

## Response to roadmap consultation on EC supervisory data strategy for EU financial system

|                 |   |                               |                               |
|-----------------|---|-------------------------------|-------------------------------|
| Our reference:  | ECO-SLV-21-167  | Date:                         | 14 June 2021                  |
| Referring to:   | <a href="#">Roadmap consultation on supervisory data strategy for EU financial system</a> |                               |                               |
| Contact person: | Prudential Team   | E-mail:                       | prudential@insuranceeurope.eu |
| Pages:          | 2   | Transparency Register ID no.: | 33213703459-54                |

### Summary

The industry fully supports the aim of the supervisory data strategy to initiate a shift to a modern, efficient and effective approach to data collection for supervisory purposes.

At the same time, the following points should be considered:

### Approach

- **The approach should work for all stakeholders and benefits should outweigh costs.**

### Content and implementation

- **The principle of proportionality should always be taken into account.**  
Any sharing of data with supervisors must be carried out in an efficient and proportionate manner in line with regulatory requirements. The EC must therefore be clear about the benefits and objectives of the proposed changes.

Furthermore, the responsibility for data shared and its potential use by supervisors regarding an undertaking's governance, processes and obligations must be clearly defined, especially when that information could potentially lead to supervisory interventions.

- **Existing reporting timelines should be respected.**
- **The strategy should provide reporting relief and operational benefits for insurers.**  
Given the objectives of this initiative, the overall ambition should be to reduce the supervisory reporting to the essential data. Furthermore, there should be no duplication of data already reported within other frameworks, to NCAs, both national and European.

The use of technology could allow supervisors to deliver innovative and efficient supervisory solutions that would support a more effective, flexible and responsive supervisory system. For example, technological solutions could potentially facilitate the sharing of annual/quarterly reporting data with supervisors. Any such data exchange should come with reporting relief and operational benefits for insurers.

The advantages of the European Single Access Point (ESAP) initiative — which should make data easily accessible, standardised and free of charge, and reduce ad hoc data requests from various stakeholders — should also be considered.

- **Reporting requirements changes should be minimized, communicated timely and allow sufficient time for implementation.**

Any change entails large costs and effort for insurers, who have already invested significantly to implement Solvency II reporting. Further changes — eg aligning reporting systems for different legislations — could therefore require substantial investments. The timely communication of future changes and the allowance for a longer implementation time is therefore crucial. The industry should also be consulted on the required data, the format and any technology requirements and, to the largest extent possible, these should be kept constant over time.

#### Timing

- **Changes to reporting requirements proposed in the context of the review of Solvency II should be aligned with the timeline of the supervisory data strategy.**

The supervisory data strategy plans to consider a number of co-ordinated sectoral and horizontal measures, that would be implemented over the coming years. An extensive review of Solvency II is however currently taking place, in which the European Insurance and Occupational Pensions Authority (EIOPA) is proposing many changes in regard to reporting, which are also expected to be implemented over the coming years. In fact, EIOPA is planning substantial changes to the Solvency II quantitative reporting templates (QRTs) to be implemented as from 2022.

EIOPA should therefore not act on any of its proposals before proper Level 1 and Level 2 strategic consideration of the issues (including full scrutiny by the EU institutions) has taken place. This would avoid having to change the QRTs and insurers' IT-systems several times. In fact, it would be advisable to align the changes foreseen in the context of the review of Solvency II with the timeline of the supervisory data strategy, as this would avoid unnecessary costs and efforts.

#### Stakeholder involvement

- **It is important to keep the industry and stakeholders involved in the further development and implementation of the strategy.**

Insurance Europe is the European insurance and reinsurance federation. Through its 37 member bodies — the national insurance associations — it represents all types and sizes of insurance and reinsurance undertakings. Insurance Europe, which is based in Brussels, represents undertakings that account for around 95% of total European premium income. Insurance makes a major contribution to Europe's economic growth and development. European insurers pay out almost €1 000bn annually — or €2.7bn a day — in claims, directly employ nearly 950 000 people and invest over €10.4trn in the economy.