

Errata: Guidelines on reporting for Financial Stability Purposes

The following corrections have been reflected in the updated Guidelines on reporting for Financial Stability Purposes (incl. annexes).

Guidelines (main document)

Paragraph 1.30 and 1.31:

References to Guideline 10 and 13 is deleted.

Paragraph 1.42: Guideline 10 is removed.

Paragraph 1.43: Guideline 11, the following paragraphs are added after paragraph a):

“b) template S.14.04.11 of Technical Annex A, specifying specific information on Liquidity risk for life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;

c) template S.14.05.11 of Technical Annex A, specifying specific information on Liquidity risk for non-life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;

d) template S.38.01.11 of Technical Annex A, specifying information on the duration of the technical provisions, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.38.01 of Technical Annex B;”

Paragraph 1.44: Guideline 12, paragraph c) is amended as follows:

c) template S.02.01.01 of Annex I of the Implementing Technical Standard on Submission of Information, specifying balance sheet information, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive following the instructions set out in Annex III of the Implementing Technical Standard on Submission of Information;

Paragraph 1.45: Guideline 13 is removed.

Paragraph 1.46: Guideline 14, the following paragraphs are added after paragraph a): “b) template S.38.01.11 of Technical Annex A, specifying information on the duration of the technical provisions, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.38.01 of Technical Annex B;

“c) template S.14.04.11 of Technical Annex A, specifying specific information on Liquidity risk for life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;

d) template S.14.05.11 of Technical Annex A, specifying specific information on Liquidity risk for non-life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;”

Paragraph 1.51 to 1.53: Guideline 18 is removed.

Technical Annex A

The following templates are deleted:

- S.01.01.10/12/14
- S.01.02.01/04
- S.14.01.10
- S.38.01.10
- S.40.01.10

(1) template S.01.01.11 – Content of the submission is amended as follows:

a. The following rows have been inserted:

S.14.04.11	Liquidity risk for life business
S.14.05.11	Liquidity risk for non-life business
S.38.01.11	Duration of Technical Provisions

(2) template S.01.01.13 – Content of the submission is amended as follows:

a. The following rows have been inserted:

S.02.01.01	Balance Sheet
S.14.04.11	Liquidity risk for life business
S.14.05.11	Liquidity risk for non-life business
S.38.01.11	Duration of Technical Provisions

b. The following rows are deleted:

S.02.01.02	Balance Sheet
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(3) template S.01.01.15 – Content of the submission is amended as follows:

a. The following rows have been inserted:

S.38.01.11	Duration of Technical Provisions
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(4) template S.05.01.13 is amended as follows:

a. The following rows have been amended:

R0110	Premiums written — Gross — Direct Business
R0120	Premiums written — Gross — Proportional reinsurance accepted
R0130	Premiums written — Gross — Non proportional
R1210	Balance - other technical expenses/income
R1410	Premiums written — Gross
R2510	Balance - other technical expenses/income

b. The following rows are inserted:

R0300	Premiums earned – Net
R1600	Premiums earned – Net

(5) templates S.14.04.11 and S.14.05.11 have been added.

(6) template S.38.01.11 has been added.

(7) templates S.39.01.11 is amended as follows:

a. The following rows are inserted:

R0020	Technical account - Net result - Non-life
R0030	Technical account - Net result - Life
R0040	Non-Technical account - Balance
R0050	Taxes on income

Technical Annex B

S.01.01. - Content of the submission

The following items are added in the Instructions:

	ITEM	INSTRUCTIONS
C0010/ R0253	S.14.04 - Liquidity risk for life business	One of the options in the following closed list shall be used: 1 - Reported 2 - Not reported as no life and health SLT business 0 - Not reported other reason (in this case special justification is needed)
C0010/ R0254	S.14.05 - Liquidity risk for non-life business	One of the options in the following closed list shall be used: 1 - Reported 2 - Not reported as no non-life and health non-SLT business 0 - Not reported other reason (in this case special justification is needed)
C0010/ R0950	S.38.01	One of the options in the following closed list shall be used: 1 - Reported 0 - Not reported (in this case special justification is needed)

The following items are deleted from the Instructions:

C0010/R0250; C0010/R0970

S.05.01.13 – Premiums, claims and expenses by line of business

The following items are amended in the Instructions:

Insurance and reinsurance undertakings shall report written/earned premiums as defined in Article 1(11) and (12) of Delegated Regulation (EU) 2015/35 regardless whether local GAAP or IFRS is used.

