



Groupe Consultatif Solvency 2 Project – Monthly Report for Insurance Committee

3 March 2010

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 3 March.

Working Group Activities and Progress

Life Pillar I Working Group	<ul style="list-style-type: none">• Have been feeding into the FinReq working group on QIS5
Non Life Pillar I Working Group	<ul style="list-style-type: none">• Have been feeding into the FinReq working group on QIS5
Pillar II and III Working Group	<ul style="list-style-type: none">• Reviewing material to be circulated April through September on the draft financial report template and also ORSA
Groups Working Group	<ul style="list-style-type: none">• Working on paper on fungibility and transferability.
Internal models Working Group	<ul style="list-style-type: none">• Positive response to CP80

Overview points

The upcoming team meeting on 23 March will focus on QIS5 and also the Financial Reporting Template.

QIS 5

Feedback needs to be issued by 8 March and there is a further stakeholder meeting in London on 11 March. There was a CEA questionnaire on QIS5 which is being completed. Other areas where the Groupe is involved are:

- Treatment of SPV within Groups
- MCR for non EEA entities
- Treatment of Tax asset at Group Level
- CAT scenarios



Task Force Report on Liquidity Premium

The Liquidity Premium Task Force has issued its report but there is still further work that needs to be done.

http://www.gcactuaries.org/documents/ceiops_illiq_prem_010310.pdf

Third wave of consultations

The final guidance on the majority of the third wave of CPs has been issued by CEIOPS. The response to CP80 is still outstanding but comments have been received and this will be submitted to CEIOPS shortly.

Draft Level 2 measures

Comments submitted as invited by Commission, principally on system of governance and on technical provisions.

EIOPA transition

This is progressing towards 1 January 2011 implementation, despite differences between Parliament and Council. It is likely that there will be a single stakeholder group, but the commitment to representation of the actuarial and auditing professions is not entirely satisfactory.

Upcoming calls/meetings:

23 March – Group Consultatif team meeting – London, Canary Wharf

6 April 9.00 (CET) - next Group Consultatif SII Project team conference call

31 March – Groupe delegation meets CEIOPS in Frankfurt

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