

We hereby present you a new issue of the IA|BE Regulatory Watch. Through this publication we want to inform you of changes and updates in the regulatory framework that could impact your day-to-day work.

As we operate in a heavily regulated industry, we can't claim to be complete. Our main aim is to make you aware of the changes and to trigger your attention.

We distinguish 3 categories: regulatory items from Belgian (BE), European (EUR) and International (INT) instances.

The IA|BE Regulatory Watch is based on publicly available information.

RECENT UPDATES

BE – 2020 0408: NBB and the Federal Planning Bureau publish a scenario for the impact of the Covid-19 Health Crisis

- NBB and FPB expect the country's real GDP could contract by 8% in 2020. A rebound of 8.6% is now assumed for 2021, provided that the acute phase of the crisis – concentrated in the first six months of 2020 – does no lasting damage to the Belgian economy's production potential.
- Read the NBB Press Release: <https://www.nbb.be/en/articles/economic-impact-covid-19-health-crisis-scenario>

EUR – 2020 0408: EIOPA publishes extraordinary information for Solvency II Relevant Risk Free Interest Rate Term Structures and Symmetric Adjustment to Equity Risk with reference to 6 April 2020

- Due to COVID-19 outbreak, in the coming weeks EIOPA will carry out extraordinary calculations on weekly basis to monitor the evolution of the relevant risk-free interest rate term structures (RFR) and the symmetric adjustment to equity risk (EDA).
- EIOPA is publishing this information to support insurance and reinsurance undertakings in the monitoring of their solvency and financial position.
- The information will be published on a specific area of the website created for this purpose both for RFR and EDA named "Extraordinary weekly updates".
- <https://www.eiopa.europa.eu/content/eiopa-publishes-extraordinary-information-solvency-ii-relevant-risk-free-interest-rate-term>

BE – 2020 0407: NBB issues Circular NBB_2020_012 about dividend payments, variable pay and profit sharing in Covid-19 times

- Dutch: https://www.nbb.be/doc/cp/nl/2020/200407_nbb_2020_012.pdf
- French: <https://www.nbb.be/fr/articles/circulaire-nbb2020012-distributions-de-dividendes-remuneration-variable-et-participation>

EUR – 2020 0407: EIOPA publishes Opinion on the supervision of remuneration principles in the insurance and reinsurance sector

- <https://www.eiopa.europa.eu/content/eiopa-publishes-opinion-supervision-remuneration-principles-insurance-and-reinsurance-sector>

BE 2020 0402: FSMA clarifies requirements under Mifid II for recording of phone conversations in the Covid-19 health crisis

- Dutch: <https://www.fsma.be/nl/news/covid-19-toelichtingen-bij-de-toepassing-van-de-mifid-ii-bepalingen-over-het-opnemen-van>
- French: <https://www.fsma.be/fr/news/covid-19-clarifications-relatives-lapplication-des-regles-prevues-par-la-directive-mifid-ii>

EUR – 2020 0402: EIOPA issues statement on dividends distribution and variable remuneration policies in the context of COVID-19

- https://www.eiopa.europa.eu/content/eiopa-statement-dividends-distribution-and-variable-remuneration-policies-context-covid-19_en

BE 2020 0401: NBB issues Circulars NBB_2020_08 (new COVID-19 reporting for Insurance) NBB_2020_09 and NBB_2020_10 (OneGate and eCorporate Platforms) for reporting in the Covid-19 Health Crisis

- These circulars defer in time the date of collection of certain quantitative and qualitative reports expected from insurance and reinsurance companies as well as certain reports expected from the authorised auditors.
- <https://www.nbb.be/en/articles/insurance-new-covid-19-reporting-and-extension-onegate-and-ecorporate-due-dates>

BE – 2020 0330: FSMA: Covid-19: Information for Institutions for Occupational Retirement Provision

- FSMA will apply a certain flexibility in its supervising activities and requirements in the Covid-19 health crisis
- Dutch: <https://www.fsma.be/nl/news/covid-19-informatie-voor-instellingen-voor-bedrijfspensioenvoorziening>
- French: <https://www.fsma.be/fr/news/covid-19-information-pour-les-institutions-de-retraite-professionnelle>

BE – 2020 0326: Assuralia announces a number of corona – related measures, after discussions with NBB, FSMA and the Federal Government

- Staff of insurance companies remains protected in case of temporary unemployment
- Certain customer groups can benefit from delayed payment until 30 September 2020 of installments for mortgage loans and premium payments for related mortgage protection insurance and fire insurance; also extended to other loans
- Delay of premium payments will be handled in a less strict way

- Insurances offered to companies at an economic standstill will also pause, in line with the standstill.
- Press release issued by NBB: <https://www.nbb.be/en/articles/insurance-sector-also-working-tackle-socio-economic-impact-coronavirus-crisis>

EUR – 2020 0320: EIOPA issues recommendations on supervisory flexibility regarding the deadline of supervisory reporting and public disclosure - Coronavirus/COVID-19

- https://www.eiopa.europa.eu/content/recommendations-supervisory-flexibility-regarding-deadline-supervisory-reporting-and-public_en

EUR – 2020 0317: EIOPA issues statement on actions to mitigate the impact of Coronavirus/COVID-19 on the EU insurance sector

- EIOPA announced it would limit its requests of information and the consultations to the industry to essential elements needed to assess and monitor the impact of the current situation in the market.
- <https://www.eiopa.europa.eu/content/eiopa-statement-actions-mitigate-impact-coronaviruscovid-19-eu-insurance-sector>

INT – 2020 0317: IASB decides on new effective date for IFRS 17 of 1 January 2023

- IASB decided that the effective date of the Standard will be deferred to annual reporting periods beginning on or after 1 January 2023.
- IASB also decided to extend the exemption currently in place for some insurers regarding the application of IFRS 9 *Financial Instruments* to enable them to implement both IFRS 9 and IFRS 17 at the same time.
- IASB expects to issue the amendments to IFRS 17 in the second quarter of 2020.
- <https://www.ifrs.org/news-and-events/2020/03/ifrs-17-effective-date/>

CONTENT OF EARLIER EDITIONS OF THE REGULATORY WATCH

In this section, you will find the content of earlier editions of the IA|BE Regulatory Watch.

It also contains elements that were not yet included earlier but could be of use anyhow.

BE - 2020 0319: Corona crisis: Belgian Government launches the Economic Risk Management Group.

- On 19 March, the Federal Government launched the ERMG that should map the impact of the corona crisis on the Belgian economy and make recommendations for supporting measures. This working group will be co-chaired by Pierre Wunsch, NBB Governor, and Piet Vanthemsche. The ERMG will include representatives from different stakeholders. To support the ERMG, NBB has allocated some 100 of its specialists with expertise in macro and microeconomics, statistics, financial markets, banking and insurance.
- Read the NBB press release: <https://www.nbb.be/en/articles/national-bank-fighting-economic-consequences-coronavirus-pandemic>

EUR – 2020 0303: AAE commented on EIOPA’s consultation concerning technical advice, implementing and regulatory technical standards for the Pan-European Personal Pension Product (PEPP).

- The EIOPA Consultation: <https://www.eiopa.europa.eu/content/consultation-concerning-technical-advice-implementing-and-regulatory-technical-standards-pan>
- The AAE Comments: <https://actuary.eu/wp-content/uploads/2020/03/PEPP-response-in-template-FINAL.pdf>
- A summary of these AAE’s comments will be available shortly.

EUR - 2020 0219: European Commission publishes White Paper on Artificial Intelligence - A European approach to excellence and trust

- No specific comments on insurance, but on financial services
- Based on the report from the Commission on the same date (see next topic)
- https://ec.europa.eu/info/sites/info/files/commission-white-paper-artificial-intelligence-feb2020_en.pdf

EUR 2020 0219: Report from the Commission to the European Parliament, the Council and the European Economic and Social Committee: Report on the safety and liability implications of Artificial Intelligence, the Internet of Things and robotics

- https://ec.europa.eu/info/sites/info/files/report-safety-liability-artificial-intelligence-feb2020_en_1.pdf

BE – 2020 0214: NBB publishes Annual Report 2019 (Dutch and French; English will follow).

In the preamble, the NBB Governor recommends a prudent dividend policy for the insurance sector, to build additional reserves in the current low-yield environment.

