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# Solvency II update and calendar

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- The [Solvency II Directive \(Directive 2009/138/EC\)](#) was adopted in November 2009, and amended by Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014 (the so-called “Omnibus II Directive”).
- On 10 October 2014, the European Commission (EC) adopted the [Delegated Regulation \(Delegated Regulation \(EU\) 2015/35\)](#) containing implementing rules for Solvency II. The Delegated Regulation was published in the Official Journal on 17 January 2015.

- In **March 2015**, the EC adopted the **first set of Solvency II Implementing Regulations** laying down implementing technical standards with regard to the supervisory approval procedures for
  - [undertaking-specific parameters](#),
  - [ancillary own funds](#),
  - [matching adjustment](#),
  - [special purpose vehicles](#),
  - [internal models](#), and
  - [joint decision on group internal models](#).

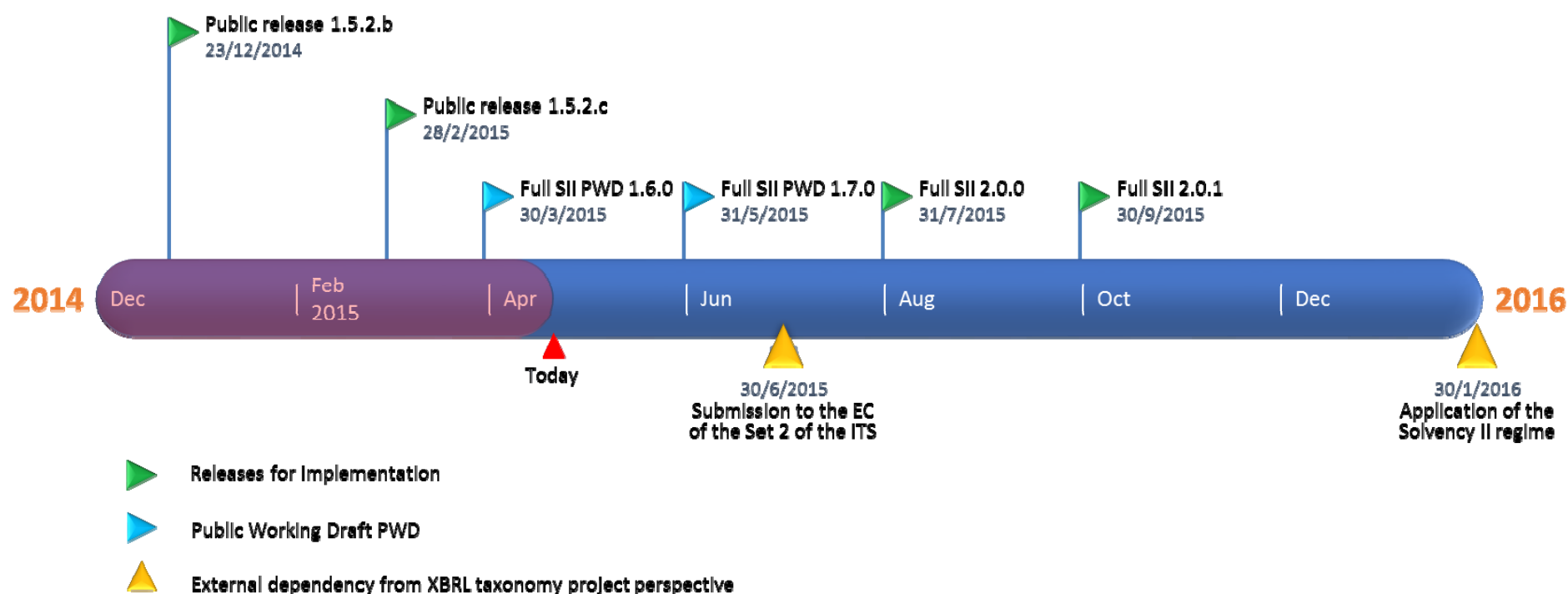
In **February 2015**, EIOPA published [the first set of Solvency II Guidelines](#) in all the EU official languages

