



Banc Ceannais na hÉireann  
Central Bank of Ireland

Eurosystem



# INSURANCE QUARTERLY NEWSLETTER

September 2017



## **CYBER ESSENTIALS**

Reflection on IT and Cyber Risk Management



## **TRANSPARENCY & ACCOUNTABILITY**

Delivering on our commitment to openness



# Foreword

## Sylvia Cronin – Director of Insurance, Central Bank of Ireland

Welcome to our Autumnal instalment of the quarterly Insurance update. With the school regime back up and running and corresponding reduction in daylight hours, it is an appropriate time to take stock, look back at key achievements and plan for the challenges that lie ahead.

In 2017 we have received the first Annual Solvency II returns, the Solvency Financial Condition Report (SFCR) and the Regular Supervisory Review for each regulated entity. We plan to share the initial findings of our review of these returns at the upcoming industry briefing on October 24th 2017. We are also proposing to compile a repository of all SFCRs on our website, with the aim to have the repository in place before the end of the year. Regarding the October Industry briefing, invitations and agenda will issue very shortly and we look forward to seeing you at the briefing event.

### **European Insurance and Occupational Pensions Authority (EIOPA)**

The Insurance Directorate is an active participant in EIOPA through our representation on the Board of Supervisors and our regular participation in EIOPA working groups, steering and other committees. Key outputs from this work includes the common supervisory handbook, EIOPA guidelines and Peer Reviews. Supervisory convergence continues at a pace within EIOPA with a number of developments this year. The revised General Protocol has provided EIOPA with powers that are more intrusive and this has placed additional reporting and disclosure obligations on host regulators. The Supervisory Handbook is progressing well with the addition of a new Chapter 0 which focusses on Culture. The handbook will help to ensure common supervisory approaches in the 27 EU member states. EIOPA has also undertaken a number of peer reviews, most notably the Peer Review on Brexit. The outcome of this peer review was the production of the [“Opinion on supervisory convergence in light of the United Kingdom withdrawing from the European Union”](#).

### **Brexit**

The continuing low interest rate environment and pricing pressures will lead (re)insurers to develop new asset management strategies, business models and product mixes. It will also place pressure on insurers to improve underwriting discipline and increase price pressure.

The regulatory changes, in particular the implementation of Solvency II, has resulted in greater recognition of risk mitigating tools under risk based and economic solvency frameworks. Indeed, the Insurance Directorate wrote to CEOs in September requesting information on Brexit Contingency Planning. We look forward to receiving your responses by 31 October 2017.

### **General Insurance Stress Testing Exercise 2017**

The aim of this stress testing exercise is to assess balance sheet resilience and the realism of proposed management actions in the wake of a stress event. All submissions expected at the start of September have been received. We expect the results to be finalised by year-end 2017 and we hope to achieve useful outcomes from the stress testing exercise, such as understanding potential vulnerabilities of the business, sensitivities of the balance sheet. With so many significant weather events recently, hurricanes such as Harvey and IRMA, insurers cannot afford to be sanguine about catastrophe risks.

As we plan for 2018, our approach to supervision remains forward looking and judgment based. I can be sure that we will all be busy meeting the challenges posed by the ever changing global economic landscape. In light of the restructuring of the Central Bank’s Financial Regulation functions, I look forward to working with both Ed and Derville. Within the Insurance Directorate, I welcome Marie Louise to the position of Head of Division – Insurance Supervision and look forward to working closely with her.



*Sylvia Cronin*  
Director of Insurance,  
Central Bank of Ireland



# Cyber Essentials

## Reflection on IT and Cyber Risk Management

*The advancement of IT is changing the way business is conducted across the financial services industry. IT is now a key enabler of an undertaking's business strategy and is no longer simply a support function. In parallel, cyber-attacks on businesses are increasing in frequency, scale and impact, and becoming more sophisticated and persistent. Therefore, there is a heightened risk when it comes to IT systems failure and cyber 'trigger events' e.g. data theft or destruction.*

### Introduction

In response, and to raise awareness of IT and cyber risks across the industry, the Central Bank issued 'Cross Industry Guidance in respect of Information Technology Cybersecurity Risks' (the "[Cross Industry Guidance](#)") in September 2016. This lays down a marker for undertakings as to the Central Bank's expectations regarding the management of these risks and provide a yardstick against which progress can be measured.