<p><i>“De grondige structurele aanpassingen die de verzekeringssector de laatste jaren heeft ondergaan, en waarbij de looptijden van activa en passiva beter op elkaar werden afgestemd en sommige verliesgevende portefeuilles werden afgestoten, hebben de sector al met al minder gevoelig gemaakt voor de lage renteomgeving. Toch ondermijnen persistent lage rentes op termijn ook de leefbaarheid van het standaard verdienmodel van de verzekeringsondernemingen, vooral van die met een focus op levensverzekeringen.</i></p> <p><i>De noodzaak om bestaande verplichtingen met rentewaARBorgen af te dekken door activa met voldoende rendement, zet die ondernemingen immers aan tot een intensievere zoektocht naar investeringsrendement waarbij laagrentende, veilige activa – voornamelijk overheidsobligaties – vervangen worden door meer risicovolle activa.</i></p> <p><i>Daarnaast wordt door de sector systematisch ook meer flexibiliteit in de aangeboden levensverzekeringscontracten ingebouwd en zetten de lage gewaarborgde rentes een rem op de vraag naar dit type van verzekeringsproducten.</i></p> <p><i>Ongeacht deze aanpassingen in de bedrijfsmodellen, dienen de verzekeringsondernemingen in kwestie vooruitziend te handelen en een voorzichtig dividenduitkeringsbeleid te voeren teneinde voldoende reserves aan te leggen om ook in de toekomst hun verplichtingen te kunnen nakomen.”</i></p>	<p><i>« Les profonds ajustements structurels qu’a connus le secteur de l’assurance au cours des dernières années, entraînant une meilleure adéquation entre les échéances des actifs et des passifs ainsi que la cession de certains portefeuilles déficitaires, ont dans l’ensemble réduit la sensibilité du secteur à l’environnement de taux bas persistant. Cela étant, les taux bas persistants finissent par nuire également à la viabilité du modèle de rémunération habituel des entreprises d’assurance, en particulier celles qui se spécialisent en assurance-vie.</i></p> <p><i>La nécessité de couvrir les engagements existants assortis de taux garantis au moyen d’actifs à rendement suffisant incite en effet ces entreprises à chercher plus intensivement du rendement sur leurs investissements, en remplaçant des actifs sûrs offrant un taux peu élevé – principalement des obligations d’État – par des actifs plus risqués.</i></p> <p><i>En outre, le secteur introduit systématiquement plus de flexibilité dans les polices d’assurance-vie qu’il offre, et le bas niveau des taux d’intérêt garantis freine la demande pour ce type de produits d’assurance.</i></p> <p><i>Indépendamment de ces changements dans les modèles d’entreprise, les assureurs doivent se tourner vers l’avenir et mener une politique prudente de distribution de dividendes afin de constituer des réserves suffisantes pour pouvoir continuer à respecter leurs engagements à l’avenir. »</i></p>
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- https://www.nbb.be/doc/ts/publications/nbbreport/2019/nl/t1/verslag2019_volledig.pdf
- https://www.nbb.be/doc/ts/publications/nbbreport/2019/fr/t1/rapport2019_complete.pdf

EUR – 2020 0212: EIOPA publishes its supervisory convergence plan for 2020

Three new priorities have been identified for 2020:

- **Supervisory technology**
- **Pension issues:** The aim is to promote supervisory convergence in the area of supervision of institutions for occupational retirement provision (IORPs). EIOPA will identify and monitor supervisory risks in the authorisation of cross-border IORPs, with a view to developing appropriate supervisory responses
- **Cyber underwriting:** EIOPA will promote appropriate cyber underwriting and cyber risk management practices by industry, as well as good supervisory practices. EIOPA will also promote adequate assessment and mitigation tools to address potential systemic cyber and extreme risks.

The plan has been developed according to a risk-based approach and in close cooperation with national supervisors. It is a strategic tool that supports EIOPA in its goal to build a European common supervisory culture.

- <https://www.eiopa.europa.eu/content/supervisory-convergence-plan-2020>

EUR – 2020 0205: EIOPA publishes consultation paper on Review of technical implementation means for the package on Solvency 2 Supervisory Reporting and Public Disclosure

- Due date: 20 April 2020
- <https://www.eiopa.europa.eu/content/eiopa-consults-review-technical-implementation-means-package-solvency-2-supervisory>

EUR – 2020 0120: AAE published a paper on professional judgment by actuaries.

- In the AAE's thinking, professional judgment is the judgment of the actuary, based on actuarial (or other relevant) training and experience, bound by the Standards and Code of Conduct of the profession. The key message is that professional judgment is by no means arbitrary but based on strict scientific arguments and the discipline of our profession.
- The AAE paper has two main goals.
 1. Firstly, it aims at identifying the distinguishing features of actuarial professional judgment, which arise predominantly from the principles of professionalism laid down in the Code of Conduct for actuaries.
 2. Secondly, it argues that the soundness of the actuary's judgement is enhanced by the suggested self-assessment questionnaire since it helps ensuring consistency of the professional judgment applied by the actuary in line with the principles in the AAE Code of Professional Conduct. In line with AAE's Code of Professional Conduct, the high-level principles of professionalism considered in the paper are knowledge and expertise; values and behaviour; and professional accountability.
- <https://actuary.eu/wp-content/uploads/2020/01/20200120-AAE-PR-ProfJudgment-FINAL.pdf>

EUR 2020 0115: AAE comments on the EIOPA Consultation Paper on the Opinion on the 2020 Review of solvency II

- The IABE WG Solvency II contributed to these comments

- https://actuary.eu/wp-content/uploads/2020/01/20200114-EIOPA-CP-19-006_comments_template_AAE-Final.pdf

BE – 2020 0114: FSMA publishes a feedback statement on the outcome of its Audit of the Financing of Defined Benefit Pension Plans via Group Insurance Policies

- One of the fundamental principles of the legislation on supplementary pensions is that pension plan sponsors are required to outsource the management of such plans to a pension institution. The building up of reserves in a separate ('external') body is designed to safeguard accrued supplementary pension savings in the event that the sponsor goes bankrupt.
- In this context, the FSMA has performed an audit on the financing of defined benefit pension plans via group insurance policies.
- As detailed in its audit report, the FSMA's main aim was to ascertain the extent to which the financing methods used offer adequate protection for members' pension rights
- <https://www.fsma.be/nl/news/onderzoek-naar-de-financiering-van-pensioentoezeggingen-van-het-type-vaste-prestaties>
- <https://www.fsma.be/fr/news/enquete-sur-le-financement-des-engagements-de-pension-de-type-prestations-definies-par-le-biais>

EUR 2020 0113: AAE comments on ESAs consultation on changes to the key information for PRIIPs

- AAE comments on The European Supervisory Authorities (ESAs) consultation on amendments to existing rules underpinning the Key Information Document (KID) for Packaged Retail and Insurance-based Investment Products (PRIIPs): <https://www.esma.europa.eu/press-news/esma-news/esas-consult-changes-key-information-document-priips>
- Comments from AAE to follow

BE – 2020 0110: NBB reports on the financial wealth of Belgian households at 30 September 2020

- Financial assets increased in the 3rd quarter of 2019 by EUR 17 billion to reach EUR 1,390 billion.
- Remarkable was the EUR 10 billion increase in the insurance products in the 3rd quarter from EUR 321 to 331 billion
- <https://www.nbb.be/doc/dq/e/dq3/histo/cef19iii.pdf>

BE – 2019 1227: NBB publishes Circular on Workers compensation and Life insurance:

- Spilrentevoet / Taux Pivot (Reference rate) 31 December 2019: 0.49%
- [Circulaire NBB_2019-32 / Provision complémentaire en assurance vie et accidents du travail](#)
- [Circulaire NBB_2019-32 / Aanvullende voorziening in levens- en arbeidsongevallenverzekeringen](#)

EUR – 2019 1218: Directive (EU) 2019/2177 of the European Parliament and of the Council : update a.o. of the Solvency II Directive

- Directive (EU) 2019/2177 of the European Parliament and of the Council of 18 December 2019 amending Directive 2009/138/EC on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II), Directive 2014/65/EU on markets in financial

instruments and Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money-laundering or terrorist financing (Text with EEA relevance)

- https://www.nbb.be/doc/cp/eng/2019/20191227_eu_2019_2177.pdf

EUR – 2019 1218: Regulation (EU) 2019/2175 of the European Parliament and of the Council: update a.o. of the EIOPA Regulation

- Regulation (EU) 2019/2175 of the European Parliament and of the Council of 18 December 2019 **amending** Regulation (EU) No 1093/2010 establishing a European Supervisory Authority (European Banking Authority), **Regulation (EU) No 1094/2010 establishing a European Supervisory Authority (European Insurance and Occupational Pensions Authority)**, Regulation (EU) No 1095/2010 establishing a European Supervisory Authority (European Securities and Markets Authority), Regulation (EU) No 600/2014 on markets in financial instruments, Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and Regulation (EU) 2015/847 on information accompanying transfers of funds (Text with EEA relevance)
- https://www.nbb.be/doc/cp/eng/2019/20191227_eu_2019_2175.pdf

EUR – 2019 1218: AAE publishes commentary paper ‘A Review of the Design of the Solvency II Risk Margin’.

