

To: Solvency II Working Group
From: Prudential Team
Date: 22-06-2017
Reference: ECO-SLV-17-108
Subject: EIOPA CAT WS - June meeting

Summary

Ahead of the next EIOPA Catastrophe Workstream (CAT WS) physical meeting, scheduled on 28 June, members are reminded that they are invited to an exchange of views on Monday, 26 June, between 10:00-11:00 CET. As with previous calls, national experts are welcome to attend (please register participation [here](#)).

As noted in the update from the May meeting (see [ECO-SLV-17-094](#)), **the secretariat will be seeking confirmation from members of Insurance Europe's emerging positions** on Natcat simplifications, disability scenarios within the Mass Accident submodule and the list of recalibrations.

In addition, **the secretariat requests feedback from members on the draft proposals on** simplification for the **fire risk submodule** (see [ECO-SLV-17-109](#)) and **recalibration documentation requirements** (see [ECO-SLV-17-110](#)).

Additional meeting documentation is expected and will be circulated as soon as possible.

Background

Following the May meeting of the CAT WS, the secretariat requested feedback and/or objections from members on the Insurance Europe's emerging positions regarding a number of topics being worked on by the CAT WS (see [ECO-SLV-17-094](#)). These are summarised below:

Natcat simplifications

- Unless there are objections from members Insurance Europe will support the emerging proposal to create a new zone for unmapped exposures. The calibration of this zone is expected to attract a high degree of prudence but may provide a useful simplification for exposures with limited data.

Disability scenarios under the mass accident risk submodule

- Insurance Europe will support a recalibration to alter the 10-year scenario to a 3-year scenario.

Recalibrations

- Members are requested to notify the secretariat of any omissions, noting that EIOPA envisage further recalibrations to be part of the ongoing work of the CAT WS.

In addition, the secretariat welcomes input on the following recent developments within the CAT WS.

Fire risk submodule

In conjunction with other CAT WS members, the secretariat has prepared a draft proposal to be discussed at forthcoming meeting (see [ECO-SLV-17-109](#)). The secretariat welcomes feedback from members, noting the specific questions posed in comments boxes.

Based on discussion with members and feedback to date, **the secretariat will support a simplification to limit the required level of screening of the portfolio to the 200m radius around the top five exposures, per risk type.**

Recalibration documentation

The secretariat has contributed to the draft proposal of requirements for the recalibration documentation (see [ECO-SLV-17-110](#)) which is also to be discussed at the meeting. The secretariat welcomes feedback and additional input from members on the requirements of the documentation. Please see [ECO-SLV-12-479](#) for previous Insurance Europe positions on this topic.