

# OVERVIEW OF THE ITS AMENDMENTS (SCOPE, TIMELINE) AND REPORTING BURDEN REDUCTION

Meeting: **Public Event with stakeholders**

Date: **03 June 2025**

# BACKGROUND

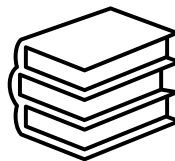
- As part of the SII review, the two ITS on **supervisory reporting** and **public disclosure** (as well as related Guidelines) have to be reviewed to align with the new requirements.
- The review of the ITS provides the chance to contribute to COM's goal on '**Simplification**', i.e. one of the five horizontal enablers for competitiveness ([A Competitiveness Compass for the EU](#)) where:
  - Regulatory burden is clearly considered a brake on Europe's competitiveness
  - All EU & national institutions must make a major effort to have simpler rules & avoid a 'regulatory ratchet'
  - COM will deliver an unprecedented simplification effort (overall approach will put forward next month)
  - COM aims at **reducing the reporting burden at least of 25% for all companies (35% for SMEs)** as well as the **costs of all administrative burdens**.
- EIOPA is of the view that, in addition to the simplification already included in the ITS 2023/894 on reporting, there is **room for further simplification**.
- Extensive proposals received from industry representatives (e.g. Insurance Europe and AMICE) and National Competent Authorities (NCAs).

# ITS AMENDMENTS ON REPORTING AND DISCLOSURE – PUBLIC CONSULTATION PACKAGE

The work includes:



**ITS 2023/894 (ITS on Supervisory Reporting)** with regard to the templates for the submission by insurance and reinsurance undertakings to their supervisory authorities



**2023/895 (ITS on Public Disclosure)** with regard to the procedures, formats and templates for the disclosure by insurance and reinsurance undertakings of their report on their solvency and financial condition



Draft revised **Guidelines on the supervision of branches of third country insurance undertakings**



Draft revised **Guidelines on reporting for Financial Stability Purposes**

# SCOPE OF ITS AMENDMENTS ON SUPERVISORY REPORTING AND PUBLIC DISCLOSURE

These draft amendments include changes in the following areas:



## Changes stemming out of Level 1 and Level 2 review

- **Level 1** - following the review changes have been introduced where relevant in the reporting and disclosure long-term guarantee measures and transitionals (LTG) templates\*.
- **Level 2** – changes are expected to have a minor impact. As Level 2 proposal will be publicly consulted in summer 2025 changes will be reflected at a later stage.



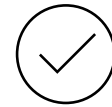
## Correction of errors/inconsistencies

- Correct errors and inconsistencies identified in the reporting and disclosure templates (e.g. via the Q&As process, feedback received from the industry) and from NCAs).
- Clarification in the instructions in areas identified (e.g. reflect on the new NACE 2.1 version).



## Request of new limited set of information

- **Pension data** - add two columns to S.14.01.01.02 to classify pension entitlements (as in the ECB add-ons) and discontinue the ECB template E.02.16.
- **Collecting data for natural catastrophes** – two new templates will collect nat cat insured loss data on an annual basis.



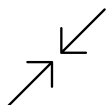
## Proposals for reporting reduction

- Package of proposals (see next slides)

\* S.01.02 – Basic information; S.22.01 - Impact of long-term guarantees measures and transitional measures; S.22.07 - Calculated volatility adjustment and corresponding best estimates by country and currency

# EIOPA'S APPROACH ON REPORTING BURDEN REDUCTION

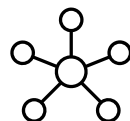
EIOPA's proposal for reporting burden reduction is covering the following areas:



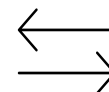
Reduce Frequency



Delete templates



Increase  
proportionality



Simplify and clarify



Technical  
simplifications

**Proposal is based on intensive discussions considering NCAs and EIOPA's needs, industry's proposals (e.g. Insurance Europe, Amice, GDV), NCAs proposals aiming to have limited effect on the ECB reporting.**

# PRUDENTIAL REPORTING AND PUBLIC DISCLOSURE (I)

**CAVEAT: All proposals are currently under internal discussions and have not been finalized but changes can occur. The proposals will be publicly consulted in July-October.**

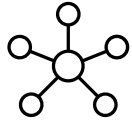
## **Reduce Frequency**

- ✓ **Consider** whether it is possible to **reduce the frequency of reporting of some templates** (e.g. S.28.01 (Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity) and S.28.02 (Minimum Capital Requirement - Both life and non-life insurance activity) are to be reported only annually considering that the MCR data is available quarterly via the S.23.01 (Own funds) template.
- ✓ **Under discussion** whether **frequency can be reduced** on some QRTs for small and non-complex undertakings (**SNCUs**).

