Actuarial Association of Europe
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Report on activities of EIOPA Insurance and Reinsurance Stakeholder Group (IRSG)

By Annette Olesen and Tony O'Riordan, members of IRSG

The IRSG recently responded to consultations on

- EIOPA discussion paper on review of Solvency Capital Requirement. Key issues raised in the IRSG response included:
  - non-life reserving,
  - low interest rates,
  - volume measure for premium risk,
  - catastrophe risk calibration
  - risk margin
  - loss absorbing capacity of deferred taxes
  - Undertaking Specific Parameters
  - asset look through

- Recovery and resolution. Questions were raised by the IRSG on the value of this add on in light of the strength of the Solvency II basis and the extent of reporting on capital and risk. Proportionality was also addressed.

- Big data. This subject generated active debate at the IRSG and a wide ranging response to the consultation.

- Complex IBIPs. A key concern of the IRSG response is that many retail products may fall into this category despite not being in reality complex.

The IRSG is currently preparing input to

- Consumer Trends Report, covering among other subjects low interest rates, telematics, non-life compensation and insuretech

- Consultations on
  - consumer financial services action plan
  - operation of ESAs (due imminently)
  - Fintech

Other areas considered or subject to ongoing consideration include

- 2016 stress test results
- Monetary incentives review (unit-linked payment of management charge rebates from investment manager to manufacturer)
- PRIIPS (including with environmental/social objectives)
- International Capital Standards

The IRSG will be seeking to enhance its visibility and transparency and has established a communications group to move this forward.

END