**“..cyber-attacks on businesses are increasing in frequency, scale and impact, and becoming more sophisticated and persistent.”**

From a supervisory perspective, the Insurance Directorate has taken a number of actions over the past 12 months, with a focus on identification of control weaknesses and raising awareness of Central Bank expectations. This includes:

- Utilising the auditor assurance framework under section 27BA of the Central Bank Act 1997 for PRISM High Impact undertakings to seek assurance on cybersecurity governance arrangements as at 31 December 2016; and
- Issuance of an IT and Cybersecurity questionnaire to PRISM Medium High and Medium Low impact undertakings to provide an insight on undertakings' capabilities.

### Recent Observations

Arising from both exercises, the most pronounced deficiencies relate to IT and cybersecurity governance and risk management arrangements. Key weaknesses evident across a high percentage of undertakings include:

#### Governance

- Lack of review and/or alignment of an IT and cybersecurity strategy to the overall business strategy;
- Regular reporting of IT and cyber risks to the Board is not prevalent across the sector;
- Limited governance regarding documentation of policies, standards and procedures which addresses the identification, monitoring, mitigation and reporting of IT related risks;
- Reliance on Group driven IT strategies, frameworks and practices rather than tailoring for the local undertaking.

#### Risk Management

- A material number of undertakings reportedly do not have effective risk management framework/practices in place to address cybersecurity risks. The types of IT risk management framework based findings are quite diverse. However, a prevalent concern is oversight of the framework itself, lack of regular risk assessment and the separation of different lines of defence;
- Undertakings do not routinely identify critical functions or maintain IT asset inventory records. A process should be in place to regularly assess the business criticality of IT assets, even in cases where it may transpire that there are no IT business critical assets;
- Inadequate review, documentation and testing of Disaster Recovery (DR) and Business Continuity Plans (BC). In this regard undertakings should review their DR/BC plans and ensure they are effective rather than just aspirational. The level of testing should be commensurate with the undertaking's dependency on IT or other critical infrastructure. Plans should also be reviewed and updated to reflect changes in the operating environment.

# Cyber Essentials

## Reflection on IT and Cyber Risk Management

### Distribution of IT & Cyber Findings - High Impact Firms



- A high percentage of undertakings claim not to have an exit management strategy as part of their service level agreement with outsourcing service providers. Undertakings should develop and maintain an exit management strategy to reduce the risks of business disruption should key IT outsourced services be unexpectedly withdrawn by the outsourced service provider, or voluntarily terminated by the undertaking.

#### Conclusion

We wish to acknowledge the efforts of undertakings who have developing IT & cyber risk management processes in place. However, it is evident, that to strengthen the control environment, existing practices need to be enhanced and constructive improvements embedded. These enhancements must be implemented with a real sense of urgency and genuine board engagement.

A 'Dear CEO' letter has recently been issued to PRISM Medium High and Medium Low impact undertakings with undertaking specific actions on weaknesses identified. A similar letter will also issue to PRISM High Impact undertakings in Q4 2017. In order to ensure progress on IT & Cyber Risk issues, the Insurance Directorate will place additional focus on the development of its onsite IT inspection capacity during 2018.

Finally, we encourage your continued engagement on IT and cybersecurity issues and recommend that all undertakings familiarise themselves with the [Cross Industry Guidance](#) published by the Bank.

#### Cybersecurity

- A lack of a framework to identify threats and vulnerabilities, together with a lack of processes in place to assess cyber threats were cited as prevalent issues in cybersecurity;
- Formal incident notification policies are not typically in place. The Central Bank expects that all undertakings should have a documented cybersecurity incident response plan in place that provides a roadmap for the actions the undertaking will take during and after a security incident;
- Limited provision of security awareness training programmes was also identified in over half of undertakings.

