Regulation (EU) No 1374/2014 of the European Central Bank of 28 November 2014 on statistical reporting requirements for insurance corporations (ECB/2014/50)

REGULATION (EU) No 1374/2014 OF THE EUROPEAN CENTRAL BANK

of 28 November 2014

on statistical reporting requirements for insurance corporations

(ECB/2014/50)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Article 5 thereof,

Having regard to Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank[(1)], and in particular Articles 5(1) and 6(4) thereof,

Having regard to the opinion of the European Commission[(2)],

Whereas:

(1) Regulation (EC) No 2533/98 provides in Article 2(1) that, for the fulfilment of its statistical reporting requirements, the European Central Bank (ECB), assisted by the national central banks (NCBs), has the right to collect statistical information within the limits of the reference reporting population and of what is necessary to carry out the tasks of the European System of Central Banks (ESCB). It follows from Article 2(2)(a) of Regulation (EC) No 2533/98 that insurance corporations form part of the reference reporting population for the purpose of fulfilling the ECB's statistical reporting requirements, inter alia, in the field of monetary and financial statistics. Furthermore, Article 2(4) of Regulation (EC) No 2533/98 states that, in duly justified cases, the ECB has the right to collect statistical information on a consolidated basis. Article 3 of Regulation (EC) No 2533/98 requires the ECB to specify the actual reporting population within the limits of the reference reporting population and provides it with the power to fully or partly exempt specific classes of reporting agents from its statistical reporting requirements.

(2) The purpose of imposing statistical reporting requirements on insurance corporations is to provide the ECB with adequate statistics on the financial activities of the insurance corporation subsector in the Member States whose currency is the euro (hereinafter the ‘euro area Member States’), which are viewed as one economic territory. The collection of statistical information on insurance corporations is necessary to satisfy regular and ad hoc analytical needs, to support the ECB in carrying out monetary and financial analysis, and for the ESCB's contribution to the stability of the financial system.

(3) NCBs should have the power to collect information on insurance corporations from the actual reporting population as part of a broader statistical reporting framework,

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provided that the fulfilment of the ECB's statistical requirements is not jeopardised. In such cases, it is appropriate to ensure transparency by informing the reporting agents of the various statistical purposes for which the data are collected.

(4) In order to minimise the reporting burden on insurance corporations, NCBs should have the power to combine their reporting requirements under this Regulation with their reporting requirements under Regulation (EU) No 1011/2012 of the European Central Bank (ECB/2012/24)[(3)].

(5) There is a close connection between the data collected by NCBs for statistical purposes under this Regulation and the data collected by national competent authorities (NCAs) for supervisory purposes under the framework established by Directive 2009/138/EC of the European Parliament and of the Council[(4)]. Given the ECB's general mandate under Article 5.1 of the Statute of the European System of Central Banks and of the European Central Bank (hereinafter the 'Statute of the ESCB') to engage in cooperation with other bodies in the field of statistics, and in order to limit the administrative burden and avoid the duplication of tasks, NCBs may derive the data required to be reported under this Regulation from data collected under Directive 2009/138/EC, including the national law implementing that Directive, having due regard to the terms of any cooperation arrangement between the relevant NCB and the relevant NCA. Article 70 of Directive 2009/138/EC provides that NCAs may transmit information intended for the performance of their tasks under that Directive to NCBs and other bodies with a similar function in their capacity as monetary authorities.

(6) The European system of accounts set up by Regulation (EU) No 549/2013 of the European Parliament and of the Council[(5)] (hereinafter the 'ESA 2010') requires that the assets and liabilities of institutional units are reported in the country of residence. In order to minimise the reporting burden, if NCBs derive data required to be reported under this Regulation from data collected under Directive 2009/138/EC, the assets and liabilities of branches of insurance corporations whose head offices are resident in the European Economic Area (EEA) may be aggregated with those of the head offices. Limited information on branches of insurance corporations should be collected for the purposes of monitoring their size and any deviations from the ESA 2010.

(7) The standards for the protection and use of confidential statistical information as laid down in Article 8 of Regulation (EC) No 2533/98 should apply to the collection of statistical information under this Regulation.

(8) While it is recognised that regulations adopted under Article 34.1 of the Statute of the ESCB do not confer any rights or impose any obligations on Member States whose currency is not the euro (hereinafter 'non-euro area Member States'), Article 5 of the Statute of the ESCB applies to both euro and non-euro area Member States. Recital 17 of Regulation (EC) No 2533/98 states that Article 5 of the Statute of the ESCB, together with Article 4(3) of the Treaty on European Union, implies an obligation to design and implement at national level all the measures that the non-euro area Member States consider appropriate to collect the statistical information needed to fulfil the ECB's statistical reporting requirements and to make timely preparations in the field of statistics in order to become euro area Member States.

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(9) Article 7(1) of Regulation (EC) No 2533/98 provides that the ECB has the power to impose sanctions on reporting agents that fail to comply with the statistical reporting requirements set out in ECB regulations or decisions.

(10) By the year 2020, at the latest, the Governing Council should assess the merits and costs of: (a) an increase in the coverage of quarterly reporting from 80 % to 95 % of the total market share of insurance corporations in each euro area Member State; (b) the separate reporting of assets and liabilities of branches of insurance corporations where the branches are resident in euro area Member States and the parent entities of such branches are resident in the EEA; and (c) a further reduction in the time for the transmission of data by reporting agents to four weeks, following the end of the quarter to which the data relates,

HAS ADOPTED THIS REGULATION:

Article 1

Definitions

For the purposes of this Regulation:

1. ‘insurance corporation’ and ‘IC’ (subsector 128 of the ESA 2010) mean a financial corporation or quasi-corporation that is principally engaged in financial intermediation as a consequence of the pooling of risks mainly in the form of direct insurance or reinsurance.

