimal time prior to the application date of a new taxonomy with starting dates in Q4. Given the same timelines for coming taxonomies this would mean that EIOPA would publish the relevant technical solutions and documentation during November or December. This would give little to no time to prepare for the new Taxonomy, available time further reduced as we enter January and resources will be involved in the Q4 and annual reporting. The advantage of a Q4 starting date, is that even if EIOPA were to deliver the documentation and technical solutions based on the current timelines, there are more resources available to handle, interpret and implement than if the deliveries are made in November or December. A starting date from 1 January requires that EIOPA ensures the same deadlines for all documentation and technical solutions provided by EIOPA are applied as today even though the implementation date is pushed back one quarter. EIOPA must guarantee that they will provide all the necessary documentation and technical solutions so that all implementation work can be completed and tested before Christmas, any</p>	<p>Please refer to EIOPA response to 2.</p>
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			failure to provide this will significantly jeopardize the insurance industry's possibility to report on time for the Q1 reporting.	
25	German Insurance Association (GDV)	Q11. Do you know any additional advantages of a Q4 implementation date?	Yes, we want to emphasize that the introduction of a new taxonomy at year-end involves processes that have been well-established and technically entrenched over the years. For example, preparers integrate solo reports for Q4 and annual reports with identical interfaces and specifications for Q1. The Q1 reporting is submitted solo before the group's annual report. This allows for the use of identical interfaces and a uniform taxonomy. Moreover, the transition to the new release can be tested in October/November ahead of the annual financial reporting.	Agreed.
26	Deutsche Bundesbank	Q11. Do you know any additional advantages of a Q4 implementation date?	1. The time for testing a new taxonomy is longer. In our experience, reporters test only the next upcoming quarter, so they usually do not start testing Q1 before the deadline for the annual reports has passed. The time between annual and Q1 is 4 weeks now for ICs and is likely to be shortened to 2 weeks in the future, when the annual deadline will be prolonged to 16 weeks. A shorter testing period could be challenging for all parties involved in the reporting process in case of problems.	Noted.

			<p>2. As the annual reports contain more information than the quarterly reports and some countries grant derogations from the quarterly reporting, new data requirements on annual templates respectively new data for the entire market would only be available at the end of a taxonomy cycle.</p> <p>3. Regarding comments 1 and 2, it could be also quite problematic for EIOPA and ECB to react on possible errors (business and technical) in the taxonomy, which are often detected just during the reporting period. By the time errors - especially regarding the annual reporting - become known, the next taxonomy might already be finally published so corrections would possibly have to wait a complete cycle before being implemented.</p>	<p>Agreed.</p> <p>Agreed.</p>
27	zeb.it gmbh & co.kg	Q11. Do you know any additional advantages of a Q4 implementation date?	The period of time between the last reporting date with the older taxonomy version and the first reporting date with the new taxonomy version is significantly higher as with an implementation date on 1 January.	Noted.
28	Afa Försäkring	Q11. Do you know any additional	No	Noted.

		advantages of a Q4 implementation date?		
29	ISS Software GmbH	Q11. Do you know any additional advantages of a Q4 implementation date?	No for insurance companies. EIOPA and the NCA don't have to wait nearly a year to see the result.	Agreed.
30	AMICE	Q12. Do you know any additional disadvantages of a Q4 implementation date.	No, we do not.	Noted.
31	If P&C Insurance Ltd	Q12. Do you know any additional disadvantages of a Q4 implementation date.	No, we cannot identify any disadvantages of a Q4 implementation date.	Noted.
32	German Insurance Association (GDV)	Q12. Do you know any additional disadvantages of a Q4 implementation date.	Yes, although the taxonomy implementation at Q4 is the tried and tested process, we see disadvantages in the significant workload involved for preparers, as implementing taxonomy changes in Q4 overlaps with the preparation of the annual financial statements according to national accounting standards and national prudential reporting deadlines. Additionally, it can be argued that there is no phased introduction, as changes become applicable for both Q4 quarterly	Noted.

			<p>and Q4 annual reporting simultaneously.</p> <p>Also, the volume of data reported in Q4 is significantly higher for larger companies, which makes it difficult to understand the changes. Especially when Q4 data cannot be compared to Q3 data without employing similar templates for both taxonomies.</p>	
33	Afa Försäkring	Q12. Do you know any additional disadvantages of a Q4 implementation date.	No	Noted.
34	AMICE	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	No	Noted.
35	Finanzmarktaufsicht	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	Yes	Noted.