#### Outsourcing

- Inadequate SLA contracts appear to be the key issue in terms of outsourcing, together with due diligence on prospective outsourced service providers;

By **Jade Crofton**,  
Supervision Strategy Team,  
Insurance Actuarial, Analytics  
and Advisory Division



# Transparency and Accountability

## Delivering on our commitment to openness

The Central Bank's Strategic Plan 2016-2018 articulates our commitment to communication and accountability, ensuring that we are approachable, accessible and responsive to stakeholders. The Insurance Directorate strives to meet this commitment via our annual performance statement, industry briefings and various other public engagements.

### Communications and Accountability

Desired outcome: The Bank communicates and engages actively and reports openly and transparently on its performance

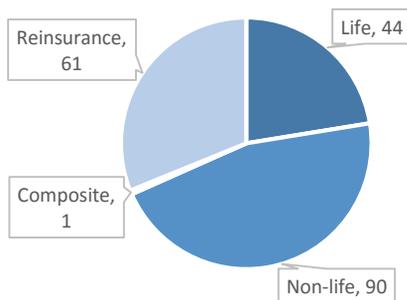
The Solvency II framework further codifies this commitment via a series of required disclosures. These disclosures<sup>1</sup> cover:

- Laws, administrative rules and general guidance in the field of insurance regulation;
- General criteria and methods used in the supervisory review process;
- Aggregate statistical data on key aspects of the application of the prudential framework;
- Manner of exercise of the options with the Solvency II Directive; and
- Objectives of the supervision under Solvency II and its main functions and activities.

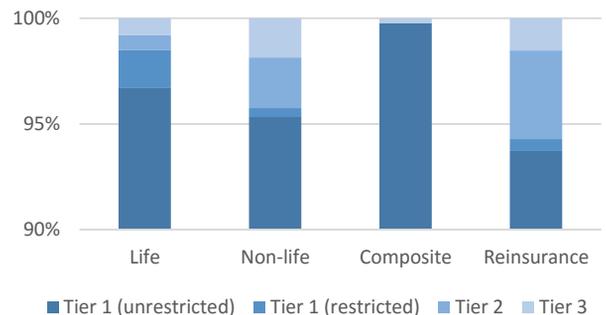


A key milestone in meeting our commitment to transparency was the publication, on 20 August 2017, of the first set of annual aggregated statistical data under Solvency II. This publication includes a range of data on both supervised entities (solo undertakings and groups) and the Insurance Directorate of the Bank. The data on supervised entities builds on the significant volume of data already disclosed by the individual entities in their own, publically available, reports on solvency and financial condition. We encourage our stakeholders to engage with the published data, some examples of which are illustrated below.

Insurance landscape: number of undertakings



Eligible own fund by tier



By **Eoin Haugh**,  
Prudential analytics manager,  
Insurance Actuarial, Analytics  
and Advisory Division



<sup>1</sup> The Bank's supervisory disclosures under Solvency II can be found on the [Central Bank website](#).

# Retirement of the Blue Book

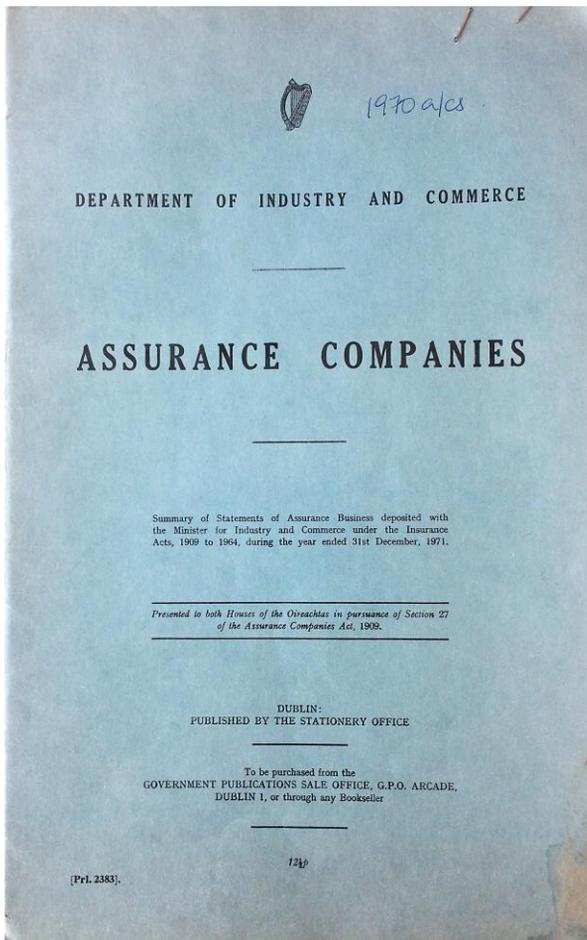
## Discontinuation of Annual Insurance Statistics Publication

