



EAA Seminar
“Internal Models in Solvency II”
24th – 26th March 2011 | Rome / Italy



Organised by the European Actuarial Academy GmbH in cooperation with the Istituto Italiano degli Attuari

1. Introduction

Solvency II aims to improve the management and regulation of insurance undertakings by the use of risk based management on assets and liabilities. This is an interdisciplinary task for Board and Management of every insurance undertaking, which can not be solved only with classical actuarial knowledge.

Actuaries are experts in insurance risks and contingent risk theories; they are able to apply actuarial theories to other relevant risks as e.g. financial risks, market risks, credit risks, enterprise risk and operational risk theory. Their contribution to interdisciplinary risk based solvency management of insurance undertakings is important, especially for creating risk based insurance and business models and for financial reporting.

The actuary's understanding of risk processes in Life, non-Life and Reinsurance Insurance and their contributions to efficient modelling of supervision and accounting regulation requirements are of paramount importance.

The implementation of risk based management and controlling in an insurance undertaking is complex, expensive and in itself of uncertain outcome. Entity specific internal models - as alternative to standard models defined by law or supervisors - may improve the measurement of the financial position and the risk profile of every insurance undertaking, and its risk management governance.

The use of internal models may also improve the stability of the insurance markets (e.g. by avoiding systemic risk) and foster the transparency for users of financial information.

Therefore, the use of internal models (for parts of the Solvency II process or for the mapping of the complete risk management process) is an important decision in the governance of an insurance company. The interdisciplinary use of actuarial knowledge and methods, combined with the understanding of enterprise risk management, governance and reporting is a new and ambitious task for actuaries.

The target of our seminar is to provide theoretical and practical knowledge concerning theory, use and implementation of Internal Models in Solvency II.

2. Participants

The seminar is open to all persons interested, such as actuaries, risk-managers, supervisors, auditors and senior management in general.

3. Purpose and Nature

The seminar is designed for actuaries and risk managers who are in charge of or involved in the development of Internal Models in an insurance company, in a supervisory authority or in audit or consultancy firms. It supports actuaries, risk managers and senior management in these interdisciplinary tasks:

- Improve the understanding of the role and importance of Internal Models in the Solvency II-Process
- Improve the understanding in how to use, calibrate and implement Internal Models
- Improve the understanding in the underlying business processes in the entity

4. Lecturers

Drs. ir. Parcifal van Overbeek AAG

Parcifal van Overbeek joined Eureko/Achmea in 2003. In 2008, he started as manager of Actuarial Reporting's Non-Life, Disability & Health department. Before, he worked as an actuary for both the non-life as well as the international team of the Group Actuarial Department of Eureko/Achmea. His areas of focus include Economic Capital and Solvency II. Parcifal is a member of the Solvency II working group of the Dutch Association of Insurers and of the Solvency II commission of the Dutch Actuarial Association. Parcifal holds a Master degree in Applied Mathematics from the Technical University of Eindhoven and a Master degree in Actuarial Sciences from the University of Amsterdam. Afterwards, he finished his education to become a qualified actuary.

more information will follow

5. Language

The language of the seminar will be English.

6. Preliminary Programme

Thursday, 24th March 2011

09.40 – 09.55	Registration
09.55 – 10.00	Introduction & welcome by the chairperson and representative of EAA
10.00 – 11.15	Introduction to the idea of using entity specific internal models for Solvency II purposes, advantages for insurers, regulators and the entire insurance market (Parcifal van Overbeek)
11.15 – 11.30	Coffee break
11.30 – 13.00	The current situation in EU-regulation concerning the use of internal models, in opposition to standard models. In particular, attention will be paid to the current standard model and the findings from QIS 5. Also, an update will be given on Solvency II more generally. (Parcifal van Overbeek)
13.00 – 14.00	Lunch
14.00 – 15.30	Valuation of Liabilities in Non-Life Insurance Modelling requirements and challenges (NN)
15.30 – 15.45	Coffee break
15.45 – 17.00	Valuation of Liabilities in Life Insurance Modelling requirements and challenges Replicating Portfolio Techniques (case study) (NN)
approx. 18.30	Social Event

Friday, 25th March 2011

09.25 – 09.30	Opening of second day by the chairperson
09.30 – 11.00	Internal models and the supervisor, Statistical Quality Test, Calibration Test, Use Test, Validation Standards, Documentation Standards (Parcifal van Overbeek)
11.00 – 11.15	Coffee break
11.15 – 13.00	Implementation of an internal model in an insurance company. Current experience and advantages while using internal models from the insurance sector. This includes practical examples of how to get your management understand and discuss your internal model. (Parcifal van Overbeek)
13.00 – 14.00	Lunch
14.00 – 15.15	Allowance for group diversification ORSA and the risk management function (NN)
15.15 – 15.30	Coffee break
15.30 – 17.00	Economic Capital aggregation techniques at solo level for Life- and Non-life-Insurance Capital allocation Economic Capital at group level (case study) (NN)
approx. 19.00	Formal Dinner

Saturday, 26th March 2011

09.25 – 09.30	Opening of third day by the Chairman
09.30 – 10.45	Embedding ERM: A process of evolution (NN)
10.45 – 11.00	Coffee break
11.00 – 12.45	A closer consideration of Risk Appetite: The Foundation of ERM. (NN)
12.45 – 13.00	Concluding remarks and closing of the seminar by the Chairman
13.00 – 14.00	Lunch

7. Fees & Registration

Please register for the seminar as soon as possible because of the expected demand. If there are more persons interested in this seminar than places available we will give priority to the registrations having been first to arrive. Please send your registration as soon as possible by using our online registration form at www.actuarial-academy.com.

Your registration is binding. Cancellation is only possibly up to 4 weeks before the first day of seminar. If you cancel at a later date, the full seminar fee is due. You may appoint someone who takes your place, but must notify us in advance. EAA has the right to cancel the event if the minimum number of participants is not reached.

Please always give your invoice number when you effect payment. Bank charges are to be borne by the participant. We will send you an invoice, please allow a few days for handling.

Your early-bird registration fee is € 1,040.00 until 31st January 2011 the latest. After this date the fee will be € 1,160.00, both prices excluding value added tax (VAT). Please note that due to tax regulations, the seminar fee may be subject to VAT. In this case the VAT will be added to the price unless a reverse-charge regime is applicable.

8. Accommodation

more information will follow

9. CPD

For this seminar, the following CPD points are available:

Austria: 16 points
Bulgaria: 12 points
Germany: 16 hours
Netherlands: ca. 14 PE-Points (individual accreditation)
Switzerland: 15 points

No responsibility is taken for the correctness of this information.

