



Financial Services
Commission

Solvency 2

- *469 days to go* -

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FSC

18th September 2014

THE FINAL COUNTDOWN



Agenda

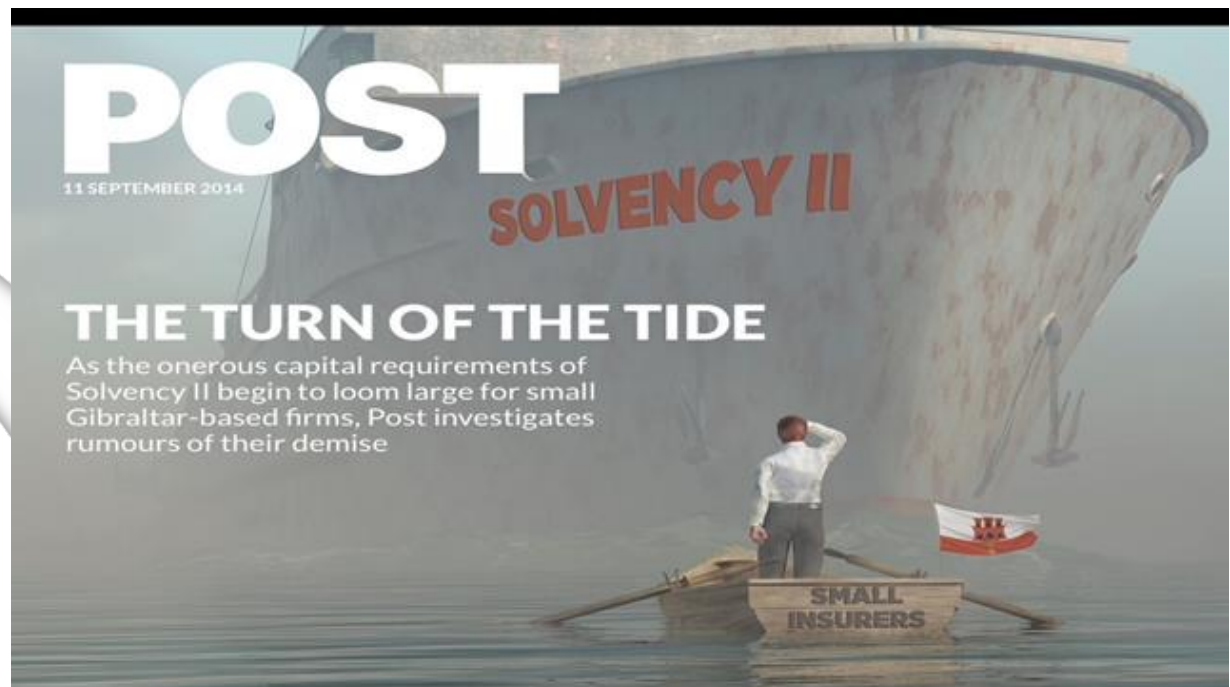
- Why does this matter?
- Approach to engagement
- Approach to implementation
- The FSC's expectations of firms
- Future milestones
- Summary

Why does this matter?

- Comply with European obligations
- Protect policyholders
- Gibraltar's reputation

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The FSC's approach to engagement

