

PRA STANDARDS INSTRUMENT: THE TECHNICAL STANDARDS (SOLVENCY II REGULAR SUPERVISORY REPORTING) INSTRUMENT 2021

Powers exercised

- A. The PRA makes this instrument in the exercise of powers under section 138P (Technical Standards) of the Act.
- B. For the purposes of section 138P of the Act, the power to make technical standards which the PRA relies on is conferred on the PRA by Regulation 3 and Schedule 2, para.1 of The Solvency 2 and Insurance (Amendment, etc.)(EU Exit) Regulations 2019.
- C. Pursuant to section 138P(2)(b) of the Act, the power to make technical standards includes the power to modify, amend or revoke any EU tertiary legislation made by an EU entity under the original EU power which forms part of retained EU law. Commission Implementing Regulation (EU) 2015/2450 constitutes EU tertiary legislation (as defined in section 20 of the EUWA) for these purposes.
- D. This instrument amends Commission Implementing Regulation (EU) 2015/2450.
- E. The powers referred to above are specified for the purpose of section 138Q(2) (Standards instruments) of the Act.

Pre-conditions to making

- F. The FCA has been consulted on the changes made by this instrument pursuant to section 138P(4) of the Act.
- G. In accordance with section 138J of the Act, the PRA published a draft of the proposed instrument and had regard to representations made.
- H. A draft of this instrument has been approved by the Treasury, as required by section 138R of the Act.

Interpretation

- I. In this instrument, any reference to any provision of direct EU legislation is a reference to it as it forms part of retained EU law.
- J. In this instrument:
 - “EUWA” means the European Union (Withdrawal) Act 2018;
 - “PRA” means the Prudential Regulation Authority;
 - “Retained EU law” has the meaning given it in section 6 of the EUWA; and
 - “the Act” means the Financial Services and Markets Act 2000.

Modifications

K. The PRA makes the modifications in the Annex to Commission Implementing Regulation (EU) 2015/2450.

Commencement

L. This instrument comes into force on 31 December 2021.

Citation

M. This instrument may be cited as PRA Standards Instrument: The Technical Standards (Solvency II Regular Supervisory Reporting) Instrument 2021.

By order of the Prudential Regulation Committee

14 December 2021

ANNEX

MODIFICATIONS TO COMMISSION IMPLEMENTING REGULATION (EU) 2015/2450

1. Commission Delegated Regulation (EU) 2015/2450 of 2 December 2015 laying down implementing technical standards to the templates for the submission of information to the supervisory authorities according to Directive 2009/138 EC of the European Parliament and of the Council, as it forms part of retained EU law (and as amended by the Technical Standards (Solvency II Directive & Institutions for Occupational Retirement Provision Directive) (EU Exit) Instrument 2019), is modified as follows:
2. The following changes are made as shown below, with deleted text shown in strike-through and new text underlined.

Article 6 Quarterly quantitative templates for individual undertakings

[...]

~~(l) where insurance and reinsurance undertakings are engaged in only life or only non-life insurance or reinsurance activity, template S.28.01.01 of Annex I, specifying the Minimum Capital Requirement, following the instructions set out in section S.28.01 of Annex II; [NOT USED]~~

~~(m) where insurance undertakings are engaged in both life and non-life insurance activity, template S.28.02.01 of Annex I, specifying the Minimum Capital Requirement, following the instructions set out in section S.28.02 of Annex II. [NOT USED]~~

[...]

Article 10 Annual quantitative templates for individual undertakings — Investments information

[...]

- (a) ~~where the undertaking is exempted from the annual submission of information in templates S.06.02.01 or S.08.01.01 in accordance with A direction given by the PRA under section 138A of the Act, template S.06.01.01 of Annex I to this Regulation, providing summary information of assets, following the instructions set out in section S.06.01 of Annex II to this Regulation [NOT USED]~~

[...]

Article 11 Annual quantitative templates for individual undertakings — Technical provisions information

[...]