- The aim of the risk margin is to provide an estimation of the cost a hypothetical third party would expect to charge (in addition to the Solvency II ‘best estimate liability’) to take on a book of insurance liabilities. AAE makes suggestions that respect this principle. AAE also explores assumptions that would be most appropriate for the reference undertaking assumed to be taking on the relevant liabilities.
- The modifications proposed should help to make the end calculation more robust and stable for individual firms, whilst retaining an appropriate level of responsiveness to capital needs and an underlying structure that is actuarially sound.
- The findings include:
 1. The currently discussed methods to estimate is cost of capital rate are not well suited to conclude whether the risk margin it too high, too low or about right. New methods will need to be developed to inform a decision for a rate change.
 2. Multi-year dependencies can lead to situations that can be capture by a falling(mass lapses) or raising (asbestos like liability) capital cost rate, if and only if they are material and the risk is dominant for the undertaking.
 3. The interest sensitivity of the risk margin is an economic reality. AAE is currently investigating to classify the cases which can be addressed simply by a change in the assets backing the risk margin
 4. Corporate taxes influence the risk margin in proportion to the interest rate. This effect mitigates the overall interest sensitivity to some extent
- Paper available on <https://actuary.eu/publications/positions-discussion-papers/>

EUR – 2019 1218: EIOPA outlines key financial stability risks of the European insurance and pensions sector in its December 2019 Financial Stability Report

1. Risk of a prolonged low yield environment has intensified over the last 6 months and remains the key challenge for European insurers and pension funds, putting pressure on both solvency positions and long-term profitability
2. Combination of weakening economic outlook, concerns over debt sustainability and stretched valuations across financial markets could also give rise to a sudden reassessment of risk premia
3. Emerging cyber and climate change related risks continue to demand attention from insurers, pension funds and supervisors
4. Interconnectedness with banks and home-bias in investments remain high for European insurers and could lead to potential spillovers of risks from other sectors

<https://eiopa.europa.eu/Pages/News/EIOPA-Financial-Stability-Report-December-2019.aspx>

EUR – 2019 1217: EIOPA publishes the results of the 2019 Occupational Pensions Stress Test

1. Adverse scenario would wipe off almost one quarter of the investment assets' values in the sample, totalling EUR 270 billion
 2. Market risks under the adverse scenario would lead to substantial benefit reductions and increase of sponsor support
 3. Extended cash flow analysis shows timing of expected impact is high in the first years on sponsors, while the effects of benefit reductions would drag on for decades should the short-term effects become permanent
 4. First European analytical element on sustainability risks sheds light on the current management and consideration of ESG factors in the IORP sector: indicates high carbon footprint, relative to EU economy, in the sample's equity investments
 5. Majority of IORPs indicate consideration of ESG factors, yet less than 20% of the IORPs in the sample currently assess the impact of ESG factors on risks and return
- https://eiopa.europa.eu/Publications/Press%20release_publication%202019%20IORP%20stress%20test%20report.pdf

BE – 2019 1217: FSMA comments on the outcome of the EIOPA Occupational Pensions Stress Test for the Belgian Pension Institutions

- Belgium is one of the countries where the pension institutions sector can meet all its obligations under the conditions of the EIOPA Stress Test
- <https://www.fsma.be/nl/news/belgische-pensioenfondsen-positief-resultaat-van-europese-stresstest-1>
- <https://www.fsma.be/fr/news/fonds-de-pension-belges-resultat-positif-au-stress-test-europeen-1>

INT – 2019 1211: IAA releases ISAP 4 on IFRS 17 Insurance Contracts

- https://www.actuaries.org/IAA/Documents/Publications/News_Releases/2019/News_Release_ISAP4_EN.pdf

BE – 2019 1205 : FSMA publishes 2018 sectoral overview of Institutions for Occupational Retirement Provision

- <https://www.fsma.be/en/news/institutions-occupational-retirement-provision-sectoral-overview-2018>

EUR – 2019 1204: Insurance Europe publishes “Making EU Insurance regulation that works and benefits customers”

In this paper, Insurance Europe calls on EU policymakers to:

- Avoid continual regulatory changes
- Avoid legal uncertainty
- Avoid inconsistencies, overlaps and duplication
- Avoid unfit rules and disclosures that mislead consumers
- Avoid outdated rules and obstacles to pro-consumer innovation
- Avoid implementation timelines that are too short
- <https://www.insuranceeurope.eu/new-publication-making-eu-insurance-regulation-works-and-benefits-consumers>

EUR – 2019 1202: EIOPA launches consultation on its approaches for regulating key aspects of the Pan-European Personal Pension Product (PEPP)

- <https://eiopa.europa.eu/Pages/News/EIOPA-publicly-consults-on-its-approaches-for-regulating-key-aspects-of-the-Pan-European-Personal-Pension-Product.aspx>

EUR – 2019 1119 : ECB publishes Financial Stability Review

- *Press Release / Full Text / Slides on:*
- <https://www.ecb.europa.eu/press/pr/date/2019/html/ecb.pr191120~dba5b22030.en.html>
- *“Non-banks, such as investment funds, **insurance companies** and pension funds, which play an increasingly important role in the financing of the real economy, have continued to take on more risk and have increased their exposure to riskier segments of the corporate and sovereign sectors. In the event of a sudden repricing of financial assets, growing credit and liquidity risk in some parts of the euro area non-bank financial sector – coupled with higher leverage in investment funds – may lead non-banks to respond in ways that cause stress to spread to the wider financial system.”*

EUR / BE - 2019 1118 : FSMA organises Compliance Day, together with the Compliance.be Forum.

- Several FSMA representatives gave presentations to the more than 150 compliance officers in attendance. They received feedback about the transversal inspections carried out by the FSMA on the topic of conflicts of interest and inducements in the distribution of class 23 insurance products and about the application of the European Insurance Distribution Directive (IDD).
- Presentation: *“FSMA, **EIOPA** and **EBA**: EU rule makers and Indirect Supervisors”*
- <https://www.fsma.be/en/news/compliance-day-2019>

INT – 2019 1114: IAIS adopts first global frameworks for (i) supervision of internationally active insurance groups and (ii) mitigation of systemic risk in the insurance sector

The adopted reforms include the creation of:

- The **Common Framework (ComFrame)** which establishes supervisory standards and guidance focusing on the effective group-wide supervision of Internationally Active Insurance Groups (IAIGs);
- The **Insurance Capital Standard (ICS)**, developed with the purpose of creating a common language for supervisory discussions of group solvency of IAIGs to enhance global convergence among group capital standards;
- The **Holistic Framework for the assessment and mitigation of systemic risk** in the insurance sector, for implementation from the beginning of 2020. This framework recognises that systemic risk can arise both from sector-wide trends with regard to specific activities and exposures, as well as from a concentration of these activities and exposures in individual insurers.
- <https://www.iaisweb.org/page/news/press-releases//file/87183/media-release-iais-adopts-first-global-frameworks-for-supervision-of-internationally-active-insurance-groups-and-mitigation-of-systemic-risk-in-the-insurance-sector>

EUR 2019 1108: EIOPA publishes:

- Answers to (EUR) No 2009 – 138 Solvency II Directive (Insurance and Reinsurance)
 - [https://eiopa.europa.eu/Pages/News/Answers-to-\(EU\)-No-2009-138-Solvency-II-Directive1119.aspx](https://eiopa.europa.eu/Pages/News/Answers-to-(EU)-No-2009-138-Solvency-II-Directive1119.aspx)
- Answers to (EU) No 2015-2452 procedures formats and templates of the solvency and financial condition report
 - [https://eiopa.europa.eu/Pages/News/Answers-to-\(EU\)-No-2015-2452-procedures-formats-and-templates-of-the-solvency-and-financial-cond1119.aspx](https://eiopa.europa.eu/Pages/News/Answers-to-(EU)-No-2015-2452-procedures-formats-and-templates-of-the-solvency-and-financial-cond1119.aspx)
- Answers to (EU) No 2015-2450 templates for the submission of information to the supervisory authorities
 - [https://eiopa.europa.eu/Pages/News/Answers-to-\(EU\)-No-2015-2450-templates-for-the-submission-of-information-to-the-sas1119.aspx](https://eiopa.europa.eu/Pages/News/Answers-to-(EU)-No-2015-2450-templates-for-the-submission-of-information-to-the-sas1119.aspx)
- Answers to (EU) No 2016-97 - Insurance Distribution Directive
 - [https://eiopa.europa.eu/Pages/News/Answers-to-\(EU\)-No-2016-97---Insurance-Distribution-Directive.aspx](https://eiopa.europa.eu/Pages/News/Answers-to-(EU)-No-2016-97---Insurance-Distribution-Directive.aspx)

