

Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II		Deadline 31 July 2012 18:00 CET
Name of Company:	Institute and Faculty of Actuaries	
Disclosure of comments:	Please indicate if your comments should be treated as confidential:	Public
<p>Please follow the following instructions for filling in the template:</p> <ul style="list-style-type: none"> ⇒ Do not change the numbering in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool ⇒ Leave the last column <u>empty</u>. ⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph or a cell, keep the row <u>empty</u>. ⇒ Our IT tool does not allow processing of comments which do not refer to the specific numbers below. <p>Please send the completed template, in Word Format, to CP-12-003@eiopa.europa.eu. Our IT tool does not allow processing of any other formats.</p> <p>The numbering of the paragraphs refers to Consultation Paper 12-003.</p>		
Reference	Comment	
General Comment	<p>We are grateful for the opportunity to comment on the draft QIS specification and for the opportunity to help EIOPA enhance its position as independent expert technical adviser to the European Commission. We are sympathetic to the challenges faced by EIOPA and applaud the achievement of providing such a substantial document in such a short timescale. However this makes it all the more unfortunate that we find the draft technical specification disappointing. Although we believe that a QIS of this nature will provide some useful information, we think EIOPA will need far more analysis before it can credibly confirm the advice on which it has reserved its position.</p> <p>We believe that there are many lessons that can be drawn from the current UK pensions regime</p>	

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	<p>that would be relevant to the key issues addressed by this consultation. Unfortunately the consultation period has proved too short for us to respond at the level of detail that we consider this subject warrants. We have provided as much detail as time permitted and would welcome the opportunity to continue working closely with EIOPA on the development of this specification after the consultation closes.</p> <p>Although our responses below make some suggestions for improving the QIS, it would be wrong to infer that we accept the principle of using Solvency II as a basis for a robust solvency regime for IORPs. We have yet to be persuaded that Solvency II is an appropriate starting point for designing the new regime and in particular that it represents a proportionate approach bearing in mind that the Commission’s own figures show that in the UK alone there are over 5,000 IORPs with more than 100 members (and hence potentially subject to any new requirement). We grow increasingly concerned that this dossier is being progressed at a pace that makes errors and omissions inevitable: we have found a number of errors in the draft technical specification and this makes it all the more concerning that time has not permitted a more thorough analysis.</p> <p>Although we endorse the principle of applying robust risk management techniques to IORPs, it is axiomatic in actuarial science that the choice of method and assumptions depends on the purpose for which the actuarial information will be used and it follows that it is necessary to first define the purpose. In this case we consider that it is necessary to define the regulatory actions etc. before designing the asset and liability measures. In our view it is impossible to assess the impact of EIOPA’s advice if the regulatory actions etc. are not defined.</p> <p>We consider that the draft QIS specification does not include adequate changes to the QIS 5 Solvency II specification to reflect the nature of IORPs. In particular we are disappointed that only one approach to valuing sponsor support is considered and we are not persuaded that this approach is appropriately market consistent.</p> <p>We are surprised and disappointed to find that the first QIS is intended to be at the level of detail previously seen at a late stage in the development of Solvency II (i.e. QIS 5). We had hoped</p>	

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	<p>instead for a more iterative process starting with consideration of a wider range of approaches particularly to the treatment of sponsor support. That said, we do not consider that EIOPA has succeeded in providing adequate detail for a QIS5-style exercise.</p>	
<p>Q1.</p>	<p><i>Do stakeholders agree with the general set-up of the QIS exercise as put forward in the Introduction (Chapter 1)? What improvements do stakeholders suggest?</i></p> <p>No. A QIS following the draft specification may partially fill a void in the information available to EIOPA about the finances of IORPs provided sufficient granularity is retained (we have a concern that aggregation may result in the loss of information that could be key to decision making). We do not believe that such a QIS will provide adequate information for EIOPA to form a credible conclusion about the impact of its advice. We consider it impossible to assess the impact of EIOPA’s advice if the regulatory actions etc. are not defined.</p> <p>We consider that as a minimum the QIS should:</p> <ul style="list-style-type: none"> • wait until the Solvency II details on, for example, the matching premium have been finalised • assess the impact in terms of possible regulatory actions, in the various scenarios that could emerge from the Holistic Balance Sheet not ‘balancing’ • include the implications for the ORSA in the assessment • consider alternative ways of taking sponsor support into account • consider the volatility of the quantitative information over time • consider the behavioural changes that would follow the adoption of the proposed measures and review the QIS findings as a result of the corresponding changes to market yields, contribution schedules etc. 	
<p>Q2.</p>	<p><i>Do stakeholders believe that the adjustment (discretionary and conditional benefits, last resort benefit reductions) and security mechanisms (sponsor support, pension protection schemes) IORPs dispose of are taken into account adequately?</i></p> <p>We consider that the QIS should investigate all possible methods of taking account of these adjustments and mechanisms and that the draft specification fails to do this. In particular it is common for UK IORPs to rank just ahead of shareholders in the corporate structure, which</p>	

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	<p>suggests that existing enterprise valuation techniques (which may vary according to the nature of the sponsor – for example by industry) have a role to play.</p> <p>We anticipate that EIOPA will need to issue more detailed guidance on discretionary and conditional benefits if it is to obtain consistent results.</p> <p>We are particularly concerned that the range of options for allowing sponsor support is so narrow and so far removed from the market practice that has developed in the UK. We have commissioned research from PwC and from Barrie and Hibbert on the treatment of sponsor support. We expect an initial report from them in early October but with regular updates in the meantime. We would be keen to share the results of that research with EIOPA as they become available.</p>	
Q3.	<p><i>Do stakeholders believe that the draft technical specifications provide enough information and are sufficiently clear and understandable? Which parts could be improved upon?</i></p> <p>As noted in our response to the consultation on EIOPA’s draft advice, we believe that for the review to result in a regime flexible enough to apply across the EU, EIOPA should confine itself to setting out principles to be interpreted according to local circumstances. If however, for the purpose of the QIS, EIOPA intends to ensure consistent treatment by providing detailed specifications, our view would be that whilst the specifications are clear and understandable, a substantial amount of subjective interpretation is required to convert the formulae into results. This means that if consistency is important for the purpose of the QIS, EIOPA will need to provide substantially more detailed guidance on how the calculations should be done. We would welcome the opportunity to help EIOPA develop such guidance.</p>	
Q4.	<p><i>Do stakeholders believe that the calculations proposed in the technical specifications are feasible at appropriate costs and with appropriate accuracy within the given timeframe of the QIS?</i></p> <p>It is, of course, possible to carry out the calculations by adopting appropriate approximations etc. However we are very concerned that the approximate methods that must inevitably be adopted for the QIS may materially understate both the results and the resources required for a regime in the form implied by the QIS specification. We also suspect that for the vast majority of sponsors,</p>	

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	<p>the methodology for valuing sponsor support would require the creation of at least some financial information relating to the sponsor that is not currently created and would require professional advice to create, with all that implies for additional cost.</p>	
Q5.	<p><i>Do stakeholders believe that the draft technical specifications provide enough guidance on how to set up and value the holistic balance sheet as discussed in Chapter 2? If not, which parts could be improved upon and in what way?</i></p> <p>As noted above we doubt that the guidance is sufficiently detailed to result in consistent interpretations between IORPs and between Member States. Moreover we believe that few, if any, UK IORPs use stochastic calculations to the extent envisaged by the draft specification and that setting up valuation systems to do this would be a costly exercise.</p>	
Q6.	<p><i>Given the purpose of the QIS, do stakeholders consider the proposed simplifications for the valuation of the holistic balance sheet (for the risk margin in section 2.5, sponsor support and pension protection schemes in 2.6 and amounts recoverable from insurance in 2.7) adequate? Do you have suggestions for additional simplifications that would be appropriate?</i></p> <p>The background to the simplification to the Risk Margin calculation is unclear. Adopting a Solvency II approach might argue for a margin based on the duration of the liabilities however we consider that EIOPA’s options of either having an explicit provision for adverse deviation or no Risk Margin at all would be preferable. We find it unhelpful that in some places in the draft specifications the term “technical provisions” clearly includes the Risk Margin whereas in others it does not.</p> <p>The process required to assess proportionality is itself potentially onerous. We therefore support the suggestion of the Groupe Consultatif Actuariel Europeen that EIOPA consider omitting modules of the SCR calculation that are expected to result in immaterial results for most IORPs.</p>	
Q7.	<p><i>The best estimate of technical provisions should be based on the most recent mortality tables including the future trend in mortality rates (Section 2.4). Do stakeholders believe that IORPs will be able to take into account this trend in mortality rates? Can you explain?</i></p> <p>Yes, however we consider the reference to the most recent tables to be ambiguous. If it is intended that “recent tables” refers to the most recent calibration of the IORP to standard tables,</p>	

