Financial Services Commission

Initial Feedback to firms regarding Preparatory Phase reporting

In the run up to the implementation of Solvency 2 on 1 January 2016, a subset of firms were required by EIOPA to participate in Preparatory Phase reporting. While this process is ongoing, the GFSC is offering some initial feedback to firms on this matter to assist others with common queries.

We remind firms that the Solvency II Data Point Model and XBRL taxonomy design can be found here and the taxonomy should be the first source of consultation with any technical queries.

With regards to regulatory matters, while we do not expect firms to be fully familiar with every aspect of the regulations at this stage, we do consider it both a practical and necessary exercise for firms to read the relevant guidance thoroughly to aid the process of embedding Solvency 2 into business as usual.

Set out below are the frequently asked questions regarding Preparatory Phase reporting which will continue to be applicable when Solvency 2 goes live:

General

1. **Home Country** – At this time the GFSC guidance is to use "GB" whilst discussions continue with EIOPA as to the inclusion of a Gibraltar specific initial.

2. **Dynamic tables / rows/ columns** – Some firms have encountered issues with uploading templates that rely on repeating references. In particular, lists of assets and other 'open' sections of the Quantitative Reporting Templates require a particular accompanying text string i.e. "$DYNAMIC_R_BEGIN" adjacent to the entries that a firm wishes to upload. Please note that this can only be used on ".xlsx" workbooks.

To import data from a dynamic table:

1. In Microsoft Excel©, prepare the XLSX file so that it can be imported correctly into the portal.
   For a dynamism:
   - at row level, write $DYNAMIC_R_BEGIN on the first row of the dynamic block and $DYNAMIC_R_END on the last row of the block. These parameters can be entered in any cell of the start and end rows, except the cells intended for inputting data.
   - at column level, write $DYNAMIC_C_BEGIN in the first column of the dynamic block and $DYNAMIC_C_END on the last column of the block. These parameters can be entered in any cell of the start and end columns, except the cells intended for inputting data.
   - at tab level, write $DYNAMIC_S followed by the name of the dynamic tab of the portal anywhere in the file, except the cells intended for inputting data.

   ⓘ *A sheet can contain several dynamic rows and columns blocks.*

2. In *Invoke e-Filing*, click *Excel import*.
3. In the *Excel import* dialog box, click *Browse…*
4. Select the XLSX file to import and click *Load*.
   The imported data opens in the table.

2.1 – Instructions for how to import dynamic tables into Invoke

3. **Legal Entity Identifier** – As per our publication on the 9 December 2014, "Update on Solvency 2 – Less than 400 Days to go", EIOPA have advised that it is a requirement that each insurer should obtain a Legal Entity Identifier (LEI) from an accredited LOU (Local Operating Unit). A list of accredited LOU can be found here.

The LEI should be used when submitting Solvency 2 data which will allow for improved automation of data processing and reduce reporting burdens, improving quality and reducing costs for all involved parties.

The GFSC is required to confirm to EIOPA that all licenced entities in Gibraltar have applied for an LEI code by 30 June 2015. Therefore confirmation will be sought from firms to ensure full compliance with these requirements. A separate LEI is required for each insurer within a Group and for the Group itself.

4. **Help files** – Access to the user guidance is available online through the portal by selecting the '?' in the menu bar and then 'help'.

5. **Minimum Browser Specifications** – while some users have been able to use the Invoke portal successfully with Internet Explorer, it has been our experience that Google Chrome can provide better performance.

Please note that the minimum browser specifications are:

- Internet Explorer 9
- Google Chrome 17
- Mozilla Firefox 16.2
- Safari 5.2
- Opera 11.6

6. **Boolean responses** – As per EIOPA's filing rules for Solvency 2 reporting , some fields require the use of a Boolean value (True/False), even if the EIOPA-annotated templates suggest a Yes/No example. This has been particularly highlighted on S.25.01.03.

	Elements of the risks covered by partial internal model (Y/N)
	PC0110
PR0580	false
PR0590	false
PR0600	false
PR0610	false

6.1 – Fields where a Boolean (True/False) is required

7. **Calendar** – A firm's reporting calendar can be tailored according to the requirements of each firm. Some firms had completed all templates they deemed relevant but were met with messages of less than 100% completion. Please note that a submission is possible if some templates are still shown as 'expected' but a solution to this issue would be to contact the GFSC to have these removed for clarity.

   We remind firms that the obligation to identify the required reporting templates rests with them.

8. **Downloading a blank template** – This requires the following actions:

   a. Select and create an empty template
   b. Save the template which will enable the Excel Export button
   c. Select the Excel Export button
   d. Your Excel download will begin.

Validation Errors

9. **Duplicate facts** - It is not possible to have two values for the same 'fact' as per the EIOPA Taxonomy. Firms are reminded to consider that this is a specific XBRL constraint resulting from the adoption of XBRL as the means for transferring data to the EIOPA. As such where firms collate their templates together for validation, they may encounter issues when cross-validating templates. This may only become evident when looking at data across multiple templates. Please therefore consult the 'Identical data points' tab in the EIOPA validation guidance.

10. **Validation across multiple templates** – this can be achieved by selecting multiple templates within the checkboxes on the left hand side and selecting 'validate'. Please consult the EIOPA guidance where necessary (linked above).

11. **Approval** – When a user attempts to approve a submission, all templates within that submission will be cross-validated according to the EIOPA taxonomy.

12. **Extract** – This action is the final step of the submission process and will provide the FSC with an XBRL document. This will complete the formal filing obligations to the FSC. Please note that there is no requirement to send the GFSC the XBRL document via email or any other means and is a benefit of the use of the Invoke portal.

13. **User Permissions** – Our expected business model for use of Invoke is to have at least one user that is able to perform the following:
    a. Data entry
    b. Data approval
    c. Submission to the FSC ('Extract')

    Should you have a more complex operating model which requires more than three users then we ask you to contact our team so that we can further tailor your configuration. For reference, a user can be configured to perform any one or more of the functions available in the portal according to the firm's need for separation of responsibilities.

14. **Consistency of Submission checks** – Firms will receive consistency check errors if what is marked in S.01.01, "Content of Submission" does not match templates that have already

been completed. If these are not being filed during this report cycle then they should be marked accordingly in the "Content of Submission" template in order to avoid these errors.

The GFSC would like to thank firms for their engagement and cooperation during the Preparatory Phase.

Should you have any queries relating to submitting information to the GFSC regarding Solvency 2 then please do not hesitate to contact the Solvency 2 team at s2@fsc.gi.