Requirements

- Set out by Europe
- Provide access to material from Europe

Discretion

- Transparency to decisions
- Consultation if appropriate

Responsive

- Dedicated email...S2@fsc.gi
- Response provided in a timely manner
- Workshops

The FSC's approach to implementation

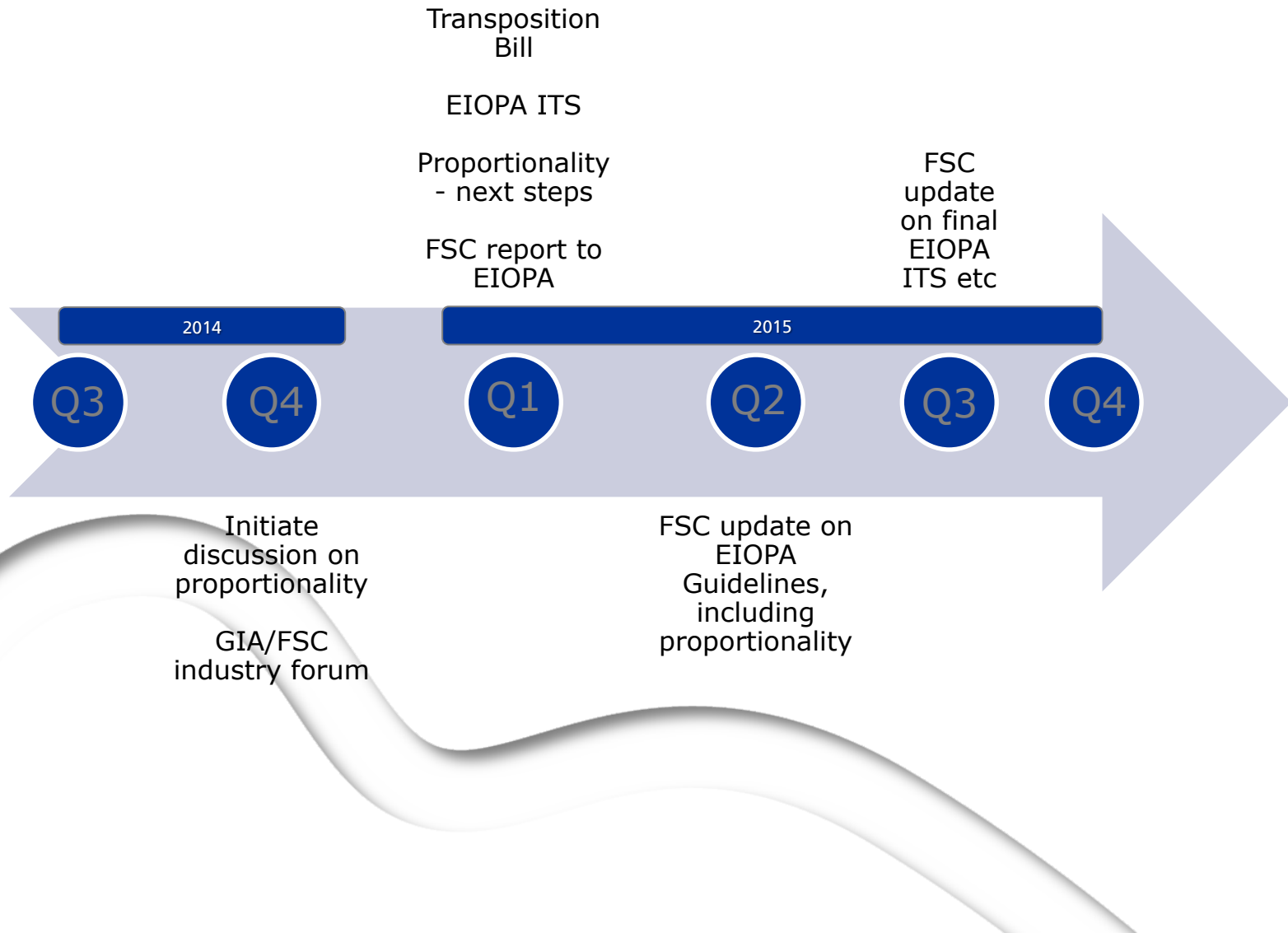
- Undertake regular self-assessments and follow-up exercises
- Monitor progress against plans
- Assess plans to meet likely future capital requirements
- Engage with firms' Boards\
- Also, FSC responsibilities to EIOPA

The FSC's expectations of firms - summary

Objective: Protection of customers

- Awareness of relevant material
- Track developments
- Credible plans are in place to ensure compliance by 2016
- If planning to exit, ensure plans in place for a well managed run-off