36	If P&C Insurance Ltd	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	No	Noted.
37	German Insurance Association (GDV)	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	Yes	Noted.
38	Deutsche Bundesbank	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	Yes	Noted.
39	zeb.it gmbh & co.kg	Q13a. Do you agree with the advantages and disadvantages of 1 January as	Yes	Noted.

		implementation starting date?		
40	Afa Försäkring	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	Yes	Noted.
41	F&P	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	Yes	Noted.
42	ISS Software GmbH	Q13a. Do you agree with the advantages and disadvantages of 1 January as implementation starting date?	Yes	Noted.

43	AMICE	Q13b. Please explain your response to Q13a.	We simply did not believe that the arguments/merits put forth as advantages of 1 January as implementation date were persuasive enough to motivate changes to the current practice of implementation at Q4/YE. Simply because the advantages of the current dates and the drawbacks of the 1st January would outnumber the advantages of a change to 1 January implementation.	Noted.
44	If P&C Insurance Ltd	Q13b. Please explain your response to Q13a.	<p>The advantages of implementing the starting date on 1 January listed in section 2.2.1 are unfairly aimed at simplifying for IORP entities without equal regard of main advantages for insurance entities. An assessment of main advantages of implementing the starting date on 1 January must equally reflect any potential advantages for insurance entities. If P&C Insurance has not identifies any such advantages.</p> <p>We agree with the main disadvantages raised in section 2.2.2. See also a list of additional disadvantages in response to question 15.</p>	Noted.
45	German Insurance Association (GDV)	Q13b. Please explain your response to Q13a.	Yes, we understand the arguments for the 1 January implementation starting date. In particular, a major advantage is that there is more time to implement	Agreed.

			changes for the more extensive (more granular) annual reporting.	
46	Afa Försäkring	Q13b. Please explain your response to Q13a.	The disadvantage is that the new taxonomy needs to be adequately tested at the same time as the annual accounts and the annual reporting before Q1 reporting to be submitted to NCA.	Noted.
47	ISS Software GmbH	Q13b. Please explain your response to Q13a.	It is consistent with the annual financial statements of the balance sheet	Agreed.
48	AMICE	Q14. Do you know any additional advantages of a 1 January implementation date?	No, we do not.	Noted.
49	If P&C Insurance Ltd	Q14. Do you know any additional advantages of a 1 January implementation date?	We see no advantages of a 1 January implementation date.	Noted.
50	German Insurance Association (GDV)	Q14. Do you know any additional advantages of a 1	No, we see no additional advantages of a 1 January implementation date, apart from the argument that the entire fiscal year would follow the same logic,	Noted.

		January implementation date?	instead of having 1Q-3Q with the “old” taxonomy and 4Q/annual with the “new” one.	
51	Afa Försäkring	Q14. Do you know any additional advantages of a 1 January implementation date?	No	Noted.
52	F&P	Q14. Do you know any additional advantages of a 1 January implementation date?	It will give the companies more time to implement.	Agreed.
53	AMICE	Q15. Do you know any additional disadvantages of a 1 January implementation date.	<p>YES. A major drawback to changing established practice from Q4/YE to Q1 is that this change burdens the undertakings unnecessarily - reporting timetables and workloads are such that no one realistically has the time to do any such implementation after Q4 and before Q1, as the focus during that time will be on other reporting commitments the undertaking has.</p> <p>Many companies have an efficient process for the current implementation date for insurance companies of new taxonomies, such as for taxonomy 2.8.0, with analysis, development and tests before the year-end.</p>	Agreed.

			<p>If there would be change of the implementation date, this process might have to change and as a result, also risks becoming less efficient. An added risk is that there is a risk that the test period will be very limited, which could lead to both re-reporting for Q1 as well as deteriorated data quality for Q1.</p>	
54	If P&C Insurance Ltd	Q15. Do you know any additional disadvantages of a 1 January implementation date.	<p>There are a number of additional disadvantages of a 1 January implementation date.</p> <p>1. Lack of resources: During the period January to April insurance entities are firstly involved in the timely reporting of the Solvency II Q4 QRT reporting packages and then directly thereafter the Solvency II annual QRT reporting packages. This means that the staff that usually dedicate their time to implementing new taxonomies are busy with reporting. There is no time available to be allocated to the work required for the implementation of a new taxonomy starting from in Q1.</p> <p>2. Risks related to data quality, data flows and systems: The deadline for Annual QRT reporting is the beginning of April, and in April work commences on Q1 QRT reporting. There are several risks connected to maintaining two parallel taxonomies from a systems and data flow perspective. Implementing a</p>	Agreed.

