Understanding Solvency Ii What Is Different After January 2016

This book explores the profound transformation that has taken place in European insurance legislation since January 2016. Expert contributions discuss the changes that have taken place in the supervision of insurance and reinsurance undertakings through an economic risk-based approach. They outline the European insurance market before going on to show how Solvency II and Insurance Distribution Directive (IDD) are expected to generate significant benefits and have a positive impact on all parties involved in the insurance industry, the supervisory authorities and the insured. They also show how Solvency II is likely to benefit the economy as a whole, promoting more efficient allocation of capital and risk in a financial stability framework. This volume will be of interest to academics and researchers in the field of insurance regulation.

"This paper compares solvency capital requirements under Solvency I and Solvency II for a sample mid-size insurance portfolio. According to the results of a study, changing the solvency capital regime from Solvency I to Solvency II will lead to a substantial additional solvency capital requirement that might represent a heavy burden for the company's shareholders. One way to reduce the capital requirement under Solvency II is to increase reinsurance protection, which will reduce the net retained risk exposure and hence also the solvency capital requirement. Therefore, this paper proposes an extended reinsurance structure that, under Solvency II, brings the capital requirement back to the level of that required under Solvency I. In a step-by-step approach, the paper demonstrates the extent of solvency relief attained by the insurer by applying different possible adjustments in the reinsurance structure. To evaluate the efficiency of reinsurance as the solvency capital relief instrument, the authors introduce a cost-of-capital based approach, which puts the achieved capital relief in relation to the costs of extending the reinsurance protection. This approach allows a direct comparison of reinsurance as a capital relief instrument with debt instruments available in the capital market. With the help of the introduced approach, the authors show that the best capital relief efficiency under all examined reinsurance alternatives is achieved when a financial quota share contract is chosen for proportional reinsurance"--Abstract.

Solvency II has been introducing new ways for calculating the technical provisions. The book deals with life insurance. These new techniques are shared within EU and nevertheless they are destined to influence the insurance market worldwide during the next years because there are plenty of new ideas. Technical provisions are shaped in a way that makes easy the analysis of risks, their contributions to the capital required in order to manage the business, their diversifications within a portfolio of different types of assets and insurance liabilities. Solvency II is changing the pricing of life products and the actions that the management bodies of the Undertakings put in place for facing risks and the volatility of profits. The book explains the best estimate and the risk margin, the underlying principles and proposes solutions for the calculations. It deals with stochastic runs, policyholder behaviour, risk mitigation provided by reinsurance. It introduces the loss functions as tool for projecting profits and potential losses. The book describes as well as how the taxes affect the balance sheet through their links with the technical provisions.

How robust are your current processes and Solvency II capabilities and how many of do you use? Is the international convergence of capital adequacy regulation desirable? Do services continue during the complaint and grievance process? How do capital requirements change? How far have the preparations for Solvency II got in the market as a whole? Defining, designing, creating, and implementing a process to solve a challenge or meet an objective is the most valuable role... In EVERY group, company, organization and department. Unless you are talking a one-time, single-use project, there should be a process. Whether that process is managed and implemented by humans, AI, or a combination of the two, it needs to be designed by someone with a complex enough perspective to ask the right questions. Someone capable of asking the right questions and step back and say, 'What are we really trying to accomplish here? And is there a different way to look at it?' This Self-Assessment empowers people to do just that - whether their title is entrepreneur, manager, consultant, (Vice-)President, CxO etc... - they are the people who rule the future. They are the person who asks the right questions to make Solvency II investments work better. This Solvency II All-Inclusive Self-Assessment enables You to be that person. All the tools you need to an in-depth Solvency II Self-Assessment. Featuring 2204 new and updated case-based questions, organized into seven core areas of process design, this Self-Assessment will help you identify areas in which Solvency II improvements can be made. In using the questions you will be better able to: - diagnose Solvency II projects, initiatives, organizations, businesses and processes using accepted diagnostic standards and practices - implement evidence-based best practice strategies aligned with overall goals - integrate recent advances in Solvency II and process design strategies into practice according to best practice guidelines Using a Self-Assessment tool known as the Solvency II Scorecard, you will develop a clear picture of which Solvency II areas need attention. Your purchase includes access details to the Solvency II self-assessment dashboard download which gives you your dynamically prioritized projects-ready tool and shows your organization exactly what to do next. You will receive the following contents with New and Updated specific criteria: - The latest quick edition of the book in PDF - The latest complete edition of the book in PDF, which criteria correspond to the criteria in... - The Self-Assessment Excel Dashboard - Example pre-filled Self-Assessment Excel Dashboard to get familiar with results generation - In-depth and specific Solvency II Checklists - Project management checklists and templates to assist with implementation INCLUDES LIFETIME SELF ASSESSMENT UPDATES Every self assessment comes with Lifetime Updates and Lifetime Free Updated Books. Lifetime Updates is an industry-first feature which allows you to receive verified self assessment updates, ensuring you always have the most accurate information at your fingertips.