~~(e) template S.15.01.01 of Annex I, specifying information on description of the guarantees of variable annuities by product issued by the undertaking under direct insurance business, following the instructions set out in section S.15.01 of Annex II; [NOT USED]~~

~~(f) template S.15.02.01 of Annex I, specifying information on the hedging of guarantees of variable annuities by product issued by the undertaking under direct insurance business, following the instructions set out in section S.15.02 of Annex II; [NOT USED]~~

[...]

Article 16 ~~Annual quantitative templates for individual undertakings — Variation analysis information~~ [NOT USED]

Insurance and reinsurance undertakings shall submit annually the information referred to in Article 304(1)(d) of Delegated Regulation (EU) 2015/35 using the following templates:

- (a) ~~template S.29.01.01 of Annex I, specifying information on the variation of the excess of assets over liabilities during the reporting year providing a summary of main sources of this variation, following the instructions set out in section S.29.01 of Annex II;~~
- (b) ~~template S.29.02.01 of Annex I, specifying information on the part of variation of the excess of assets over liabilities during the reporting year explained by investments and financial liabilities, following the instructions set out in section S.29.02 of Annex II;~~
- (c) ~~templates S.29.03.01 and S.29.04.01 of Annex I, specifying information on the part of variation of the excess of assets over liabilities during the reporting year explained by technical provisions, following the instructions set out in section S.29.03 and S.29.04 of Annex II.~~

[...]

Article 27 Annual quantitative templates for groups — Investments information

- (a) ~~where the group is exempted from the annual submission of information in templates S.06.02.04 or S.08.01.04 in accordance with the third subparagraph of a direction given by the PRA under section 138A of the Act, template S.06.01.01 of Annex I to this Regulation, providing summary information of assets, following the instructions set out in section S.06.01 of Annex III to this Regulation; [NOT USED]~~

[...]

Article 28 Annual quantitative templates for groups — Variable annuities information [NOT USED]

~~Participating insurance and reinsurance undertakings, insurance holding companies and mixed financial holding companies shall submit annually the information referred to in Article 304(1)(d) of Delegated Regulation (EU) 2015/35, in conjunction with Article 372(1) of that Delegated Regulation, using the following templates:~~

- (a) ~~template S.15.01.04 of Annex I, specifying information on the description of the guarantees of variable annuities by product issued under direct business by undertakings in the scope of the group and established outside the EEA, following the instructions set out in section S.15.01 of Annex III;~~
- (b) ~~template S.15.02.04 of Annex I, specifying information on the hedging of guarantees of variable annuities by product issued under direct business by undertakings in the scope of the group and established outside the EEA, following the instructions set out in section S.15.02 of Annex III~~

[...]

Annex II

Instructions regarding reporting templates for individual undertakings

[...]

S.01.01 — Content of the submission

	ITEM	INSTRUCTIONS

[...]

C0010/R0130	S.06.01 — Summary of Assets	<p>One of the options in the list <u>The following closed list option</u> shall be used:</p> <p>1 — Reported</p> <p>4 — Not due as S.06.02 and S.08.01 reported quarterly</p> <p>5 — Not due as S.06.02 and S.08.01 reported annually</p> <p>0 — Not reported (in this case special justification is needed)</p>
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[...]

C0010/R0260	S.15.01 — Description of the guarantees of variable annuities	<p>One of the options in the list <u>The following closed list option</u> shall be used:</p> <p>1 — Reported</p> <p>2 — Not reported as no variable annuities</p> <p>18 — Not reported as no direct insurance business</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>
C0010/R0270	S.15.02 — Hedging of guarantees of variable annuities	<p>One of the options in the list <u>The following closed list option</u> shall be used:</p> <p>1 — Reported</p> <p>2 — Not reported as no variable annuities</p> <p>18 — Not reported as no direct insurance business</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>

[...]