			<p>new taxonomy often involves the need to change data flows. There is a large risk of not being able to deliver timely QRT packages with sufficient data quality given the need to change data flows that are only to impact the upcoming quarterly Q1 reporting and not the ongoing annual reporting. Achieving a solution where dual data flows in is possible is a huge, near impossible, challenge given the current system and data flow set ups. A starting date in January also leaves little to no time for testing which creates a significant risk of lower data quality in both the annual and quarterly QRT reporting.</p> <p>It must be stressed that the current system setup cannot handle two parallel taxonomies. The time available for implementing a new taxonomy is limited to the autumn. Any later implementation, as would be required by an implementation at 1 January, requires prerequisites for running two taxonomies in parallel. This requires large financial investments from the insurance industry in order to develop systems to cater to this. Not only does this entail large financial investments, but it will also likely involve the need to change system suppliers. Such a change will require at least 1,5 years to implement and must be reflected in determining the starting point for any changes to the current implementation date in Q4.</p>	
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			<p>3. Availability of documentation and technical solutions: Based on experience documentation and technical solutions have not been published by EIOPA in optimal time prior to the application date of a new taxonomy with starting dates in Q4. Given the same timelines for coming taxonomies this would mean that EIOPA would publish the relevant technical solutions and documentation during November or December. This would give little to no time to prepare for the new Taxonomy, available time further reduced as we enter January and resources will be involved in the Q4 and annual reporting. A starting date from 1 January requires that EIOPA ensures the same deadlines for all documentation and technical solutions provided by EIOPA are applied as today even though the implementation date is pushed back one quarter. EIOPA must guarantee that they will provide all the necessary documentation and technical solutions so that all implementation work can be completed and tested before Christmas, any failure to provide this will significantly jeopardize the insurance industry's possibility to report on time for the Q1 reporting.</p> <p>4. Readiness of local FSAs: We question whether local FSAs would be able to provide technical solutions for reporting based on new taxonomies in time. Despite</p>	<p>Please also refer to response 2.</p> <p>Noted.</p>
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			<p>the time available for the implementation of Taxonomy 2.8 the local Swedish reporting solution was not ready on time. When the deadline for the first Q4 reporting based on Taxonomy 2.8 was reached there were still bugs in relation to validation rules where the local FSA was dependent on system providers to perform updates before correct reports could be filed. Should two taxonomies be run in parallel as the Q1 proposal entails, there are large risks that not even the FSAs would be able to readjust in time.</p>	
55	German Insurance Association (GDV)	Q15. Do you know any additional disadvantages of a 1 January implementation date.	<p>Yes, there would indeed be an overlap with national reporting deadlines and SII annual reporting, as well as Q4 reporting and auditor reconciliations and reports. This means there would be less time for test activities from January to April for the taxonomy change.</p> <p>Additionally, as explained earlier, if the implementation were to start from the Q1 report, insurance companies would have to process reports for two different XBRL taxonomies simultaneously (on different Solvency II Reporting and Validation Architecture (SolvRa) environments): For instance, the group annual report would need to be prepared according to the old taxonomy, up to 20 weeks after</p>	Agreed.

			<p>the reporting date of December 31st, i.e., approximately May 20th. And the Q1 report would need to be prepared according to the new taxonomy, up to 7 weeks after the cut-off date of March 31st, i.e., around May 20th. This procedure would be very challenging both technically and professionally.</p> <p>Another complicating factor is that solo insurance companies would already report the Q1 report according to the new taxonomy 5 weeks after the March 31st deadline, i.e., around May 8th, while the group would only report the annual report according to the old taxonomy around May 20th. In simple terms, the Q1 reporting runs under the new taxonomy, while the annual reporting for the group runs under the old taxonomy. The group's annual reporting deadlines are after the Q1 Solo reporting deadlines.</p> <p>It should also be noted that the SII review is likely to extend the reporting deadlines for the annual report by two weeks for both solo insurance companies and the group.</p>	
56	Deutsche Bundesbank	Q15. Do you know any additional disadvantages of a 1	see Q11	Noted.