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	<p>we support the principle. If, by contrast, it is intended to require IORPs to calibrate their mortality only by reference to the most recent standard tables, we would consider this a retrograde step – IORPs must be allowed to use the standard tables that best fit their demographic profile even if that means calibrating to older tables.</p> <p>We consider “future trend” to be an unsatisfactory term. However we would support the principle of using mortality tables that included a “best estimate” projection of future mortality improvements.</p> <p>As an aside, we consider the longevity stress too approximate and unrealistic given the importance of this parameter for IORPs.</p>	
Q8.	<p><i>Is it clear enough from the technical specifications what cash flows should be taken into account in the calculation of the best estimate (e.g. in relation to benefits (unconditional, pure conditional, pure discretionary, mixed), contributions, expenses, etc.) and how the projection of these cash flows should be made (Section 2.4)?</i></p> <p>The principles appear clear, but we reiterate our concerns that different IORPs and different Member States might interpret what constitute unconditional, conditional, discretionary and mixed benefits differently. Using a stochastic approach could be onerous; as could unbundling liabilities into the different categories (discretionary, unconditional etc.) and doing separate SCR calculations for each category.</p>	
Q9.	<p><i>EIOPA is considering to take into account in the QIS the possibility in some member states to reduce benefits in case of sponsor default (for example, when a pension protection scheme does not guarantee the full level of benefits) in the valuation of the best estimate of technical provisions (see Reduction of benefits in case of sponsor default in Section 2.4 and Pension protection schemes in Section 2.6). Do stakeholders agree and, if yes, should it only apply in case of sponsor support backed up by a pension protection scheme or to sponsor support in general?</i> It is difficult to comment on this without knowing the regulatory actions that would flow from the corresponding calculations but we can see a rationale for not allowing for benefit reduction features in any measures that are used to drive actual cash payments to the IORP and only allowing for the facility to reduce benefits in any wider risk management measures. However we would not support a proposal to allow for such measures if their sole effect was to make the holistic balance sheet balance, as this would undermine the usefulness of the holistic balance sheet.</p>	

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<p>Q10.</p>	<p><i>The technical specifications propose that security mechanisms should be valued on a market consistent basis, i.e. by calculating the probability-weighted average of (discounted) expected payments from the sponsor and the pension protection scheme (Section 2.6). Do stakeholders agree with the principles for the valuation of sponsor support and pension protection schemes? If not, what alternatives would you propose?</i></p> <p>We consider that the complexity of the implied proposals coupled to the ambiguity of certain terms could compromise comparability. We are particularly concerned about the arbitrariness of some of the parameters provided because, if the legislation uses different parameters, the QIS calculations will not have provided a valid assessment of the impact. In addition, we question the value of using such complex formulae to capture some components when other material components of the holistic balance sheet employ such crude approximations and subjective values for key parameters.</p> <p>We consider that EIOPA should investigate all the options for taking account of sponsor support and pension protection schemes. We are not persuaded that the proposed approach is the most appropriate for a market consistent framework and we see little evidence that existing market approaches have been taken into account. In particular, we see little evidence that EIOPA has drawn on the considerable expertise that has been developed in assessing sponsor covenant for pensions in the UK since the implementation of IORP 1. We have commissioned research from PwC and from Barrie and Hibbert on the treatment of sponsor support. We expect an initial report from them in early October but with regular updates in the meantime. We would be keen to share the results of that research with EIOPA as they become available.</p> <p>We have a specific concern that as specified in the QIS, under interest rate stress the sponsor support asset may behave like a bond. It is possible that we have misinterpreted the specification, in which case we suggest that clarification is required. We realise too that this may be a pragmatic approximation for the purpose of the QIS: if so we consider that the results may mislead as it is unrealistic to assume that the value of sponsor support will automatically increase if interest rates fall and suggest that the QIS needs also to consider scenarios in which the value of sponsor support falls when interest rates fall. It follows that we consider this is one area in which</p>	

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	<p>it is important that a regime centred on the holistic balance sheet should be flexible enough to allow expert judgement to override a formulaic approach to calculating the various components.</p>	
Q11.	<p><i>Do stakeholders have suggestions for the parameters- such as the probability of default and the recovery rate in the event of default - used in the valuation of sponsor support and pension protection schemes (Section 2.6)?</i></p> <p>No, these are not actuarial issues.</p>	
Q12.	<p><i>Do stakeholders agree with the methodology set out to value the maximum value of sponsor support (Section 2.6)? Do stakeholders have suggestions for the parameters used in valuing the maximum amount of sponsor support? In particular, with regard to the proportions of future profits / EBTDA and the time period of the calculations.</i></p> <p>In our view EIOPA should consider all the options for taking account of sponsor support and pension protection schemes. The research we have commissioned should help EIOPA calibrate the approach it chooses and we look forward to sharing the results of that research with EIOPA as they become available.</p> <p>We consider that the QIS should assess how the value of sponsor support changes over time and the effect of any volatility on the impact of EIOPA’s advice.</p>	
Q13.	<p><i>The draft technical specifications propose performing an upward shift in the basic risk-free interest rate curve to approximate the so-called counter cyclical premium or to allow IORPs – under conditions – to apply the so-called matching premium (Section 2.8). Do stakeholders agree with this approach to take into account the long -term nature of pension liabilities?</i></p> <p>We consider that EIOPA should investigate all the options for taking into account the long-term nature of pension liabilities. We would be happy to work with EIOPA to identify these but more time will be required than the consultation allows.</p> <p>However, our immediate observations are:</p> <p>Counter-cyclical premium</p> <p>The proposal/option seems to suggest a uniform adjustment (50bp) across all Member States. We</p>	

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	<p>wonder whether this should vary by currency and, indeed, by Member State. We also question whether a 50bp adjustment would be large enough to serve the intended purpose.</p> <p>Matching premium</p> <p>We are disappointed that the draft QIS specifications have been imported from Solvency II with minimal adjustment. In particular we are concerned at the limited circumstances in which a matching premium may be used and we remain to be convinced that such restrictive conditions are appropriate. Indeed we would argue that far from resulting in a level playing field, a regime in this form will favour those who can take advantage of the matching premium, which will include few IORPs.</p> <p>We have a concern that the bond markets are just too small to accommodate a matching premium based approach that depends on the assets held by IORPs. We suggest that EIOPA consider as an alternative an illiquidity adjustment that reflects the (potentially unlimited) size of the sponsor support and which uses a liquidity premium based on, for example, dividend yields with a future increase in line with relatively conservative GDP growth assumptions</p>	
Q14.	<p><i>Do stakeholders agree that the proposed way to derive the level B discount rate adequately reflect the expected return on assets of IORPs (Section 2.8)? If not, what alternative would you propose?</i></p> <p>We are concerned that the proposed way to derive the level B discount rates may not be sufficiently sophisticated to address the investment strategies of some IORPs and that as a result the QIS calculations may substantially misstate the results. We consider that it would be much better to specify that the approach already followed for the sponsor’s pensions accounting disclosures should be adopted.</p> <p>We note that the proposals seem designed to favour investment in equities and other risky assets.</p>	
Q15.	<p><i>Do stakeholders agree that the draft technical specifications specify a fixed yearly percentage of respectively 2% and 3% for the expected inflation rate and salary growth? Or should IORPs also be allowed to expected inflation implied by financial markets? Could you explain?</i></p> <p>We are strongly of the view that the valuation of inflation-linked pensions would not be market-</p>	

