

Solvency II Circular for Insurance and Reinsurance Undertakings

1. Solvency II Day One Reporting requirements

Reference is made to Articles 314 and 375 of the Commission Delegated Regulation 2015/35 (“Commission DR”) in relation to the supervisory reporting obligations with regards to the first year of application of the Solvency II Directive 2009/138/EC (“Solvency II Directive”).

Pursuant to the above-mentioned Articles of the Commission DR, insurance and reinsurance undertakings (“solo undertakings”) and all participating insurance and reinsurance undertakings, insurance holding companies or mixed financial holding companies that are subject to group supervision (“groups”) respectively shall submit to the Malta Financial Services Authority (“the Authority”) the following quantitative and qualitative information to fulfil the Solvency II Day One Reporting requirements:

Quantitative information

In line with Article 314(1)(a) and (1)(c) and Article 375(1) of the Commission DR, the following quantitative information is required:

- (a) An opening valuation of assets and liabilities drawn up in accordance with the valuation principles set out in Articles 75 to 86 of the Solvency II Directive;
- (b) The undertaking's Minimum Capital Requirement, Solvency Capital Requirement and Eligible Own Funds based on the opening financial statement referred to under point (a) above.

Further detail on the list of the various sections of [*Quantitative Reporting Templates*](#) (“QRTs”) that are required to be submitted as part of the Day One Quantitative reporting requirements above for solo undertakings is highlighted under [*Article 5 of the Solvency II Implementing Technical Standards with regard to the templates for the submission of information to the supervisory authorities in accordance with Directive 2009/138/EC of the European Parliament and of the Council.*](#)

The QRTs that are required to be submitted as part of the Day One Quantitative reporting requirements above for groups is highlighted under Article 22 of the same Implementing Technical Standard.

Qualitative information

In line with Article 314(1)(b) and Article 375(1) of the Commission DR, solo undertakings and groups (when the Authority is the group supervisor) are required to submit to the Authority, separately for each material class of assets and liabilities, a qualitative explanation of the main differences between the figures reported in the opening valuation as set out in point (a) above and those calculated according to the Solvency I regime.

Reference date

The reference date of the above-mentioned information shall be the first day of the undertaking/s financial year starting on or after 1 January 2016 but before 1 July 2016.

Source to be used

The Audited Financial Statements, or where not available, a final version of the Management Accounts can be used in compiling the Day One Reporting templates.

Deadlines for submission of the Day One reporting to the MFSA

In line with Articles 314(2) and Article 375(2) of the Commission DR, solo undertakings and groups (when the Authority is the group supervisor) shall submit to the Authority the information referred to above by no later than 20 weeks after the reference date as referred to under the *Reference date* section above.

Further detail on the submission dates of the Quantitative and Qualitative Day One reporting information is highlighted in the [*Solvency II Circular for Insurance and Reinsurance Undertakings: Main Reporting Deadlines*](#) published on the Authority's website on the 22nd of October 2015.

2. Final Solvency I reporting to be submitted in 2015 / 2016

This section outlines the final reporting deadlines for reporting under Solvency I.

i. Business of Insurance Statements

For the deadlines of the final submissions of the Business of Insurance Statements please refer to the [*Note for Information - Reporting requirements covered by the Business of Insurance Statements \("BoIS"\) under Insurance Rule 12 of 2007 during the Solvency II Preparatory Period*](#) published on the Authority's website on the 25th of March 2015.

ii. Audited Financial Statements and Management Letter

The data reference dates and deadlines in relation to the submission of the final Audited Solvency I reports to be submitted by all solo undertakings are highlighted in the table below, depending on the Financial Year End of the undertaking:

Final Audited Solvency I Reports (together with the supporting Audited Financial Statements and Auditor's Management Letter)				
Financial Year End	Data Reference end date	Audited Solvency I Reports submission date (1)	Supporting Audited Financial Statements submission date (1)	Supporting Auditor's Management Letter submission date (2) = (1) + 2 months
30th June	30th June 2015	31st December 2015	31st December 2015	29th February 2016
31st August	31st August 2015	29th February 2016	29th February 2016	30th April 2016
30th September	30th September 2015	31st March 2016	31st March 2016	31st May 2016
30th November	30th November 2015	31st May 2016	31st May 2016	31st July 2016
31st December	31st December 2015	30th June 2016	30th June 2016	31st August 2016
31st March	31st March 2016	30th September 2016	30th September 2016	30th November 2016
31st May	31st May 2016	30th November 2016	30th November 2016	31st January 2017

The Audited Financial Statements and the Auditor's Management Letter together with the reply thereto supporting the final Audited Solvency I reports shall also be submitted according to the submission dates stated in the table above.

However, please be informed that the Audited Financial Statements and the Auditor's Management Letters will continue to be submitted to the Authority when Solvency II is in force, as explained in Section 3 below.

iii. Quarterly Solvency Computation

The data reference end dates in relation to the submission of the final Quarterly Solvency Computation under Solvency I to be submitted by all solo undertakings are highlighted in the table below, depending on the Financial Year End of the undertaking:

Final submission of Quarterly Solvency Computation (Quarterly Part C of Business of Insurance Statements) under Solvency I	
Financial Year End	Data Reference end date
31st May	30th November 2015
31st August	30th November 2015
30th November	30th November 2015
31st March	31st December 2015
30th June	31st December 2015
30th September	31st December 2015
31st December	31st December 2015

3. Reporting Deadlines from 1st of January 2016

The deadlines for the submission of information for the Solvency II reports (i.e. the annual and quarterly Quantitative Reporting Templates (QRTs) and the annual and quarterly National Specific Templates (NSTs)) and the Audited Financial Statements are specified in the [Consultation on Insurance Rules to be issued under the Insurance Business Act](#), as published on the Authority's website on the 30th of October 2015.

The deadlines for the submission of the Auditor's Management Letter and the Undertaking's Reply to the Auditor's Management Letter from 2016 will be specified in the revised Licensing Conditions letters that the Authority will be sending to the undertakings in due course.

The Quarterly Management Accounts deadlines have been aligned with the Solvency II reporting deadlines for the Quarterly QRTs, as referred to in the [Solvency II Circular for Insurance and Reinsurance Undertakings: Main Reporting Deadlines](#) that was published on the Authority's website on the 22nd of October 2015.

Any queries in relation to the above should be addressed to the Insurance and Pensions Supervision Unit on ipsu@mfsa.com.mt.

Communications Unit
Malta Financial Services Authority
30th November, 2015