EU 2019 1106: Insurance Europe publishes comments on sustainability taxonomy

- <https://www.insuranceeurope.eu/comments-sustainability-taxonomy-published>
- Reaction on the Proposal for a Regulation of the European Parliament and of the council on the establishment of a framework to facilitate sustainable investment
 - [http://www.europarl.europa.eu/RegData/docs_autres_institutions/commission_eur_oopenne/com/2018/0353/COM_COM\(2018\)0353_EN.pdf](http://www.europarl.europa.eu/RegData/docs_autres_institutions/commission_eur_oopenne/com/2018/0353/COM_COM(2018)0353_EN.pdf)

EUR – 2019 1104 : Gabriel Bernardino, EIOPA Chair, addresses the Economic and Monetary Affairs Committee of the European Parliament

- Items covered:
 - Supervisory convergence
 - Impact of the current financial and economic environment on the sectors
 - Priorities looking ahead:
 - Climate change

- Digitalisation and cyber risk
- Capital Markets Union
- https://eiopa.europa.eu/Publications/EIOPA%20Chair%20Statement_EP_ECON_Nov2019_FI_NAL.pdf

EUR – 2019 1025 : EIOPA’s Risk Dashboard for October 2019 shows broadly stable risk exposures of European insurers, with macro and market risks still at a high level

EIOPA published its updated Risk Dashboard based on the second quarter 2019 Solvency II data collected from 96 insurance groups and 2,852 solo insurance undertakings.

The results show that the risk exposures of the European insurance sector remained overall stable compared to July.

- Macro and market risks continue at a high level.
- Downward revisions to Gross Domestic Product (GDP) growth and inflation forecasts and declines in swap rates for major currencies are adding further pressure to the sector.
- Volatility of the largest asset class – bonds – increased.
- Credit risks continue at a medium level, with somewhat lower Credit Default Swaps (CDS) spreads for most bond segments and broadly stable credit quality of asset portfolios. Nonetheless, signs of potential risk mispricing prevail.
- Profitability and solvency risks are also at a medium level. Half-yearly profitability indicators improved compared to the second quarter of 2018 due to higher profit and loss figures reported by some insurance groups. Solvency Capital Requirement (SCR) ratios for life undertakings declined.
- Interlinkages and imbalances show a decreasing trend due to a lower share of premiums ceded to reinsurers, but remain at a medium level.
- Market perceptions were marked by an underperformance of insurers' stocks compared to overall equity markets, whereas no change was observed in insurers' external ratings.
- <https://eiopa.europa.eu/Publications/Standards/EIOPA-BoS-19-458%20October%202019%20Risk%20Dashboard.pdf>

BE 2019 1025: NBB urges the financial sector to exercise more caution in granting risky mortgage loans

- <https://www.nbb.be/en/articles/national-bank-urges-financial-sector-exercise-more-caution-granting-risky-mortgage-loans>
- NBB had already announced, on 5 September, that it intended to establish new prudential expectations for Belgian banks and insurance companies that grant mortgage credit.
- This initiative from the NBB, the authority in charge of macroprudential supervision of financial institutions in Belgium, follows on from an analysis it carried out that revealed a further increase in the vulnerability of the mortgage market in this country over the last few years and even in recent months.
- The European Systemic Risk Board (ESRB) reached the same conclusion in a recent report on Belgium. In this context, the NBB must take preventive action.
- The NBB can now reveal the precise content of these supervisory expectations, which come into force on 1 January 2020.

EUR 2019 1015: EIOPA launched a public consultation on an Opinion that sets out technical advice for the 2020 review of Solvency II.

- The Opinion will respond to the [call for advice of the European Commission of 11 February 2019](#) on the 2020 review of Solvency II.
- The call for advice comprises 19 separate topics. Broadly speaking, these can be divided into three parts.
 - Firstly, the review of the long term guarantee measures. These measures were always foreseen as being reviewed in 2020, as specified in the Omnibus II Directive. A number of different options are being consulted on, notably on extrapolation and on the volatility adjustment.
 - Secondly, the potential introduction of new regulatory tools in the Solvency II Directive, notably on macro-prudential issues, recovery and resolution, and insurance guarantee schemes. These new regulatory tools are considered thoroughly in the consultation.
 - Thirdly, revisions to the existing Solvency II framework including in relation to freedom of services and establishment; reporting and disclosure; and the solvency capital requirement.
- IA|BE created the Working Group Solvency II to assist AAE in reviewing and commenting on the EIOPA opinion.
- EIOPA in turn will in due time react towards the European Commission.

BE 2019 1015: NBB releases draft circular on ORSA

- Only small number of suggested changes, mainly in the annex table on top 5 risks
- IA|BE created Task Force and communicated on 15 November 2019 opinion on this draft circular to NBB after IA|BE Board Approval

BE 2019 1010: NBB releases draft circular on Loss Absorbing Capacity of Deferred Taxes under Solvency II

- French version available at IA|BE; Dutch version not yet available
- Circular would take effect as of 1 January 2020
- IA|BE created Task Force and communicated on 8 November 2019 opinion on this draft circular to NBB after IA|BE Board Approval

INT 2019 1010: IAA Resource and Environment Working Group Releases a Discussion Paper on Climate Change, Insurance and Vulnerable Populations.

- https://www.actuaries.org/IAA/Documents/Publications/News_Releases/2019/News_Release_Climate_Change_Vulnerable_Populations_EN.pdf

EUR 2019 0930 : EIOPA issues opinion on sustainability within Solvency II

- EIOPA reinforces its call for the stewardship role of (re)insurers in contributing to climate change adaptation and mitigation.
 - EIOPA found no current evidence to support a change in the calibration of capital requirements for “green” or “brown” assets
 - The impact of underwriting practices on the environment needs to be considered
 - Solvency II as a risk-based forward-looking framework is well equipped to accommodate sustainability risks and factors
 - Climate change increases uncertainty about the occurrence and impact of physical or transition risks and undertakings should not be complacent

- The scenario analysis as part of undertakings' risk management is key
- <https://eiopa.europa.eu/Publications/Press%20Releases/2019-09-30%20PressReleaseSustainabilityOpinion.pdf>

INT – 2019 0923 : IFRS 17: Global insurance associations call for delay of IFRS 17 so improvements can be made to standard

A wide group of international insurance associations — including Insurance Europe — has called on the International Accounting Standards Board (IASB) to make further improvements to International Financial Reporting Standards (IFRS) 17 – insurance contracts and to change the effective date to 1 January 2023.

While recognising that the IASB has made improvements in a number of areas, the associations warned that a number of significant issues have not been addressed and added that additional changes are still required to obtain a high-quality standard that can be implemented at a reasonable cost.

The associations called on the IASB to take the time necessary to make the changes needed to ensure a strong global commitment to the new standard. In addition, the significant implementation concerns that have been raised by the industry remain and must be taken into account. Therefore, they called for a delay to the global effective date of IFRS17 (and IFRS 9) for insurers until 1 January 2023 in order to ensure a successful implementation.

The associations are:

- Insurance Europe
- Canadian Life & Health Insurance Association
- Financial Service Council of New Zealand
- Insurance Bureau of Canada
- Insurance Council of New Zealand
- Insurance Council of Australia
- Korea Life Insurance Association
- National Association of Mutual Insurance Companies

<https://www.insuranceeurope.eu/sites/default/files/attachments/Global%20insurance%20industry%20letter%20on%20Exposure%20Draft%20%E2%80%93%20Amendments%20to%20IFRS%2017.pdf>

BE – 2019 0913: FSMA launches Consultation on the draft circular regarding regular reporting by the institutions for occupational retirement provision

- <https://www.fsma.be/nl/news/consultatie-over-de-ontwerpcirculaire-betreffende-de-regelmatige-rapportering-door-de>
- <https://www.fsma.be/fr/news/consultation-sur-un-projet-de-circulaire-relatif-au-reporting-regulier-par-les-institutions-de>
- After the consultation, the draft circular was apparently recalled by FSMA.

