

Q&A

QUESTION ID:

668

REGULATION REFERENCE:

(EU) No 2015/2450 - templates for the submission of information to the supervisory authorities

ARTICLE:

165

STATUS:

Final

DATE OF SUBMISSION

27 May 2016

Question

I have a question regarding the business validation BV564_1. It states:

$$\{r0100\} = \text{MAX}(\{r0110\}, \{r0120\}, 0)$$

in other words it states:

$$\text{netSCR for IR} = \max(0; \text{netSCR for IR up}; \text{netSCR for IR down})$$
$$\text{grossSCR for IR} = \max(0; \text{grossSCR for IR up}; \text{grossSCR for IR down})$$

Taking into account how the individual net/gros SCR for IR up/down are calculated (i.e. following BV565_1; BV566_1; BV567_1; BV568_1), I think that the Level 2 Delegated regulation Article 165(2) is thus ignored and validations are not correct.

Would you be so kind and explain how the Article 165(2) is reflected in the validations or, if I am in fact right about aforementioned, provide with correct validations?

EIOPA answer

Validation BV564_1 will be deactivated as in fact it does not take into account where the Article 206(2) scenario is relevant.

This is only relevant when assessing the scenario to choose, i.e. in the calculation of R0100. Validations 565, 566, 567 and 568 should still apply.