- **1 April 2015 onwards** – Phasing-in of Solvency II for supervisory approval processes and decisions related to group supervision (article 308a of the Solvency II Directive);
- **30 June 2015** – Submission by EIOPA to the European Commission of the (final) Set 2 of Implementing Technical Standards (ITS);
- **3rd quarter of 2015** – Release of the XBRL taxonomy based on Set 2 of the Implementing Technical Standards (ITS);
- **3rd quarter of 2015** - Update of the XBRL Tool for Undertakings for the application of the "full" Solvency II taxonomy;
- **3rd quarter of 2015** – Publication of Set 2 of the Solvency II Guidelines in all EU languages followed by the comply-or-explain exercise by Member States;

- **1 January 2016** – Application of the Solvency II regime;
- **Mid-April 2016** – First prudential reporting by undertakings under Solvency II with reference to the first day of application (for undertakings with financial year end on 31 December).

- **1st week of June 2015** – Annual reporting by undertakings under the Solvency II Preparatory Phase with reference to 31 December 2014 (mid-July for groups);
- **Last week of November 2015** – Quarterly reporting by undertakings under Solvency II Preparatory Phase with reference to 30 September 2015 (first week of January 2016 - for groups).

# On implementation: Taxonomy timeline



# On implementation: Scope of the taxonomy releases

	Preparatory		FULL			
Version number	1.5.2.b	1.5.2.c	PWD 1.6	PWD 1.7	2.0.0	2.0.1
Planned release date	23 December 2014	28 February 2015	30 March 2015	<u>29 May 2015</u>	31 July 2015	30 Sept 2015
Purpose	Preparatory Implementation	Optional Improvement	Public review	Public review	Basis for IT Implementation	Errata and bug fixes
Business alignment	Guidelines on Submission of Information to NCAs, applicable in the Preparatory Phase (2014-2015) Guidelines on Submission of Information to NCAs, applicable in the Preparatory Phase (2014-2015)		Public consultation on the Set 2 of the Solvency II ITS and Guidelines starting 3 December 2014 Public consultation on the Set 2 of the Solvency II ITS and Guidelines starting 3 December 2014		Set 2 of the Solvency II ITS and Guidelines after public consultation	
Business variants	a, b, f, g, l, n	a, b, f, g, l, n	a,b,f,g point III.1	All aligned with new Organisation	All	
Stability	STABLE	STABLE	NOT STABLE	NOT STABLE	STABLE	
Implement in IT systems	YES	YES	NO	NO	YES	
Main changes	Inclusion of rendering of Row Column codes based on public consultation version of S2	Backward compatibility with 1.5.2b for instances. Improvement of Docs and validation error	More alignment with Eurofiling and EBA’s architecture	Corrective update based in feedback received for PWD 1	Adaptive publication  FIRMS SHOULD START TO PREPARE THE IMPLEMENTATION	First corrective publication
Validations	Yes. With information about deactivated validation	Yes. With information about deactivated validations and error messages based on R/C codes	Yes a meaningful subset of formulas (aligned with EBA architecture R/C codes used for the validations)		All (aligned with EBA architecture, R/C codes used for the validations)	
Test instance documents	Yes skeleton instances	Yes (dummy data)	Yes (dummy data)	Yes (dummy data, test cases for validations)		
Filing Rules		First draft of EIOPA XBRL Filing Rules	EIOPA XBRL Filing Rules (To be used for preparatory)	Public draft of EIOPA XBRL Filing Rules for S2	Final version of EIOPA XBRL Filing Rules	