## **Delete templates**

- ✓ **Consider whether** some templates can be deleted at solo annual reporting (e.g. some of the S.29s Variation analysis templates)
- ✓ **Consider whether** some templates can be deleted at group annual reporting (e.g. S.37.03 Risk Concentration – Exposure by asset class and rating)

# PRUDENTIAL REPORTING AND PUBLIC DISCLOSURE (II)



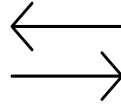
## Increase **P**roportionality

- ✓ **Introduce** requirement for not reporting S.04.05 (Activity by country - location of risk) in case the location of risk is the same as the location of underwriting.
- ✓ **Exempt SNCU** from reporting S.06.04 (Climate change-related risks to investments) and consider proportionality by **including an exemption for the SNCU in the new NatCat** templates.



## Technical **S**implifications

- ✓ **Provide** a documentation outlining how EIOPA and NCAs utilise the data and as such enhance transparency and prioritisation.
- ✓ **Allow** enough time between the ITS amendments.



## **S**implify templates and **C**larify instructions

- ✓ **Clarify** the instructions of S.04s cross-border templates.
- ✓ **Simplify** S.06.04 (Climate change-related risks to investments), S.16.01 (Information on annuities stemming from Non-Life Insurance obligations) and S.19.01 (Non-life insurance claims).
- ✓ **Remove** the **redundant** reporting on P&L information across S.36s.

# POTENTIAL MID-TERM AREAS FOR REPORTING AND DISCLOSURE REDUCTION

## Potential Areas

- ✓ EIOPA will explore the possibility using its centralised SII database to publish all SFCR QRTs from all entities, exempting undertakings to report them in the SFCR considering the legal aspects , the impact of the recently introduced audit requirements for disclosed information, the impact of additional resources needed as well as the ongoing work under the European Single Access Point (ESAP).
- ✓ Explore the possibility of EIOPA accessing the international databases housed by ECB (CSDB, Fund Look-through information) and sharing this information with the NCAs.
- ✓ Depending on the on-going ESMA work for development of a single data hub, EMIR and the harmonized European reporting of investment funds consider deletion of some of the reported information.



# CHALLENGES



**The work on reduction** follows a comprehensive reassessment of the reporting in 2023 (resulted in number of changes e.g. simplification of quarterly reporting for all undertakings, elimination of some annual reporting templates for all undertakings and new thresholds to better promote risk-based and proportionate reporting requirements).



**Short time** connected with the Level 1 and Level 2 application date.

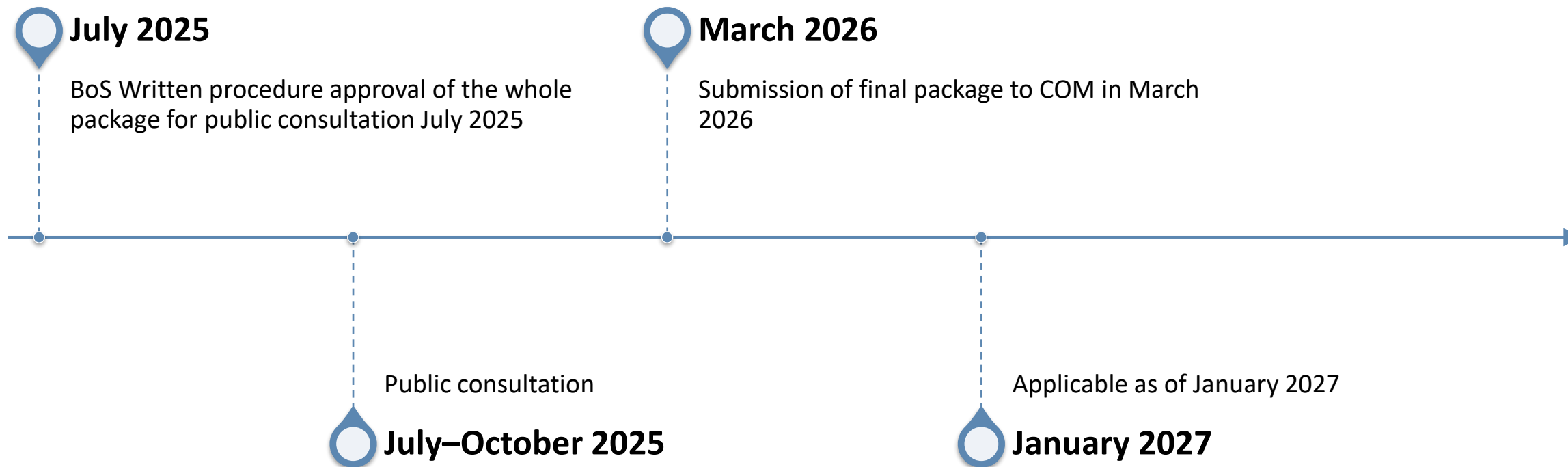


**Different stakeholders** and different reporting needs – more challenging of finding a compromise.



**Difficult assessing the reporting burden reduction** – 2 measures used (data points and number of templates) which not always reflect on the burden in reporting the requested information.

# NEXT STEPS



**THANK YOU!**

**Questions?**