

**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:	Polish Chamber of Insurance	
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	There are fundamental concerns regarding the implementing of the regulatory framework which is neither entirely defined on an European level nor implemented into local national legislation. The pillar one which is a basis for the regulatory framework is still not defined and the core conceptual piece, economic evaluation of the balance sheet, is still under	

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discussion as the adjustment mechanisms are still in the phase of testing. The quantitative part of the framework (pillar one) is the base for two other pillars. Without deciding upon the final shape of pillar one two remaining pillars could be hardly implemented, especially in the context of calculation solvency position in ORSA and building the reporting tools for the supervisory reporting. Forcing insurers to comply with regulations which are not legally binding and may be significantly changed may lead to huge investments both in money terms and human resources which in the end could be a waste of money. Without deciding upon the final shape of the solvency framework the phasing in should be limited to implementing soft elements, like corporate governance, limited reporting similar to QIS exercises if necessary. All the Stakeholders should seriously consider the costs and organizational/regulatory risks which would be certainly associated with partial implementation as in the end it will jeopardize confidence for the insurance sector creating systemic risk and transferring additional costs for consumers.

There should be an alternative proposal in case Omnibus II is not voted at the latest in October 2013.

ORSA should not be implemented before the final version of Pillar I is adopted. Qualitative aspects (as compliance and risk management) may be introduced but definitely no quantitative aspects should be taken into account as long as these requirements are not finalized.

Any 3 year projection if it has to be performed seriously (which means not only adding some percentage points of increase per line of business but taking into account competitors attitude for example to risks and new products and collecting info from different departments of the company not only from the actuaries but from marketing, strategy, investments ...) is a very time consuming exercise. Without specific requirements regarding Pillar I it seems that it is a useless exercise.

**Introduction General
Comment**

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Section I. General Comments		
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Section II. General Comments		
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1.34	Is the record of each FLA needed ? In our understanding the record of each FLA requires also a record of each change of assumption during the ORSA process. All relevant information on assumptions finally selected and results obtained would be included in the internal report or supervisory report. We believe that the record of each FLA process is unnecessary documentary burden.	
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Section III. General Comments		
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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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Question 1		
Question 2		
Question 3		

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Question 4		
Question 5		
Question 6		
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