		January implementation date.		
57	zeb.it gmbh & co.kg	Q15. Do you know any additional disadvantages of a 1 January implementation date.	<p>Especially for insurance companies with group reporting there will be (extrapolating the current reporting deadlines to the future) an overlap between the new and the old taxonomy.</p> <p>An example: The reporting deadline communicated by the BaFin for annual group reporting for 2023 was May, the 21st – based on the old taxonomy version. The deadline for Q1 solo reporting is May, the 6th – based on the new taxonomy version. Since the start for the Q1 solo reporting would be much earlier than May, the 6th the insurance company would have to handle two versions of the taxonomy simultaneously.</p> <p>On the one hand this may cause procedural problems handling the parallel reporting.</p> <p>On the other hand, it may cause higher costs for the insurance companies for maintaining two operating systems for the old and the new taxonomy at the same time.</p>	Agreed.
58	Afa Försäkring	Q15. Do you know any additional	No	Noted.

		disadvantages of a 1 January implementation date.		
59	F&P	Q15. Do you know any additional disadvantages of a 1 January implementation date.	<p>EIOPA will not see the effect of changes in the YE reporting before the next year.</p> <p>Some systems will not be able to handle that the YE and Q1 reporting are on different taxonomies</p>	Noted.
60	AMICE	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4?	No	Noted.
61	Finanzmarktaufsicht	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4?	No	Noted.

62	If P&C Insurance Ltd	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4?	No	Noted.
63	German Insurance Association (GDV)	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4?	No	Noted.
64	Deutsche Bundesbank	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4?	No	Noted.
65	zeb.it gmbh & co.kg	Q16a. Do you expect to encounter any	No	Noted.

		technical or practical difficulties related to a taxonomy implementation at Q4?		
66	Afa Försäkring	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4?	Yes	Noted.
67	F&P	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4?		Noted.
68	ISS Software GmbH	Q16a. Do you expect to encounter any technical or practical difficulties related to a taxonomy	No	Noted.

		implementation at Q4?		
69	AMICE	Q16b. Please explain your response to Q16a.	As taxonomy implementation at Q4/YE has long been established practice, such practical difficulties have been effectively dealt with.	Agreed.
70	If P&C Insurance Ltd	Q16b. Please explain your response to Q16a.	There are no additional risks of technical or practical difficulties related to a taxonomy implementation that continues to be implemented at Q4. The current cycle functions well today and all data flows, internal processes, deliveries from external suppliers etcetera are built upon the annual cycle that exists today and that is built on implementation at Q4.	Agreed.
71	German Insurance Association (GDV)	Q16b. Please explain your response to Q16a.	No, we do not expect to encounter any technical or practical difficulties related to a taxonomy implementation at Q4, as this is the tried and tested process of recent years, assuming that the taxonomy publication follows the same schedule as before.	Agreed.
72	Deutsche Bundesbank	Q16b. Please explain your response to Q16a.	As this is the status quo, all parties are used to the procedure, including IORPs.	Agreed.

73	Afa Försäkring	Q16b. Please explain your response to Q16a.	We often have technical or practical difficulties related to a taxonomy implementation regardless of the period the taxonomy will be published. We have a large dependence on external deliveries of taxonomy to our reporting system ABACUS.	Noted.
74	ISS Software GmbH	Q16b. Please explain your response to Q16a.	As explain, the insurance are used to this process	Agreed.
75	AMICE	Q17a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at 1 January?	Yes	Noted.
76	Finanzmarktaufsicht	Q17a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at 1 January?	No	Noted.

77	If P&C Insurance Ltd	Q17a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at 1 January?	Yes	Noted.
78	German Insurance Association (GDV)	Q17a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at 1 January?	Yes	Noted.
79	Deutsche Bundesbank	Q17a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at 1 January?	Yes	Noted.
80	zeb.it gmbh & co.kg	Q17a. Do you expect to encounter any	Yes	Noted.

		technical or practical difficulties related to a taxonomy implementation at 1 January?		
81	Afa Försäkring	Q17a. Do you expect to encounter any technical or practical difficulties related to a taxonomy implementation at 1 January?	Yes	Noted.
82	AMICE	Q17b. Please explain your response to Q17a.	Since the reporting of the annual reports has a deadline at the beginning of April and Q1 has already started, we believe there could be a risk in having two different taxonomies running in parallel at the same time. For example, it can be problematic to serve computer systems for several taxonomies at the same time. There could also be problems for the NSAs to handle two different taxonomies at the same time.	Noted.
83	If P&C Insurance Ltd	Q17b. Please explain your response to Q17a.	Yes, we expect to encounter major difficulties, both technical and practical, related to a taxonomy implementation at 1 January. The resulting effect is that there is a high risk of not being able to report on	Noted.

