

Comments Template on EIOPA-CP-14-047		Deadline
Draft proposal for Level 3 Guidelines on reporting and public disclosure		02.Mar.2015
		23:59 CET
Company name:	CFO Forum and CRO Forum	
Disclosure of comments:	EIOPA will make all comments available on its website, except where respondents specifically request that their comments remain confidential. Please indicate if your comments on this CP should be treated as confidential, by deleting the word Public in the column to the right and by inserting the word Confidential.	Public
<p>Please follow the instructions for filling in the template:</p> <ul style="list-style-type: none"> ⇒ <u>Do not change the numbering</u> in column "Reference". ⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph, keep the row <u>empty</u>. ⇒ Our IT tool does not allow processing of comments which do not refer to the specific paragraph numbers below. <ul style="list-style-type: none"> ○ If your comment refers to multiple paragraphs, please insert your comment at the first relevant paragraph and mention in your comment to which other paragraphs this also applies. ○ If your comment refers to sub-bullets/sub-paragraphs, please indicate this in the comment itself. <p>Please send the completed template to Consultation_Set2@eiopa.europa.eu, in MSWord Format, (our IT tool does not allow processing of any other formats).</p> <p>The paragraph numbers below correspond to Consultation Paper No. EIOPA-CP-14-047.</p>		
Reference	Comment	
General Comment	1. Information requested is very detailed and goes deeper than the disclosure requirements in the financial statements. As indicated in paragraph 1.16 of the Impact Assessment (Appendix 1): The right balance must be struck between very detailed information and the relevant information to make decisions. In our opinion the balance is not appropriate at present.	
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1.10.	1. We consider the level of specific information required here about items that are not recognised on the balance sheet to be excessive.	
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1.13.	1. We do not follow the requirement in the explanatory text for reporting by Solvency II line of business. Under section A we show a purely local GAAP view and the level of detail is identical with annual reporting (LoB's, Split of geographical areas, Split by class of assets). In doing so, section A is consistent with annual reporting and the reuse of available material (IFRS annual report) leads to reduction in the effort required. No additional value is provided by the extra effort of reporting the information on a Solvency II line of business basis.	
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1.22.	1. Guideline 8 requests a description of the valuation model used for every single exposure held in non-quoted financial instruments. This requirement will be difficult to implement for such exposures, and we would suggest some alleviation of these requirements.	

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1.37.	<p>b) Information on own funds – groups</p> <p>1. It is not clear how insurers should reconcile amounts in different currencies and some clarification would be helpful.</p> <p>2. We assume that this guideline is not applicable to the reconciliation reserve, given the nature of this own fund item.</p>	
1.38.	<p>1. We do not follow the requirement in the explanatory text (paragraph 2.4) for reporting by Solvency II line of business. Under section A we show a purely local GAAP view and the level of detail is identical with annual reporting (LoB's, Split of geographical areas, Split by class of assets). In doing so, section A is consistent with annual reporting and the reuse of available material (IFRS annual report) leads to reduction in the effort required. No additional value is provided by the extra effort of reporting the information on a Solvency II line of business basis.</p>	
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1.47.	1. We would prefer a reference to IAS 12 to ensure consistent reporting.	
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1.53.	1. The requested degree of detail and additional description would be burdensome and time-consuming, and we do not consider that it would add additional value.	
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Annex I ¹	<p>1. Validations 76-80): These tests specify that the Amount of TP Gross of IGT (cells C1, F1, I1, L1, O1 in S.35.01) should match back to the Technical Provisions in the Balance Sheet (cells L1, L4, L6B, L7, L10 respectively in S.02.1.g). However, the current version of the cross template checks in Technical Annex VI to CP-13-10 states that the Amount of TP Net of IGT (cells D1, G1, J1, M1, P1 in S.35.01) should match cells L1, L4, L6B, L7 and L10 in S.02.01.g. We are unclear as to why these checks have changed, as our understanding is that it is the Net of IGT Technical Provisions that should tie back to the Balance Sheet, as the Balance Sheet is reported on a Net of IGT basis for Group Reporting purposes.</p> <p>2. Validation 1041: Some of the formulae in the validation sheet for template S.23.01 (own funds) appear incorrect, for example “S.23.01.R0290/C0020= S.23.01.R0010/C0020+ S.23.01.R0030/C0020+ S.23.01.R0040/C0020+ S.23.01.R0070/C0020+S.23.01.R0130/C0020+ S.23.01.R0180/C0020 - S.23.01.R0230/C0020”: it appears to us that “- S.23.01.R0220/C0020” should be added to the end of the formula.</p>	

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