With the transition from Solvency I to Solvency II, the Central Bank will cease production of the annual Insurance Statistics publication, known at one time as the “Blue Book”. This publication was unique to Ireland, and unique to the Central Bank in terms of publishing individual firm information. It was only possible to produce as the information shared within it was available through the Companies Registration Office (CRO). This is not the case for the full Solvency II returns.

Solvency II though does bring with it a new set of transparency standards. Chief amongst these is the Solvency & Financial Conditions Report (SFCR). The SFCR includes a detailed narrative report on the insurance undertaking coupled with key quantitative reporting templates that contain premiums, claims, expenses, technical provisions, solvency and other information. In many respects this information exceeds that which was available on a firm-by-firm nature in the Insurance Statistics publication due to the breadth of the information involved.

In order to continue its role in giving an overview of the industry, the intention is to develop a portal to providing access to all SFCRs that we have received. Work has begun on the technical preparations and it is intended to make the SFCR library available on our website before year-end.

By **Dr. Allan Kearns** – Head of Analytics, Insurance Supervision.



**INSURANCE COMPENSATION FUND**

RECEIPTS AND PAYMENTS BY THE ACCOUNTANT OF THE COURTS OF JUSTICE DURING THE YEAR ENDED 30th NOVEMBER, 1970.

		£ s. d.			£ s. d.
Receipts into the Fund during the year ended 30th November, 1970			Payments out of the Fund during the year ended 30th November, 1970:		
Balance standing to credit of the Fund on 1st December, 1969	14,762 17 8		To the Official Liquidator of the Equitable Insurance Company Limited in respect of Policies of Insurance issued by the Equitable Insurance Company Limited and including costs and expenses incurred therein	3,244 4 3	
			Payments made under Section 2(7) of the Insurance Act, 1964	481 11 1	
			Balance standing to credit of the Fund on 30th November, 1970	11,037 2 4	
	£14,762 17 8			£14,762 17 8	

(Sgd.) M. GRMOND.  
Accountant of the Courts of Justice.

**IRISH COMPANIES**

SUMMARY OF STATEMENTS OF ASSURANCE BUSINESS OTHER THAN LIFE ASSURANCE BUSINESS FOR THE YEAR 1970

REVENUE ACCOUNTS

NAME OF COMPANY	INCOME										EXPENSES									
	Balance at beginning of Year			Premiums			Interest on Investments		Miscellaneous Income		Change Post-Installation		Commission		Expenses on Policy		Miscellaneous Expenses		Balance at end of Year	
	For Unexpired Policy Periods	Estimated Additional Income	Balance	Written	Out of Contract	Interest	Dividend	Income	Out of Contract	Written	Out of Contract	Written	Out of Contract	Written	Out of Contract	Written	Out of Contract	Written	Out of Contract	
<b>FIRE INSURANCE BUSINESS</b>																				
1. F. D. Assurance Company, Ltd.*	1,000,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
2. The Insurance Corporation of Ireland, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
5. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
6. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TOTALS	1,000,000	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>ACCIDENT INSURANCE BUSINESS</b>																				
1. F. D. Assurance Company, Ltd.*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
2. The Insurance Corporation of Ireland, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
5. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
6. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TOTALS	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>EMPLOYERS' LIABILITY INSURANCE BUSINESS</b>																				
1. F. D. Assurance Company, Ltd.*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
2. The Insurance Corporation of Ireland, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
5. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
6. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TOTALS	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
<b>MISCELLANEOUS CLASSES OF ASSURANCE BUSINESS</b>																				
1. F. D. Assurance Company, Ltd.*	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
2. The Insurance Corporation of Ireland, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
3. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
4. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
5. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
6. Irish Commercial Union Assurance Company, Limited	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
TOTALS	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	

\* Accounts for year ended 30 June, 1971.