	ITEM	INSTRUCTIONS
Non-life insurance and reinsurance obligations		
C0010 to C0120/R0 110	Premiums written – Gross	Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from direct business, regardless of the fact that such

	— Direct Business	amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums.
C0010 to C0120/R0 120	Premiums written — Gross — Proportional reinsurance accepted	Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from proportional reinsurance accepted business, regardless of the fact that such amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums.
C0130 to C0160/R0 130	Premiums written — Gross — Non proportional reinsurance accepted	Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from non-proportional reinsurance accepted business, regardless of the fact that such amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums.
C0200/R1 210	Balance - other technical expenses/income	Net technical expenses/income not covered by above mentioned expenses/income and not split by lines of business. Shall not include non-technical expenses/income such as tax, interest expenses, losses on disposals, etc.
Life insurance and reinsurance obligations		
C0210 to C0280/R1 410	Premiums written — Gross	Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from gross business, regardless of the fact that such amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums. It includes both direct and reinsurance business.
C0300/R2 510	Balance – other technical expenses/income	Net technical expenses/income not covered by above mentioned expenses/income and not split by lines of business.

		Shall not include non-technical expenses/income such as tax, interest expenses, losses on disposals, etc.
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The following items are added to the Instructions:

	ITEM	INSTRUCTIONS
Non-life insurance and reinsurance obligations		
C0010 to C0200/R0 300	Premium earned – Net	The sum of gross premiums written minus the change in the gross provision for unearned premiums related to the sum of the direct business and the accepted reinsurance business reduced by the amount ceded to reinsurance undertakings.
Life insurance and reinsurance obligations		
C0210 to C0300/R1 600	Premium earned – Net	The sum of gross premiums written minus the change in the gross provision for unearned premiums related to the sum of the direct business and the accepted reinsurance business reduced by the amount ceded to reinsurance undertakings.

S.14.04.11 – Liquidity risk for life business

General comments:

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This Annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups excluding reinsurance undertakings.

This template includes information about liquidity risk and collects information on life claims, cashed premiums, unearned premiums and fiscal treatment.

	ITEM	INSTRUCTIONS
Portfolio		

C0090	Asset held in unit linked and index linked contracts	<p>Identify the assets that are held by unit linked and index linked contracts. One of the options in the following closed list shall be used:</p> <p>1 - Unit-linked or index-linked 2 - Neither unit-linked nor index-linked</p>
C0055	Fiscal treatment products	<p>This field is to provide information on the fiscal treatment of the products, in particular when fiscal treatment could influence decision on exercising surrender/cancellation. The following close list should be used:</p> <ul style="list-style-type: none"> • In case of lapse/surrender there is no tax or subsidy related loss (*); • In case of lapse/surrender past or future tax benefits or other subsidies are lost; • Other tax related losses not covered above; • Not applicable. <p>(*). Includes cases where policyholders would suffer a tax or subsidy loss unless a similar insurer is willing to accept the contract.</p> <p>Tax benefits that relate to future premiums i.e. where premiums reduce future income tax payments are not relevant for the purpose of above classification.</p> <p>Whether for a particular contract within a product a fiscal loss actually would occur at the valuation date may depend on individual contractual parameters like duration or the age of the policyholder. For the purpose of the reporting in C0210 no differentiation according to such parameters is however required. The criteria should be chosen where such a fiscal loss may occur for the contracts of that product.</p>
C0080	Country	<p>Country ISO 3166-1 alpha-2 code or list of codes according to the following instructions:</p> <ul style="list-style-type: none"> - ISO 3166-1 alpha-2 code of the country where the contract was entered

		<p>into, for countries representing more than 10 % of technical provisions or written premiums for a given product.</p> <ul style="list-style-type: none"> - If reinsurance it shall refer to the country of the cedent undertaking. - For countries representing less than 10 % of Technical Provisions or written premiums for a given product, report a list of ISO 3166-1 alpha-2 Codes of the countries concerned.
Portfolio detail		
C0015	Identification code and type of code of the undertaking	<p>Identification code of the undertaking to which the product relates, using the following priority:</p> <ul style="list-style-type: none"> - Legal Entity Identifier (LEI); - Identification code used in the local market, attributed by supervisory authority.
C0070	Total amount of claims paid (year to date)	<p>Claims paid during the year related to the sum of the direct business.</p> <p>This shall not include changes in provisions for claims that have not yet been paid and exclude claims management expenses and the movement in provisions in claims management expenses.</p>
C0290	Cashed Premium - gross (year to date)	<p>The gross cashed premiums represent the sum of the direct business and the accepted insurance business reduced by the amount ceded to reinsurance undertakings actually cashed in the period, independently by their time-competence.</p>
C0074	Administrative expenses	<p>All administrative expenses incurred by the undertaking during the reporting period, on accrual basis by product.</p>
C0180	Best Estimate	<p>Amount of gross best estimate calculated by Product.</p>
C0200	Surrender value	<p>Value (the amount of technical provisions) of life contracts fully or partially lapsed or surrendered during the reporting period</p>
C0270	Exit conditions at reporting date	<p>Please classify the information according to the following close list regarding exit conditions:</p>

