

**Comments Template on Consultation Paper on the
Proposal for Guidelines on
Forward Looking assessment of the undertaking's own risks
(based on the ORSA principles)**

**Deadline
19 June 2013
12:00 CET**

Name of Company:	Munich Re	
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-13-009@eiopa.europa.eu. Our IT tool does not allow processing of any other formats.</p> <p>The numbering of the paragraphs refers to this Consultation Paper, the numbering of cells refers to the Technical Annexes II and III.</p>		
Reference	Comment	Resolution
General Comment	<ol style="list-style-type: none"> 1. Our comments refer, as requested by EIOPA, to the Guidelines and not to the Explanatory Text. Although the Explanatory Text is not subject to the public consultation we would like to point out that the Explanatory Text contains requirements that we do not share or agree with. 2. In general, we welcome an early preparation for the application of Solvency II with 	

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	<p>regard to the requirements that are not controversial on political level. However, any pre-emption of the Trilogue or Level 2 results in the context of the Guidelines should be avoided.</p> <p>3. Market participants as well as the NCAs should be given sufficient time for preparation and an appropriate implementation of the Guidelines assuring a level playing field. With regard to the finalization of the quantitative requirements envisaged for autumn this year the timeframe for preparation and implementation is very ambitious.</p> <p>4. Specific and detailed technical requirements should be avoided within the Guideline to assure for a principle-based approach.</p> <p>5. With respect to the reporting dates and periods, we would welcome a homogeneous approach. Particularly, the date of first application should be consistent within all Guidelines.</p>	
Introduction General Comment		
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1.9	<p>The forward looking assessment of the undertaking's own risks (based on the ORSA principles) is an important pillar II requirement. Since the final pillar I requirements have not yet been finalized and the political process is still ongoing, the respective requirements should not form base of the Guideline (see also General Comment No 2.)</p> <p>We recommend to further align the reporting dates with the preparatory guidelines. For instance, EIOPA-CP 13 (CP on the proposal for Guidelines on submission of information to national competent authorities) clearly defines the reporting period 1.1.2014 – 31.12.2014 (refer also to General Comment No 5.)</p>	
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1.21	Please refer to General Comment No 2.	
Section I. General Comments		

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1.24	With regard to the progress report the deadline « 28.2.2015 » for the respective NCA appears to be very ambitious. If the progress report requires quantitative data to be reported by the undertaking it implies a much earlier deadline for the undertakings to report to the NCA. Therefore, it should be stressed that the report is mainly based on qualitative information or the deadline should be extended	
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1.26	When determining thresholds per country, a level playing field should be ensured at all times.	
1.27	Please refer to Para 1.26.	
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Section II. General Comments		
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1.33	c) (i) The explicit requirement for stress tests, reverse stress tests and sensitivities narrows the possible composition of the policy. A more principle-based formulation of the guideline should be used instead. Specific and detailed technical requirements should be avoided in this Guideline to assure for a principle-based approach.	

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1.36	The interconnectedness with other reporting formats and deadlines should be taken into account.	
Section III. General Comments		
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1.40	Specific and detailed technical requirements regarding the analysis should be avoided in this Guideline as they are not exhaustive and do not guarantee a principle-based approach. In addition, more qualitative approaches should be taken into account as well.	
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1.43	In order to assess the undertakings own risk the actuarial function has to provide input whether the undertaking is compliant with the requirements regarding the calculation of the technical provisions. Formally this task should also be mentioned in CP-13/08 Chapter VIII. Furthermore, this Guideline requires a more detailed explanation on EIOPA's understanding of the tasks of the actuarial function, in particular concerning the assessment of possible non-compliance with regard to the calculation of technical provisions.	
1.44	Qualitative approaches to evaluate a deviation should also be taken into account.	
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Section IV. General Comments		
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Compliance and Reporting Rules General Comments		
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Impact Assessment – General Coments		
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2.38	We welcome the approach that no supervisory action by the NCA is envisaged after conducting the assessments as mentioned in 2.45.	
Question 1		
Question 2		
Question 3		
Question 4		
Question 5	Qualitative approaches to evaluate a deviation should also be taken into account.	
Question 6		
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