

Insurance & Private Pension Law Update



November 2011

Solvency II Newsletter

EIOPA launches consultation on ORSA

EIOPA has published its 'Solvency II: Consultation Paper On the Proposal for Guidelines on Own Risk and Solvency Assessment' (the "Guidelines"). The consultation is open until 20 January 2012. The document can be found at: <https://eiopa.europa.eu/consultations/consultation-papers/index.html>.

The Level 3 Guidelines seek to provide additional details on how the ORSA required by the Solvency II Directive is to be interpreted. The Guidelines are divided into 4 main headings - Section I: General considerations, Section II: Record of each ORSA process, Section III: Specific features regarding the performance of the ORSA and Section IV: Group specificities of the ORSA.

The Guidelines deal with the application of the principle of proportionality which, 'is to be reflected not only in the level of complexity of the methods used but also in the frequency of the ORSA to be established by the undertaking' and the need for an ORSA Policy. Under the specific features the Guidelines deal with the assessment of solvency needs and the regulator capital requirements together with the frequency of the ORSA which the guidelines state should be at least annually.

The last part of the Guidelines deal with the ORSA in the case of a group of companies. The Guidelines provide that groups should design the 'group ORSA' to reflect the nature of the group structure and its risk profile. All of the entities that form part of the group supervision should be included within the scope of the group ORSA.

The EIOPA Consultation paper comes at a crucial time in the implementation of the Solvency II Directive and provides much needed guidance on what to date has been subject to much speculation.

Webinars

A webinar entitled 'Principle features of the ORSA' will be held on the 14th December 2011, 3pm GMT. Registration may be effected at the following: <http://www.solvency2explained.com/webinars>

Conferences

- 2011 European Solvency II Summit organised by Infoline - The summit will be held on 13th and 14th December (with an additional workshop on 15th December) in Zurich, Switzerland. Registration can be effected at <http://www.informaglobalevents.com/FKM62299SEG>
- EIOPA Conference 2011 - Wednesday, 16 November 2011, Congress Center Messe Frankfurt. More info including General Information and a Programme of the Conference can be found at <https://eiopa.europa.eu/conferences-1/eiopa-conference-2011/index.html>

IMPORTANT NOTICE

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