		<p>1 – Surrender value equal to the best estimate/local statutory reserves and notice required lower than one week</p> <p>2 – Surrender value equal to the best estimate/local statutory reserves and notice required higher than one week but lower than 3 months</p> <p>3 – Surrender value equal to the best estimate/local statutory reserves and notice required higher than 3 months</p> <p>4 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required lower than one week</p> <p>5 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required higher than one week but lower than 3 months</p> <p>6 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required higher than 3 months</p> <p>7 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required lower than one week</p> <p>8 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required higher than one week but lower than 3 months</p> <p>9 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required higher than 3 months</p> <p>10 – Other</p> <p>The notice period should be understood as the time period (e.g. days or weeks) requested by the insurance undertaking between the notification of the policyholder of his/her intention to terminate the insurance policy and the actual termination date. This term does not refer to the cool-off period which a client has to cancel the policy without penalty.</p> <p>Where this cell is not applicable, i.e. a contract cannot be surrender, e.g. for annuities from non-life contracts, this cell can be left blank.</p>
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C0300	Net Reinsurance flows (receivables - payable) of the period (year to date)	The Net Reinsurance flows represent the difference between net reinsurance receivables and net reinsurance payable of the period (year to date).
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S.14.05.11 - Liquidity risk for non-life business

General comments:

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This Annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups, excluding reinsurance undertakings.

This template includes information about liquidity risk and collects portfolio information on non-life claims, cashed premiums and unearned premiums.

	ITEM	INSTRUCTIONS
Portfolio		
C0080	Country	Country ISO 3166-1 alpha-2 code or list of codes according to the following instructions: <ul style="list-style-type: none"> - ISO 3166-1 alpha-2 code of the country where the contract was entered into, for countries representing more than 10 % of technical provisions or written premiums for a given product. - If reinsurance it shall refer to the country of the cedent undertaking. - For countries representing less than 10 % of Technical Provisions or written premiums for a given product, report a list of ISO 3166-1 alpha-2 Codes of the countries concerned.
Portfolio detail		

C0015	Identification code and type of code of the undertaking	Identification code of the undertaking to which the product relates, using the following priority: - Legal Entity Identifier (LEI); - Identification code used in the local market, attributed by supervisory authority.
C0070	Total amount of claims paid (year to date)	Claims and other technical outflows gross of reinsurance paid to date. This shall not include changes in provisions for claims that have not yet been paid and exclude claims management expenses and the movement in provisions in claims management expenses.
C0290	Cashed Premium - gross (year to date)	The gross cashed premiums represent the sum of the direct business and the accepted insurance business reduced by the amount ceded to reinsurance undertakings actually cashed in the period, independently by their time-competence.
C0180	Best Estimate	Amount of gross best estimate calculated by Product.
C0300	Net Reinsurance flows (receivables - payable) of the period (year to date)	The Net Reinsurance flows represent the difference between net reinsurance receivables and net reinsurance payable of the period (year to date).
C0310	Unearned premium (year to date)	Total amount of payment to date related to early termination of the contract.

S.38.01.11 – Duration of Technical Provisions

General comments:

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This Annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups.

This template includes information about the duration of technical provisions. The Modified duration table should be completed by all undertakings. The Effective duration table is only to be reported where material optionalities are present in the technical provisions.