			<p>time for Q1.</p> <p>One major hurdle is that the current system setup applied today cannot handle two parallel taxonomies. The time available for implementing a new taxonomy is limited to the autumn. Any later implementation, as would be required by an implementation at 1 January, requires prerequisites for running two taxonomies in parallel. This requires large financial investments from the insurance industry in order to develop systems to cater to this. Not only does this entail large financial investments, but it will also likely involve the need to change system supplies. Such a change will require at least 1,5 years to implement and must be reflected in determining the starting point for any changes to the current implementation date in Q4.</p> <p>A second, equally significant remark, is that a starting date from 1 January requires that EIOPA ensures the same deadlines for all documentation and technical solutions provided by EIOPA are applied as today even though the implementation date is pushed back one quarter. EIOPA must guarantee that they will provide all the necessary documentation and technical solutions so that all implementation work can be completed and tested before Christmas, any failure to provide this will significantly jeopardize the insurance</p>	<p>See also response to 2.</p>
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			industry's possibility to report on time for the Q1 reporting.	
84	German Insurance Association (GDV)	Q17b. Please explain your response to Q17a.	<p>Yes, the changeover of systems and interfaces would occur during the Solo and Group annual report. Changing the application date for taxonomies to January 1st would entail immense technical effort for the preparers, as they would have to implement multiple systems to enable processing of different taxonomies simultaneously, as explained above.</p> <p>Moreover, it should be noted that significant technical difficulties arise if the taxonomy and hotfixes are released too late, as was the case with Taxonomy 2.8.0.</p>	Noted.
85	Deutsche Bundesbank	Q17b. Please explain your response to Q17a.	see Q11	Noted
86	zeb.it gmbh & co.kg	Q17b. Please explain your response to Q17a.	If the software for the Solvency reporting is not capable of handling two different taxonomy versions simultaneously there would be the necessity to have two versions of the reporting software on parallel systems which leads to higher costs for the reporting company.	Noted.

87	Afa Försäkring	Q17b. Please explain your response to Q17a.	See our answers in 13b and 16b. Our reporting system ABACUS needs to handle two versions of the taxonomy at the same time in this case.	Noted.
88	AMICE	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?	No	Noted.
89	Finanzmarktaufsicht	Q18a. In practice, regardless of our preferences - and taking into account	Yes	Noted.

		the similar benefits and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?		
90	If P&C Insurance Ltd	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application	Yes	Noted.

		date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?		
91	German Insurance Association (GDV)	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?	Yes	Noted.

92	Deutsche Bundesbank	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?		Noted.
93	zeb.it gmbh & co.kg	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits and detriments of both options - usually the legislative	Yes	Noted.

		amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?		
94	Afa Försäkring	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the	Yes	Noted.

		business package. Do you agree?		
95	F&P	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?	Yes	Noted.
96	ISS Software GmbH	Q18a. In practice, regardless of our preferences - and taking into account the similar benefits	No	Noted.

		and detriments of both options - usually the legislative amendments triggering changes in reporting tend to have an application date of 1 January. Therefore Q1 needs to reflect the changes included in the business package. Do you agree?		
97	AMICE	Q18b. Please explain your answer to Q18a.	We remain uncertain of the merits of this argument put forth by EIOPA. Firstly, it has not always historically been the case that legislative amendments triggering changes in reporting have had an application date of 1 January –sometimes changes have become effective from 31 December.	Noted.
98	If P&C Insurance Ltd	Q18b. Please explain your answer to Q18a.	Yes, if legislative amendments triggering changes in reporting are applicable from 1 January we agree that this should be included in Q1 reporting. However, we want to stress the fact that a Q1 starting date is not a suitable option.	Noted.

99	zeb.it gmbh & co.kg	Q18b. Please explain your answer to Q18a.	In practice, legislative amendments often do come into effect from the start of the calendar year, to align with the annual financial reporting cycle of most businesses. However, this can be ensured in each of the two variants by explicitly specifying an initial application date for the legal changes in the business package.	Agreed.
100	Afa Försäkring	Q18b. Please explain your answer to Q18a.	If any major changes in accounting legislation is the reason for taxonomy changes we would prefer Q1 but otherwise we prefer Q4.	Noted.
101	ISS Software GmbH	Q18b. Please explain your answer to Q18a.	See Q11	Noted.