

**Comments Template on
CP8 -Draft proposal for Guidelines on ORSA**

**Deadline
20 January 2012**

Name of Company:	Partnership Life Assurance Company Limited	
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 cp008@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 008.</p>		
Reference	Comment	
General Comment		
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3.12.	The use of the term 'ORSA supervisory report' could be misleading as this could refer to either a report to the supervisory body from the insurance undertaking or a report compiled by the supervisory body in response to the submission of the ORSA by an insurance undertaking.	
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3.17.	As per 3.12 it would be helpful to have a definition at an early stage of the term 'ORSA supervisory report'.	
3.18.	The expectations for what should be covered in the ORSA policy appear more granular than would be expected from a policy. For example the detail of how stress and scenario tests are to be performed could be considered to be more relevant to a process document rather than the policy itself which would establish the high level principles under which the ORSA was conducted.	
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3.25.	It would be helpful to have some comment as to the amount of detail expected in respect of the assessment of overall solvency needs as you go out through the business planning period. The expectation is that less detail and relevance should be extended to periods at the outer limits of	

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	the planning period.	
3.26.	The text indicates that the ORSA should include detail of how the solvency position of the business is monitored across the whole business planning period. How much detail is expected in relation to the processes established to monitor the solvency position ?	
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4.12.	How should the term 'unexpectedly adverse circumstances' be interpreted in context with the 1 in 200 calibration of the SCR calculation?	
4.13.	Guideline 4 indicates that the ORSA policy should include information which we consider would be more detailed than expected in a policy and would be more appropriately reserved for the more detailed process document.	
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4.38.	Will there be any additional guidance on the nature of stress and scenario tests that could be undertaken as part of the ORSA process?	
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4.73.	It would be helpful to clarify the timescale referred to by 'directly following any significant change in the risk profile of the undertaking'.	
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5.2.		
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5.4.	The sentence 'Currently the European Commission is still developing these level 2 implementing measures and' does not appear to be complete.	
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5.14.	It remains critical that the supervisory approach undertaken by relative national bodies is consistent and that they receive sufficient information to achieve this appropriately.	
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5.27.	Given the ORSA process is specific to the particular undertaking, over emphasis on providing guidelines and examples on the ORSA supervisory report may result in undertakings adopting reporting which is not consistent with their approach to the ORSA.	
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5.38.	The required detail set out in the policy sections lends itself more to process than high level policy articulation.	
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Q1.	Yes the guidelines provide a good level of clarity in respect of the expectations of an undertaking in relation to the ORSA.	
Q2.		
Q3.	Article 45 : Para 3 in respect of the requirements of the recalibration that transforms the internal risk numbers into the Solvency Capital Requirement risk measure and calibration.	
Q4.	The requirements of the detail of information included in the ORSA policy make it more stringent than would be expected from a high level document. We would expect to address the detail in the process documents outlining the specific detail of how we undertake the ORSA. This could be addressed by being less structured in the policy requirements.	
Q5.	Consistent understanding of the expectations of the ORSA. A proportional approach being adopted by insurance undertakings based on size and complexity of their business.	
Q6.		
Q7.	Detail the specific expectations of national body supervisors such that insurance undertakings are clear in the expectations placed on them and that these are consistent across geographies.	
Q8.		
Q9.	Would expect this to form part of the validation processes and therefore would be evidenced in the annual reporting on this to the AMSB.	