



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

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24 March 2020

Re: The application of supervisory flexibility regarding the deadline of supervisory reporting and public disclosure - Coronavirus/COVID-19

Dear Compliance Officer,

The Central Bank's role is to protect and maintain financial stability now and into the future. We need to make sure that the financial system works well for everyone, and that consumers are protected. We are committed to working constructively with the insurance sector at this time, recognising the challenges which the sector faces to maintain continuity of business and provision of service to customers.

It is our intention to continue to maintain appropriate regulatory oversight throughout this period, as we look to ensure undertakings remain resilient through this challenging environment in order to safeguard the financial system in the public interest.

The Central Bank is choosing to apply a degree of supervisory flexibility in respect of forthcoming reporting and disclosure deadlines for insurance and reinsurance undertakings. The flexibility exercised by the Central Bank has the ultimate aim of maintaining the balance between appropriate oversight and recognition of the operational difficulties which undertakings may be experiencing at this time. In this regard, the Central Bank maintains consistency with the recommendations of the European Insurance and Occupations Pensions Authority (EIOPA)¹ while making the necessary adjustments for the local context (including national specific reporting requirements).

The operational details of this flexibility in respect of annual reporting, quarterly reporting and public disclosures are appended to this letter. If you have any queries, please contact the insurance regulatory reporting team (InsuranceRegulatoryReportingQueries@centralbank.ie) in the first instance.

Yours sincerely,

A handwritten signature in blue ink that reads "Eoin Haugh".

Eoin Haugh

Head of Function – Insurance risk analysis, reporting and infrastructure

¹ <https://www.eiopa.europa.eu/content/recommendations-supervisory-flexibility-regarding-deadline-supervisory-reporting-and-public-en>



General considerations

1. The supervisory flexibility outlined is available to all undertakings. However, recognising that in many cases firms are already significantly advanced in their year-end reporting cycles, the Central Bank encourages those in a position to meet the existing reporting and disclosure deadlines to continue to do so.
2. Please note that, where reporting dates are not met, automated late filing reminders are usually issued from the Central Bank's online reporting system (ONR). Such filing reminders will be disabled during the reporting periods impacted by the current circumstances.
3. Where flexibility is applied to annual or quarterly quantitative submission, this may be read as applying equally to Solvency II and prudential National Specific Template (NST) submissions.

Annual reporting

4. The considerations below relate to undertakings with a financial year-end between 31 December 2019 and 31 March 2020 (inclusive).
5. The regular supervisory report (RSR) may be submitted up to eight weeks after the submission deadline (i.e. for undertakings with 31 December year-end, submissions will be deemed on time up to 02 June 2020). This applies equally to undertakings required to submit a full RSR for year-end 2019 and to undertakings who are required to submit a summary report setting out material changes.
6. The following quantitative templates, as defined in Commission Implementing Regulation (EU) 2015/2450 (as amended), may be submitted up to two weeks after the submission deadline:
 - a. Content of the Submission (S.01.01)
 - b. Basic Information (S.01.02)
 - c. Balance-sheet (S.02.01)
 - d. Cash-Flow projections for life business (S.13.01)
 - e. Long-term guarantees (S.22.01)
 - f. Own funds (S.23.01)
 - g. SCR calculation (S.25.01, S.25.02 or S.25.03, depending on the SCR calculation method used)²
7. With the exception of the templates noted in paragraph 6 above, all quantitative templates may be submitted up to eight weeks after the submission deadline. Please note that where a split submission is being provided, the second submission must be a complete submission of all quantitative information (i.e. it must also include a resubmission of the quantitative templates noted in paragraph 6).

² Where the Central Bank has issued a request under Regulation 125(9) of S.I. 485 of 2015 for an undertaking using a (partial) internal model to submit an estimate of the Solvency Capital Requirement determined in accordance with the standard formula the submission of such an estimate can be treated under paragraph 7 (i.e. submission up to eight weeks after the submission deadline).