Changes on the plan incorporated



# On implementation: Organisation of Entry Points and Templates in taxonomy

## • Current approach (templates specific for variants)

Purpose?	Agency II										Financial stability							
Who?	Individual					Group					Third-country branch				Individual		Group	
Frequency?	Quarterly		Annual		Quarterly		Annual		Quarterly		Annual		Quarterly		Annual		Quarterly	
What?	Entity (as a whole)		Entity (as a whole)		Group (as a whole)		Group (as a whole)		Branch (as a whole)		Branch (as a whole)		Branch (as a whole)		Branch (as a whole)		Branch (as a whole)	
Business template	a	a+ECB	b	b+ECB	c	c+ECB	d	d+ECB	e	e+ECB	f	f+ECB	g	g+ECB	h	h+ECB	i	i+ECB
S.01.01	S.01.01.a		S.01.01.b		S.01.01.c		S.01.01.d		S.01.01.e		S.01.01.f		S.01.01.g		S.01.01.h		S.01.01.i	
S.01.02	S.01.02.a		S.01.02.b		S.01.02.c		S.01.02.d		S.01.02.e		S.01.02.f		S.01.02.g		S.01.02.h		S.01.02.i	
S.01.03	X		S.01.03.b		S.01.03.c		S.01.03.d		S.01.03.e		S.01.03.f		S.01.03.g		S.01.03.h		S.01.03.i	
S.02.01	S.02.01.a		S.02.01.b		S.02.01.c		S.02.01.d		S.02.01.e		S.02.01.f		S.02.01.g		S.02.01.h		S.02.01.i	
S.02.02	X		S.02.02.b		S.02.02.c		S.02.02.d		S.02.02.e		S.02.02.f		S.02.02.g		S.02.02.h		S.02.02.i	
S.02.03	X		X		X		X		X		X		X		X		X	
S.03.01	X		S.03.01.b		S.03.01.c		S.03.01.d		S.03.01.e		S.03.01.f		S.03.01.g		S.03.01.h		S.03.01.i	
S.03.02	X		S.03.02.b		S.03.02.c		S.03.02.d		S.03.02.e		S.03.02.f		S.03.02.g		S.03.02.h		S.03.02.i	
S.03.03	X		S.03.03.b		S.03.03.c		S.03.03.d		S.03.03.e		S.03.03.f		S.03.03.g		S.03.03.h		S.03.03.i	

### Pros

- Clear relations to business tables
- One entry point per variant/worksheet
- Easier process to introduce changes to a template

### Cons

- High number of templates/worksheets (i.e. excel limitation)
- Challenge to introduce RFFs/MPs into single report

## • Potential approach (reuse of templates across variants, algorithm for codification)

	.01	.02	.03	.04	.05	.06	.07	.08	.09	.10	.11	.12	.13	.14	.15	.16	.17	.18	.19	.20
Technical Standard																				
Sol II	Sol II	Sol II	Day 1	Sol II	Day 1	3CB	3CB	Day 1	FS	FS	FS	FS	FS	FS	FS	ECB	ECB	ECB	ECB	SPV
Individual	Individual	Individual	Individual	Group	Group	3CB	3CB	3CB	Individual	Individual	Group	Group	3CB	3CB	3CB	Individual	Individual	3CB	3CB	
Annual	Quarterly	Quarterly	Quarterly	Annual	Quarterly	Annual	Quarterly	Quarterly	Annual	Quarterly	Annual	Quarterly	Annual	Quarterly	Annual	Quarterly	Annual	Quarterly	Annual	Quarterly
	b+l	a	s (?)	g+n	f	t (?)	p+r	o	u	d	c	i	h	v	x	b+l+ECB	a+ECB	p+r+ECB	o+ECB	?
S.01.01	S.01.01.01	S.01.01.02		S.01.01.04	S.01.01.05		S.01.01.07	S.01.01.08		S.01.01.10	S.01.01.11	S.01.01.12	S.01.01.13							
S.01.02	S.01.02.01	S.01.02.01		S.01.02.04	S.01.02.04		S.01.02.07	S.01.02.08		S.01.02.10	S.01.02.11	S.01.02.12	S.01.02.13							
S.01.03	X			S.01.03.04	X		S.01.03.01	X												
S.02.01	S.02.01.01	S.02.01.02		S.02.01.04	S.02.01.05		S.02.01.07	S.02.01.08					S.02.01.13							
S.02.02	S.02.02.01	X		S.02.02.04	X		S.02.02.01	X												
S.02.03	X	X		X	X		S.02.03.07	X												
S.03.01	S.03.01.01	X		S.03.01.04	X		S.03.01.01	X												
S.03.02	S.03.02.01	X		S.03.02.04	X		S.03.02.01	X												

