

Industry concerns on governance and transparency ECB – SII reporting (add-ons)

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Contact person:	Prudential Working group	E-mail:	prudential@insuranceeurope.eu
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Introduction

Insurance Europe members have expressed growing and significant concerns regarding the introduction of ECB-driven reporting add-ons into the Solvency II reporting framework via Taxonomy 2.10.0, as well as broader concerns about the transparency and clarity of ECB governance and communication in the development of such reporting requirements. These concerns relate to:

- **Content issue**
- **A substantial increase in reporting burden**, contrary to the European Commission’s target to reduce regulatory burden by 25% under the competitiveness and simplification agenda
- **Process issues**
 - **Lack of transparency** over objectives, rationale and process
 - **Absence of clear governance**, including limited involvement of EIOPA and national stakeholders
 - **Unpredictability and lack of communication** on timing and consultation procedures

These concerns undermine the ability of insurers to plan and resource reporting systems properly and weaken confidence in the governance of reporting in Europe.

Origin of concern

The ECB is revising reporting requirements under ECB Regulation 1374/2014. Earlier this year (April–May), a merits and costs assessment took place indirectly through national central banks (NCBs). However:

- Only a limited number of NCBs further consulted with insurers for advice on the cost assessment
- The expected outcome of this assessment has not been published
- The ECB indicated at that time that a dedicated public consultation would follow

Despite these expectations, additional ECB templates first appeared directly in Taxonomy 2.10.0 PWD 1, without prior notification to industry.

Since it has been understood – mostly informally - that:

- Their inclusion in PWD 1 was unintentional
- No separate ECB consultation will take place after all
- Feedback on substantive content will be restricted to the 4-week, technical consultation as part of SII Taxonomy 2.10.0 Public Working Draft 2.
- No publication of merits & costs results is planned

This means that in some jurisdictions (e.g. Sweden) insurers never had an opportunity to comment at any stage, raising serious concerns about stakeholder involvement, and alignment with EU Better Regulation principles.

Key concerns

1. Increased regulatory burden

- Significant expansion in scope, granularity and volume of reporting
- Many requested data points do not exist in operational systems today, meaning that insurers will have to review their current – already automated – data gathering approaches and set-up new data streams all the way up to the reporting system
- It is unclear how the cumulative burden aligns with the Commission’s objective to reduce reporting obligations by 25%
- Without clear justification and impact assessment, additional reporting could divert resources away from innovation and consumer value

Without demonstrated supervisory value, this additional burden risks undermining policy objectives and absorbing resources away from innovation and customer service.

2. Lack of transparency

- ECB additions were not mentioned in the first version of release notes accompanying PWD 1 (13 August)
- Significant changes were introduced in later updates without communication
- New templates and data fields (including E.05.01 “Price of insurance”) appear without rationale or instructions leading to confusion
- Some of these templates also differ from earlier versions used during the merits-and-costs assessment, making their intended interpretation unclear
- Release notes refer to ECB assessments without providing any documentation or references
- ECB does not intend to publish outcomes of the merits and costs procedure

Stakeholders are unable to understand the scope, rationale or supervisory value of the new requirements. In addition, the lack of clear instructions and general unclarity make it impossible for insurers to start any preparatory work.

3. Governance issues

- There appears to be no clearly defined decision-making or approval process for integrating ECB requirements into Solvency II reporting
- There appears to be limited involvement of EIOPA

This raises fundamental questions regarding governance, accountability and effective stakeholder participation.

4. Predictability, communication and planning

- Communication is fragmented, reactive and inconsistent, mainly via NCBs after changes are already decided
- Implementation of reporting changes requires multi-year system developments within insurers
- Unannounced content changes and a short technical consultation window make it impossible to provide constructive feedback
- It remains unclear to what extent feedback submitted during PWD 2 will be taken into account in relation to the amended ECB add-ons
- Insurers cannot proceed with IT updates based on PWD 1, as critical elements remain incomplete and uncertain since undertakings do not have a clear understanding of the reporting requirements

The current timing and consultation approach create a high risk of delayed or inconsistent implementation across markets.

Industry request

The industry respectfully asks EIOPA and the ECB to:

1. **Clarify the governance and approval process** for ECB add-ons, including decision-making transparency and stakeholder involvement.
2. **Confirm how feedback will be assessed and communicated**, including publication of consultation outcomes and clarity on how PWD 2 feedback will be considered.
3. **Reassess the timing, process and scope of consultation** to enable meaningful review.
4. **Reconsider the proportionality and necessity** of the additional reporting burden in light of the EC simplification target.

Conclusion

Insurance Europe fully supports effective, risk-focused supervision. However, the current process for introducing ECB-driven reporting add-ons lacks transparency and clarity, expands burden without clear justification, and risks undermining confidence in the EU reporting framework.

A more transparent governance and consultation approach is essential to:

- Strengthen accountability and transparency
- Ensure consistent and workable implementation
- Support the EU's competitiveness and simplification objectives

Insurance Europe and its members stand ready to engage constructively with the ECB and EIOPA to ensure that reporting remains efficient, coherent and proportionate.

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