	ITEM	INSTRUCTIONS
Modified duration of technical provisions		
C0010/R0100	Technical Provisions, Life excluding unit-linked – Modified Duration	Modified duration (the present value sensitivity for a unit change in yield) of technical provisions, life business excluding unit-linked products without investment guarantees.
C0010/R0200	Technical Provisions, Non-Life – Modified Duration	Modified duration of technical provisions, (the present value sensitivity for a unit change in yield) non-life business.
C0020/R0100	Technical Provisions, Life excluding unit-linked – Technical provision volume	The volume of technical provisions associated with the duration value in cell C0010/R0100.
C0020/R0200	Technical Provisions, Non-Life – Technical provision volume	The volume of technical provisions associated with the duration value in cell C0010/R0200.
Effective duration of technical provisions		
C0030/R0300	Technical Provisions, Life excluding	Effective ¹ duration (the present value sensitivity for a unit change in yield taking into account embedded

¹ Effective duration is conceptually able to take into account the variability of cash-flows under changing economic environments. This concept is based on a full revaluation of the balance sheet positions in scope and therefore considers both aspects: 1) change in discount rates and 2) change of cash flows. More concretely, the effective duration for Technical Provisions would be calculated as follows:

$$D_{TP}^{eff} = \frac{TP_{IRdown} - TP_{IRup}}{2 \cdot \Delta y \cdot TP_{base}}$$

where $TP_{(t)}$ is the market-consistent value of Technical Provisions in the respective scenario at the reference date. Accordingly, TP_{base} refers to the baseline scenario while TP_{IRup} and TP_{IRdown} refer to the scenarios with parallel interest rate movements up and down, respectively. Both scenarios IR up and IR down are described by an absolute parallel shift of $\pm\Delta y$ of the underlying market curve at the reference date (e.g. swap or government yield curve). The yield curve shift would be a parallel shift of the whole term structure and shift level 50 basis points. Whether the same yield curve shift would be applied simultaneously to both assets and liabilities or, alternatively, whether elements of the RFR

	unit-linked – Effective Duration	optionalities) of technical provisions, life business excluding unit-linked products without investment guarantees. The Effective duration is only to be reported where material optionalities are present in the technical provisions.
C0030/R0400	Technical Provisions, Non-Life – Effective Duration	Effective duration of technical provisions, (the present value sensitivity for a unit change in yield taking into account embedded optionalities) non-life business. The Effective duration is only to be reported where material optionalities are present in the technical provisions.
C0040/R0300	Technical Provisions, Life excluding unit-linked – <i>Technical provision volume</i>	The volume of technical provisions associated with the duration value in cell C0030/R0300. The Effective duration is only to be reported where material optionalities are present in the technical provisions.
C0040/R0400	Technical Provisions, Non-Life – <i>Technical provision volume</i>	The volume of technical provisions associated with the duration value in cell C0030/R0400. The Effective duration is only to be reported where material optionalities are present in the technical provisions.

The following items are deleted from the Instructions:
C0010/R0010 and C0010/R0020

S.39.01.11 – Profit & Loss

Paragraph 2 of the general comments is amended as follows: This annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups.

This template shall be reported from a consolidated accounting perspective, i.e.: Local GAAP or IFRS (if applicable) valuation. Groups shall use the recognition and valuation basis as for the published financial statements, no new recognition or re-valuation is required.

mechanism like extrapolation should be taken into account for the liability side is subject of further discussions. Please note that the concept of effective duration is based on a full revaluation of Technical Provisions and for Life insurance therefore usually requires two additional runs of stochastic life cash-flow models.

The following items are added to the Instructions:

	ITEM	INSTRUCTIONS
Detail		
C0010/R0010	Statutory Accounting: Profit & Loss	<p>Profit or Loss after taxes as in Directive 91/674/EEC, Article 34, III., Item 16, and for IFRS, profit for the year.</p> <p>In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>
C0010/R0020	Technical account – Net result – Non-life	<p>Balance on the technical account – non-life-insurance business as in Directive 91/674/EEC, Article 34, III., point 1., and for IFRS insurance service result (non-life) and non-life insurance finance income or expense.</p> <p>In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>
C0010/R0030	Technical account – Net result – Life	<p>Balance on the technical account - life-insurance as in Directive 91/674/EEC, Article 34, III., point 2. and for IFRS, insurance service result (life) and life insurance finance income or expense.</p> <p>In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>
C0010/R0040	Non-Technical account – Balance	<p>Non-technical account balance here is defined as the sum of Directive 91/674/EEC, Article 34, III., points 3., 4., 5., 6., 7., 8., 10., 11., 12., 14., 15., and for IFRS, profit before income tax minus insurance service result as well as insurance finance income or expense.</p> <p>In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>
C0010/R0050	Taxes on income	<p>Tax paid is defined as the sum of Directive 91/674/EEC, Article 34, III., points 9. and 13., and for IFRS, income tax expense.</p>

		In cases where profit and loss breakdown figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.
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