NST.06 - Non-life Insurance Claims Information - Detailed split by Distribution Channel and Claims Type.

General comments:
NST.06 is a subset of QRT S.19.01.

NST.06 is reported on a half-yearly basis.

The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

Line of Business for non-life obligations: The lines of business, referred to in article 80 of the Directive 2009/138/EC, as defined in the Annex I of the Delegated Regulation (EU) 2015/35 referred to direct business/accepted proportional reinsurance and accepted non-proportional reinsurance.

Health direct insurance business pursued on a non-similar technical basis to life insurance shall be segmented into Non-Life LoB 1 to 3.
In relation to the additional lines of business information for NST.06: "Motor Vehicle Liability insurance" line of business, which refers to the liability to third parties only, is split into Private Motor Bodily Injury, Private Motor Property Damage, Commercial Motor Bodily Injury and Commercial Motor Property Damage (Commercial Motor to include Motor Fleet and all other Motor excluding Private Motor).
"Other motor insurance" line of business, which refers to motor own damage only (both private and commercial), is split into Private Motor Own Damage and Commercial Motor Own Damage.
"General Liability insurance" line of business is split into Employers Liability and Public Liability. Public Liability includes Professional Indemnity and Products Liability.

Accepted proportional reinsurance should be considered together with the direct and intermediated business.

Distribution channels: "Direct" includes all non-intermediated business except where intermediary is a 100% owned subsidiary of the undertaking; "Intermediated" includes Broker and all business not included in "Direct"; and "Reinsurance" includes accepted non-proportional reinsurance.

All or part of an obligation moves from S.19.01/NST.06 into S.16.01, when both of the conditions below are met:
    i.   All or part of the obligation has been formally settled as an annuity; and
    ii.   A best estimate of an obligation formally settled as an annuity can be established using life techniques.
Formally settled as an annuity typically means that a legal process has ordered that the beneficiary is to receive payments as an annuity.
The sum of the provisions in template S.16.01 and S.19.01/NST.06 for one non-life LoB represents the total claims reserve originating from this LoB.

ITEM	INSTRUCTIONS
Country	ISO 3166-1 alpha-2 code of the EEA member The information by country shall be reported according to the following: a) Information on the home country shall be always reported regardless of the amount of Technical Provisions as a whole and Gross Best Estimate (referred to direct business); b) Information reported by country shall at least represent 90% of the total Technical Provisions as a whole and Gross Best Estimate (referred to direct business) of any line of business; c) If a specific country have to be reported for a particular line of business to comply with sub-paragraph b) then that country shall be reported for all lines of business; d) The other countries shall be reported aggregated in "other-EEA" or "other-non EEA";

	e) For the direct insurance business for the lines of business "Medical expense", "Income protection", "Workers' compensation", "Fire and other damage to property" and "Credit and suretyship" information shall be reported by country where the risk is situated as defined in Article 13 (13) of Directive 2009/138/EC;
	
	f) For direct insurance business for all other lines of business not referred in sub-paragraph e) information shall be reported by country where the contract was entered into;
	
	For the purposes of this template "country where the contract was entered into" means:
	
	   a. The country where the insurance undertaking is established (home country) when the contract was not sold through a branch or freedom to provide services;
	   b. The country where the branch is located (host country) when the contract was sold through a branch;
	   c. The country where the freedom to provide services was notified (host country) when the contract was sold through freedom to provide services.
	   d. If an intermediary is used or in any other situation, it is a), b) or c) depending on who sold the contract.

Currency	Identify the ISO 4217 alphabetic code of the currency in which the obligation is denominated.
	
	It is required to apply the following criteria:
	
	   i. If the total gross best estimate for one non-life line of business represents more than 3% of the total gross best estimate of the claims provision, the information shall be reported with the following split by currencies **in addition to the total for the line of business***:
	      a. Amounts in the reporting currency;
	      b. Amounts for any currency that represents more than 25% of the gross best estimate of the claims provisions from that non-life line of business; or
	      c. Amounts for any currency that represents less than 25% of the gross best estimate of the claims provisions from that non-life line of business but more than 5% of total gross best estimate of the claims provisions.
	   ii. If the total gross best estimate for one non-life line of business represents less than 3% of the total gross best estimate of the claims provisions, no currency split is required, only the total for the line of business shall be reported.
	   iii. The information by currency shall be reported in the original currency unless otherwise specified.
	
	***"in addition to the total for the line of business"**: Please note this implies that the total for each line of business by reporting currency should always be reported.
	