8. The directors' accuracy statements for the annual quantitative reporting templates and the RSR may be submitted up to eight weeks after the submission deadline.
9. Given the exceptional circumstances associated with COVID-19, the Central Bank will accept situations where the quantitative reporting is completed in advance of the submission of the associated accuracy statement (e.g. quantitative reporting on 07 April 2020 could be accompanied by an accuracy statement submitted anytime in the eight week period referenced in paragraph 8 above). Where the process which leads to the completion of an accuracy statement results in a revision to the quantitative submission, the Central Bank will consider the subsequent resubmission of the quantitative returns as the only submission from the undertaking.
10. The compliance statements required under section 25 of the Central Bank Act 1997 may be submitted up to eight weeks after the submission deadline.
11. The actuarial opinion on technical provisions (AOTP) associated with the annual quantitative reporting templates may be submitted up to two weeks after the submission deadline.
12. As the actuarial report on technical provisions (ARTP) which supports the AOTP is only provided to the Central Bank on request, there is no change to the submission process associated with the ARTP. However, the Central Bank will be cognisant of the current situation when issuing any requests for ARTPs or, where applicable, the associated Peer Review Report.
13. Given the exceptional circumstances associated with COVID-19, the Central Bank will accept situations where the quantitative reporting is completed in advance of the submission of the associated AOTP (e.g. quantitative reporting on 07 April 2020 could be accompanied by an AOTP submitted anytime in the two week period referenced in paragraph 11 above). Where the process which leads to the completion of an AOTP results in a revision to the quantitative submission, the Central Bank will consider the subsequent resubmission of the quantitative returns as the only submission from the undertaking.

Quarterly reporting

14. The considerations below relate to prudential reporting for undertakings with a financial quarter-end on or after 31 March 2020 but before 30 June 2020. Guidance with regard to the statistical collection will be provided in due course in line with any guidance and recommendations received by the Central Bank of Ireland from the European Central Bank.
15. As this quarterly submission will be the first regulatory reporting to begin to reflect the impact of COVID-19 on the financial position of undertakings, the Central Bank would like to emphasise that:
 - a. The Own Funds template (S.23.01) should include an estimation of the SCR for the end of the quarter reference date (i.e. a resubmission of the most recently calculated SCR is not sufficient if such a calculation is from an earlier reference date);
 - b. Early submissions are encouraged.



16. Recognising the importance of focusing effort on the overall accuracy of the submissions, if necessary, undertakings may consider a proportionate approach to less material aspects of the calculations.
17. Notwithstanding paragraph 15.b above, the quarterly returns may be submitted up to one week after the submission deadline, with the exception of the closed derivatives template (S.08.02) which may be submitted up to four weeks after the submission deadline. Where an undertaking chooses to submit the closed derivatives template with this further extension, this should be done as part of a resubmission including all templates which were previously included in the original submission.

Public disclosures

18. The considerations below relate to undertakings with a financial year-end between 31 December 2019 and 31 March 2020 (inclusive).
19. In the event of a major development that significantly affects disclosed information Regulation 56(1) of S.I. 485 of 2015 requires that undertakings “*shall disclose appropriate information on the nature and effects of that major development*”. The Central Bank expects that, for the majority of undertakings, the current situation should be considered as a major development under Regulation 56(1). The disclosure of any relevant information should occur at the same time as the disclosures noted in paragraphs 20 (for information directly relevant to the initial quantitative disclosures) and 21 (for more complete disclosures related to COVID-19 impacts).
20. The key quantitative disclosures from the Solvency and Financial Condition Report (SFCR) may be published, and submitted to the Central Bank, up to two weeks after the publication deadline. The Central Bank expects that this period will allow for the completion of activities associated with these templates, including the audit requirements under Regulation 37 of S.I. 485 of 2015. Specifically, these should include the following templates as defined in Commission Implementing Regulation (EU) 2015/2452 (as amended):
 - a. Balance-sheet (S.02.01);
 - b. Long-term guarantees (S.22.01);
 - c. Own funds (S.23.01); and
 - d. SCR calculation (S.25.01)
21. With the exception of the information noted in paragraph 20, undertakings may publish, and submit to the Central Bank, the SFCR up to eight weeks after the publication deadline.