Future milestones – Cross-Pillar

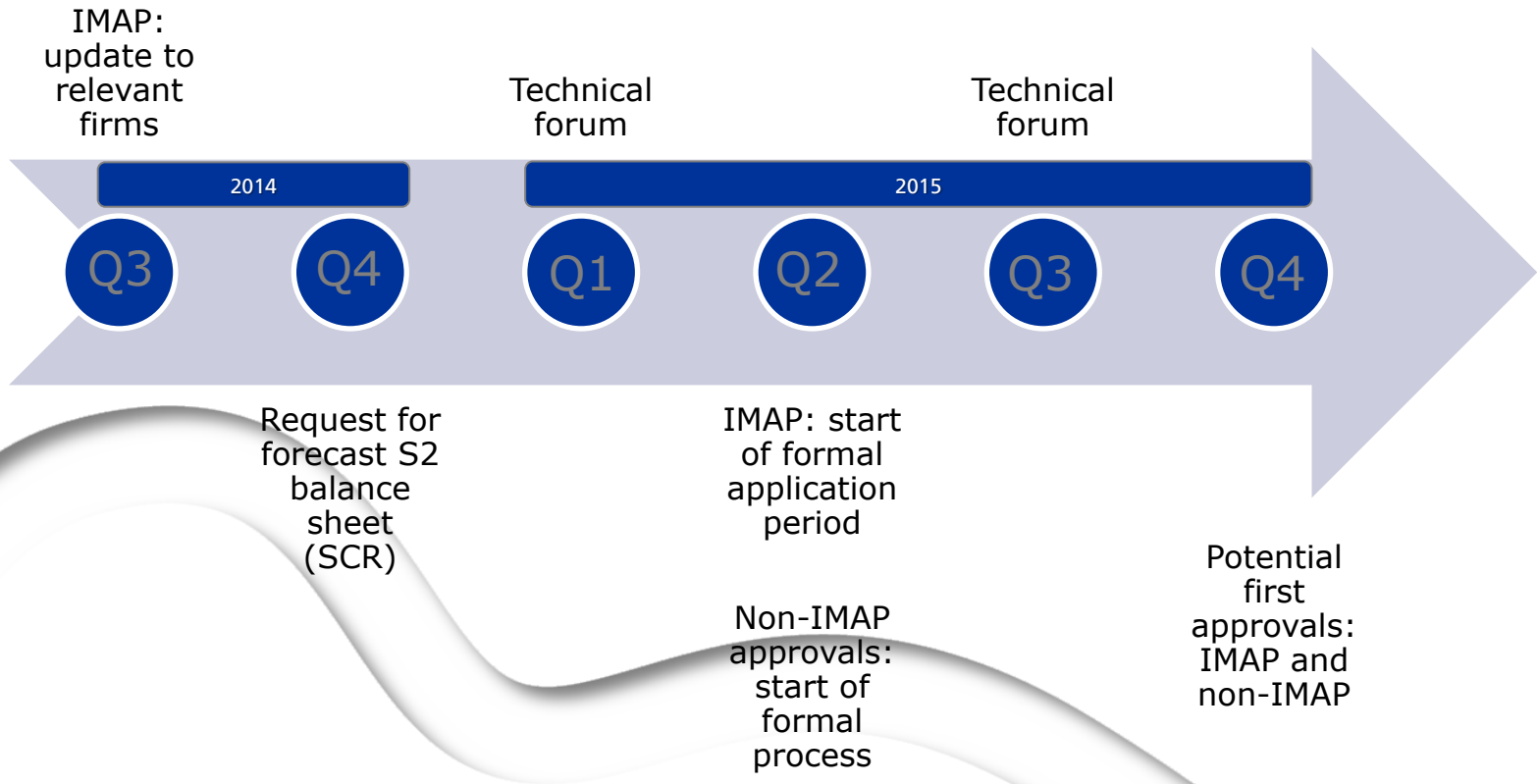


The FSC's expectations of firms – Pillar 1

Objective: The right level of capital

- Understand how their regulatory capital requirements are likely to change under Solvency 2 (SCR etc)
- Have appropriate plans in place to ensure compliance by 2016