As the deadline for Solvency II approaches, affected entities will find implementing the required policies into everyday practices becomes a major focus. The second edition of Solvency II: Stakeholder Communications and Change, explains how to prepare for and negate the associated risks. Gabrielle O'Donovan uses her research and the latest industry developments to demonstrate how to approach stakeholder communications and change management in a structured and disciplined way, framed by the EU Directive's governance requirements. She shows how to use a variety of tools and techniques to engage people with change and embed new ways of doing things. She also reveals how to entrench risk consciousness into your culture, helping you secure Solvency II approval and operate successfully in the Solvency II world.

The Solvency II Handbook brings together some of the best known and most renowned experts in insurance risk management to provide a detailed examination of the main requirements and impacts of Solvency II to insurers and reinsurers.

Capital Requirements, Disclosure, and Supervision in the European Insurance Industry provides an in-depth analysis of Solvency II's issues by combining both a theoretical approach and evidence of the empirical implications and effects on the European insurance industry.

A straightforward guide to the evolution, benefits, and implementation of Solvency II Providing a guide to the evolution, practice, benefits, and implementation of Solvency II, Executive?s Guide to Solvency II deftly covers this major European regulation which ensures that insurers can meet their risk–based liabilities over a one–year period to a 99.5% certainty. Part of the Wiley and SAS Business series, this book will guide you through Solvency II, especially if you need to understand the subtleties of Solvency II and risk–based capital in basic business language. Among the topics covered in this essential book are: Background to Solvency II Learning from the Basel Approach The Economic Balance Sheet Internal Models People, Process, and Technology Business Benefits of Solvency II Executive?s Guide to Solvency II has as its aim an explanation for executives, practitioners, consultants, and others interested in the Solvency II process and the implications thereof, to understand how and why the directive originated, what its goals are, and what some of the complexities are. There is an emphasis on what in practice should be leveraged upon to achieve implementation, specifically data, processes, and systems, as well as recognition of the close alignment demanded between actuaries, the risk department, IT, and the business itself.

Under the Solvency II directive, insurance companies are required to calculate their Solvency Capital Requirement (SCR) in order to prove to supervisors, policyholders and beneficiaries that they have a high enough level of funds to absorb significant losses and to make payments as they fall due. They have a choice between a standard formula and an internal model in calculating their SCR. Many companies favour internal models as they are more risk-sensitive, capture individual risk profiles and therefore reduce the capital requirements placed on insurance companies by Solvency II. However, internal models are subject to approval by supervisory bodies. Insurance companies need to demonstrate that their internal model meets the use test, statistical quality standards, calibration standards, validation standards and documentation standards. Internal Models and Solvency II clarifies the requirements for practitioners and senior executives by providing regulatory and practical insight into internal models. Perspectives from both the supervisory and industry side gives unique insight into the spirit and rationale of the requirements, and are complemented by practical solutions to the daily challenges faced when reviewing and implementing internal models. Edited by Paolo Cadoni, currently Technical Head of the Insurance Policy Department at the Prudential Regulation Authority, this book provides support and solutions for the managers charged with implementing and validating their companies' internal models, helping readers to ensure the compliance of their models. Insurance supervisors will also be able to use this book to clarify the requirements when reviewing internal model applications. Internal Models and Solvency II gives readers a wider understanding of the history, challenges, philosophy, and future prospects of Solvency II internal models