† Accounts for year ended 31 December, 1970.

‡ See note 8 to Table 910.

# CBI Updates



## Appointments of Ed Sibley as Deputy Governor and Derville Rowland as Director General, Financial Conduct

Earlier this year the Central Bank of Ireland Commission [approved the restructuring](#) of the Central Bank's Financial Regulation functions. The restructure will ensure that the Central Bank is suitably equipped to meet its expanded regulatory mandate. The financial regulation functions are now organised under two pillars - Prudential Regulation and Financial Conduct. We are very pleased to announce the appointment of Ed Sibley to the role of Deputy Governor (Prudential Regulation) and the appointment of Derville Rowland to the newly created role of Director General (Financial Conduct). Following the [announcement of their appointments](#) both Ed and Derville took up their new positions on 1 September 2017.



As Deputy Governor, Prudential Regulation, Ed is responsible for the supervision of credit institutions, insurance firms and the asset management industry. The Deputy Governor, Prudential Regulation is a statutory position and Ed will be an ex officio member of Commission and responsible for the Central Bank's representation at the Single Supervisory Mechanism (SSM), the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA).

As Director General, Financial Conduct, Derville is responsible for consumer protection, securities and markets supervision and enforcement. The Director General, Financial Conduct will also be responsible for the Bank's representation at European Securities and Markets Authority (ESMA).



## Appointment of Marie Louise Delahunty as Head of Division - Insurance Supervision



Marie Louise Delahunty has been appointed to the role of Head of Division - Insurance Supervision. Marie Louise will lead the Insurance Supervision Division which oversees the prudential supervision of over 230 insurance companies across the life, non-life and reinsurance sectors.

Marie Louise has worked in the Insurance Directorate since 2010 and most recently held the role of Head of Function for the Non Life Insurance Sector. Prior to joining the Central Bank Marie Louise spent 10 years with Pricewaterhouse Coopers in their assurance practice. Marie Louise is a member of the Institute of Chartered Accountants Ireland and also acts as the Central Bank representative on the Pensions Council.

# CBI Updates



## National Specific Templates

Since Q1 2016, the Central Bank has been receiving national specific reporting templates (“NSTs”). These NST’s address requirements specific to the local market and/or the nature of insurance undertakings supervised in Ireland and which are not catered for in the set of Solvency II harmonised reporting templates. Based on the experience from reporting to date, the Central Bank is introducing a number of amendments to the NSTs.

A summary of the forthcoming changes are set out in the table below; please refer to the Central Bank website for additional information, including the revised business templates for the NSTs. The required changes to the NST taxonomy to facilitate these changes will be published in November 2017, including a revised list of taxonomy validations.

Template	Main changes
<b>NST.01</b>	<ul style="list-style-type: none"> <li>Inclusion of additional fields to capture opening and closing IFRS technical provisions</li> </ul>
<b>NST.03</b>	<ul style="list-style-type: none"> <li>The “other motor insurance” field will be replaced by two new fields, namely: “Private Motor Own Damage” and “Commercial Motor Own Damage”.</li> <li>The split of “General Liability” will be made consistent across these templates. All templates will use a two-way split between ‘Employer’s Liability’ and ‘Public Liability’.</li> </ul>
<b>NST.04</b>	
<b>NST.05</b>	<ul style="list-style-type: none"> <li>The currency option will be removed, as templates should only be submitted in reporting currency (NST.04 only).</li> </ul>
<b>NST.06</b>	
<b>NST.07</b>	