Future milestones – Pillar 1

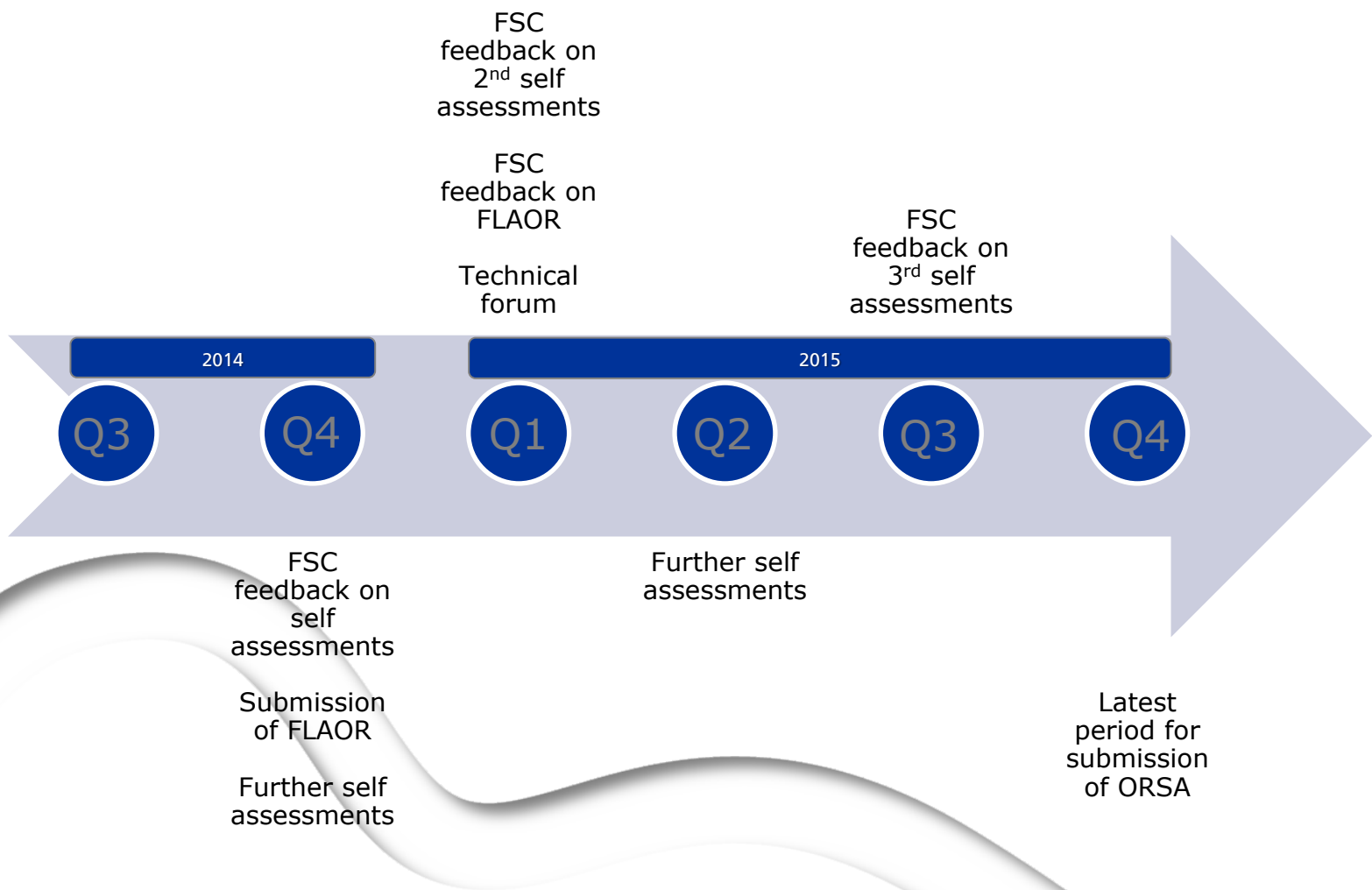


The FSC's expectations of firms – Pillar 2

Objective: Good risk management and governance

- Actively progressing plans to meet governance requirements
 - Immediate focus should be GN14
- Finalising FLAOR report for submission no later than year end
- Considering how to embed the governance requirements and how to demonstrate this to FSC