The aim of the book is to provide an overview of risk management in life insurance companies. The focus is twofold: (1) to provide a broad view of the different topics needed for risk management and (2) to provide the necessary tools and techniques to concretely apply them in practice. Much emphasis has been put into the presentation of the book so that it presents the theory in a simple but sound manner. The first chapters deal with valuation concepts which are defined and analysed, the emphasis is on understanding the risks in corresponding assets and liabilities such as bonds, shares and also insurance liabilities. In the following chapters risk appetite and key insurance processes and their risks are presented and analysed. This more general treatment is followed by chapters describing asset risks, insurance risks and operational risks - the application of models and reporting of the corresponding risks is central. Next, the risks of insurance companies and of special insurance products are looked at. The aim is to show the intrinsic risks in some particular products and the way they can be analysed. The book finishes with emerging risks and risk management from a regulatory point of view, the standard model of Solvency II and the Swiss Solvency Test are analysed and explained. The book has several mathematical appendices which deal with the basic mathematical tools, e.g. probability theory, stochastic processes, Markov chains and a stochastic life insurance model based on Markov chains. Moreover, the appendices look at the mathematical formulation of abstract valuation concepts such as replicating portfolios, state space deflators, arbitrage free pricing and the valuation of unit linked products with guarantees. The various concepts in the book are supported by tables and figures.

A complete practical guide to the provisions, implications and practical effects of the Solvency II Directive, how it impacts on insurance firms and their day-to-day operations and systems and controls. The book will give practical guidance on preparation for the new regime and ongoing compliance, and will include examples and flow charts to aid understanding

The huge importance of the insurance sector about the European economy enforced the European Commission to undertake general improvement of the existing legislation. Through the new Solvency II Directives there are going to be implemented new market-based approaches for evaluation of the assets and liabilities. Moreover, better and more sophisticated risk management techniques are going to be used. Substantial part of the new law is the implementing of the so called Solvency Capital Requirement which is strongly dependent on the risk profile of the undertaking. New, more major role is given to the supervisory authorities who are supposed to control the firms in the insurance sector. Undoubtedly the new legislation framework will influence not only the companies but also the policyholders, because of the strict rules which are implied. The protection of the customers is one of the main objectives. Through new products these all duties will be met.

Solvency II is the new European Union regime that regulates the solvency requirements for EU insurers and reinsurers. Solvency II aims to reduce the risk that an insurer would be unable to meet claims, to provide early warning to supervisors so that they can intervene promptly if capital falls below the required level, and to promote confidence in the financial stability of the insurance sector. Solvency II not only sets out the minimum capital requirements to guarantee policyholder protection, but also includes measures to stimulate risk management and good governance and to improve transparency. While the Solvency I regime only sets basic solvency standards, Solvency II has a much wider scope. Solvency II aims to unify the regulation of the European insurance market, as well as to increase policyholder protection. And, as suggested by this book's subtitle, Solvency II is good because: it improves the protection of policyholders, it creates an incentive for good risk management, it recognizes the economic reality of a group, it establishes market transparency, and it provides for a modern risk based supervisory regime. The book provides a thorough and well structured overview of the new regulatory regime and how it will affect insurers, re-insurers, and other market participants, including policyholders. The book's author, who was closely involved in the making of Solvency II, offers all the necessary insights and explanations to better understand this new regulation. The book is written for a wide audience, from the non-expert who wants to gain more insight in the complex world of insurance and Solvency II, to the specialist who will find the book is a very interesting and helpful reference work. It will be useful for risk managers, actuaries, accountants, lawyers, consultants, regulators, academics, students, and, more generally, all those interested in insurance and in the operation of the insurance market. [Subject: EU Law, Insurance Law]

"Solvency II represents a substantial overhaul of European insurance regulation. It will set out new, stronger EU-wide requirements on capital adequacy and risk management for insurers with the key aim of increasing policyholder protection. The strengthened regime should reduce the possibility of consumer loss or market disruption in insurance. Solvency II will replace the current disparate solvency requirements with a harmonised regime, providing consistent prudential regulation across the EU."--Summary.

As of 1 January 2016, European insurance and reinsurance undertakings are subject to a new EU regulatory and supervisory regime, called Solvency II. Solvency II is a harmonized prudential framework, with requirements for risk-based capital, governance and risk management, public disclosure and supervisory reporting.00The Solvency II framework consists of several levels:0? the 2009 Framework Directive, including the basic principles of Solvency II (level 1);0? the implementing measures: the 2015 Commission Delegated Regulation, which further develops the principles laid down in the Framework Directive; a series of Commission Implementing Regulations detailing implementing technical standards; and a limited number of Commission Delegated Decisions granting equivalence (level 2);0? the Guidelines, issued by the European Insurance and Occupational Pensions Authority (EIOPA), applicable on a comply or explain basis (level 3).00This book contains all Solvency II primary source material: the coordinated Solvency II Framework Directive, the coordinated implementing measures, and the EIOPA Guidelines. A coordinated version of the recently amended EIOPA Regulation has been added to make this compilation practical and complete. The coordinated Regulation on sustainability?related disclosures in the financial services sector is included as addendum as this Regulation supplements the provisions of the Solvency II Framework Directive.