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	<p>consistent if IORPs were not expected to adopt assumptions consistent with market-implied inflation. Consistent with this, if there is to be an SCR, we believe that it should include a component for inflation stress (although we remain unclear what purpose the SCR would serve).</p> <p>We are also strongly of the view that salary growth should only be allowed for to the extent that salaries are guaranteed to increase and benefits are guaranteed to remain linked to them.</p>	
Q16.	<p><i>Do stakeholders believe that the description of the SCR in Chapter 3 is sufficiently clear and understandable to enable participants in the QIS to perform the necessary calculations?</i></p> <p>We consider that rather less information would be more appropriate. In particular, based on our experience in helping insurers understand and implement the requirements of Solvency II, we believe that the level of asset information is too detailed – for example the provision of asset data on a security-by-security basis, the requirement to apply a ‘look-through’ approach, exposures aggregated by issuer name, bond information by term and credit rating etc.</p>	
Q17.	<p><i>Do stakeholders believe that the risks IORPs are facing are adequately reflected in the calculation of the SCR and MCR (Chapter 3 and 4)? Are there in the stakeholders’ view any risks being considered that are not material and could be excluded from the technical specifications? Are there other risks that should be considered in the calculation of the SCR?</i></p> <p>It is not possible to say with any certainty that the risks are adequately reflected without knowing the regulatory actions that would be driven by the SCR and MCR.</p> <p>Whilst we remain to be convinced that the SCR is a useful piece of information in the context of UK IORPs we make the following technical comments:</p> <ul style="list-style-type: none"> • If calculating an SCR, we consider it appropriate to include additional shocks – such as those relating to inflation risk (although, within the UK, many IORPs’ exposure to inflation risks is ‘capped’) but to exclude those modules that are expected to be immaterial for most IORPs • We consider that the value of sponsor support as proposed could be volatile and could be expected to be subject to shock at, at least, the level applicable to equities – possibly an 	

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	<p>even higher level to recognise the concentration risk.</p> <ul style="list-style-type: none"> • We consider the proposed longevity shock to be too crude. • We also consider that the allowance for an equity risk dampener is not statistically robust. Moreover, the dampener as at 31 December 2011 is likely to be lower than the level quoted in the QIS technical specification consultation document (assuming that it is based on the average MSCI Index performance, similar to the approach in QIS5 for Solvency II). This will result in higher equity stresses than the 30% (“global”) and 40% (“other”) quoted. <p>As suggested in our response to question 6, we question whether there should be an explicit Risk Margin or whether it should be incorporated within the SCR. If the option is chosen of a Risk Margin based on explicit provision for adverse deviation, it may not be appropriate to include longevity or mortality stresses within the SCR. We think EIOPA should consider these aspects further – and we would urge a delay in carrying out the QIS to allow sufficient time to do so.</p>	
Q18.	<p><i>Do stakeholders believe that the way the loss-absorbing capacity of adjustment mechanisms and security mechanisms is taken into account in the calculation of the SCR (Section 3.2) is adequate?</i></p> <p>Our overarching concern is that there is insufficient time to consider this in detail. That said, experience from implementing Solvency II for insurers leads us to conclude that the modular approach which requires three different SCR calculations (see response to question 1 above) is complex and expensive. Moreover the few sample calculations our members have had time to perform suggest that the way these mechanisms are taken into account may result in some highly undesirable behaviours. For example, it seems that in some circumstances, the holistic balance sheet position deteriorates if the sponsor makes a payment into the IORP.</p>	
Q19.	<p><i>Do stakeholders believe that the calculation of SCR in the Operational risk module (Section 3.3) is adequate for IORPs?</i></p> <p>No. The QIS specification is clearly designed for a financial institution resembling an insurer and is unsuitable for UK trust-based IORPs. The derivation of the parameters is unclear. It is desirable to have greater transparency as to how these have been arrived at. If this detail is made available, it seems to us to be appropriate to consult on the basis for deciding these parameters. It is not</p>	

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	<p>immediately clear to us how the operational risk module incentivises IORPs to improve operational risk management.</p> <p>That said, in the overall SCR the operational risk module is a comparatively small element. There is a risk that this could be ‘over-engineered’ affording spurious accuracy at the cost of further complication. On balance, we consider that EIOPA should confine itself to setting out principles to be interpreted according to local circumstances.</p>	
Q20.	<p><i>Do stakeholders believe that the simplifications provided for the calculation of the SCR (for spread risk on bonds in section 3.5, value of collateral in section 3.6 and mortality, longevity, benefit option and catastrophe risk in section 3.7) are adequate? Do stakeholders have any concrete suggestions for additional simplifications?</i></p> <p>Our view is that these areas need to be considered in far more detail. We would welcome the opportunity to help EIOPA develop suitable simplifications.</p>	
Q21.	<p><i>Do stakeholders believe that the treatment of sponsor default risk in the counterparty default risk module of the SCR calculation (Section 3.6) is appropriate? If not, what improvements would stakeholders suggest?</i></p> <p>No. In particular we consider that:</p> <p align="center">Loss-given default = 50% SponsorSupport</p> <p>is profoundly unsatisfactory in that it fails to capture the multi-dimensional nature of sponsor support and therefore risks substantially misstating the impact of the advice.</p> <p>In addition, at the ‘theoretical/technical’ level, as we mentioned in response to question 17, the issue of sponsor support could be subject to equity or concentration risk stress. The consultation document also seems unclear as to whether allowance should be made for the risk-mitigating effect of sponsor support in the ‘counterparty default’ risk calculation.</p>	
Q22.	<p><i>Do stakeholders believe that the calculation of SCR in the Benefit option risk sub-module (Section 3.7) is adequate for IORPs?</i></p>	

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	<p>We find SCR 7.46 unhelpful: it would be better to use the term “option” rather than the term “lapse”, which is not naturally associated with typical options that would need to be considered by UK IORPs such as commutation and early retirement, which are the most notable omissions from the perspective of UK IORPs and which would not normally be associated with the word “lapse”.</p> <p>We note that the benefits option module (or ‘lapse rate’) is calibrated on insurance data and does not reflect actual/potential benefit option take-up within the IORP.</p> <p>The member-by-member approach is very onerous and whilst the simplification (of a homogeneous risk group) appears attractive, we are unclear as to how to prove that the results will not be materially different from the member-by-member basis without doing those member-by-member calculations anyway.</p>	
Q23.	<p><i>Do stakeholders believe that the descriptions of financial and insurance risk mitigation (Section 3.9 and 3.10) are sufficiently clear and understandable to enable participants in the QIS to perform the necessary calculations?</i></p> <p>Our experience with implementing Solvency II leads us to conclude that the ‘basis risk’ requirements are very onerous. We also consider that the consultation document fails to recognise dynamic hedging as a valid risk management technique.</p> <p>Again this is an area that bears longer consideration and scrutiny than the consultation affords and we would welcome the opportunity to help EIOPA with this.</p>	
I.1.1.	No comment	
I.1.2.	No comment	
I.1.3.	No comment	
I.1.4.	We are concerned that if the proposals are in the form implied by this technical specification, the risk of undermining the supply and, in particular, the cost-efficiency of occupational retirement provision within the EU would be very high.	

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I.1.5.	<p>We have a concern that the technical specification will not achieve the first objective. Our members have found that the results of the calculations can be very sensitive to some inputs and parameters. This non-linearity means that the impact of potential proposals can only be properly understood with more extensive sensitivity analyses than envisaged by this technical specification.</p> <p>We strongly recommend that EIOPA collate the data at a high level of granularity so that it is possible to examine the potential effect by country, by region, by industry etc. and to analyse the effect of varying the key parameters.</p>	
I.2.1.	No comment	
I.2.2.	As noted elsewhere, we are not persuaded that the technical specifications are entirely market-consistent. We continue to question the validity of a uniform confidence level for Pillar 2 pension provision when there are such large variations between Member States in Pillar 1 provision.	
I.2.3.	No comment	
I.2.4.	No comment	
I.2.5.	No comment	
I.2.6.	As noted elsewhere, we are disappointed that EIOPA has not considered more options, particularly for the valuation of sponsor support.	
I.3.1.	As noted elsewhere, we consider that the QIS needs to consider the impact on the ORSA. It would be unsatisfactory to design workable quantification and capital requirements proposals only for the governance requirements to have the effect of overriding any simplifications adopted etc.	
I.3.2.	We agree that it is reasonable to restrict the scope of the numerical calculations; however we have a concern that by basing the calculations only on market conditions at a single date, the QIS risks misrepresenting the impact of potential proposals. We believe it is essential to consider a range of market conditions scenarios and that these scenarios should be chosen to capture possible changes to market conditions arising from the adoption of these measures.	
I.4.1.	No comment	
I.4.2.	No comment	
I.4.3.	No comment	

