



## **Groupe Consultatif Solvency 2 Project – Monthly Report for Insurance Committee**

**02 November 2011**

### **HEADLINES**

**Groupe Consultatif held its annual meeting in Prague on 20/21 October. Major discussion at the Insurance Committee was on: delayed application of SII to 1 January 2014; Euro crisis and its effect on further complication in elements of Pillar 1 valuation and capital requirements; confirmation of wider and active support for Pillar 2 including its work on the actuarial function.**

**In the last EIOPA Joint Meeting of OPSG (*Occupational Pensions Stakeholder Group*) and IRSG (*Insurance and Reinsurance Stakeholder Group*) an overview was given of practical effects of Lisbon Treaty as to decision making process at EC, Council and EP level.**

**Complete draft Level 2 text to be transmitted by Commission to Parliament w/c 7 November will include elements which are the subject of continuing controversy.**

### **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 02 November 2011

### **Working Group Activities and Progress**

Life Pillar I Working Group	<ul style="list-style-type: none"><li>❖ Elliot Varnell welcomed into the working group.</li><li>❖ WG is undertaking the task to look at distressed sovereign risk issue and its implication on valuation.</li><li>❖ WG contributed to the submission to EIOPA '3rd written procedure on level 2 implementing measures</li><li>❖ WG will now turn its attention to pre-consultation on actuarial guidelines</li></ul>
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## Solvency 2 Project Team Update

Non Life Pillar I Working Group	<ul style="list-style-type: none"> <li>❖ Simon Kristoferson from Sweden joins the working group.</li> <li>❖ Physical meeting in London on 4 November to address Pre-consultation papers on Actuarial Guidelines &amp; Actuarial function: Recommendations and Guidelines.</li> </ul>
Pillar II and III Working Group	<ul style="list-style-type: none"> <li>❖ William Coatesworth (UK) has joined the working group</li> <li>❖ Physical meeting on 15 November in Brussels to discuss ORSA</li> <li>❖ Groupe will be represented at meeting on 4 November to discuss reporting templates</li> </ul>
Groups Working Group	<ul style="list-style-type: none"> <li>❖ Noted that EIOPA had published recommendations on equivalence – caveated approval of limited equivalence for Switzerland, Bermuda and Japan (reinsurance for the last)</li> </ul>
Internal models Working Group	<ul style="list-style-type: none"> <li>❖ Preparing submission on EIOPA pre-consultation on Solvency II Level 3 internal models - Validation tools</li> </ul>

### Upcoming calls/meetings:

16 November: EIOPA conference (Frankfurt)

12 December: EIOPA IRSG meeting (Frankfurt)

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