Until now there were no published analyses of the recent solvency work conducted in Europe, specifically the risk categories proposed by the International Actuarial Association (IAA). Answering the insurance industry's demand in the wake of the EU Solvency II project, Solvency: Models, Assessment and Regulation provides a concrete summary and review of solvency and inspires additional work in the field. Following an introduction to the concept, the first section of the book provides a historical review of solvency, detailing solvency regulation and accounting within the EU. A review of the steps leading to Solvency II looks at accounting, supervision, the actuarial field, the first phase of

Solvency II, international approaches to banking, and the solvency systems of 12 major nations. The second section explores the current basis for solvency modeling, focusing on the valuation of assets and liabilities, dependency and various conservative approaches, as well as a baseline and benchmark approach. This section also provides examples of risk structure and the effects of diversification. The final section discusses groups and internal modeling as it relates to EU Solvency II. It addresses insurance groups, financial conglomerates, reinsurance, the importance of internal modeling and stress testing, and the current state of the second phase of EU Solvency II.

The Knowledge Solution. Stop Searching, Stand Out and Pay Off. The #1 ALL ENCOMPASSING Guide to Solvency II Directive. An Important Message for ANYONE who wants to learn about Solvency II Directive Quickly and Easily... ""Here's Your Chance To Skip The Struggle and Master Solvency II Directive, With the Least Amount of Effort, In 2 Days Or Less..."" The Solvency II Directive 2009/138/EC is an EU Directive that codifies and harmonises the EU insurance regulation. Primarily this concerns the amount of capital that EU insurance companies must hold to reduce the risk of insolvency. Once the Omnibus II directive is approved by the European Parliament, Solvency II will be scheduled to come into effect on 1 January 2013. Get the edge, learn EVERYTHING you need to know about Solvency II Directive, and ace any discussion, proposal and implementation with the ultimate book - guaranteed to give you the education that you need, faster than you ever dreamed possible! The information in this book can show you how to be an expert in the field of Solvency II Directive. Are you looking to learn more about Solvency II Directive? You're about to discover the most spectacular gold mine of Solvency II Directive materials ever created, this book is a unique collection to help you become a master of Solvency II Directive. This book is your ultimate resource for Solvency II Directive. Here you will find the most up-to-date information, analysis, background and everything you need to know. In easy to read chapters, with extensive references and links to get you to know all there is to know about Solvency II Directive right away. A quick look inside: Solvency II Directive, Alcohol exclusion laws, California Insurance Equality Act, Flood Insurance Reform Act of 2004, Health Insurance Portability and Accountability Act, Incapacity Benefit, Life Assurance Act 1774, McCarran-Ferguson Act, New York Disability Benefits Law, Newborns' and Mothers' Health Protection Act, Paid family leave, Paid Family Leave (California), SustiNet, Swiss Solvency Test, Terrorism Risk Insurance Act, Unemployment Act 1934, Unemployment Insurance Act 1920, Unemployment Insurance Act 1921, Unemployment Insurance Act 1924, Unemployment Insurance Act 1927, Unemployment Insurance Act 1930 ...and Much, Much More! This book explains in-depth the real drivers and workings of Solvency II Directive. It reduces the risk of your technology, time and resources investment decisions by enabling you to compare your understanding of Solvency II Directive with the objectivity of experienced professionals - Grab your copy now, while you still can.