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I.4.4.	No comment	
I.4.5.	<p>We note that the latest technical specifications for Solvency II have been employed. We remain concerned that Solvency II is being relied upon before it has reached a stable form.</p> <p>We believe in particular that the provisions relating to the matching premium need more development to be suitable for IORPs.</p>	
I.4.6.	No comment	
I.4.7.	No comment	
I.4.8.	No comment	
I.4.9.	No comment	
I.4.10.	No comment	
I.4.11.	<p>As noted elsewhere in our response, we believe that an inflation risk module is essential for market consistency.</p> <p>Although we understand that the specifications should not be read as proposals, we have found that it is necessary to hypothecate proposals in order to reach meaningful conclusions on the validity of the technical specification. Naturally we have assumed that the new regime will be as implied by the technical specifications and our comments should be considered in this context.</p>	
I.4.12.	No comment	
I.4.13.	No comment	
I.4.14.	No comment	
I.4.15.	No comment	
I.4.16.	We are aware of no UK IORP that has in place the data and modelling infrastructure required to conduct a Solvency II level stochastic valuation. Many use stochastic techniques to study the evolving relationships between assets and liabilities but these are typically used solely to set investment strategies and are not calibrated for the longer term structure that a valuation would require.	
I.4.17.	We are troubled that EIOPA envisages a higher degree of accuracy for reporting than required for	

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	this first QIS as our members have found the calculations time consuming even at this level.	
I.4.18.	No comment	
I.4.19.	We are disappointed that EIOPA has not consulted on the methodology that it intends to use to reflect lower confidence levels. We recommend EIOPA take great care before assuming that variables have a Gaussian distribution and before assuming linear progressions.	
I.4.20.	No comment	
I.4.21.	No comment	
I.4.22.	No comment	
I.5.1.	No comment	
I.5.2.	No comment	
I.5.3.	As noted in I.2.2. above, we continue to question the validity of the uniform confidence level objective.	
I.5.4.	No comment	
I.5.5.	No comment	
I.5.6.	We remain concerned that Solvency II is being relied upon before it has reached a stable form.	
I.5.7.	As noted elsewhere we are concerned that the proposed way to derive the level B discount rates may not be sufficiently sophisticated to address the investment strategies of some IORPs and that as a result the QIS calculations may substantially misstate the results.	
I.5.8.	We are sympathetic to the need to simplify in order to keep the report comprehensible and manageable. However we would emphasise that the results have non-linear relationships with the inputs and consequently that it is possible that, as specified, there are some input/parameter ranges for which the deterministic version of the HBS is « chaotic » in the narrow mathematical sense of being hypersensitive to small variations in those inputs/parameters.	
I.6.1.	It would be helpful to understand whom EIOPA intends to complete the qualitative questionnaire.	
I.6.2.	No comment	
I.6.3.	No comment	

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I.7.1.	No comment	
I.7.2.	No comment	
I.7.3.	No comment	
I.7.4.	We understand that the UK Pensions Regulator intends to complete the QIS for UK IORPs. We would hope that it will be possible to calibrate the simplifications they will need to make against full QIS calculations for sample IORPs.	
I.7.5.	As noted elsewhere in this response, we believe that further guidance will be required if consistency is to be ensured.	
I.8.1.	No comment	
I.8.2.	We agree that it is important to consider the impact of the advice on capital surplus particularly for sponsors whose ability to raise capital is sensitive to the contents of its pension disclosures. However for other companies, the impact on cashflow and on the profit/loss account is much more important and we urge EIOPA to analyse this too.	
I.8.3.	As noted elsewhere in this response, we are disappointed that details of possible regulatory interventions are not included in this QIS. We urge EIOPA to conduct a comprehensive impact study on possible intermediate supervisory trigger points and associated regulatory actions.	
I.8.4.	As noted elsewhere in this response, we urge EIOPA to provide a detailed segmentation analysis when unpacking these data.	
I.8.5.	No comment	
I.8.6.	In responding to this consultation, we have assumed that in light of this proposed QIS, EIOPA will reach a conclusion on those aspects of its advice for which it reserved its position. Paragraph I.8.6 casts some doubt on this and it would be helpful if EIOPA were to clarify the position.	
I.9.1.	No comment	
I.9.2.	No comment	
I.9.3.	Elsewhere in this response, we argue for a series of QISs. We would find it helpful if EIOPA could confirm that there will be further QISs.	
I.10.1.	We understand and sympathise with the external constraints within which EIOPA is operating.	

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I.10.2.	We would like to see the limitations the external constraints have introduced made explicit in the final document. We are reassured to read that comments and suggestions from stakeholders will be properly taken into account. However our comments are not complete owing to the brevity of the consultation period and it seems likely to us that we are not alone in this position. It would be unfortunate if the quality of the final document were compromised by the limited nature of the feedback EIOPA receives.	
I.10.3.	It would be helpful to understand what EIOPA consider to be appropriate costs. We believe that insurance companies currently spend far more than UK IORPs on generating risk management information. As noted elsewhere in this response, we endorse the principle of applying robust risk management techniques to IORPs. We are therefore in favour of improving the risk management information available to the managers of IORPs however we consider that the regime applying to insurers would not be cost effective for all but a handful of UK IORPs.	
I.10.4	No comment	
I.11.1	No comment	
HBS.1.1.	No comment	
HBS.2.1.	We would be concerned if EIOPA limited the segmentation to Member State and scheme type as we consider it imperative to consider the effect on different sectors of the economy.	
HBS.2.2.	No comment	
HBS.2.3.	No comment	
HBS.2.4.	No comment	
HBS.2.5.	No comment	
HBS.2.6.	It may be necessary to provide guidance on how « pure » a DC scheme needs to be to be included in this segment. For example is a DC Scheme that provides an insured defined death benefit pure DC or hybrid.	
HBS.2.7.	No comment	
HBS.2.8.	As noted in our comment on HBS 2.6, there is some uncertainty about the scope of the term Pure Defined Contribution. If it excludes IORPs that cover any kind of biometric or market risk, many UK IORPs that are currently regarded as defined contribution would be categorised as hybrid. It may be better to define as “hybrid” any IORP that is not defined benefit, pure defined	

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	contribution or health benefit. As defined in this paragraph it appears to include health benefits.	
HBS.3.1.	<p>We do find the term « best estimate » unfortunate in this context as it is a term that is widely used with a very different meaning in the UK. Bearing in mind that those responsible for running UK IORPs are mostly laymen rather than expert professionals, it is important that the jargon employed is not counter-intuitive.</p> <p>It would be better to refer to Level A technical provisions and Level B technical provisions as appropriate. In this context, it will be necessary to be explicit that the Risk Margin (if used) is separate from the Technical Provisions. We find it unhelpful that in some places the term “technical provision” includes the Risk Margin and in others it does not.</p>	
HBS.3.2.	No comment	
HBS.3.3.	No comment	
HBS.3.4.	No comment	
HBS.3.5.	No comment	
HBS.3.6.	No comment	
HBS.3.7.	No comment	
HBS.3.8.	No comment	
HBS.3.9.	No comment	
HBS.3.10.	No comment	
HBS.3.11.	No comment	
HBS.3.12.	In our view objectivity is not always possible. Indeed we believe that there is no uniquely correct methodology: it is only possible to model a complex world approximately and consequently expert judgement and opinion will always represent a key component of the modelling process.	
HBS.3.13.	We consider that EIOPA needs to explain what counts as a « large number ». One of our major concerns about the review of the IORP Directive is that adopting a Solvency II approach is likely to trigger changes to the asset allocations of IORPs that would move market prices. We therefore consider that it is not enough to consider the depth and liquidity of a market by reference to the size of individual IORPs.	