EUR – 2019 0909: AAE publishes a review of EIOPA's analysis of IFRS 17

- The review looked at a number of key areas covered in the EIOPA analysis, performing a detailed analysis of the requirements and definitions of Solvency II and IFRS 17 in order to validate the high level conclusions provided by EIOPA: (i) Definition of cash flows, (ii) Grouping and aggregation of contracts and contract boundaries, (iii) Determination of the appropriate discount rate, (iv) Risk adjustment and (v) Reinsurance.
- <https://actuary.eu/wp-content/uploads/2019/09/20190911-IFRS17-summary-FINAL.pdf>

EUR – 2019 0911: CRO Forum publishes “Managing Liquidity Risk: Industry Practices and recommendations for CROs”

- <https://www.thecroforum.org/2019/09/11/managing-liquidity-risk-industry-practices-and-recommendations-for-cros/>

BE – 2019 0905: NBB establishes new supervisory expectations for Belgian banks and insurance companies offering mortgage loans

- Over the next weeks, the NBB will consult Belgian banks and insurance companies on this initiative. This macroprudential measure is intended to be finalised in the coming weeks and should apply as from 2020 onwards.
- <https://www.nbb.be/en/articles/national-bank-establishes-new-supervisory-expectations-belgian-banks-and-insurance>

BE – 2019 0903: Communication NBB_2019_22: overview of periodical reports by insurance and reinsurance companies to NBB as of 2020

- [Detailed table of the requirements in annex of the communication](#)
- https://www.nbb.be/doc/cp/nl/2019/20190903_nbb_2019_22_ecorporate.pdf
- https://www.nbb.be/doc/cp/fr/2019/20190903_nbb_2019_22_ecorporate.pdf

BE – 2019 0902: FSMA publishes “Tweejaarlijks verslag betreffende de sectorale pensioenstelsels / Rapport Bisannuel relatif aux régimes de pension sectoriels”

- At year-end 2017, 50 sector pension funds managed a total of EUR 4.6 billion of reserves on behalf of 1.3 million employees
- <https://www.fsma.be/nl/news/tweejaarlijks-verslag-betreffende-de-sectorale-pensioenstelsels>
- <https://www.fsma.be/fr/news/rapport-bisannuel-relatif-aux-regimes-de-pension-sectoriels>

EUR – 2019 0902: AAE comments on EFRAG’s draft comment letter on the IASB’s ED/2019/4 amendments to IFRS 17

- <https://actuary.eu/wp-content/uploads/2019/09/20190902-EFRAG-response-final.pdf>

EUR – 2019 0725 – EIOPA publishes Consultation Paper on Draft Opinion on the supervision of remuneration principles in the insurance and reinsurance sector (EIOPA – 19 / 299)

- End date 30 September 2019

BE – 2019 0720 – Chamber of Representatives – Draft Law - Proposal to allow to terminate an insurance agreement after the annual renewal date free of charge

- <https://www.dekamer.be/FLWB/PDF/55/0194/55K0194001.pdf>

INT – 2019 0717: IAA launches consultation on the Proposed Draft of International Standard of Actuarial Practise 4 on IFRS Insurance Contracts (ISAP4)

- This is the proposed final draft, after taking into account the comments received after the publication of the Second Exposure Draft distributed on 28 February 2019;
- Comments could be made by 16 August 2019
- Within IA|BE, this draft was transmitted to the Professional Committee and the WG IFRS 17 for information and comments
- Document was not made public, but only made available to Member Associations and commenters

EUR – 2019 0711: PensionsEurope reacts publicly on EIOPA’s four opinions on the implementation of the IORP II Directive (as published on 10 July 2019)

- Opinion of PensionsEurope that the opinions do not reflect the minimum-harmonization character of the Directive
- <https://www.pensionseurope.eu/system/files/Press%20release%20-%20EIOPA%20opinions%20on%20IORP%20II%20implementation%20-%202019-07-11.pdf>

EUR - 2019 0710: EIOPA issues opinions on governance and risk management of pension funds

- EIOPA sets out its supervisory expectations on the own-risk assessment of pension funds;
- EIOPA stresses the importance of forward-looking supervision of operational risks and supervisory oversight of outsourcing and cyber risks;
- EIOPA calls upon national supervisors to encourage pension funds to take a stewardship role alongside the management of their environmental, social and governance risks;
- EIOPA provides a common framework as a useful tool to assist pension funds in the conduct of their own-risk assessment.
- https://eiopa.europa.eu/Publications/Press%20Releases/2019-07-10%20PressRelease_IORPIIOpinions.pdf

BE - 2019 0709: FSMA launches Consultation on the draft circular on the prudential expectations of the FSMA regarding governance for the institutions for occupational retirement provision

- FSMA invites to give comments by 6 September 2019;
- <https://www.fsma.be/nl/lopende-consultaties>
- Broadly in line with the EIOPA recommendations
- Covered in the IA|BE WG Actuarial Function and Risk Management for Pension Institutions

BE – 2019 0709: Conseil Supérieur des Finances - Comité d’Etude sur le vieillissement / Hoge Raad van Financiën – Studiecommissie voor de Vergrijzing : publishes its Annual Report

- Document available on the Website of the Federal Planning Bureau
- Forward looking to 2070
- <https://www.plan.be/publications/publication-1915-fr-comite+d+etude+sur+le+vieillissement+rapport+annuel>

- <https://www.plan.be/publications/publication-1915-nl-studiecommissie+voor+de+vergrijzing+jaarlijks+verslag>

EUR - 2019 0709: ESAs publish recommendations on the supervision of retail financial services provided across borders

- The ESAs (the European Supervisory Authorities: EBA, EIOPA and ESMA) identified the main issues that national competent authorities (NCAs) face when supervising financial institutions that provide cross-border retail financial services within the EU and make recommendations to both NCAs and EU institutions on how to address them.
- In particular, the Report calls for more clarity on when activities carried out through digital means fall under passporting rules, and for considering the identified high-level principles on cooperation as the basis for any new legislation or possible amendment to current legislation.
- <https://eiopa.europa.eu/Publications/Press%20Releases/Press%20Release%20-%20JC%20Report%20on%20the%20supervision%20of%20retail%20financial%20services.pdf>

INT – 2019 0709: IAA Resource and Environment Working Group releases a discussion paper on flood risk

- This [paper](#) provides a description of flood risk and how it can be managed. It is intended to provide a fundamental background and encourage discussion on this important topic for use by actuaries, regulators, and public policy planners around the world.
- Aspects covered include: the entire flood risk management process, methods that can be used to assess, mitigate, and finance the risks involved, the role of insurance and governments, public policy implications, and the role of actuaries.

INT - 2019 0705: IASB posts to its website a webinar offering an overview over the exposure draft ED/2019/4 ‘Amendments to IFRS 17’ published on 26 June 2019

- <https://www.iasplus.com/en/news/2019/07/webinar-ifs-17>

EUR - 2019 0704: EIOPA launches call for expression of interest to join Consultative Expert Group on digital ethics in insurance.

- <https://eiopa.europa.eu/Pages/News/EIOPA-calls-for-candidates-to-join-Consultative-Expert-Group-on-Digital-Ethics-in-insurance.aspx>
- IA|BE members informed; they are invited to react directly to EIOPA, or could go through AAE
- Deadline for application was 31 July 2019
- AAE presented 2 names to EIOPA

EUR - 2019 0703: AAE comments to the revised IFRS 17 Exposure Draft

- <https://actuary.eu/wp-content/uploads/2019/07/20190703-AAE-PR-revised-IFRS-17-ED-FINAL.pdf>

BE – 2019 0702 : NBB publishes its Expectations regarding the content of the statutory governing body’s report on the assessment of the compliance function

- Scope: Credit institutions, stockbroking firms, insurance companies and reinsurance companies.

- This Communication outlines the Bank's expectations regarding the content of the statutory governing body's report on the assessment of the compliance function and provides a template to this effect to be used by the institutions in future.
- <https://www.nbb.be/en/articles/communication-nbb201915-expectations-regarding-content-statutory-governing-bodys-report-0>

EUR - 2019 0702: AAE publishes the 1st Exposure Draft of European Actuarial Note (EAN) on ESAP 3 (Actuarial practice in relation to the ORSA process under Solvency II) for formal consultation

- Draft not published on the AAE Website, but circulated by mail
- Comments to be submitted by 30 September 2019
- To be covered in the IA|BE Professional Committee

EUR - 2019 0701: EIOPA publishes its 2019 Financial Stability Report, outlining the key financial stability risks of the European insurance and pensions sector

- While overall the insurance sector remains adequately capitalized, profitability is under increased pressure in the current low yield environment;
- Risk of a prolonged low yield environment has again become more prominent and remains a key challenge for European insurers and pension funds;
- Valuations remain stretched across financial markets and a sudden reassessment of risk premia cannot be ruled out, which could be exacerbated during a period of economic slowdown amid growing trade tensions, political uncertainty and concerns over debt sustainability;
- Interconnectedness with banks and home-bias in investments remain high and could lead to spill overs to insurers;
- European insurers are also exposed to emerging cyber and climate-related risks.
- https://eiopa.europa.eu/Publications/Reports/EIOPA_FSR_June2019.pdf

EUR – 2019 0628: AAE launches consultation on the Draft European Actuarial Note for the Actuarial function under IORP II.

