

## Actuarial Association of Europe Solvency II Project – Monthly Report for Insurance Committee

12 July 2016

Esko Kivisaari informed about the meeting of officers with EIOPA and Commission.

Low interest rate environment: AAE presented the paper on low interest environment. Data shown in this paper are deviating from comparable data of EIOPA. There will be an attempt to reconcile this data or to explain the reason for the differences. Siegbert Baldauf will organise the next steps.

Consultation Paper UFR: There have only been three comment templates from member organisations (Ireland, The Netherlands and Germany). Unfortunately the comments are very inhomogeneous as far as technical details are concerned.

Siegbert Baldauf tries to extract a high level comment out of this that might be acceptable to the member organisations. All aspects not considered in this paper could be send to EIOPA on behalf of the particular organisation independently. Especially the use of historical data and the limitation of changes of the UFR have led to different opinions that could not easily be harmonised in one document.

Negative interest rates: Esko reported that Christoph Krischanitz has started work on this issue. In Germany auditors have raised the question how negative interest rates should be treated considering the legal requirement and possible limitations of ESG used. Lauri Saraste informed about a question on this issue that is part of the current EIOPA stress test.

Next conference call: 9<sup>th</sup> August, 9:30h