Master's Thesis from the year 2015 in the subject Business economics - Banking, Stock Exchanges, Insurance, Accounting, grade: -, University of Frankfurt (Main), language: English, abstract: The Solvency II Directive, which will come into effect from January 2016, is a very important project of the European insurance industry. It will set new rules to the European insurance business. Because of being the biggest insurance market of the world - European insurers generate more than € 1,100 bn p.a. and invest around € 8,600 bn in the economy - the new directive will also act as a signal for the worldwide regulation of insurance companies. So it is also intended to have a framework, which is in line with the international developments in solvency, risk management, supervisory and accounting. After 15 years of planning and development the regulation is now implemented step-by-step. The aim of the EU Solvency II Directive is to prevent insurers from becoming insolvent. For this purpose, among other things, a uniform capital adequacy for all European insurance companies is provided. Core of the proposed amendments with respect to the investment is that eligible capital at any time must be higher than the calculated risk. One of the main parts of the Solvency II project is the determination of the capital requirements. The idea is to asses both the assets and the liabilities with the aim of a more realistic modelling and assessments of the risk to which an insurer may be exposed to. The solvency capital requirements (SCR) for an one year horizon is then calculated on the 99.5% Value-at-Risk. The determined SCR answers the question how much capital is required today to cover losses, which may occur during the next 12 months, with a probability of 99.5%. For the calculation of the SCR the insurer can choose between standard model, internal models or a hybrid model. Since internal models allow a better assessment of the companies risk than the standard model, insurers are encouraged to implement such stochastic internal models. But the implementation of internal model is as well costly as sophisticated. That is why the European Commission with support of the Committee of Insurance and Occupational Pension Supervisors (CEIOPS) has established a scenario based standard model. The standard model defines in a first step different sub modules (e.g. market risk, operational risk) for which the capital requirements are calculated. The different SCR's are "then aggregated under the assumption of a multivariate normal distribution with prespecified correlation matrices to allow for diversification effects". [...]

Risk management for financial institutions is one of the key topics the financial industry has to deal with. The present volume is a mathematically rigorous text on solvency modeling. Currently, there are many new developments in this area in the financial and insurance industry (Basel III and Solvency II), but none of these developments provides a fully consistent and comprehensive framework for the analysis of solvency questions. Merz and Wüthrich combine ideas from financial mathematics (no-arbitrage theory, equivalent martingale measure), actuarial sciences (insurance claims modeling, cash flow valuation) and economic theory (risk aversion, probability distortion) to provide a fully consistent framework. Within this framework they then study solvency questions in incomplete markets, analyze hedging risks, and study asset-and-liability management questions, as well as issues like the limited liability options, dividend to shareholder questions, the role of re-insurance, etc. This work embeds the solvency discussion (and long-term liabilities) into a scientific framework and is intended for researchers as well as practitioners in the financial and actuarial industry, especially those in charge of internal risk management systems. Readers should have a good background in probability theory and statistics, and should be familiar with popular distributions, stochastic processes, martingales, etc.

This book illustrates the EU-wide Solvency II framework for the insurance industry, which was implemented on January 1, 2016, after a long project phase. Analogous to the system for banks, it is based on three pillars and the authors analyze the complete framework pillar by pillar with a consistent data model for a non-life insurer, which was developed by the Research Group Financial & Actuarial Risk Management (FaRis) at the Institute for Insurance Studies of the TH Köln - University of Applied Sciences. The book leverages the long-standing and close cooperation between the University of Limerick (Ireland) and the Institute for Insurance Studies at TH Köln - University of Applied Sciences (Germany).

Ever-increasing attacks against individual and corporate finances over the past few decades prompt swift action from the realm of financial management. Advances in protection as well as techniques for controlling these disasters is instrumental for financial security and threat prevention. Six Sigma Improvements for Basel III and Solvency II in Financial Risk Management: Emerging Research and Opportunities explores the theoretical and practical aspects of Six Sigma DMAIC methods and tools to improve the financial risk management process and applications within finance, research and development, and software engineering. Featuring coverage on a broad range of topics such as controlling VAR, financial institution evaluations, and global limit systems, this book is ideally designed for financial managers, risk managers, researchers, and academics seeking current research on financial risk management to ensure that uncertainty does not affect, or at least has a minimal impact on, the achievement of goals within a financial institution.

This fully updated user-friendly second edition will quickly help you get to grips with risk management terms and techniques, and how they relate specifically to the insurance industry. It also demonstrates how Solvency II is already shaping the regulatory agenda and its likely impact on the insurance industry.

