

FUJITSU Interstage XWand

IORP II XBRL: Tackling new reporting regime

About New Requirements

IORP II is the new European regulation for occupational pension funds, which supersedes the 2003 IORP Directive. IORP II enters into force in January 2019 and the first reporting according to EIOPA Board of Supervisors decision (ref 18-114) starts in Q3 2019.

It is expected that new requirements will affect approximately 15 000 legal entities in total across 28 EU Member States.

IORP II focuses mainly on increasing pensioner protection by improving governance and transparency.

In contrast to Solvency II Directive (2009/138/EC), IORP II leaves room for national interpretations, primarily because there will be no guideline that specifies technical implementing details (Lamfalussy's level 2) e.g. solvency measures for pension schemes are out of scope.

IORP II introduces new requirements related to conducting an own risk assessment on a regular basis adjusted to the size and complexity of the business and implementing a comprehensive communications framework with members of the pension plan.

Data remains perhaps the biggest challenge when implementing IORP II and in particular:

- the risk evaluation for pensions
- the annual PBS pension which must include pension benefit protections under a best estimate and unfavourable scenario

Depending on the country, this could imply some changes in the content and format of information for members and consequently in IT systems that support production of existing documents.

European Insurance and Occupational Pensions Authority (EIOPA) decided to use XBRL as a submission format for IORP II reporting to promote harmonization and technical compliance in supervisory reporting in EU.

The final version of Pension Funds Data Point Model and XBRL Taxonomy (V2.3.0) was released in the beginning of November 2018. It could be downloaded from the link below:

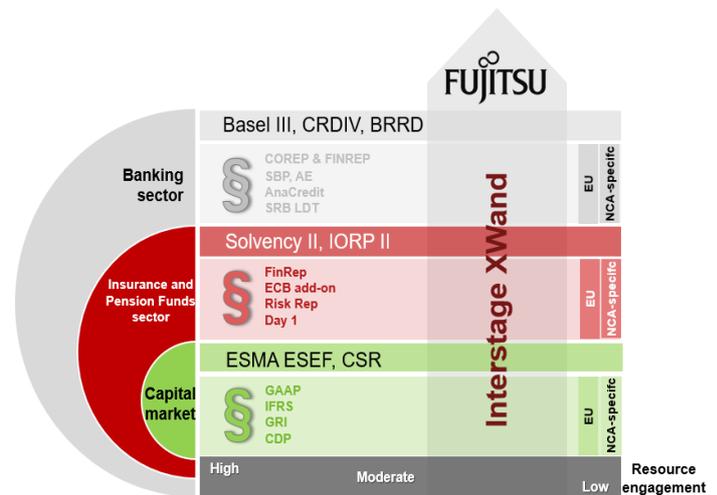
<https://eiopa.europa.eu/regulation-supervision/insurance/reporting-format/data-point-model-and-xbrl>

XBRL Implementation by Regulators

In 2016 we witnessed the wide adoption of XBRL for insurance sector, now the time has come for pension funds.

We would believe that this is the right moment for financial market supervisors to think about XBRL data collection of both insurance and pension funds. It might be a chance to enhance their current XBRL-enabled systems, or to replace insurance-specific solution with a robust strategic solution altogether.

Fujitsu is one of the leading XBRL solution provider in the market. Our relationship with many regulators dates back early days of XBRL. The thorough knowledge about XBRL technology helped us to develop genuinely taxonomy-agnostic tools that do not limit our clients to single taxonomy, data model or reporting regime at any particular moment. This is often a critical requirement for Regulators whose supervisory competences span across multiple financial sectors; as they need to have a coherent XBRL implementation strategy.



The diagram above summarizes Fujitsu's value proposition. It is about providing a product that works on any type of reporting, regardless what tools was used to build taxonomies and how often they need to be updated. The Interstage XWand solution will work and little resources are required to manage XBRL processes internally.

Examples of successful XBRL implementations empowered by Fujitsu's Interstage XWand are from Finnish Financial Supervisory Authority's (FIN-FSA) data collection projects. In 2014 the FIN-FSA made a decision to purchase Interstage XWand from Fujitsu to CRD IV/CRR data collection project in order to collect and validate data from credit institutions domiciled in Finland. In 2016 the FIN-FSA used the same solution to collect and validate Solvency II data and will use Fujitsu Interstage XWand in 2019 for EIOPA's PF data collection project.

"Interstage XWand installation to our systems was simple. Operationally XWand is reliable. In addition if problems arise, Fujitsu has quick response time for enquiries."

Jaakko Mauranen, IT Manager at FIN-FSA

XBRL Implementation by Filers and Partners

From tactical to strategic solution

For financial institutions making first steps in electronic reporting area, Fujitsu offers the most powerful XBRL suite on the market – Interstage XWand Toolkit. It comprises of set of stand-alone, taxonomy-agnostic tools and applications that provides immediate XBRL filing capabilities to the filers. They do not assume any knowledge of XBRL nor any need of integration with current systems.



Interstage XWand is used by over 70% regulators in Europe. Pension funds or life insurers with occupational pensions business line that are subject to either to IORP II or Solvency II reporting regime can also benefit directly by using Excel-to-XBRL conversion application and embedded validation engine. Thanks to our product, institutions with template-based reporting can continue to use MS Excel as an input entry format, thus alleviating the initial burden. In addition, you can detect errors and fix them easily via automatic validations of XBRL syntax and of business rules.

Bigger filers and service partners who are seeking strategic and process-automated XBRL-enabled solutions, can rely on our XBRL processing engine, which is highly scalable, market-tested, easy-to-use, easy-to-integrate, and is available either as plain API or as REST web service. With these capabilities it is possible to design custom traceable data flows and process input and output controls that include data validations, internal plausibility checks, data rendering to human-readable formats and conversions between common formats. Interstage XWand delivers compliance capabilities to SII, IORPII and XBRL standards from day one. There is no need for any consulting nor staff training, and most of all, it proves that our solution can easily meet even country-specific XBRL reporting requirements (no extra fees). Interstage XWand also addresses the compliance to upcoming ESMA ESEF 2020 mandate and beyond, which is particularly worth paying attention for companies listed on stock exchanges in EU.

About FUJITSU

Fujitsu is the leading Japanese Information and Communication Technology (ICT) company offering a full range of technology products, solutions and services. Over 140,000 Fujitsu employees support customers in more than 100 countries. Fujitsu applies its experience and the power of ICT to shape the future of society with its customers. Fujitsu is an industry leader in the XBRL area helping organizations in all aspects of XBRL implementations with 16 years of proven track record and excellence. Our presence in XII working groups and deep commitment in the development of XBRL standard drive and facilitate its adoption worldwide.

Fujitsu combines a unique set of software engineering competences with invaluable insights into XBRL technology implementations. Our dedication to delivering top quality and customer-oriented solutions is invariably praised by our clients. We are proud that our flagship XBRL solutions are implemented by 400+ customers in over 50 countries among them are EIOPA, EBA, SRB, and ECB.

Our global presence, high level of customer service, combined with our technical skills, innovative XBRL products (certified by XBRL International) and network of experts on hand for consultation have helped countless others to succeed.

More Information

Please visit our website

<http://www.fqs.pl/en/finance/solutions>

<http://www.fqs.pl/en/finance/services>

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