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	Similarly we consider it important to consider the impact of Member States reducing their debt burden as planned. Our concern is that the supply of sovereign debt, and the extent to which a Member State's debt meets the attributes for a risk free investment, may be very different when IORP 2 is finally implemented so that the actual impact is very different from the impact assessed using 31 December 2011 figures.	
HBS.3.14.	No comment	
HBS.3.15.	No comment	
HBS.3.16.	No comment	
HBS.3.17.	The availability and quality of data is potentially a significant source of inconsistency. Indeed there is arguably a case for a QIS looking at the impact of requiring minimum data standards.	
HBS.3.18.	Whilst we agree that it is desirable that "the IORP is able to demonstrate that the assumptions and methodologies appropriately reflect the characteristics of the portfolio" we anticipate that such a requirement is potentially very onerous.	
HBS.3.19.	No comment	
HBS.3.20.	No comment	
HBS.3.21.	We consider that there needs to be scope for expert judgement on the likelihood of options being exercised as, for IORPs, this likelihood can be sensitive to changes in employment, social security and tax law (unlike insurance where legislative changes typically only affect new contracts) which means past behaviour may be irrelevant and misleading.	
HBS.3.22.	No comment	
HBS.3.23.	We do not consider it reasonable to require objectivity in choosing assumptions about future management actions as there is typically a choice of action available and often the choice made is the outcome of a negotiation and so cannot be anticipated in an objective way. Here again we consider that there is a role for expert judgement.	
HBS.3.24.	No comment	
HBS.3.25.	No comment	
HBS.3.26.	No comment	
HBS.3.27.	No comment	
HBS.3.28.	We do not agree that IORPs should be able to verify assumptions about future management	

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	actions by reference to actions actually taken as many of those future actions will have no comparable precedents. For example, for practical purposes it is only possible to close a scheme to future accrual once.	
HBS.3.29.	We welcome the recognition of the role that expert judgement plays.	
HBS.4.1.	We suggest that ‘or’ should be ‘and’.	
HBS.4.2.	<p>We consider the reference to the most recent tables to be ambiguous. If it is intended that “recent tables” refers to the most recent calibration of the IORP to standard tables, we support the principle. If, by contrast, it is intended to require IORPs to calibrate their mortality only by reference to the most recent standard tables, we would consider this a retrograde step – IORPs must be allowed to use the standard tables that best fit their demographic profile even if that means calibrating to older tables.</p> <p>For example a DB plan covering manual workers in an old heavy industry may be better matched by an old mortality table.</p> <p>We consider “future trend” to be an unsatisfactory term. However we would support the principle of using mortality tables that included a “best estimate” projection of future mortality improvements.</p>	
HBS.4.3.	Some UK IORPs have as their asset a single contract covering all the members. We assume that this paragraph is intended to result in member-by-member calculations rather than contract-by-contract calculations and would welcome clarification on this point.	
HBS.4.4.	Potentially the only way of demonstrating that a grouping does not misrepresent the risk or misstate the costs is to do member-by-member calculations as well, which would defeat the purpose of this provision. It is therefore necessary to recognise the possibility that no such demonstration is possible and that expert judgement is required.	
HBS.4.5.	No comment	
HBS.4.6.	No comment	
HBS.4.7.	No comment	
HBS.4.8.	No comment	

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HBS.4.9.	No comment	
HBS.4.10.	No comment	
HBS.4.11.	No comment	
HBS.4.12.	No comment	
HBS.4.13.	No comment	
HBS.4.14.	No comment	
HBS.4.15.	No comment	
HBS.4.16.	The financing strategy of many UK IORPs is designed to achieve « buy out » within a pre-agreed timeframe. It would be helpful if EIOPA could provide guidance on how such journey plans should be taken into account in determining the best estimate of expenses.	
HBS.4.17.	No comment	
HBS.4.18.	No comment	
HBS.4.19.	No comment	
HBS.4.20.	No comment	
HBS.4.21.	We think that IORPs should only be allowed to assume that they continue to acquire new schemes/contracts if this assumption is realistic. It would not be realistic for most UK (private sector) IORPs.	
HBS.4.22.	No comment	
HBS.4.23.	No comment	
HBS.4.24.	No comment	
HBS.4.25.	We anticipate that EIOPA will need to provide more guidance on discretionary and conditional benefits. We suggest EIOPA consider, for example, whether benefits that must be paid out if certain incapacity criteria are met represent conditional benefits or medical benefits.	
HBS.4.26.	No comment	
HBS.4.27.	No comment	
HBS.4.28.	No comment	
HBS.4.29.	No comment	

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HBS.4.30.	No comment	
HBS.4.31.	We note that EIOPA recognises that there is uncertainty and potential subjectivity in determining the different forms of benefit. This is one reason why we favour a ‘staged’ QIS approach.	
HBS.4.32.	No comment	
HBS.4.33.	No comment	
HBS.4.34.	No comment	
HBS.4.35.	It may be appropriate to consider separately the drivers for : <ul style="list-style-type: none"> • the incidence of non-unconditional benefits • the amount of such benefits. 	
HBS.4.36.	No comment	
HBS.4.37.	We doubt that it will be possible to calibrate a stochastic approach for UK IORPs as the data will not be statistically significant.	
HBS.4.38.	No comment	
HBS.4.39.	No comment	
HBS.4.40.	No comment	
HBS.4.41.	It will be helpful to say what should be done if the evidence is not deemed representative. We consider that it would be appropriate to rely on expert opinion.	
HBS.4.42.	It would be helpful if EIOPA could illustrate what it meant by « appropriate consideration » with some examples as to how an IORP should take into account the possibility of increasing financial awareness of options among IORP members.	
HBS.4.43.	No comment	
HBS.4.44.	No comment	
HBS.4.45.	It would be helpful if EIOPA made clear that the loss absorbing capacity of discretionary benefits is their value in the stressed conditions.	
HBS.4.46.	No comment	
HBS.4.47.	No comment	
HBS.4.48.	No comment	
HBS.4.49.	No comment	

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HBS.4.50.	No comment	
HBS.4.51.	No comment	
HBS.4.52.	No comment	
HBS.4.53.	No comment	
HBS.4.54.	No comment	
HBS.4.55.	No comment	
HBS.4.56.	No comment	
HBS.4.57.	No comment	
HBS.4.58.	No comment	
HBS.4.59.	No comment	
HBS.4.60.	No comment	
HBS.4.61.	No comment	
HBS.5.1.	<p>The cost-of-capital concept has little meaning in the context of UK IORPs. We suggest that EIOPA consider allowing IORPs to set their risk margin equal to BuyOut – Level A Technical Provisions, where BuyOut is an estimate of the cost of transferring the obligations to an insurer. Our view is that this is a more appropriate way to meet the principle of assessing the costs of transferring liabilities to a third party – at least for UK IORPs.</p> <p>We have also wondered whether the loss absorbency available from sponsor support and pension protection schemes should be available as an offset to the risk margin but the consultation period has proved too short for us to consider the matter further.</p>	
HBS.5.2.	Notwithstanding our preference as set out in our response to HBS 5.1, an 8% adjustment is admirably simple. However, we wonder whether a scale based on size of Technical Provisions might be more appropriate. It seems to us prudent to permit individual Member States to determine whether to adopt this simplified formulaic ‘adjustment’ approach or the alternative we present in response to HBS 5.1.	
HBS.5.3.	No comment	
HBS.5.4.	No comment	

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HBS.5.5.	No comment	
HBS.6.1.	No comment	
HBS.6.2.	No comment	
HBS.6.3.	No comment	
HBS.6.4.	It is possible that the structure of the contingent asset means that it does not form part of the value of sponsor support : for example bank-backed credit letterthat belong to the IORP.	
HBS.6.5.	We agree that contingent assets should not be double-counted but we consider that the value of contingent assets should only be deducted from the value of sponsor support if this is necessary to avoid double-counting.	
HBS.6.6.	No comment	
HBS.6.7.	No comment	
HBS.6.8.	No comment	
HBS.6.9.	We are not persuaded that the draft specification achieves this objective. We believe that the way sponsor support is taken into account needs substantial development. For the purpose of the QIS, we think it would be a useful « sense check » to compare the maximum value of sponsor support item with market capitalisation where this is available.	
HBS.6.10.	No comment	
HBS.6.11.	We suspect that the holistic balance sheet is sensitive to the choice of « required level » and suggest that EIOPA investigate this.	
HBS.6.12.	No comment	
HBS.6.13.	No comment	
HBS.6.14.	No comment	
HBS.6.15.	The holistic balance sheet results are sensitive to the probability of default. The probabilities provided seem low to us relative to market conditions at the proposed valuation date and so we are concerned that a QIS in accordance with the draft specification could fail to capture the full impact of implementing the holistic balance sheet.	
HBS.6.16.	No comment	
HBS.6.17.	We agree that the recovery rate needs further investigation and are concerned that the result of a	