- AAE opted for EAN and not for a model standard
- Questions put forward by AAE:
 1. Are there many defined benefit IORPs in your country (an estimate is sufficient) ?
 2. Do you have local actuarial standards or regulations for reports or calculations for the Actuarial Function for IORPs (This can include guidance that will be reviewed to reflect the actuarial function)? YES/NO
 3. Would an educational note be helpful if no local actuarial standards/regulations exist? YES / NO
 4. Would you prefer a model standard? YES / NO
 5. Do you have any comments on the draft educational note?
- Comments to AAE due by 30 September 2019
- Covered by IA|BE WG IORP II

BE - 2019 0627: NBB publishes non-official coordinated version of the law of 21 December 2012 taking into account the Royal Decree of 2 May 2019

- [Règlement de la Banque nationale de Belgique du 21 décembre 2012 concernant l'agrément des réviseurs et des sociétés de réviseurs](#)
- [Reglement van de Nationale Bank van België van 21 december 2012 betreffende de erkenning van revisoren en revisorenvennootschappen](#)

BE - 2019 0627: FSMA sets adequate regulatory framework for the combat against money laundering and terrorist financing

- In its circular FSMA_2019_12 ([French](#) - [Dutch](#)) the FSMA establishes measures for the application of the provisions regarding organization and internal control contained in the Law of 18 September 2017 on the prevention of money laundering and terrorist financing and on the restriction of the use of cash. The FSMA also clarifies its expectations regarding the application of those provisions by the entities concerned.

INT - 2019 0627: IAA Issues Statement on IFRS Insurance Contracts Amendments

- https://www.actuaries.org/IAA/Documents/Publications/News_Releases/2019/News_Releases_IFRS17_Amendments_EN.pdf

EUR – 2019 0627: Recommendation of the European Systemic Risk Board on medium-term vulnerabilities in the residential real estate sector in Belgium (ESRB / 2019 / 4)

- https://www.esrb.europa.eu/pub/pdf/recommendations/esrb.recommendation190923_be_recommandation~2cb5134896.en.pdf

INT - 2019 0626: IASB publishes exposure draft ED/2019/4 ‘Amendments to IFRS 17’

- Deadline for comments 25 September 2019
- <https://www.ifrs.org/news-and-events/2019/06/iasb-consults-on-amendments-to-aid-implementation-of-ifrs-17/>

BE - 2019 0625: NBB devotes section of its website to anti-money laundering and counter-terrorist financing; online release of the English version

- <https://www.nbb.be/en/articles/section-banks-website-devoted-anti-money-laundering-and-counter-terrorist-financing-amlcft>

EUR – 2019 0625: EIOPA publishes Consultation Paper on proposals for Solvency II 2020 Review. cover Note - Package on Supervisory Reporting and Public Disclosure (EIOPA – BoS – 19 – 304)

- Comments by 18 October 2019
- https://eiopa.europa.eu/Publications/Consultations/EIOPA-BoS-19-304_Cover%20Note_2020%20Review%20Reporting_Disclosure.pdf

EUR – 2019 0621: CRO Forum publishes “Insurance and Distributed Ledger Technology: A risk manager’s perspective”

- <https://www.thecroforum.org/2019/06/21/insurance-and-distributed-ledger-technology-a-risk-managers-perspective/>

EUR - 2019 0614: EIOPA publishes its 2018 Annual Report

- https://eiopa.europa.eu/Publications/Reports/EIOPA_2018%20Annual%20Report.pdf

INT - 2019 0614: IAIS launches public consultation on supervisory material

- 4 items covered:
 - Draft revised IAIS Glossary;
 - Draft ComFrame Assessment Methodology;
 - Changes in the Introduction to ICPs and ICP 7 (Corporate Governance) for consistency with ComFrame development;
 - Draft revised ICP 22 (Anti-Money Laundering and Combatting the Financing of Terrorism).
- Comments due by 15 August 2019
- <https://www.iaisweb.org/page/consultations/current-consultations/iais-supervisory-material>

EUR - 2019 0613: EIOPA, ECB and national authorities agree on common minimum standards for supervisory and statistical reporting by (re)insurance undertakings

- <https://eiopa.europa.eu/Publications/Common%20Minimum%20Standards%20for%20Data%20Revisions.pdf>

BE - 2019 0607 : NBB publishes non-official coordinated versions of several laws re. regulation of financial institutions

- Loi du 2 août 2002 relative à la surveillance du secteur financier et aux services financiers (coordination officielle 05/2019)
- Wet van 2 augustus 2002 betreffende het toezicht op de financiële sector en de financiële diensten (officiële coördinatie 05/2019)
- https://www.nbb.be/doc/cp/moniteur/2019/20190607_loi20020802.pdf
- Loi du 13 mars 2016 relative au statut et au contrôle des entreprises d'assurance ou de réassurance (coordination officielle 05/2019)
- Wet van 13 maart 2016 op het statuut van en het toezicht op verzekerings- of herverzekeringsondernemingen (officiële coördinatie: 05/2019)
- https://www.nbb.be/doc/cp/moniteur/2019/201905_wet_loi_20160313.pdf

EUR – 2019 0605: CRO Forum publishes “Major Trends and Emerging Risk Radar – May 2019 Update”

- <https://www.thecroforum.org/2019/06/05/major-trends-and-emerging-risk-radar-may-2019-update/>

BE - 2019 0603: NBB published its 2019 Financial Stability Report

- <https://www.nbb.be/en/articles/financial-stability-report-2019>

EUR - 2019 0603: EIOPA publishes consultation paper on an opinion on sustainability within Solvency II

- Reactions possible until 26 July 2019;
- EIOPA will submit its opinion to the European Union Institutions (European Commission, European Parliament and Council) by September 2019;
- https://eiopa.europa.eu/Publications/Consultations/EIOPA-BoS-19-241_Consultation_Paper_on_an_opinion_%20on_sustainability_in_Solvency_II.pdf?utm_source=Ensur+Team&utm_campaign=128f26315e-

EMAIL_CAMPAIGN_2018_03_13_COPY_01&utm_medium=email&utm_term=0_30a900d834-128f26315e-221228301

EUR – 2019 0529: CRO Forum publishes “Machine decisions: Governance of AI and Big Data Analytics”

- <https://www.thecroforum.org/2019/05/29/machine-decisions-governance-of-ai-and-big-data-analytics/>

EUR – 2019 0515: EFRAG publishes discussion paper “Accounting for Pension Plans with an Asset-Return Promise”

- This [Discussion Paper](#) explores alternative accounting treatments for post-retirement employee benefits, promising the higher of the return on an identified item or group of items and a minimum guaranteed return.
- Comments on the discussion paper are requested by 15 November 2019

EUR - 2019 0509: AAE comments on EIOPA’s discussion paper on systemic risk and macroprudential policy in insurance (EIOPA – BoS/19-220)

- https://actuary.eu/wp-content/uploads/2019/05/AAE-views-re-EIOPA_Systemic-Risk_Macroprudential_Tools-09-05-2019-1.pdf

EUR - 2019 0508: AAE publishes Exposure Draft of Mutual Recognition Agreement and Associated Letter (“the Heubeck Letter”)

- Was presented to the Presidents of the AAE Member Associations
- Draft not published on the AAE Website, but circulated by mail
- Comments can be submitted until 5 August 2019
- To be covered by the IA|BE Accreditation Committee

EUR - 2019 0508: EIOPA published its report on Big Data Analytics in motor and health insurance

- The report revealed a strong trend towards data-driven business models across the insurance value chain
- <https://eiopa.europa.eu/Publications/Press%20Releases/2019-05-08%20BigDataAnalyticsThematicReviewMotorHealthInsurancePressRelease.pdf>

BE - 2019 0506: NBB published its Annual Report for 2018

- https://www.nbb.be/doc/ts/publications/nbbreport/2018/en/t1/report2018_complet.pdf
- In February 2019, NBB already published the Detailed Statistical Tables: https://www.nbb.be/doc/ts/publications/nbbreport/2018/en/t1/report2018_detailedstatisticaltables.pdf

BE - 2019 05: New coordinated version available of the Belgian Solvency II Law of 13 March 2013

- https://www.nbb.be/doc/cp/moniteur/2019/201905_wet_loi_20160313.pdf
- The initial Belgian Solvency II Law has been amended by:
 - the Law of 2 May 2019 (Belgian Official Gazette 21 & 22 May 2019)
 - the Law of 5 December 2017 (Belgian Official Gazette 18 December 2017)

- the Law of 21 November 2017 (Belgian Official Gazette 7 December 2017)

EUR - 2019 05: ECB publishes its Financial Stability Review.

- Section 4.3: Insurers' investment income is expected to deteriorate further in the low-yield and low-growth environment
- <https://www.ecb.europa.eu/pub/financial-stability/fsr/html/ecb.fsr201905~266e856634.en.html#toc50>

EUR - 2019 0430: EIOPA issues its technical advice on the integration of sustainability risks and factors in the delegated acts under Solvency II and the Insurance Distribution Directive.