### Pros

- Limited number of templates (similar to Preparatory release)
- Clear solution for RFFs/MPs

### Cons

- More complex relations to business tables (resulting from reusability of tables across variants)
- More variants/entry points covered by worksheet
- Will affect the process of formula development

# On implementation: T4U: Release overview



- **February**
    - Release based on Preparatory Taxonomy v1.5.2.b
  - **March**
    - Release based on Preparatory Taxonomy v1.5.2.c
  - **April – *current release***
    - Technical bug fix release 2015.4.30.0
  - **Q2 (June)**
    - Release based on Full SII Taxonomy PWD v1.7
  - **Q3 (est. August)**
    - Release based on Full SII Taxonomy PWD v2.0
  - No additional releases scheduled at this time:  
EIOPA investigating options
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# On implementation: T4U: Way forward



- Start phasing out EIOPA's development: actively engage with market participants and providers to enable all parties to gain knowledge of the developments and create a healthy and competitive market, servicing small and medium sized companies with adequate tools
  - Decommission T4U after undertakings have conducted the first Solvency II reporting exercise in the second half of 2016. It is expected that by this time more advanced market solutions will be available, based on the solutions developed within the T4U project.
  - Given budgetary and resource limitations, EIOPA will not be in a position to provide individual advice or first level support to companies.
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# On implementation: ECB add-ons overview

- There will be a separate set of entry points covering ECB add-on. The content: templates shared with Sol2 + Sol 2 templates extended by ECB + ECB specific templates)
- ECB add-on specific information:

3 templates extended by ECB (named with „SE“):

- Content template
- Balance sheet
- List of assets

SE.02.01

Solo - Annual

	Solvency II value	Statutory accounts value	Reclassification adjustments
	C0010	C0020	EC0021
<b>Assets</b>			
Goodwill	R0010	AS1	
Deferred acquisition costs	R0020	AS24	
Intangible assets	R0030	A2	ECB add-on
Deferred tax assets	R0040	A26	ECB add-on
Derivatives	R0790	L16	ECB add-on
Debts owed to credit institutions	R0800	L19	ECB add-on
Debts owed to credit institutions resident domestically	ER0801	ECB add-on	ECB add-on
Debts owed to credit institutions resident in the euro area other than domestic	ER0802	ECB add-on	ECB add-on
Debts owed to credit institutions resident in rest of the world	ER0803	ECB add-on	ECB add-on
Financial liabilities other than debts owed to credit institutions	R0810	L20	ECB add-on
Debts owed to non-credit institutions	ER0811	ECB add-on	ECB add-on
Debts owed to non-credit institutions resident domestically	ER0812	ECB add-on	ECB add-on
Debts owed to non-credit institutions resident in the euro area other than domestic	ER0813	ECB add-on	ECB add-on
Debts owed to non-credit institutions resident in rest of the world	ER0814	ECB add-on	ECB add-on
Other financial liabilities (debt securities issued)	ER0815	ECB add-on	ECB add-on
Insurance & intermediaries payables	R0820	L15A	ECB add-on
Reinsurance payables	R0830	L15B	ECB add-on

3 ECB specific templates (named with „E“):

- Deposits to cedants
- Life obligations analysis - pension entitlements
- Non-life Technical Provisions - reinsurance policies - By country

E.01.01

Deposits to cedants - line-by-line reporting

E.01.01.02.01

Z Axis:

SU/Assets other than derivatives and Assets held as collateral

Quarterly reporting, solo

Line identification code	Issuer Country	Currency	Total Solvency II amount	Accrued interest
EC0010	EC0020	EC0030	EC0040	EC0050
ECB add-on	ECB add-on	ECB add-on	ECB add-on	ECB add-on
*key*	Metric: Issuer Country	Metric: Original currency of exposure/transaction/instrument	Metric: Monetary	Metric: Monetary
XZ: E.01.01 line identification			BC/Assets	BC/Assets
			VG/Solvency II	VG/Accrued interests

- ECB-specific columns code: ECXXXX; ECB-specific rows code: ERXXXX

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Thank you

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