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	QIS on this basis may misrepresent the potential impact of implementing the holistic balance sheet. For example, EIOPA may wish to compare the impact on revenue rich/asset poor sponsors with the impact on revenue poor/asset rich sponsors.	
HBS.6.18.	A typical UK IORP ranks below debt holders but above equity holders. However many IORPs have increased the level of security through corporate guarantees etc. It is rare for the IORP to rank alongside debt holders and therefore to have the same probability of default as them. It follows that it will be difficult to infer the relevant probability of default from market data and that it may therefore be necessary to rely on expert opinion.	
HBS.6.19.	We anticipate that it will be particularly difficult to take proper account of multiple sponsors (whose businesses may be very similar, subject to cross holdings and guarantees, or completely uncorrelated) or of other IORPs supported by individual sponsors. We suggest that this is a topic that EIOPA may wish to investigate further.	
HBS.6.20.	No comment	
HBS.6.21.	We anticipate that the impact of implementing Solvency II for IORPs will be particularly high for shared cost DB schemes and suggest that EIOPA may wish to segment these separately from other DB IORPs.	
HBS.6.22.	No comment	
HBS.6.23.	No comment	
HBS.6.24.	We understand that the UK Pensions Regulator will be conducting the QIS for the UK. It therefore seems likely that the standard method will be used throughout	
HBS.6.25.	No comment	
HBS.6.26.	We would welcome further analysis of the value of sponsor support recognised on the holistic balance sheet. For example, the level of risk may be transparent if the maximum value of sponsor support were included in the assets and that the SCR was shown gross (after downwards adjustment to reflect correlations). This approach may also require fewer calculations.	
HBS.6.27.	No comment	
HBS.6.28.	No comment	

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HBS.6.29.	This definition of the wealth currently available for the IORP is admirably clear however it may often be too simple to reflect adequately the resources available to the IORP if the sponsoring entity is part of a complex corporate structure.	
HBS.6.30.	Many recovery plans for UK IORPs include contributions contingent on future financial events/conditions. We suggest that it be made clear that future foreseen wealth should be adjusted appropriately to ensure no double-counting.	
HBS.6.31.	No comment	
HBS.6.32.	No comment	
HBS.6.33.	Credit ratings are not created for the purpose of assessing the probability of pension default events and may not adequately reflect where the IORP ranks in the corporate structure or, if a company has no need to borrow, may not exist at all.	
HBS.6.34.	No comment	
HBS.6.35.	Some UK IORPs are « sectionalised » so that, although they are nominally multi-employer, there is no cross-subsidy by unrelated employers. We therefore suggest that this definition could be usefully expanded so that it is clear that employers can only be omitted if the liabilities they are underwriting are also supported by other employers.	
HBS.6.36.	<p>We have a number of suggestions for improving these definitions; however it would be wrong to infer that we consider this approach to valuing sponsor support to be satisfactory: we think other methods may be superior and should also be considered.</p> <p>Although the definition of i^t is correct and i^t defined in this way is correctly used in the formulae that follow in paragraph HBS 6.39, it is unfortunate that in HBS6.50 « i » is used in a different, more conventional way despite a very similar definition in HBS6.48.</p> <p>We would be pleased to see EIOPA amend HBS6.36 in line with the convention used in actuarial practice, namely:</p> <p>i : discount rate v : discount factor for one year = $(1+i)^{-1}$ v^t : discount factor for t years = $(1+i)^{-t}$</p>	

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	<p>In our view it is not necessary or appropriate to limit d to the average duration. In fact using d for duration risks confusion as d commonly denotes the quantity $1 - v$ in actuarial practice.</p> <p>The definition of EC_t is not clear and it appears inconsistent with the formulae in which it is subsequently used. We think the reference to discounting in (i) and (ii) is not correct because a discount factor is applied to EC_t in the formula in HBS 6.39. We also think that the references to year d are unhelpful. We propose the following definition :</p> <p>EC_t : Expected cashflow in year t = Sum of (i) the recovery plan contribution expected in year t (ii) the lesser of : a) For the purpose of this QIS, 50% of the expected net profit in year t, and b) For the purpose of this QIS, 25% of the sponsors' EBTDA in year t.</p> <p>We would like to see EIOPA explain the rationale for proposing a 3 year average for base EBTDA but not for base net profits.</p>	
HBS.6.37.	The holistic balance sheets results are potentially sensitive to the chosen value of ξ . Moreover whilst a value of 50% may well be a suitable average value, it is possible that different segments of the market have very different values. We therefore advocate considering a range of values for this parameter as part of the QIS.	
HBS.6.38.	No comment	
HBS.6.39.	<p>As noted in our comment on HBS 6.36, we would like EIOPA to use v^t for the discount factor (or, failing that, to define and use i^t in the same way throughout the specification.</p> <p>We would also suggest the following correction to the formulae for M_{ss}^{cr} and M_{ss}: the first value of t is 1, and assuming EC_t represents cashflows in the first year, the discount factor should be to the power $t - 0.5$ and not $t+0.5$.</p>	
HBS.6.40.	The consultation period has proved too short for us to analyse the proposed stochastic valuation	

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	of sponsor support. We doubt that this approach will be cost effective for UK IORPs.	
HBS.6.41.	The consultation period has proved too short for us to analyse the proposed stochastic valuation of sponsor support. We doubt that this approach will be cost effective for UK IORPs.	
HBS.6.42.	The consultation period has proved too short for us to analyse the proposed stochastic valuation of sponsor support. We doubt that this approach will be cost effective for UK IORPs.	
HBS.6.43.	The consultation period has proved too short for us to analyse the proposed stochastic valuation of sponsor support. We doubt that this approach will be cost effective for UK IORPs.	
HBS.6.44.	The consultation period has proved too short for us to analyse the proposed stochastic valuation of sponsor support. We doubt that this approach will be cost effective for UK IORPs.	
HBS.6.45.	It would be helpful if EIOPA were to make clear that « default risk » refers to a default by the sponsor on its obligations to the IORP, which may not be the same as the risk of a sponsor insolvency event.	
HBS.6.46.	Although we do not comment further on the use of risk-free rates it would be wrong to infer that we accept the principle of using Solvency II as a basis for a robust solvency regime for IORPs.	
HBS.6.47.	We think this is a reasonable approach for the QIS but note that these arrangements are in practice rarely completely symmetric for UK IORPs.	
HBS.6.48.	As noted in our comment on HBS 6.36, it would be helpful if i were defined as the discount rate rather than the discount factor. It may be clearer to define i_j as the spot risk free rate for duration j for use in summing the cashflows CF_j in HBS 6.52. A corresponding change would then be required to the formula in HBS 6.50. The results of the holistic balance sheet calculations are potentially sensitive to the value of RR. We therefore advocate analysing the effect of varying this parameter. We have a concern that limiting the recovery rate will result in the QIS misrepresenting the impact for asset-rich sponsors.	
HBS.6.49.	No comment	
HBS.6.50.	It would be helpful if EIOPA were to make clear that this formula defines CF_t for $t = 1$ to d and that $CF_0 = 0$ and to specify that d should be rounded to the nearest integer. Treating payments as annually in arrear simplifies the formulae but is potentially unduly penal for	

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	sponsors with a high p_{def} . We also think it would be helpful if the QIS analysed the effect of varying the period over which payments are made as the duration d is not necessarily representative.	
HBS.6.51.	No comment	
HBS.6.52.	We think this formula would be much easier to read if the $(1+i)^{-t}$ were taken inside the square bracket and used to cancel out the $(1+i)^t$ terms although we accept it may be easier to understand in the form specified.	
HBS.6.53.	No comment	
HBS.6.54.	The consultation period has not been long enough for us to review this diagram.	
HBS.6.55.	Agreed	
HBS.6.56.	No comment	
HBS.6.57.	The consultation period has not been long enough for us to consider the implications of taking account of sponsor support as an ancillary own fund item.	
HBS.6.58.	The consultation period has not been long enough for us to consider the implications of taking account of sponsor support as an ancillary own fund item.	
HBS.6.59.	No comment	
HBS.6.60.	No comment	
HBS.6.61.	Agreed	
HBS.6.62.	No comment	
HBS.6.63.	No comment	
HBS.6.64.	We suggest EIOPA take account of the nature of the events that give rise to a payment from a pension protection scheme, which may be somewhat different from sponsor insolvency events and which would then have different probabilities of occurrence and, potentially, different recovery rates.	
HBS.6.65.	No comment	
HBS.6.66.	No comment	
HBS.6.67.	No comment	