Further details on the Central Bank’s NST framework can be found [here](#) on the Central Bank website

## Update on NST.13 – Statistical Returns

NST.13 feeds into securities holding statistics by reconciling the head-office and branch split. The quality of data provided by Insurance firms within this return is generally of a high standard. However, there are a number of ways this data could be enhanced further:

- The [notes on compilation](#) for NST.13 provide comprehensive information on reporting requirements of this template. Please review them with particular reference to Page 4 ‘Clarifications’ so as to enhance your own understanding and to reduce data quality issues.
- ISIN reporting provides a high degree of transparency and is therefore the most preferable for transparency and consistency purposes. Approximately 95 percent of firms utilize this. The use of internal codes by reporters with investment funds holdings is significantly high and there may be ISINs available to reduce these available within the investment fund portion of the list of the financial institutions. If ISINs are not available, then the ID may be found in the list of financial institutions. Both can be found on the ECB website [here](#).

Should you have any queries on the above, please contact [insurance.statistics@centralbank.ie](mailto:insurance.statistics@centralbank.ie).



# CBI Updates



## Joint Guidelines on Qualifying Holdings

In May 2017, the Joint Committee of the European Supervisory Authorities (which includes EIOPA) issued guidelines to competent authorities across the EU, including the Central Bank of Ireland. These guidelines are titled 'Joint Guidelines on the prudential assessment of acquisitions and increases of qualifying holdings in the banking, insurance and securities sectors' ("[the Guidelines](#)"). The Guidelines replace the previous EU-wide guidelines on the prudential assessment of acquisitions.

The Central Bank informed EIOPA of its intention to comply with the Guidelines with effect from the implementation date of 1 October 2017. A proposed acquirer should take note of the Guidelines when preparing the Acquiring Transaction Notification Form for submission to the Central Bank on or after 1 October 2017.

By **Miriam Brosnan**,  
Supervision Strategy Team,  
Insurance Actuarial, Analytics  
and Advisory Division



## Solvency & Financial Conditions Report

The initial reporting of the Solvency and Financial Conditions reports (SFCRs) was a significant milestone this year. The structure of the Reports laid down in the regulations is comprehensive. These reports cover key topics including the business, governance, risk management, valuation and capital management. One of the key responses to the financial crisis of a decade ago has been the introduction of additional reporting to inform all stakeholders of the key risks. For the Insurance sector, the SFCR is a key initiative in improving transparency to a much broader set of stakeholders than heretofore.

The Central Bank believes very much in the intention behind the SFCR Reports. To this end, we propose to compile a repository of all SFCRs on our website, and we are aiming to have that in place before the end of the year. We have reviewed the SFCRs copied to us. That programme of work is now complete. In this initial assessment, we have concentrated on adherence to the structure of the reports as laid down in the regulations as well as the completeness and accuracy of the appended templates. There are issues for a minority of firms arising with respect to the completeness of the Reports. We will be writing to that those firms shortly with these findings, and with a view to ensuring that a corrected SFCR will be available in time for inclusion in our public repository.

## Central Bank Questionnaire on Outsourcing Activities

The Central Bank will issue a cross-sectoral survey on outsourcing activities to regulated firms on Friday 13 October 2017. The responses to the survey will facilitate the Central Bank in obtaining a holistic baseline view of outsourcing arrangements, including associated risks, across all regulated sectors at a point in time. The survey data will also assist the Central Bank in ascertaining the extent, nature, concentration and complexity of outsourcing arrangements and emerging trends from a cross-sectoral perspective.

A number of briefings to sector industry bodies will take place in advance of the survey's release. Firms are requested to respond to the survey by 17 November. Any queries on the survey should be directed to your regular supervisory contact.

# EIOPA & International Updates



## Solvency II Amendment Regulations 2017

On 25 August 2017, the Minister for Finance published the [European Union \(Insurance and Reinsurance\) \(Amendment\) Regulations 2017](#) (the “Amending Regulations”). The Amending Regulations apply with immediate effect and introduce a number of important changes to the European Union (Insurance and Reinsurance) Regulations 2015 (“Solvency II Regulations”) and the Insurance Act 1989 (“Insurance Act”).