Future milestones – Pillar 2

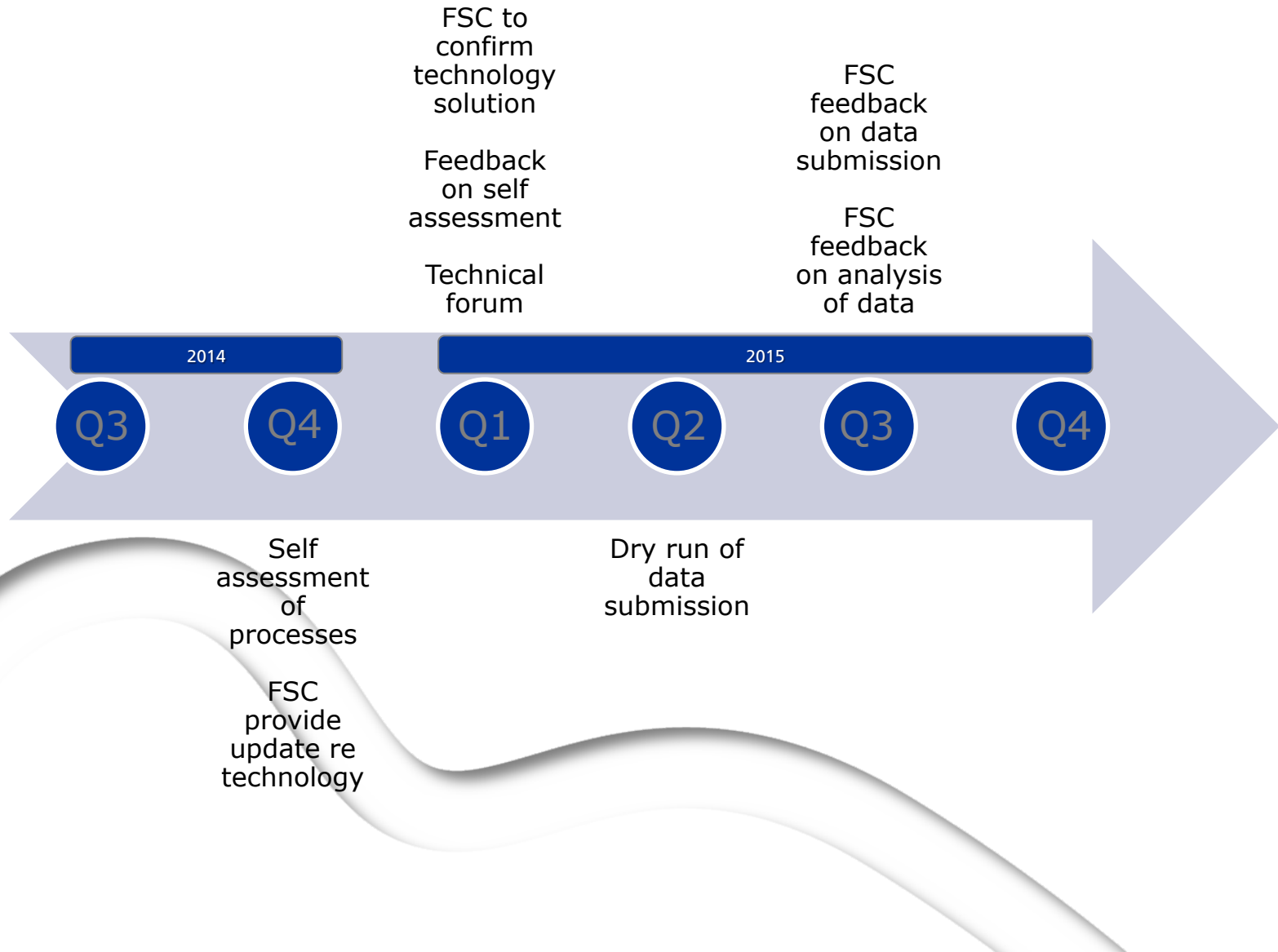


The FSC's expectations of firms – Pillar 3

Objective: Improved transparency

- For “Dry run” firms, appropriate policies and procedures in place
- Other firms:
 - plans in place to deliver in 2016
 - FSC encourage participation in “dry run”
- Understand FSC’s future data reporting approach:
 - Templates will be provided
 - XBRL based

Future milestones – Pillar 3





Summary

POST

11 SEPTEMBER 2014

SOLVENCY II

Summary

- Actions required now, and ongoing
- FSC active engagement
- Solvency 2 'ship' sails on 1/1/2016
– we all need to be on it



SMALL
INSURERS



Questions?