- The European Commission previously invited EIOPA and ESMA to comment on the proposed package of measures on sustainable finance.
- EIOPA launched a public consultation to come to that advice.
- https://eiopa.europa.eu/Publications/EIOPA-BoS-19-172_Final_Report_Technical_advice_for_the_integration_of_sustainability_risks_and_factors.pdf

BE - 2019 0412: FSMA Newsletter: new category of insurance intermediary: the mandated underwriter

- The law of 3 April 2019 introduces, effective 10 April 2019, a new category of insurance intermediary: the mandated underwriter (gevolmachtigde onderschrijver / souscripteur mandaté).
- This newsletter describes the new category known as 'mandated underwriter' ('Gevolmachtigde onderschrijver' in Dutch / 'Souscripteur mandaté' in French) and answers the following questions:
 - What is a mandated underwriter?
 - Why create a new category of insurance intermediary?
 - What requirements must mandated underwriters fulfil?
 - What do you have to do if you carry out such activities?

EUR – 2019 0404: European Parliament adopts the Commission's proposal for a regulation on PEPP.

- On 29 June 2017 the Commission launched a proposal that will provide pension providers with the tools to offer a simple and innovative pan-European personal pension product (PEPP).
- On 13 February 2019 the EU permanent representatives formally backed the Commission's proposal for a regulation on a pan-European personal pension product (PEPP).
- Following approval by the European Parliament, the new Regulation has to be formally adopted by the European Parliament and the Council before it can enter into force.
- Factsheet describing the main features of the PEPP product: https://ec.europa.eu/info/sites/info/files/business_economy_euro/banking_and_finance/documents/190213-personal-pensions-factsheet_en.pdf

EUR - 2019 0402: EIOPA launches the Occupational Pensions Stress Test Exercise.

- For the first time, the stress test includes an assessment of the Environmental, Social and governance (ESG) exposures. The outcome is expected by year-end 2019.
- <https://eiopa.europa.eu/Publications/Press%20Releases/Launch%20of%20EIOPA%E2%80%99s%202019%20Occupational%20Pensions%20Stress%20Test%20Exercise.pdf>

EUR - 2019 04: ESRB publishes A review of Macroprudential Policy in the EU in 2018

- https://www.esrb.europa.eu/pub/pdf/reports/esrb~32aae4bd95.report190430_reviewofmacroprudentialpolicy.pdf

EUR - 2019 0329: EIOPA publishes Discussion Paper on Systemic Risk and Macroprudential Policy in Insurance

- <https://eiopa.europa.eu/Publications/Administrative/2019-03-29%20DiscussionPaperSystemicRiskMacroprudentialPolicyInsurance.pdf>

EUR – 2019 0327 (first parties signed on 27 March 2019; other parties adhered throughout the year 2019): Multilateral memorandum of understanding on supervisory cooperation and exchange of information between the UK Regulators (The Bank of England and The Financial Conduct Authority) and the insurance industry supervisors of the European Economic Area (EEA)

- [Covers collaboration with UK after Brexit in insurance regulation](#)
- https://www.nbb.be/doc/cp/eng/2019/20190328_mou_supervisory_cooperation_exchange.pdf

BE – 2019 0323: Wet tot invoering van het Wetboek van vennootschappen en verenigingen / Loi introduisant le Code des sociétés et des associations / Belgian Code on Companies and Associations

- General law for all undertakings
- Published in the Belgian Official Gazette of 4 April 2019
- Comes into force as of 1 January 2020
- Transitional measures until 31 December 2023

EUR - 2019 03: AAE publishes discussion paper “Meeting the challenge of ageing in the EU”

- <https://actuary.eu/wp-content/uploads/2019/03/Meeting-the-challenge-of-ageing-FINAL-updated.pdf>

INT – 2019 0105: IAA adopts ISAP 1 (Revised) and ISAP 6

- ISAP 1 covers General Actuarial Practice;
- ISAP 6 covers Enterprise Risk Management Programs and IAIS Insurance Core Principles;
- https://www.actuaries.org/IAA/Documents/Publications/News_Releases/2019/News_Release_ISAP1_ISAP6_EN.pdf
- Overview of approved ISAPs:
 - ISAP 1: General Actuarial Practice
 - ISAP 1A: Governance of Models
 - ISAP 2: Financial Analysis of Social Security Programs
 - ISAP 3: IAS 19 Employee Benefits

- 2nd Exposure Draft ISAP 4: IFRS Insurance contracts: not yet in force
- ISAP 5: Insurer Enterprise Risk Models
- ISAP 6: Enterprise Risk Management Programs and IAIS Insurance Core Principles
- Glossary

EUR – 2019 0130: EIOPA publishes The Revised EIOPA Single Programming Document 2019 – 2021 with Annual Work Programme 2019 (EIOPA – 19 – 057)

- This Single Programming Document covers the period 2019 to 2021 and describes EIOPA during this timeframe. Throughout this period, EIOPA's overarching mission remains the protection of policyholders and beneficiaries and financial stability. To achieve this, EIOPA will continue to work to deliver high-quality regulation, technical advice and analysis at European level, and support to national competent authorities (NCAs) to strengthen supervision in Europe.
- EIOPA will also continue to support the European Commission's agenda to build a strong and trusted financial system. In the coming years, EIOPA's key priority is to further enhance supervisory convergence with the aim of moving towards a common supervisory culture.
- As part of its supervisory convergence agenda, EIOPA will focus on building common standards and interpretations, on leveraging data for risk assessment and supervisory purposes, on monitoring common standards and on challenging and supporting NCAs. In light of their growing importance, the Authority has added 'InsurTech' and sustainable finance to its ongoing priorities. These two cross-cutting themes will draw on expertise from across the organisation.
- https://eiopa.europa.eu/Publications/WORK%20PROGRAMME/EIOPA-19-057_Revised%20EIOPA%20Single%20Programming%20Document%202019-2021.pdf

BE - 2019 0124: Federal Planning Bureau

- [Évolution de la population belge d'ici 2070 : éclairage sur la panne de fécondité à moyen terme et confirmation du vieillissement de la population à long terme](#)
- [Evolutie van de Belgische bevolking tegen 2070: trager herstel van de vruchtbaarheid op middellange termijn en bevestiging van de vergrijzing op lange termijn](#)

EUR – 2019 0100: CRO Forum publishes “*The Heat is On. Insurability and Resilience in a Changing Climate.*” Emerging Risk Initiative – Position Paper.

- <https://www.thecroforum.org/wp-content/uploads/2019/01/CROF-ERI-2019-The-heat-is-on-Position-paper-1.pdf>

2018

EUR - 2018 1214: EIOPA publishes Report to the European Commission on Group Supervision and Capital Management with a Group of Insurance or Reinsurance Undertakings, and FoS and FoE under Solvency II

- https://eiopa.europa.eu/Publications/Reports/Report%20on%20Article%20242%20COM%20Request_FINAL%2014%20Dec%202018.pdf#search=EIOPA%20BoS%2D18%2D485

BE – 2018 1206: WAPZ

- Wet tot instelling van een vrij aanvullend pensioen voor de werknemers en houdende diverse bepalingen inzake aanvullende pensioenen;
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BE - 2018 1206: IDD converted into Belgian Law (effective 28 December 2018)

- Wet tot Omzetting van Richtlijn (EU) 2016/97 van het Europees Parlement en de Raad van 20 januari 2016 betreffende verzekeringsdistributie;

EUR - 2018 1126: ESRB publishes report on macroprudential provisions, measures and instruments for (re)insurance

- The report serves as an input to ongoing Solvency II discussions on strengthening the regulatory framework for (re)insurers from a macroprudential perspective. It complements work undertaken by the European Insurance and Occupational Pensions Authority (EIOPA).
- <https://www.esrb.europa.eu/news/pr/date/2018/html/esrb.pr181126.en.html>

EUR – 2018 116: PEIF publishes view on the 2020 Solvency II Review

- <https://www.peif.eu/doc/20181116%20PEIF%20views%20on%20the%202020%20Solvency%20II%20Review.pdf>

INT - 2018 1114: IAIS publishes public consultation document on holistic framework for systemic risk

- <https://iaisweb.org/page/news/press-releases//file/77877/iais-publishes-public-consultation-document-on-holistic-framework-for-systemic-risk>
- Comments were possible until 25 January 2019
- Implementation expected as of (early) 2020

INT - 2018 1109: IAIS publishes its updated Insurance Core Principles, Standards, Guidance and Assessment Methodology

- The ICP's were first issued on 1 October 2011
- The most recent amendment adopted on 8 November 2018 includes an update of ICP 6 on Change of Control and Portfolio Transfer
- <https://www.fsb.org/2018/11/insurance-core-principles-standards-guidance-and-assessment-methodology/>

BE - 2018 09: NBB publishes its updated Fit and Proper Manual

- Specific section on the [Suitability requirements applicable to the insurance and reinsurance sector](#):
 - [General aspects](#)
 - [Scope of application](#)
 - [Delimitation of responsibilities for the suitability assessment](#)

- [Guidelines on suitability standards](#)
- [Assessment of suitability by the undertaking](#)
- [Assessment of suitability by the NBB](#)
- <https://www.nbb.be/en/financial-oversight/prudential-supervision/areas-responsibility/manual-assessment-fitness-and>

INT - 2018 0731: IAIS and the Sustainable Insurance Forum publish paper on climate change risks to the insurance sector

- <https://iaisweb.org/page/news/press-releases//file/76168/31-july-2018-iais-and-sif-press-release-iais-and-sif-publishes-issues-paper-on-climate-change-risks-to-the-insurance-sector>
- Publication following a public consultation in April 2018

EUR – 2018 0720: ESA's (EBA – EIOPA – ESMA) publish further guidance on the Key Information Document for Packaged Retail and Insurance-based Investment Products (PRIIPs)

- <https://eba.europa.eu/-/european-supervisory-authorities-publish-further-guidance-on-the-key-information-document-for-priips>

EUR - 2018 0524: The European Commission adopts a package of legislation proposals on sustainable finance.