Key changes include the following:

- The introduction of an exemption from the application of the Solvency II Regulations for third country reinsurers carrying on reinsurance activity in Ireland;
- A requirement for reinsurance undertakings with a head office in Ireland to obtain the approval of the Central Bank before transferring all or any part of their portfolio to another undertaking. The supervisory authority of the home Member State of the accepting undertaking must certify that, taking the transfer into account, the undertaking possesses the necessary eligible own funds to meet the Solvency Capital Requirement under the Solvency II Regulations;
- Powers are granted to the Central Bank to impose, vary or revoke such condition(s) as it considers appropriate when authorising a branch of a third country insurance undertaking or at any time when such an authorisation is in effect;
- Insurance holding companies and mixed financial holding companies are now required to notify the Central Bank, within 5 working days, of any changes in those persons who effectively run such holding companies and must submit to the Central Bank all relevant information required by the Central Bank to assess the fitness and probity of any new persons appointed.
- Insurance companies to which the Solvency II Regulations apply are no longer required to comply with Section 14 (separation of assets and liabilities attributable to life assurance companies) and Section 15 (application of assets of undertakings transacting life assurance business) of the Insurance Act. This change will not apply to certain insurance undertakings that have ceased to conduct new insurance business and will be closing their activity.

By **Grainne Webb**,  
Senior Supervisor -  
Authorisations,  
Insurance Actuarial, Analytics  
and Advisory Division





# EIOPA Updates



## Recent EIOPA Publications/Speeches

- 5 July 2017 - EIOPA published their opinion on the [harmonisation of recover and resolution frameworks for \(Re\)insurers](#)
- 5 July 2017 – EIOPA shared a [summary from the EIOPA InsurTech Roundtable](#)
- 10 July – EIOPA press release on [the principles on supervisory approach to the relocations from the UK](#)
- 11 July 2017 - EIOPA published their opinion [on supervisory convergence in light of the UK withdrawal from EU](#)
- 28 July 2017 – EIOPA published advice on [Packaged Retail and Insurance-Based Investment Products](#)
- 18 August 2017 – EIOPA published a [Q&A on regulation](#)
- 18 September 2017 - [EIOPA published a new set of Solvency II statistics on the European insurance sector](#)
- 25 September 2017 – EIOPA issued a [Survey to gather data from stakeholders for work on developing Q&As on the Insurance Distribution Directive](#)

## Spotlight On...



*Since EIOPA's establishment in 2010 the Central Bank of Ireland has seconded a number of its staff to assist with EIOPA's work on supervisory convergence and a common supervisory culture. In this issue we turn the spotlight on another of our current secondees, **Brian Looney**.*

Since joining the Central Bank in 2013, Brian has worked in various operational, supervisory and analytical roles. Brian initially supervised reinsurance firms but subsequently joined the Insurance Analytics Team following its creation in late-2015.

Earlier this year Brian took up a new role in EIOPA as a Seconded National Expert (SNE). Brian joined EIOPA's Studies & Statistics Team, some of whose functions and deliverables include:

