

To: Solvency II Working Group
 From: Prudential Team
 cc:
 Date: 04-09-2019
 Reference: ECO-SLV-19-166

Subject: Lead on topics of EC 2020 review call for advice

Summary

Please see below a recap of the project group or working group leading the topics of the [EC call for advice](#) on the Solvency II 2020 review, together with a short update on the status of ongoing work.

	Topic	Status	Lead PG/WG
1	Extrapolation of RFR curves	<ul style="list-style-type: none"> Insurance Europe have agreed position to support no change to the current extrapolation methodology or parameters 	SIIWG
2	MA/VA	<ul style="list-style-type: none"> Position paper in preparation for MA Ongoing analysis and discussion on the different VA proposals High-level position in joint IE-CFO Forum letter 	SIIWG
3	Transitional measures	<ul style="list-style-type: none"> No formal proactive work has been undertaken yet on this topic – common position that there should be no change 	SIIWG
4	Risk margin	<ul style="list-style-type: none"> Existing joint papers on CoC Position paper in preparation High-level position in joint IE-CFO Forum letter 	SIIWG
5	CMU	<ul style="list-style-type: none"> Existing position on equity risk from 2018 Review Support DVA in standard formula as a tool to change spreads risk into default risk 	SIIWG
6	DVA	<ul style="list-style-type: none"> Position paper in preparation High-level position in joint IE-CFO Forum letter 	SIIWG
7	SCR standard formula	<ul style="list-style-type: none"> Positions developed for the 2018 Review Further work will be needed to respond to the 2020 review consultation 	SIIWG
8	Risk mitigation techniques	<ul style="list-style-type: none"> The Reinsurance Advisory Board (RAB) have been developing proposals for treatment of non-proportional reinsurance and basis risk 	SIIWG and RAB
9	MCR	<ul style="list-style-type: none"> No proactive work has been undertaken yet in preparation for this topic. 	SIIWG
10	Macro-prudential issues	<ul style="list-style-type: none"> Insurance Europe responded to EIOPA's discussion paper on macroprudential policy launched in March (response here). 	ECOFIN

11	Recovery and resolution	<ul style="list-style-type: none"> Insurance Europe responded to the 2017 consultation (here) and the EIOPA final opinion took on board many of the comments (here) 	ECOFIN
12	IGS	<ul style="list-style-type: none"> Separate workstream on this topic. EIOPA issued its 2020 review consultation on IGS with a deadline on 18 October. A draft response is in preparation. 	IGS PG (reports to EXCO)
13	FoS/FoE	<ul style="list-style-type: none"> Separate workstream on this topic which will feed into 2020 review. 	FOS PG (reports to EXCO)
14	Group supervision	<ul style="list-style-type: none"> No proactive work has been undertaken yet in preparation for this topic. 	SIIWG
15	Reporting and disclosures	<ul style="list-style-type: none"> Engaged informally with EIOPA prior to consultation (2 papers with concrete proposals on SFCR, RSR, timelines, QRTs, limitations and exemptions, Q&A and taxonomy). EIOPA issued the first part of its 2020 review consultation on reporting with a deadline on 18 October. A draft response is in preparation. 	SIIWG
16	Proportionality and thresholds	<ul style="list-style-type: none"> Position papers under development. 	SIIWG
17	Best estimate	<ul style="list-style-type: none"> No proactive work has been undertaken yet in preparation for this topic. 	SIIWG
18	Own funds at solo level	<ul style="list-style-type: none"> No proactive work has been undertaken yet in preparation for this topic. 	SIIWG
19	Reducing reliance on credit ratings	<ul style="list-style-type: none"> No proactive work has been undertaken yet on this topic. 	SIIWG