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HBS.6.68.	In our view, although this is a sensible approach for the QIS, EIOPA should consider carefully whether the probability of a sponsor default is the appropriate probability to apply to the probability of a payment from the pension protection scheme.	
HBS.6.69.	No comment	
HBS.6.70.	We think this is a sensible approach for the purpose of the QIS.	
HBS.6.71.	We think this is a sensible approach for the purpose of the QIS.	
HBS.6.72.	No comment	
HBS.6.73.	No comment	
HBS.6.74.	No comment	
HBS.6.75.	No comment	
HBS.6.76.	No comment	
HBS.6.77.	<p>These formulae would be considerably simplified if REC_t was defined as an amount discounted to time $t = 0$. The $(1+i)^t$ terms could then be cancelled out of both formulae. However we accept it may be easier to understand in the form specified.</p> <p>We support the comment in the Financial Reporting Council's response that there is an error in the formula for PPF_{FV}. We too believe that it should allow for payments, CF_j made by the sponsor in the years before default.</p>	
HBS.6.78.	The consultation period has not been long enough for us to review this diagram.	
HBS.6.79.	We question whether changing the probability of the sponsor defaulting on its pension obligations is the best simplification for taking account of a pension protection scheme. We suggest that EIOPA also consider changing the recovery rate as an alternative approach	
HBS.6.80.	No comment	
HBS.6.81.	It is not clear to us how the appropriate reduction to credit risk should be calculated and anticipate that EIOPA will need to issue further guidance to ensure consistent application of this option.	
HBS.6.82.	No comment	
HBS.6.83.	No comment	

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HBS.6.84.	We wonder whether this loss absorbency should extend to reducing the Risk Margin too, but the consultation period has proved too short for us to consider this.	
HBS.6.85.	No comment	
HBS.6.86.	No comment	
HBS.6.87.	We wonder whether this loss absorbency should extend to reducing the Risk Margin too, but the consultation period has proved too short for us to consider this.	
HBS.6.88.	No comment	
HBS.6.89.	No comment	
HBS.6.90.	The consultation period has proved too short for us to consider the implications of excluding pension protection schemes. In our view EIOPA needs to make clear whether levies/premiums payable in respect of pension protection schemes ought to be omitted from the expenses component of the Best Estimate when considering this option.	
HBS.7.1.	No comment	
HBS.7.2.	No comment	
HBS.7.3.	In our view, it would be helpful to cross-reference this section in the section about risk margin and to state simply that the risk margin should be calculated for the liabilities not covered by such insurance arrangements.	
HBS.7.4.	No comment	
HBS.7.5.	No comment	
HBS.7.6.	No comment	
HBS.7.7.	No comment	
HBS.7.8.	No comment	
HBS.7.9.	No comment	
HBS.7.10.	No comment	
HBS.7.11.	In our view this paragraph would be clearer if it specified which previous section.	
HBS.7.12.	The consultation period has proved too short to consider this section thoroughly.	

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HBS.7.13.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.14.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.15.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.16.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.17.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.18.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.19.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.20.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.21.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.22.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.23.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.24.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.25.	The consultation period has proved too short to consider this section thoroughly however we understand that the treatment of SPVs may be material to the holistic balance sheet results of a small number of some large UK IORPs.	
HBS.7.26.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.27.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.28.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.29.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.30.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.31.	The consultation period has proved too short to consider this section thoroughly however we observe that t-1 should be a superscript.	
HBS.7.32.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.33.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.34.	The consultation period has proved too short to consider this section thoroughly however we think that EIOPA will need to be more specific about how to decide whether or not an estimate is reliable.	

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HBS.7.35.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.36.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.37.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.38.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.39.	The consultation period has proved too short to consider this section thoroughly however it appears that it is missing a formula.	
HBS.7.40.	The consultation period has proved too short to consider this section thoroughly.	
HBS.7.41.	The consultation period has proved too short to consider this section thoroughly but it would be helpful if EIOPA were to explain the derivation or source of these probabilities.	
HBS.7.42.	The consultation period has proved too short to consider what alternative methods may be more justifiable and in what circumstances.	
HBS.8.1.	No comment	
HBS.8.2.	No comment	
HBS.8.3.	No comment	
HBS.8.4.	No comment	
HBS.8.5.	No comment	
HBS.8.6.	No comment	
HBS.8.7.	We would like EIOPA to explain how the proposed ultimate forward rate of 4.2%pa can be reconciled to a market consistent approach.	
HBS.8.8.	No comment	
HBS.8.9.	No comment	
HBS.8.10.	No comment	
HBS.8.11.	No comment	
HBS.8.12.	No comment	
HBS.8.13.	The consultation period has proved too short to consider the matching premium however it appears to us that few, if any, UK IORPs would satisfy the conditions set out in Part 1 of Annex 2, in particular, the requirement for ring-fencing. It therefore seems to us that rather than levelling the playing field, a solvency regime for pensions in this form would create incentives to transfer	

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	<p>IORP pension liabilities to insurers.</p> <p>In addition, it would be helpful if the purpose of the 24 month period in paragraph 6 of Part 1 of Annex 2 could be explained.</p>	
HBS.8.14.	We would like EIOPA to say whether or not it will delay finalising the QIS specification until these issues have been resolved.	
HBS.8.15.	We consider that EIOPA should consider the sensitivity to pivoting yield curves and that it should investigate how the sensitivity varies if the term of sponsor payments is varied.	
HBS.8.16.	No comment	
HBS.8.17.	See our comment on HBS 8.18	
HBS.8.18.	In our view this parameterisation is oversimplified and risks misrepresenting the impact of the Level B approach. We consider that it would be much better to specify that the approach already followed for the sponsor's pensions accounting disclosures should be adopted.	
HBS.8.19.	See our comment on HBS 8.18	
HBS.8.20.	See our comment on HBS 8.18	
HBS.8.21.	See our comment on HBS 8.18	
HBS.8.22.	No comment	
HBS.8.23.	We are strongly of the view that the valuation of inflation-linked pensions would not be market-consistent if IORPs were not expected to adopt assumptions consistent with market-implied inflation. Consistent with this, if there is to be an SCR we believe that it should include a component for inflation stress (although we remain unclear what purpose the SCR would serve).	
HBS.8.24.	We are also strongly of the view that salary growth should only be allowed for to the extent that salaries are guaranteed to increase and benefits are guaranteed to remain linked to them.	
HBS.9.1.	No comment	
HBS.9.2.	In our view, more guidance may be required on materiality. Our members have found that in some cases the holistic balance sheet results can be highly geared. This gearing makes it difficult to be sure that simplifications/approximations are not material without checking against the fully detailed calculations.	
HBS.9.3.	No comment	

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HBS.9.4.	No comment	
HBS.9.5.	No comment	
HBS.9.6.	No comment	
HBS.9.7.	No comment	
HBS.9.8.	No comment	
HBS.9.9.	No comment	
SCR.1.1.	The process required to assess proportionality is itself potentially onerous. We therefore support the suggestion of the Groupe Consultatif Actuariel Europeen that EIOPA consider omitting modules of the SCR calculation that are expected to result in immaterial results for most IORPs.	
SCR.1.2.	No comment	
SCR.1.3.	If the risk margin is calculated as set out in HBS 5.2, there is no circularity issue. We find it unhelpful that the term “technical provisions” can sometimes include the risk margin (see HBS 5.1) and on occasions such as this, exclude it.	
SCR.1.4.	No comment	
SCR.1.5.	We believe that the an inflation module would produce material results for UK IORPs and is therefore necessary.	
SCR.1.6.	No comment	
SCR.1.7.	No comment	
SCR.1.8.	We don’t understand the term “subordinated liabilities” in this context.	
SCR.1.9.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.10.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.11.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.12.	We are disappointed that EIOPA has not consulted on the methodology that it intends to use to reflect lower confidence levels. We recommend EIOPA take great care before assuming that	

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	variables have a Gaussian distribution and before assuming linear progressions.	
SCR.1.13.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.14.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.15.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.16.	As noted in our comment on PRO 1.1 we believe that it is necessary but not sufficient to consider the risks when judging proportionality: it is necessary also to consider the resources available, the value added and the implications for future benefit provision. Our concern is that a focus purely on risk will result in regime that fails to balance security with adequacy and sustainability.	
SCR.1.17.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.18.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.19.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.20.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.21.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.22.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.23.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.24.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.1.25.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.1.	The consultation period has proved to short for us to comment on this paragraph. We would	

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	welcome the opportunity to provide comments after the deadline.	
SCR.2.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.7.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.8.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.9.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.10.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.11.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.12.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.13.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.14.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.15.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.16.	The consultation period has proved to short for us to comment on this paragraph. We would	

