

Consultation on draft revised ICP 14

Survey response 1

Information

Please provide your information:
Name: - Amali Seneviratne E-mail address: - amali.seneviratne@actuaries.org Name of jurisdiction: - International Name of organisation: - International Actuarial Association (IAA)
Do you agree with your responses being made public on the IAIS website?
Yes

General comments on Introductory Guidance - Application

Comment on guidance CP 14.0.1
The IAA agrees that ICP14 is generally fit for purpose but thinks that risks that are now emerging mean that there are some areas in which the ICP could be developed.
Comment on guidance CP 14.0.2
Comment on guidance CP 14.0.3
Comment on guidance CP 14.0.4
Comment on guidance CP 14.0.5
Comment on guidance CP 14.0.6
Comment on guidance CP 14.0.7

General comments on Introductory Guidance - Solvency purposes

Comment on guidance CP 14.0.8
Comment on guidance CP 14.0.9
Comment on guidance CP 14.0.10
Comment on guidance CP 14.0.11

General Comments on standards and guidance

Comment on standard 14.1
Comment on guidance CP 14.1.1
Comment on guidance CP 14.1.2
Comment on guidance CP 14.1.3
Comment on guidance CP 14.1.4
Comment on guidance CP 14.1.5
Comment on standard 14.2
Comment on guidance CP 14.2.1
Comment on guidance CP 14.2.2
Comment on guidance CP 14.2.3
Comment on guidance CP 14.2.4
Comment on guidance CP 14.2.5
Comment on standard 14.3
Comment on guidance CP 14.3.1
Comment on guidance CP 14.3.2
Comment on guidance CP 14.3.3
Comment on guidance CP 14.3.4
Emphasis is given to objective calculations but often given the uncertainty in data and risk exposures some subjectivity is inevitable so this paragraph may need to be reviewed or expanded to give a clearer explanation of what is intended.
Comment on guidance CP 14.3.5
Comment on guidance CP 14.3.6

Comment on guidance CP 14.3.7

Comment on guidance CP 14.3.8

Comment on guidance CP 14.3.9

Comment on guidance CP 14.3.10

Comment on guidance CP 14.3.11

Comment on guidance CP 14.3.12

Comment on standard 14.4

Comment on guidance CP 14.4.1

Comment on guidance CP 14.4.2

Comment on guidance CP 14.4.3

Comment on guidance CP 14.4.4

In the current environment it can be difficult to know how much current asset valuations allow for the risks associated with climate change.

Comment on guidance CP 14.4.5

Comment on guidance CP 14.4.6

Comment on guidance CP 14.4.7

Comment on guidance CP 14.4.8

Comment on guidance CP 14.4.9

Comment on guidance CP 14.4.10

Comment on guidance CP 14.4.11

Comment on guidance CP 14.4.12

Comment on guidance CP 14.4.13

Comment on guidance CP 14.4.14

Comment on guidance CP 14.4.15

Comment on guidance CP 14.4.16

Comment on guidance CP 14.4.17

Comment on standard 14.5

Comment on guidance CP 14.5.1

Comment on guidance CP 14.5.2

Comment on guidance CP 14.5.3

Comment on standard 14.6

Comment on guidance CP 14.6.1

Comment on guidance CP 14.6.2

The uncertainty regarding liabilities can not only result from uncertainty in loss estimates in outstanding claims but also can arise from the impact of outstanding litigation in relation to claims directly or due to challenges on policy terms and conditions as was experienced during the Covid pandemic.

Comment on guidance CP 14.6.3

Comment on guidance CP 14.6.4

While potential termination points should be taken into account in setting contract boundaries, it would be wrong to force a contract boundary at such a point. An economic valuation of an insurance liability requires that we consider multiple possible futures for the contract, and if it is possible that a contract would be continued through a possible termination point, cash-flows beyond that point should be taken into account.

Comment on guidance CP 14.6.5

Comment on guidance CP 14.6.6

Comment on guidance CP 14.6.7

Comment on guidance CP 14.6.8

Comment on guidance CP 14.6.9

Comment on guidance CP 14.6.10

Comment on guidance CP 14.6.11

Comment on guidance CP 14.6.12

The availability of accumulated profits to mitigate losses may be constrained by considerations of fairness or "consumer duty "

Comment on guidance CP 14.6.13

Comment on guidance CP 14.6.14

Comment on guidance CP 14.6.15

Comment on guidance CP 14.6.16

Comment on guidance CP 14.6.17

Comment on guidance CP 14.6.18

Comment on guidance CP 14.6.19

Comment on standard 14.7

Comment on guidance CP 14.7.1

Comment on guidance CP 14.7.2

Comment on guidance CP 14.7.3

Comment on guidance CP 14.7.4

Comment on guidance CP 14.7.5

Comment on guidance CP 14.7.6

Comment on guidance CP 14.7.7

Comment on standard 14.8

Comment on guidance CP 14.8.1

Comment on guidance CP 14.8.2

Comment on guidance CP 14.8.3

Comment on guidance CP 14.8.4

Comment on guidance CP 14.8.5

Comment on guidance CP 14.8.6
Comment on guidance CP 14.8.7
Comment on guidance CP 14.8.8
Comment on guidance CP 14.8.9
Comment on guidance CP 14.8.10
Comment on standard 14.9
Comment on guidance CP 14.9.1
Comment on guidance CP 14.9.2
Comment on guidance CP 14.9.3
Comment on guidance CP 14.9.4
Comment on guidance CP 14.9.5
Comment on guidance CP 14.9.6
Comment on standard 14.10
Comment on guidance CP 14.10.1
Comment on guidance CP 14.10.2
Comment on guidance CP 14.10.3

General comments on Glossary terms related to ICP 14

Comment on definition of current estimate
Comment on definition of margin over current estimate
Comment on definition of market-consistent valuation
Comment on definition of technical provisions