

To: Solvency II Working Group, Supervisory Reporting Project Group  
From: Prudential Team  
cc:  
Date: 30-07-2020  
Reference: ECO-SLV-20-162  
  
Subject: Compilation of members' feedback to EIOPA criteria for allowing Single Group RSR

## Members' input requested

Following EIOPA's request to get the industry's views on the criteria it has put forward in order to allow insurers to opt for a single group RSR, Insurance Europe has asked its members for feedback. The comments in this document represent a compilation of individual member feedback.

The industry would like to thank EIOPA for the opportunity to feedback to the single group RSR criteria. Overall, our members support the idea to introduce the option of a single group RSR, and the criteria proposed are generally acceptable, with the exception of the envisaged reporting deadlines, which represent a major hurdle for undertakings.

## Proposed criteria

EIOPA is proposing the following criteria:

1. The group supervisor's agreement of the group supervisor after consulting the college of supervisors.
2. Once agreement is reached at the level of the college of supervisors, each solo insurance undertaking is responsible for the submission of the single group RSR to each NCA. Furthermore, each NCA remains to have the power - as if a solo RSR were submitted - to keep on supervising the specific part of the single group RSR concerning the relevant subsidiary;
3. Information in the single group RSR related to any of the subsidiaries within the group must be individually identifiable;
4. Regarding languages, the same requirements as the SFCR apply
5. The deadline for the single group RSR would be the same as for the solo RSR, in order to allow supervisors to receive information on time for the solo Supervisory Reporting Process.

## Compilation of feedback received

### General

- Overall, our members support the idea to introduce the option of a single group RSR.
- The conditions planned by EIOPA are understandable and mostly sensible, except for the proposed deadlines which represent a major hurdle for undertakings.

### Deadline single group RSR

- The main and **critical aspect is the envisaged reporting deadlines**. According to the suggested EIOPA criteria, the single group RSR has to be submitted at the same time as the solo RSR. This would create a major burden for undertakings. Reporting deadlines are already very tight so that many undertakings finish their solo reports just in time. But as the solo reports are the basis for the group

report, it would be extremely difficult to finish the group report within solo deadlines as well, especially as some group data would not be available on time. It is also important that individual NCAs do not require the submission of sections of the RSR for which they have supervisory oversight from solo entities in advance of the single group deadline.

- In addition, it is not clear yet what proposals EIOPA will regarding timelines and the content of the RSR in the context of the 2020 review, which makes it challenging to assess the criteria appropriately.
- The suggested reporting deadlines are the reason why **many members do not consider the option to submit a single group RSR feasible**. It was also mentioned that for the same reasons some undertakings do not make use of the single group SFCR.
- It was suggested that the **reporting deadlines of the single group RSR and SFCR should be permanently aligned to the group reporting deadlines**. Alternatively, if the alignment to solo reporting deadlines shall be maintained, it is proposed to extend solo reporting deadlines.
- It was also mentioned that it would be helpful if the deadlines for the single group SFCR would be aligned to the deadlines for the single group RSR to allow a coordinated approach in switching to single group SFCR and single group RSR within a group.
- Regarding reporting deadlines, the industry does not agree with *"in order to allow supervisors to receive information on time for the solo Supervisory Reporting Process"*, as most insurers who would opt for this option, will already have provided the supervisory authorities with a quarterly submission of data. Based on this information, the supervisors can already perform their tasks, a delay in the single group RSR would not impede these activities.
- Regarding the second criterion, noting that *'each NCA remains to have the power - as if a solo RSR were submitted - to keep on supervising the specific part of the single group RSR concerning the relevant subsidiary'*, it is key that the NCAs do not require the solo entities to submit the section, specific to that entity, of the group RSR with the same deadline as the other part of the solo RSRs.

#### Language requirements

- From the overall group perspective, the language requirements might be onerous if they are interpreted unfavorably.

#### Solo undertaking's responsibility for submission of the single group RSR to each NCA.

- From the perspective of a subsidiary belonging to a group, the problem was highlighted that it is not in the subsidiary's power to ensure the parent company fulfils its requirements, such as for example completing the Single group RSR within the given deadline. Any requirement on subsidiaries to report the Single Group RSR to the local NCA within a certain time should be written in a careful manner to avoid that subsidiaries risk sanctions because of actions that is not within their control. In fact, the issue has already been discussed with the local NSA, regarding the Group ORSA (where the local NSA required the subsidiary to report the Single Group ORSA of the whole group).