"There is growing empirical evidence that the complexity of financial markets makes it increasingly challenging for institutional investors to manage their asset/liability profile efficiently. Changes in the regulatory framework and in accounting rules make it even trickier for insurance companies. Against this backdrop, insurers have no choice but to rethink their overall investment policy. While the benefits of hedge fund strategies in asset liability management have been documented in the academic literature, the integration of these strategies into the global asset allocation of insurance companies may be jeopardised by recent developments on the regulatory front. We argue in this article that a Solvency capital requirement of 49% does not reflect the risks inherent in hedge fund strategies. We find that a capital charge of no more than 25% is deemed appropriate for a diversified hedge fund allocation, and conclude that hedge fund investing is appealing from both a risk-adjusted performance standpoint and a capital efficiency perspective. Contrary to the conventional wisdom, Solvency II could be a unique opportunity for hedge fund strategies to find their way into insurers' core portfolios."--Abstract.
The European system of insurance supervision under Solvency II constitutes a parallel to supervision of credit institutions under Basel III. At the heart of this new European insurance supervisory regime are the Solvency II Directive, the attendant regulation, and the EIOPA Regulation. The present volume, "Treatises on Solvency II", includes articles on the bases of European insurance supervision and the associated three pillars of solvency, governance, and disclosure, all viewed predominantly from a legal standpoint.
Reflecting the author’s wealth of experience in this field, Handbook of Solvency for Actuaries and Risk Managers: Theory and Practice focuses on the valuation of assets and liabilities, the calculation of capital requirement, and the calculation of the standard formula for the European Solvency II project. The first three sections of the book examine the solvency concept, historical development, and the role of solvency in an enterprise risk management approach. The text provides a general discussion on valuation, investment, and capital, along with modeling and measuring. It also covers dependence, risk measures, capital requirements, subrisks, aggregation, the main risks market, and credit, operational, liquidity, and underwriting risks. The last three sections focus on the European Solvency II project. Basing the material on CEIOPS final advice, the author presents the general ideas, valuation, investments, and funds of this project as well as the standard formula framework. He also includes all calibrations from previous quantitative impact studies and discusses the political progress of the project. A one-stop shop for actuaries and risk managers, this handbook offers a complete overview of solvency and the European Solvency II standard formula. It gives a clear definition and broad historical review of solvency and incorporates a comprehensive discussion of the theory behind the calculation of the capital requirement. Updates on solvency projects and issues are available at www.SolvencyII.nu
Achieving market consistency can be challenging, even for the most established finance practitioners. In Market Consistency: Model Calibration in Imperfect Markets, leading expert Malcolm Kemp shows readers how they can best incorporate market consistency across all disciplines. Building on the author's experience as a practitioner, writer and speaker on the topic, the book explores how risk management and related disciplines might develop as fair valuation principles become more entrenched in finance and regulatory practice. This is the only text that clearly illustrates how to calibrate risk, pricing and portfolio construction models to a market consistent level, carefully explaining in a logical sequence when and how market consistency should be used, what it means for different financial disciplines and how it can be achieved for both liquid and illiquid positions. It explains why market consistency is intrinsically difficult to achieve with certainty in some types of activities, including computation of hedging parameters, and provides solutions to even the most complex problems. The book also shows how to best mark-to-market illiquid assets and liabilities and to incorporate these valuations into solvency and other types of financial analysis; it indicates how to define and identify risk-free interest rates, even when the creditworthiness of governments is no longer undoubted; and it explores when practitioners should focus most on market consistency and when their clients or employers might have less desire for such an emphasis. Finally, the book analyses the intrinsic role of regulation and risk management within different parts of the financial services industry, identifying how and why market consistency is key to these topics, and highlights why ideal regulatory solvency approaches for long term investors like insurers and pension funds may not be the same as for other financial market participants such as banks and asset managers.
This book analyzes the impact of Solvency II. In recent years, EU legislators have sought to introduce fundamental reforms. Whether these reforms were indeed fundamental is critically investigated with regard to a post-crisis piece of financial legislation affecting the EU’s largest institutional investors: Solvency II. Namely, the last financial and economic crisis, the worst financial catastrophe of the last decade, revealed that financial law in particular was not sufficiently mature to maintain the existence of a robust and trust-worthy financial system that could protect society from economic decline. The work also makes concrete recommendations on achieving a more sustainable future. As such, it offers a valuable resource for anyone who is interested in the financial system, the EU political economy, insurance, sustainability, and Critical Legal Studies.
Das Buch beschäftigt sich eingehend mit den wesentlichen Aspekten des chinesischen Versicherungsaufsichtssystems, einschließlich der Festlegung von Regeln, der aufsichtsrechtlichen Ziele, des aufsichtsrechtlichen Überprüfungsprozesses, der Aufsichtsmaßnahmen, der aufsichtsrechtlichen Transparenz und der öffentlichen Konsultation. Das Ziel der Arbeit besteht darin, die Schwachstellen zu identifizieren, die dem chinesischen Versicherungsaufsichtsmodell und den Aufsichtsmechanismen innewohnen, und nach geeigneten Wegen zur Behebung dieser Schwachstellen zu suchen. Die Analyse erfolgt durch einen Vergleich mit den regulatorischen und aufsichtsrechtlichen Ansätzen im Rahmen der EU-Richtlinie Solvabilität II, die als Anhaltspunkt dienen, um die Ermittlung der vorgenannten Schwachstellen und der entsprechenden Resolutionen zu erleichtern. Dr. Wenyu Qian, LL.M., ist spezialisiert auf Versicherungs- und Bankrecht. Seit Jahren forscht er an den Universitäten in Frankfurt und Shanghai im Bereich des Finanzrechts. Sein aktuelles Forschungsinteresse gilt der Versicherungsregulierung.
Fabian Regele examines the appropriateness of the current regulatory treatment and the general suitability of unlisted infrastructure equity investments for the investment purposes of insurance companies. The employed valuation model of a stylized infrastructure asset delivers sound economic results and is consistent with the typical J-curve effect of the cumulative cash flows of these assets. In the context of a portfolio optimization, the infrastructure asset improves the insurance company’s solvency situation by lowering its default probability and increasing its solvency ratio. In regard to the asset’s risk contribution, there is a time-variant occurrence of certain risk channels during its lifecycle that leads to substantial differences in the risk exposure of the insurance company.
Diploma Thesis from the year 2011 in the subject Engineering - Industrial Engineering and Management, grade: 1,0, University of Kassel, language: English, abstract: It may appear somewhat hasty, asking for a lesson learned for a framework which has not yet been implemented. Taking another perspective, it even sounds implausible, to force an industry which has been very successful with managing risks for their customers in the past to use a new regulatory risk framework. Nevertheless, to question whether the lesson has been learned or the usefulness of the introduction of a new risk based regulatory framework, seems to be more up-to-date than it has ever been. The pace of our time is getting faster. “Nothing is as consistent as change” - these wise words uttered by Greek philosopher Pythagoras over 2500 years ago adequately describe today’s world in which change is rather the rule than the exception. The supervisory system for EU insurers which was proofed to be sufficient in 1997 was considered to be insufficient only five years later. Recently, the latest financial crisis has shown that the strength of companies is not a matter of balance sheet size anymore; it is rather the result of understanding the risk a company takes. The cutting-edge Solvency II framework is now going to replace the current existing supervisory system, adopting the latest developments for measuring risk in financial markets. However, with the recent financial crisis in mind, modern financial theories, investment strategies or risk measurement techniques look again like a fancy part of academia without any connection to the real financial world. Basel