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	welcome the opportunity to provide comments after the deadline.	
SCR.2.17.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.18.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.19.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.20.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.21.	The consultation period has proved too short for us to comment on the SCR section but we draw particular attention to the use of $MSS_{available} + MPP_{available}$. A marginal increase to $MSS_{available}$ can result in a geared reduction in SCR and we believe the implications of this need to be thoroughly explored. We wonder, for example, whether the reduction to the SCR from SS and PPS loss absorbency ought to be calculated separately and capped at $MSS_{available}$ and $MPP_{available}$ respectively, bearing in mind that broadly speaking PPS can only be invoked when SS is exhausted. However we have not had time to analyse this.	
SCR.2.22.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.23.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.24.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.25.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.26.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.27.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.28.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.2.29.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.30.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.31.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.32.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.33.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.34.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.2.35.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.3.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.3.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.3.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.3.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.3.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.3.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.4.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.4.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.4.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.4.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.7.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.8.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.9.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.10.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.11.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.12.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.13.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.5.14.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.15.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.16.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.17.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.18.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.19.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.20.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.21.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.22.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.23.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.24.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.25.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.26.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.27.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.28.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.5.29.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.30.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.31.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.32.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.33.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.34.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.35.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.36.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.37.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.38.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.39.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.40.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.41.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.42.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.43.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.5.44.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.45.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.46.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.47.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.48.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.49.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.50.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.51.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.52.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.53.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.54.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.55.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.56.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.57.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.58.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.5.59.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.60.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.61.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.62.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.63.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.64.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.65.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.66.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.67.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.68.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.69.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.70.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.71.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.72.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.73.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.5.74.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.75.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.76.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.77.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.78.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.79.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.80.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.81.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.82.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.83.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.84.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.85.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.86.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.87.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.88.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.5.89.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.90.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.91.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.92.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.93.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.94.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.95.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.96.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.97.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.98.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.99.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.100.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.101.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.102.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.103.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.5.104.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.105.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.106.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.107.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.108.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.109.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.110.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.111.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.112.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.113.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.114.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.115.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.116.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.117.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.118.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.5.119.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.120.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.121.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.122.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.123.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.124.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.125.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.126.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.127.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.128.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.129.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.130.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.5.131.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.6.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.7.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.8.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.9.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.10.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.11.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.12.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.13.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.14.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.15.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.16.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.17.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.6.18.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.19.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.20.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.21.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.22.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.23.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.24.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.25.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.26.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.27.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.28.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.29.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.30.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.31.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.6.32.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.7.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.7.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.8.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.9.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.10.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.11.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.12.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.13.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.14.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.15.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.7.16.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.17.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.18.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.19.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.20.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.21.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.22.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.23.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.24.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.25.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.26.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.27.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.28.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.29.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.30.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.7.31.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.32.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.33.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.34.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.35.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.36.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.37.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.38.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.39.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.40.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.41.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.42.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.43.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.44.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.45.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.7.46.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.47.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.48.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.49.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.50.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.51.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.52.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.53.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.54.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.55.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.56.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.57.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.58.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.59.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.60.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.7.61.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.62.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.63.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.64.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.65.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.66.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.67.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.68.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.69.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.70.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.71.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.72.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.73.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.74.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.75.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.7.76.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.77.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.78.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.79.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.80.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.81.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.82.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.83.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.84.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.85.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.86.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.7.87.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.8.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.8.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.8.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.8.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.8.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.8.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.8.7.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.7.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.8.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.9.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.10.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.11.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

	Comments Template on CP-12-003 – Draft Technical Specifications QIS IORP II	Deadline 31 July 2012 18:00 CET
SCR.9.12.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.13.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.14.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.15.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.16.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.17.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.18.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.19.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.20.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.21.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.22.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.23.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.24.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.25.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.26.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.9.27.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.28.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.29.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.30.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.31.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.32.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.33.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.9.34.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.1.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.2.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.3.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.4.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.5.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.6.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.7.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	

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SCR.10.8.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.9.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.10.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
SCR.10.11.	The consultation period has proved to short for us to comment on this paragraph. We would welcome the opportunity to provide comments after the deadline.	
MCR.1.1.	It would be helpful if EIOPA explained the rationale for this definition of the MCR in the context of IORPs.	
MCR.2.1.	No comment	
MCR.2.2.	No comment	
MCR.2.3.	No comment	
MCR.2.4.	See our comment on MCR 1.1	
MCR.2.5.	These definitions are difficult to interpret in the context of UK IORPs and more guidance is required. In particular the relevance of references to profit participation is most unclear.	
MCR.2.6.	The consultation period has proved too short for us to consider this paragraph.	
MCR.2.7.	The consultation period has proved too short for us to consider this paragraph.	
MCR.2.8.	No comment	
MCR.2.9.	We question whether this parameterisation is relevant and appropriate to IORPs.	
PRO.1.1.	In our view, it is necessary but not sufficient to consider the risks when judging proportionality: it is necessary also to consider the resources available, the value added and the implications for future benefit provision. Our concern is that a focus purely on risk will result in regime that fails to balance security with adequacy and sustainability.	
PRO.2.1.	See our comment on PRO 1.1	
PRO.2.2.	See our comment on PRO 1.1	
PRO.2.3.	We agree that it is important to assess model error. Moreover we have a concern that the non-linearities in the proposed model may lead to instability at the turning points, although the consultation period has proved too short for us to investigate this.	

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PRO.2.4.	No comment	
PRO.2.5.	No comment	
PRO.2.6.	See our comment on PRO 1.1	
PRO.3.1.	See our comment on PRO 2.6. We have a concern that given the non-linear nature of some aspects of the model, it is not generally possible to test a simplification robustly without checking against detailed results, which would defeat the object of adopting the simplification.	
PRO.3.2.	No comment	
PRO.3.3.	See our comment on PRO 1.1	
PRO.3.4.	It would be helpful to give a cross-reference in this paragraph to the definition of materiality in PRO 3.19, or to define materiality in a separate glossary and mark in bold those terms defined in the glossary.	
PRO.3.5.	No comment	
PRO.3.6.	We agree with the general thrust of this paragraph but consider that more needs to be done to make it meaningful in the context of IORPs.	
PRO.3.7.	No comment	
PRO.3.8.	We suggest that it is also necessary to consider how inter-dependencies may change when conditions become stressed and understand the circumstances in which the results of the model may not be stable.	
PRO.3.9.	No comment	
PRO.3.10.	No comment	
PRO.3.11.	No comment	
PRO.3.12.	No comment	
PRO.3.13.	No comment	
PRO.3.14.	No comment	
PRO.3.15.	No comment	
PRO.3.16.	No comment	
PRO.3.17.	It would be helpful to give a cross-reference to the definition of materiality in PRO 3.19.	

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	In addition we consider that a model needs to be relatively stable over time – there is no advantage to simplifications if they need to be changed every time they are used.	
PRO.3.18.	No comment	
PRO.3.19.	No comment	
PRO.3.20.	In our view it is appropriate to conduct a series of QISs with increasing levels of accuracy. However we are concerned about the potential for instability in the proposed model and this makes us worry that lower accuracy may mask important potential impacts.	
PRO.3.21.	No comment	
PRO.3.22.	We advocate substantial backtesting of the proposed model using actual market data over, say, the last 5 years.	
PRO.3.23.	No comment	
PRO.3.24.	No comment	
PRO.3.25.	No comment	
PRO.3.26.	No comment	
PRO.3.27.	No comment	
PRO.3.28.	No comment	
PRO.4.1.	No comment	
PRO.4.2.	Longevity, the key biometric risk for most IORPs has been the subject of a great deal of research and development in the UK in recent years and we would welcome the opportunity to share our expertise in this field with EIOPA.	
PRO.4.3.	We suggest that EIOPA make clear that market consistency is the underlying objective in valuing options and guarantees.	
PRO.4.4.	No comment	
PRO.4.5.	The actuarial standards applying to UK pensions actuaries requires that : <p style="text-align: center;">“No adjustment shall be made to any assumption used in, or proposed for use in, a model to compensate for a shortcoming in another unrelated assumption.”</p> It is therefore not clear to us that UK actuaries would be able to group charges and guarantees as proposed.	

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PRO.4.6.	No comment	
PRO.4.7.	No comment	
PRO.4.8.	No comment	
PRO.4.9.	No comment	
PRO.4.10.	No comment	
PRO.4.11.	No comment	
PRO.4.12.	No comment	
PRO.4.13.	No comment	
PRO.4.14.	No comment	
PRO.4.15.	No comment	
PRO.4.16.	No comment	
PRO.4.17.	No comment	