

## Insurance Europe comments on the on the 2.5.0 draft version of XBRL Taxonomy

### General comments

- The industry would ask EIOPA to explain why it has chosen to create a number of new, non-blocking validations.

### Detailed comments

#### Validations

- **BV797 and New Validation BV1137** – While the industry agrees that the values of all CIC '4' items in S.06.02 should equal the amounts entered in S.06.03, it is unsure whether this takes into account the fact that any liabilities reported in S.06.03 are shown as positive values. Indeed, BV797 required originally that items with the underlying asset category "Liabilities" are reported as positive figures in 'S.06.03 Collective investment undertakings - look-through approach'. EIOPA deactivated this validation rule on December 23, 2019. And currently the rule is listed in the 'draft validation rule document' without deactivation and proposed to be changed so that "Liabilities" items are reported as zero or positive figures in S.06.03. At the same time a new validation rule BV1137 is proposed. This rule requires that Solvency II values in S.06.02 List of assets and S.06.03 reconcile on fund level. Since "Liabilities" reduce the total Solvency II value of funds in S.06.02, it will be impossible to reconcile S.06.02 with S.06.03 if "Liabilities" are reported as positive figures in S.06.03.
- **Proposed new Validation BV 1138** – the new validation rule requires that assets with CIC 5 and 6 listed in S.06.02 are also covered in S.07.01. However, S.07.01 is subject to a threshold and only needs to be reported if "the value of structured products, determined as the sum of assets classified in categories 5 and 6, as defined in Annex V, represents more than 5 % of the total investments as reported in items C0010/R0070 and C0010/R0220 of template S.02.01.01". Hence, the validation should be amended to reflect this threshold, eg by using a maximum / minimum inquiry. This is especially important as this validation rule has a "blocking" severity.
- **Proposed new validation rules BV1145 and BV1146** – the industry notes that these validations will flag non-blocking failures when the fields 'External rating' (C0320) and 'Nominated ECAI' (C0330) are not populated for items with CIC categories 1, 2, 5 or 6. These validations are not workable as in practice there are assets with CIC 1, 2, 5 or 6 which do not have an external rating and these validations do not appear to take into account the instructions for these fields, which require that they are not to be populated when the entity is reporting the 'Internal rating' field. The industry notes that this has already been acknowledged by the German supervisor BaFin in its explanatory notes on Solvency II reporting. Hence, this proposed new validation should be deleted.
- **Proposed new validation rules BV1152 and BV1153** – the new validations require reporting of C0240 "Issuer group" and C0250 "Issuer group code". The proposed rules are contradictory to several published EIOPA Q&As, more specifically the Q&As with reference number 791, 1411, 1583, 1689, 1859, and 1963.