	EIOPA answered a query in relation to the approach to be adopted to the revaluation of historical amounts to take account for foreign exchange under S.19.01, which also applies for NST.06. Comment number 366, under 'EIOPA-BOS-IS-115_Resolution_Comments_ITS_Supervisory Reporting' https://eiopa.europa.eu/Pages/Consultations/Public-consultation-on-the-Set-2-of-the-Solvency-II-Implementing-Technical-Standards-(ITS)-and-Guidelines.aspx
	   "This template is to be filled in with original currencies unless otherwise specified by the NSA. In that case exchange rate to be used is the one at reporting date, even for historical amounts."

Distribution Channel	Distribution channels: Select "Direct", "Intermediated" or "Reinsurance". "Direct" includes all non-intermediated business except where intermediary is a 100% owned subsidiary of the undertaking. "Intermediated" includes Broker and all business not included in "Direct". "Reinsurance" includes accepted non-proportional reinsurance.
Line of Business	Identification of the line of business reported; this includes the additional splits for "Motor Vehicle Liability insurance" and "General Liability insurance" lines of business.
Accident year or Underwriting year	Report the standard used by the undertakings for reporting of claims development, i.e. accident year (AY) or underwriting year (UWY)

Currency conversion	Identify if the information reported by currency is being reported in the original currency (default) or in the reporting currency (otherwise specified). The following close list shall be used: 1 – Original currency 2 – Reporting currency Only applicable when reporting by currency.
Gross Claims Paid (non-cumulative) –Triangle	The Gross Claims Paid, net of salvage and subrogation, excluding expenses, in a triangle showing the developments of the gross claims payment already made: for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) report the payments already made corresponding at each development year (which is the delay between the accident/underwriting date and the payment date). The data are in absolute amount, non-cumulative and undiscounted. The amount includes all the elements that compose the claim itself but excludes any expenses. A Gross payment will be positive
Gross Claims Paid (non-cumulative) – In current year	Total "Current year" reflects the last diagonal (all data referred to last reporting year), including total.
Gross Claims Paid – Sum of years (cumulative)	Total "Sum of years" contains the sum of all data in rows (sum of all payments referred to the accident/underwriting year), including total.
Gross undiscounted Best Estimate Claims Provisions – Triangle	Triangles of undiscounted best estimate of claims provisions, gross of reinsurance for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year). The best estimate for claims provision relates to claims events occurred before or at the valuation date, whether the claims arising from these events have been reported or not. The data are in absolute amount, non-cumulative and undiscounted. A Gross increase in Reserve will be positive.
Gross Best Estimate Claims Provisions – Year end (discounted data)	Total "Year end" reflects the last diagonal but on a discounted basis (all data referred to last reporting year), including total. A Gross increase in Reserve will be positive.
Gross Reported but not Settled Claims (RBNS) – Triangle	Triangles for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) of provisions in respect of claim events that have happened and been reported to the insurer, but have not yet been settled, excluding IBNR (incurred but not reported claims). These may be case-by-case reserves estimated by claim handlers and do not need to be on a best estimate Solvency II basis. The RBNS should be measured using consistent reserve strength over time. The data are in absolute amount, non-cumulative and undiscounted. The amount includes all the elements that compose the claim itself but excludes any expenses. EIOPA answered a query in relation to this item for S.19.01, which also applied for NST.06. Query number 1148, date 19 April 2017 under the Q&A on Regulation (EU) No 2015-2450, https://eiopa.europa.eu/Pages/Guidelines/Q-and-A-on-Regulation-Answers-Commission-Implementing-Regulations.aspx. *"For the Gross undiscounted Best Estimate Claim Provision each cell should be reported non-cumulative. This means that each diagonal will represent the BE at the end of each year. The same is applied also to the RBNS."* A Gross increase in Reserve will be positive