II, the EU wide regulatory framework for banks which has failed to protect the banking industry from the risk arising in the financial markets, can be quoted as a good example for the necessity of a new framework. As a consequence, Basel III is being developed at the moment. One might be led to believe, that these issues do not concern the insurance industry. Insurers are long-term investors and usually follow a rather conservative investment policy. This did not protect them from losses but they were still able to sit out the last crisis, except for AIG which gambled in markets far off from their core business. Financial markets and their volatile behavior have not affected them directly but now Solvency II is going to introduce a market consistent valuation for their assets and liabilities. The value of both sides of their balance sheet, of every insurer in the EU will be linked directly to the financial markets. Changed market conditions will impact on all EU insurers at once [...]
This technical note provides an assessment of the development of regulation and supervision of the Swedish insurance sector since the Financial Sector Assessment Program (FSAP) in 2011. The note is part of the 2016 FSAP for Sweden. The insurance sector is characterized by a large number of companies, high concentration, and the predominance of occupational pensions insurance. The five largest life companies, including providers of large collective pension arrangements for industry and labor organizations, account for over 50 percent of life sector assets and the largest four non-life companies for 80 percent of total non-life gross premium income. Most life insurance products offer a savings component. Occupational pensions dominate, now written almost entirely on a defined contribution basis. Sales of unit-linked products have been growing, but traditional products remain popular because they continue to offer guarantees, although at levels now aligned to prevailing low interest rates. With a relatively large duration gap and high levels of past business with guarantees, the life sector remains exposed to low interest rates, more so in combination with a fall in equity or real estate markets, where insurers hold significant investments.