   The following are included within the definition:

   (a) a financial corporation or quasi-corporation that provides life insurance services, where policyholders make regular or one-off payments to the insurer in return for which the insurer guarantees to provide the policyholders with an agreed sum, or an annuity, at a given date or earlier;

   (b) a financial corporation or quasi-corporation that provides non-life insurance services to cover risks such as, for example, risks of accidents, sickness, fire or credit default;

   (c) a financial corporation or quasi-corporation that provides reinsurance services, where insurance is bought by the insurer to protect itself against an unexpectedly high number of claims or exceptionally large claims.

   The following are not included within the definition:

   (a) investment funds as defined in Article 1 of Regulation (EU) No 1073/2013 of the European Central Bank (ECB/2013/38)[6];

   (b) financial vehicle corporations engaged in securitisation transactions as defined in Article 1 of Regulation (EU) No 1075/2013 of the European Central Bank (ECB/2013/40)[7];

   (c) monetary financial institutions as defined in Article 1 of Regulation (EU) No 1071/2013 of the European Central Bank (ECB/2013/33)[8];

   (d) pension funds as defined in paragraph 2.105 of the ESA 2010.

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2. ‘branch’ means an unincorporated agency or branch, but not the head office, of an insurance or reinsurance corporation;

3. ‘subsidiary’ means an incorporated entity in which another entity has a majority or full participation;

4. ‘reporting agents’ has the meaning as defined in Article 1 of Regulation (EC) No 2533/98;

5. ‘resident’ has the meaning as defined in Article 1 of Regulation (EC) No 2533/98. For the purposes of this Regulation, if a legal entity lacks a physical dimension its residence shall be determined by the economic territory under whose laws the entity is incorporated. If the entity is not incorporated, its residence shall be determined by its legal domicile, namely the country whose legal system governs the creation and continued existence of the entity;

6. ‘relevant NCB’ means the NCB of the euro area Member State in which the insurance corporation is resident;

7. ‘relevant NCA’ means the NCA of the euro area Member State in which the insurance corporation is resident;

8. ‘security-by-security data’ means data broken down into individual securities;

9. ‘item-by-item data’ means data broken down into individual assets or liabilities;

10. ‘aggregated data’ means data that has not been broken down into individual assets or liabilities;

11. ‘financial transactions’ means transactions that arise out of the creation, liquidation or change in ownership of financial assets or liabilities, as further described in Part 5 of Annex II;

12. ‘price and exchange rate revaluations’ means changes to the valuation of assets and liabilities that arise from changes to the price of assets and liabilities and/or the effect of exchange rates on the values, expressed in euro, of assets and liabilities denominated in a foreign currency, as further described in Part 5 of Annex II.

Article 2

Actual reporting population

1 Where NCBs collect data under the ESA 2010, which requires the assets and liabilities of institutional units to be reported in the country of residence, the actual reporting population shall consist of the insurance corporations resident in the territory of the relevant euro area Member State.

2 Where NCBs derive data to be reported under this Regulation from data collected under the provisions of Directive 2009/138/EC or national law implementing that Directive, the actual reporting population shall consist of:

a insurance corporations incorporated and resident in the territory of the relevant euro area Member State, including subsidiaries whose parent entities are located outside that territory;

b branches of insurance corporations specified in point (a) that are resident outside the territory of the relevant euro area Member State; and

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c branches of insurance corporations that are resident in the territory of the relevant euro area Member State but whose head office is outside the EEA.

Branches of insurance corporations that are resident in the territory of a euro area Member State and whose head office is inside the EEA are not part of the actual reporting population.

3 The insurance corporations in the actual reporting population shall be subject to full statistical reporting requirements unless a derogation granted pursuant to Article 7 applies.

Article 3

List of insurance corporations for statistical purposes

1 The Executive Board of the ECB shall establish and maintain, for statistical purposes, a list of insurance corporations that form the actual reporting population under this Regulation. The list may be based on lists of insurance corporations that are currently drawn up by national authorities, where such lists are available, and supplemented by other lists of insurance corporations that fall within the definition of 'insurance corporation' in Article 1.

2 The relevant NCB may request a reporting agent specified in Article 2(2)(a) to provide the necessary information on its branches where such information is required for the purpose of the list.

3 The NCBs and the ECB shall make the list and any updates to it available in an appropriate form, including by electronic means, via the internet or, at the request of the reporting agents concerned, in paper form.

4 If the latest electronic version of the list referred to in this Article is incorrect, the ECB shall not impose sanctions on a reporting agent that has not properly fulfilled its reporting requirements to the extent that it relied on the incorrect list in good faith.

Article 4

Statistical reporting requirements

1 The reporting agents shall provide to the relevant NCB, either directly or via the relevant NCA pursuant to local cooperation arrangements, and in accordance with Annexes I and II:

a on a quarterly basis, end-of-quarter stock data on the assets and liabilities of insurance corporations and, in line with Article 5, quarterly revaluation adjustments or financial transactions, where applicable;

b on a quarterly basis, end-of-quarter stock data on non-life insurance technical reserves broken down by line of business;

c on an annual basis, end-of-year stock data on non-life insurance technical reserves broken down by line of business and geographic area.

2 In addition to the requirements of paragraph 1, reporting agents that are insurance corporations incorporated and resident in the territory of a euro area Member State shall provide to the relevant NCB, directly or via the relevant NCA pursuant to local cooperation arrangements, information on premiums written, claims incurred and commissions paid. This information shall be provided on an annual basis in accordance with Annexes I and II.