Gross Reported but not Settled Claims (RBNS) – Year end (discounted data)	Total "Year end" reflects the last diagonal but on a discounted basis (all data referred to last reporting year), including total. A Gross increase in Reserve will be positive.
Reinsurance Recoveries (non-cumulative) – Triangle	Triangles for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) of payments (claims paid by reinsurer plus reinsurance recoverables), reported in the "Gross Claims Paid (non-cumulative)", covered by a reinsurance contract. The amounts shall be considered after the adjustment for the counterparty default. The amount includes all the elements that compose the claim itself but excludes any expenses. An Increase in Reinsurance Reserves will be negative
Reinsurance Recoveries received (non-cumulative) – In current year	Total "Current year" reflects the last diagonal (all data referred to last reporting year), including total. The amount includes all the elements that compose the claim itself but excludes any expenses. An Increase in Reinsurance Reserves will be negative
Reinsurance Recoveries received – Sum of years (cumulative)	Total "Sum of years" contains the sum of all data in rows (sum of all payments referred to the accident/underwriting year), including total. An Increase in Reinsurance Reserves will be negative.
Undiscounted Best Estimate Claims Provisions – Reinsurance recoverable – Triangle	Provisions referred to the amounts recoverable from reinsurance contracts and special purpose vehicles. In the triangle it is required to reported undiscounted data, while the column "Year end" will contain data on discounted basis. The amounts shall be considered after the adjustment for the counterparty default. An Increase in Reinsurance Reserves will be negative
Best Estimate Claims Provisions – Reinsurance recoverable – Year end (discounted data)	Total "Year end" reflects the last diagonal but on a discounted basis (all data referred to last reporting year), including total. An Increase in Reinsurance Reserves will be negative
Reinsurance RBNS Claims – Triangle	Triangles for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) of reinsurance share of provisions, reported in the "Gross Reported but not Settled Claims (RBNS)", covered by a reinsurance contract. The amount includes all the elements that compose the claim itself but excludes any expenses. Note EIOPA response above under Gross RBNS triangle. An Increase in Reinsurance Reserves will be negative
Reinsurance RBNS Claims – Year end (discounted data)	Total "Year end" reflects the last diagonal but on a discounted basis (all data referred to last reporting year), including total. An Increase in Reinsurance Reserves will be negative
Net Claims Paid (non-cumulative) – Triangle	Triangles for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) of claims paid (net of salvage/subrogation) and reinsurance. The amount includes all the elements that compose the claim itself but excludes any expenses.

Net Claims Paid (non-cumulative) – In current year	Total "Current year" reflects the last diagonal (all data referred to last reporting year), including total.
Net Claims Paid – Sum of year (cumulative)	Total "Sum of years" contains the sum of all data in rows (sum of all payments referred to the accident/underwriting year), including total.
Net Undiscounted Best Estimate Claims Provisions – Triangle	Triangles for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) of Best Estimate of Claims Provisions, net of reinsurance.
Net Undiscounted Best Estimate Claims Provisions – Year end (discounted data)	Total "Year end" reflects the last diagonal but on a discounted basis (all data referred to last reporting year), including total.
Net RBNS Claims – Triangle	Triangles for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) of Claims Outstanding net of salvage/subrogation and reinsurance. This amount includes all the elements that compose the claim itself but excludes any expenses. Note EIOPA response above under Gross RBNS triangle.
Net RBNS Claims – Year end (discounted data)	Total "Year end" reflects the last diagonal but on a discounted basis (all data referred to last reporting year), including total.
INFLATION RATES (only in the case of using methods that take into account inflation to adjust data)	
Historic inflation rate – total	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, historic inflation rate used to adjusted historical paid losses triangles
Historic inflation rate – external inflation	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, historic external inflation: which is the "economic" or "general" inflation, i.e. the increase of the price of goods and services in an specific economy (e.g. Consumer Price Index, Producer Price Index, etc.
Historic inflation rate – endogenous inflation	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, historic endogenous inflation: which is an increase of claim costs specific of the line of business under consideration
Expected inflation rate – total	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, expected inflation rate used to adjusted historical paid losses triangles
Expected inflation rate – external inflation	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, expected external inflation: which is the "economic" or "general" inflation, i.e. the increase of the price of goods and services in an specific economy (e.g. Consumer Price Index, Producer Price Index, etc.
Expected inflation rate – endogenous inflation	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, expected endogenous inflation: which is an increase of claim costs specific of the line of business under consideration
Description of inflation rate used	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report narrative description of inflation rate used

Gross Earned Premium	Total Gross Earned Premium for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year). *The premium for an individual policy should be allocated to the country/currency segment to which it is predominately related. (i.e. there is no requirement to split the premium for individual policies between country/currency segments)*
Earned Policy Count	Earned policy count for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including – N (last reporting year). *Each policy should be allocated to the country/currency segment to which it is predominately related. (i.e. there is no requirement to split individual policies between country/currency segments)*
Gross Undiscounted Best Estimate Claims Provisions, excluding expenses (absolute amount)	'Gross Undiscounted Best Estimate Claims Provisions, excluding expenses – Current year (undiscounted data)' for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year). The best estimate for claims provision relates to claims events occurred before or at the valuation date, whether the claims arising from these events have been reported or not. The best estimate claims provision reported here should be consistent with the claims data reported in the paid and RBNS triangles. Only expenses included in the paid and RBNS claim triangles should be included. Any other allowances not included in the paid and RBNS triangles should also be excluded, e.g. ENIDS and unallocated claims expenses.