C0010/R0580	S.28.01 — Minimum Capital Requirement — Only life or	One of the options in the following closed list shall be used:
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	only non-life insurance or reinsurance activity	<p>1– Reported</p> <p>2 — Not reported as both life and non-life insurance or reinsurance activity</p> <p>0– Not reported other reason (in this case special justification is needed)</p>
C0010/R0590	S.28.02 — Minimum Capital Requirement — Both life and non-life insurance activity	<p>One of the options in the following closed list shall be used:</p> <p>1 — Reported</p> <p>2 — Not reported as only life or only non-life insurance or reinsurance activity or only reinsurance activity</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>
C0010/R0600	S.29.01 — Excess of Assets over Liabilities	<p>One of the options in the <u>The</u> following closed list option shall be used:</p> <p>1 — Reported</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>
C0010/R0610	S.29.02 — Excess of Assets over Liabilities — explained by investments and financial liabilities	<p>One of the options in the <u>The</u> following closed list option shall be used:</p> <p>1 — Reported</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>
C0010/R0620	S.29.03 — Excess of Assets over Liabilities — explained by technical provisions	<p>One of the options in the <u>The</u> following closed list option shall be used:</p> <p>1 — Reported</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>
C0010/R0630	S.29.04 — Detailed analysis per period —	<p>One of the options in the <u>The</u> following closed list option shall be used:</p>

	Technical flows versus Technical provisions	1 — Reported 0 — Not reported other reason (in this case special justification is needed)
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[...]

S.16.01. — Information on annuities stemming from Non–Life Insurance obligations

General comments:

[...]

This template shall be reported only for annuities formally settled stemming from non–life contracts and relating to health insurance obligations and relating to insurance obligations other than health insurance obligations.

Reinsurance undertakings (ie excluding those who write direct business) are exempt from reporting this template.

[...]

S.28.01 — Minimum Capital Requirement — Only life or only non–life insurance or reinsurance activity

General comments:

This section relates to opening, ~~quarterly~~ and annual submission of information for individual entities.

[...]

S.28.02 — Minimum Capital Requirement — Both life and non–life insurance activity

General comments:

This section relates to opening, ~~quarterly~~ and annual submission of information for individual entities.

[...]

Annex III

Instructions regarding reporting templates for groups

[...]

S.01.01 — Content of the submission

[...]

	ITEM	INSTRUCTIONS
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[...]

C0010/R0130	S.06.01 — Summary of Assets	One of the options in the <u>The following closed list option</u> shall be used:
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		<p>1 — Reported</p> <p>4 — Not due as S.06.02 and S.08.01 reported quarterly</p> <p>5 — Not due as S.06.02 and S.08.01 reported annually</p> <p>0 — Not reported (in this case special justification is needed)</p>
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[...]

C0010/R0260	S.15.01 — Description of the guarantees of variable annuities	<p>One of the options in the <u>The</u> following closed list <u>option</u> shall be used:</p> <p>1 — Reported</p> <p>2 — Not reported as no variable annuities</p> <p>18 — Not reported as no direct insurance business</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>
C0010/R0270	S.15.02 — Hedging of guarantees of variable annuities	<p>One of the options in the <u>The</u> following closed list <u>option</u> shall be used:</p> <p>1 — Reported</p> <p>2 — Not reported as no variable annuities</p> <p>18 — Not reported as no direct insurance business</p> <p>0 — Not reported other reason (in this case special justification is needed)</p>

3. Each of the following templates in Annex I is deleted and replaced with "NOT USED" (but is not shown in strike-through and underline in this instrument):

a) Annex I (S.06.01.01)

- b) Annex I (S.15.01.01)
- c) Annex I (S.15.02.01)
- d) Annex I (S.15.01.04)
- e) Annex I (S.15.02.04)
- f) Annex I (S.29.01.01)
- g) Annex I (S.29.02.01)
- h) Annex I (S.29.03.01)
- i) Annex I (S.29.04.01)

4. Instructions regarding reporting templates for individual undertakings contained in Annex II in respect to the following templates are deleted and replaced with "NOT USED" (but is not shown in strike-through and underline in this instrument):

- a) Annex II (S.06.01)
- b) Annex II (S.15.01)
- c) Annex II (S.15.02)
- d) Annex II (S.29.01)
- e) Annex II (S.29.02)
- f) Annex II (S.29.03)
- g) Annex II (S.29.04)

5. Instructions regarding reporting templates for groups contained in Annex III in respect to the following templates are deleted and replaced with "NOT USED" (but is not shown in strike-through and underline in this instrument):

- a) Annex III (S.06.01)
- b) Annex III (S.15.01)
- c) Annex III (S.15.02)