- https://ec.europa.eu/info/publications/180524-proposal-sustainable-finance_en
- The package includes proposals for:
 - establishing a unified EU classification system of sustainable economic activities ('taxonomy');
 - improving disclosure requirements on how institutional investors integrate environmental, social and governance (ESG) factors in their investment and advisory processes;
 - creating a new category of benchmarks which will help investors compare the carbon footprint of their investments.

2017

EUR 2017 1218: EIOPA publishes Supervisory Statement on Solvency II: Solvency and Financial Condition Report

- <https://eiopa.europa.eu/Publications/Supervisory%20Statements/EIOPA-BoS-17-310-SFCR%20Supervisory%20Statement.pdf>

INT - 2017 1109: IAIS publishes Application Paper on Group Corporate Governance

2016

EUR – 2016 1214: Directive (EU) 2016/2341 of the European Parliament and of the council on the activities and supervision of institutions for occupational retirement provision (IORP II)

- Requirement to transpose the directive into law by January 2019
- <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016L2341>

BE – 2016 0904: Royal Decree requires that the Actuarial Function expresses an opinion on the profit sharing

- Arrêté royal relatif à la répartition de participations bénéficiaires et à l'octroi de ristournes en matière d'assurance
- Koninklijk besluit betreffende de verdeling van winstdeling en de toekenning van restorno's voor verzekeringen
- https://www.nbb.be/doc/cp/moniteur/2016/20161031_ar_20160914.pdf

BE – 2016 0601: Royal Decree on Annual Accounts of Insurance and Reinsurance Companies

- Arrêté royal du 1 juin 2016 modifiant l'arrêté royal du 17 novembre 1994 relatif aux comptes annuels des entreprises d'assurance et de réassurance;
- Koninklijk besluit van 1 juni 2016 tot wijziging van het koninklijk besluit van 17 november 1994 op de jaarrekening van de verzekerings- en herverzekeringsondernemingen;
- https://www.nbb.be/doc/cp/moniteur/2016/20160617_ar_20160601.pdf

BE - 2016 0313: Belgian Solvency II Law / Law on Insurance Supervision

- **Loi relative au statut et au contrôle des entreprises d'assurance ou de réassurance (MB 2016 0323)**
- **Wet op het Statuut van en het toezicht op verzekerings- of herverzekeringsondernemingen (BS 2016 0323)**
- Has been revised by:
 - the Law of 2 May 2019 (Belgian Official Gazette 21 & 22 May 2019)
 - the Law of 5 December 2017 (Belgian Official Gazette 18 December 2017)
 - the Law of 21 November 2017 (Belgian Official Gazette 7 December 2017)
- Last available coordinated version dates from May 2019: https://www.nbb.be/doc/cp/moniteur/2019/201905_wet_loi_20160313.pdf

2015 and before

EUR – 2015 0930: Commission Delegated Regulation (EU) 2016/467 of 30 September 2015 amending Commission Delegated Regulation (EU) 2015/35 concerning the calculation of regulatory capital requirements for several categories of assets held by insurance and reinsurance undertakings

EUR – 2015 0914: EIOPA publishes Guidelines on System of Governance (EIOPA – BoS – 14/253)

- https://eiopa.europa.eu/GuidelinesSII/EIOPA-BoS-14-253_GL%20on%20system%20of%20governance.pdf

EUR – 2014 1010: Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)

BE – 2013 0314: FSMA and NBB enter into a General Memorandum of Understanding to ensure the coordination of the financial institutions supervision

- <https://www.fsma.be/en/cooperation-agreements-concluded-between-nbb-and-fsma>

EUR - 2011 1216: EIOPA – CCPFI-11/018: Report on Financial Literacy and Education Initiatives by Competent Authorities

- https://eiopa.europa.eu/Publications/Reports/Report_on_Financial_Literacy_and_Education_EIOPA-CCPFI-11-018_.pdf

BE – 2010 0702: Twin Peaks Law

- Regulates the collaboration between NBB and FSMA
- Effective date: 1 April 2011

EUR - 2009 1125: Solvency II Framework Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II);

- Effective as of 6 January 2010;
- Last available coordinated version dates from 13 January 2019: <https://eur-lex.europa.eu/eli/dir/2009/138/oj>

BE – 2003 1114: Royal Decree on Life Insurance

- Koninklijk besluit van 14 november 2003 betreffende de levensverzekeringsactiviteit (Officieuze coördinatie : 04/2014);
- Arrêté royal du 14 novembre 2003 relatif à l'activité de l'assurance sur la vie (Coordination officieuse : 04/2014) ;
- https://www.nbb.be/doc/cp/nl/vo/wg/pdf/rd_14-11-2003_04-2014.pdf

BE – 2003 1114 : Royal Decree on Occupational Pensions

- Koninklijk besluit tot uitvoering van de wet van 28 april 2003 betreffende de aanvullende pensioenen en het belastingstelsel van die pensioenen en van sommige aanvullende voordelen inzake sociale zekerheid;

- Arrêté royal portant exécution de la loi du 28 avril 2003 relative aux pensions complémentaires et au régime fiscal de celles-ci et de certains avantages complémentaires en matière de sécurité sociale.

Scope of the IA|BE Regulatory Watch

Belgium

- Assuralia: www.assuralia.be
- Federal Planning Bureau – Belgium; www.plan.be
- FSMA: Financial Service and Markets Authority – Belgium; www.fsma.be
- NBB: National Bank of Belgium; www.nbb.be
- PensioPlus: www.pensioplus.be

Europe

- AAE: Actuarial Association of Europe; www.actuary.eu
- CRO Forum: <https://www.thecroforum.org>
- EBA: European Banking Authority; www.eba.europa.eu
- ECB: European Central Bank; www.ecb.europa.eu
- EFRAG: European Financial Reporting Advisory Group; www.efrag.org
- EIOPA: European Insurance and Occupational Pension Authority:
 - <https://www.eiopa.europa.eu/>
 - In the insurance sector, the EIOPA Board of Supervisors (BoS) adopted three Decisions on collaboration of the supervisory authorities: EIOPA-BoS-17/014 from 30 January 2017 (Solvency II), EIOPA-BoS-18/320 from 27 September 2018 (IORP) and EIOPA-BoS/18-340 from 28 September 2018 (IDD).
- ESAs: the European Supervisory Authorities: EBA, EIOPA and ESMA
- ESMA: European Securities and Markets Authority: <https://www.esma.europa.eu>
- ESRB: European Systemic Risk Board: www.esrb.europa.eu
- European Commission
- Eurostat: www.eurostat.ec.europa.eu
 - Next to more general economic indicators, Eurostat also gives an overview of Accidents at Work by age, sex, severity, etc. for the EU in total and for the 28 individual countries;
 - https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=hsw_ph3_08&lang=en
- PEIF: The Pan-European Insurance Forum: a forum for the CEOs of major European insurers (Aegon, Allianz, AVIVA, AXA, GENERALI, MAPFRE, Munich Re, RSA, Swiss Re, UNIQA and Zurich) to exchange and present views on policy and regulatory issues impacting the European insurance sector. PEIF aims to promote a better understanding and recognition of the role of the insurance business model in the European Union and to provide its Members with the opportunity to discuss major policy and strategic issues affecting the insurance business in Europe and worldwide. www.peif.eu
- PensionsEurope: www.pensionseurope.eu
- InsuranceEurope: www.insuranceeurope.eu

International

- IAA: International Actuarial Association; <https://www.actuaries.org/iaa>
- IASB: International Accounting Standards Board:
- IAIS: International Association of Insurance Supervisors: www.iaisweb.org ; 151 member organisations; from Belgium: NBB and FSMA