



Groupe Consultatif Solvency 2 Project – Monthly Report for Insurance Committee

07 December 2010

HEADLINES

European Commission indicates desire to simplify implementation of Solvency II

European Commission launches consultation on policy choices within Level 2 measures

Introduction

This report provides an update on the progress of the Solvency 2 project. This follows the monthly teleconference call of the project team on 7 December.

Working Group Activities and Progress

Life Pillar I Working Group	<ul style="list-style-type: none"> • WG had a work meeting in Dusseldorf which concentrated on Level 2 implementing measures. • New chairman to the group appointed – Dylan Brooks. • WG Intend to progress with EC public consultation on Level 2 • Draft comments on CP83 transmitted to Groupe secretariat
Non Life Pillar I Working Group	<ul style="list-style-type: none"> • Work Meeting took place in Paris on 10th November to address Draft Implementing Measures. • Ongoing debate and work in progress concerning Non-life and Health calibration issues. • WG to participate in public consultation run by the Commission on key aspects of the Level 2 implementing measures
Pillar II and III Working Group	<ul style="list-style-type: none"> • Awaiting CEIOPS pre-consultation on ORSA • Considering whether to respond to pre-consultation on own funds • Internal model and ORSA work to be started.



Solvency 2 Project Team Update

Groups Working Group	<ul style="list-style-type: none">• Awaiting pre-consultation papers on Level 3
Internal models Working Group	<ul style="list-style-type: none">• Awaiting on pre-consultation papers on Level 3

QIS 5

Early Feedback from national associations shows various issues around the complexity of S2 .

Work with fellow-stakeholders

Meeting was held with CEA in their offices on 22 November. Discussions were wide but concentrated on potentially simpler approaches to satisfy Solvency II objectives.

Groupe is participant in joint working group on non-life and health standard formula calibration, which is assembling premium and reserve risk historical data from all EU.

Upcoming calls/meetings:

9 December - joint working group meeting on non-life calibration at CEIOPS premises in Frankfurt

16 December - stakeholders - telecom on QIS5 communication

17 December – Meeting of Officers with European Commission

For further information, please contact one of:

- Seamus Creedon seamus.creedon@kpmg.co.uk +44 7808 900 614
- Michael Lucas mlucas@gactuaries.org +44 1865 268 218
- Said Younsi syounsi@gactuaries.org +32 499 411917