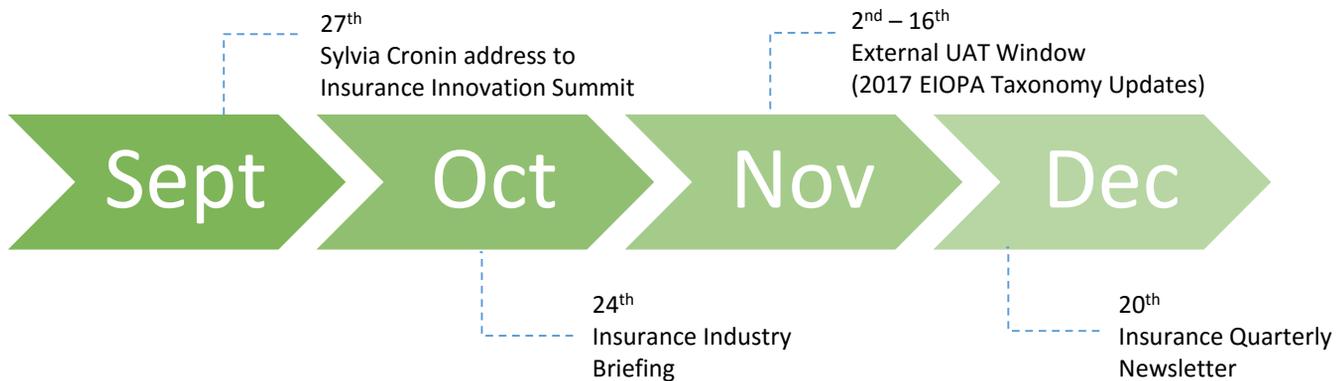
- horizontal Risk Analysis of the Insurance Industry based on the micro supervisory data contained in the Solvency II Quantitative Reporting Templates (QRTs). Brian and his EIOPA colleagues are tasked with interpreting and making the appropriate connections in the data in order to provide input to EIOPA's Oversight, Financial Stability and Policy Teams.
- producing and monitoring time series of indicators, reviewing portfolio allocation of insurers and identifying trends and vulnerabilities across the entire insurance sector in cooperation with EIOPA's Financial Stability and Business Intelligence Teams.
- publication and distribution of EIOPA statistics.
- executing thematic and sector specific studies.

Brian's role puts him in a unique position to see first-hand and to contribute to the statistical and analytical work being performed at a European level in the new data rich Solvency II environment.

# Publications & Forward Planner



## Upcoming Dates



## Recently Published

Date	Publication/Communication	Link
30 May 2017	Statement by Ed Sibley, Deputy Governor, Prudential Regulation, Oireachtas Committee on Finance, Public Expenditure and Reform, and Taoiseach	<a href="https://www.centralbank.ie/news/article/opening-statement-by-ed-sibley-director-of-credit-institutions-supervision-at-the-oireachtas-committee-on-finance-public-expenditure-and-reform-and-taoiseach">https://www.centralbank.ie/news/article/opening-statement-by-ed-sibley-director-of-credit-institutions-supervision-at-the-oireachtas-committee-on-finance-public-expenditure-and-reform-and-taoiseach</a>
22 June 2017	Speech by Derville Director General, Financial Conduct, at Milliman Seminar	<a href="https://www.centralbank.ie/news/article/enforcement-insights-attitudes-and-behaviours-derville-rowland">https://www.centralbank.ie/news/article/enforcement-insights-attitudes-and-behaviours-derville-rowland</a>
29 June 2017	Discussion Paper on the Consumer Protection Code and the Digitalisation of Financial Services.	<a href="https://www.centralbank.ie/news/article/discussion-paper-on-the-consumer-protection-code-and-the-digitalisation-of-financial-services-published">https://www.centralbank.ie/news/article/discussion-paper-on-the-consumer-protection-code-and-the-digitalisation-of-financial-services-published</a>
28 July 2017	Publication from the Gibraltar Financial Services Commission in relation to Elite Insurance Company	<a href="https://www.centralbank.ie/news/article/statement---elite-insurance-company">https://www.centralbank.ie/news/article/statement---elite-insurance-company</a>
22 September 2017	Sylvia Cronin, Director of Insurance Supervision speaking at PwC/Insurance Ireland CEO Breakfast Briefing	<a href="https://www.centralbank.ie/news/article/transparency-and-the-drive-for-supervisory-convergence-sylvia-cronin">https://www.centralbank.ie/news/article/transparency-and-the-drive-for-supervisory-convergence-sylvia-cronin</a>
27 September 2017	Sylvia Cronin, Director of Insurance Supervision speaking at the Insurance Innovation Summit	<a href="https://www.centralbank.ie/news/article/digital-technology-cyber-risk-as-core-disruptor-sylvia-cronin">https://www.centralbank.ie/news/article/digital-technology-cyber-risk-as-core-disruptor-sylvia-cronin</a>

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