

Amendment 71
Astrid Lulling

Proposal for a directive
Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) References in this Directive to insurance or reinsurance undertakings should cover captive insurance and captive reinsurance undertakings, except where special provision is made for those undertakings.

Or. en

Justification

Captive reinsurance companies as well as captive insurance companies do not address to the insurance or reinsurance market and thus do not insure or reinsure any third party risks. They only insure or reinsure the internal risks of the industrial or commercial group to which they belong. Thus captives represent a central element in the risk management activity of their group and they have a strong support from their group. This recital aims at clarifying that captives as they are insurance or reinsurance undertakings are underlying the provisions of this Directive.

Amendment 72
Gay Mitchell

Proposal for a directive
Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) References in this Directive to insurance or reinsurance undertakings, should include captive insurance and captive reinsurance undertakings, except where specific provision is made for those undertakings.

Or. en

Justification

To take account of the captive insurance sector.

Amendment 73

John Purvis

Proposal for a directive

Recital 10

Text proposed by the Commission

(10) The protection of policyholders presupposes that insurance and reinsurance undertakings are subject to effective solvency requirements. In light of market developments the current system is no longer adequate. It is therefore necessary to introduce a new regulatory framework.

Amendment

(10) The protection of policyholders presupposes that insurance and reinsurance undertakings are subject to effective solvency requirements. In light of market developments the current system is no longer adequate. It is therefore necessary to introduce a new regulatory framework ***which optimises the efficiency of capital in the European Union with proper policyholder safeguards.***

Or. en

Amendment 74

Pervenche Berès

Proposal for a directive

Recital 12

Text proposed by the Commission

(12) The new solvency regime should not be too burdensome for small and medium-sized insurance undertakings.

Amendment

(12) The new solvency regime should not be too burdensome for small and medium-sized insurance undertakings. One of the tools to achieve this objective is a proper application of the proportionality principle. ***This principle should be applied both to the requirements for insurance and reinsurance undertakings and to the exercise of supervisory powers.***

Or. en

Justification

The proportional exercise of powers by the supervisor is a key element of proportionality.

Amendment 75

Astrid Lulling

Proposal for a directive

Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) In particular, the Solvency II regime should take account of the specific nature of captive insurance and reinsurance undertakings. As those undertakings cover only risks associated with the industrial or commercial group to which they belong, appropriate approaches should be provided in line with the principle of proportionality to reflect the nature, scale and complexity of their business.

Or. en

Justification

Due to the size and type of their business and the specific nature of the risks they (re)insure, captive (re)insurance companies often lack sufficient data and information of appropriate quality enabling them to produce representative historical loss experiences and to apply a reliable actuarial method. There is an evident need for simplifications for Captives. The simplifications proposed for 'common' insurance and reinsurance undertakings may however not take account of the specificities of the Captive business.

Amendment 76

Gay Mitchell

Proposal for a directive

Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) In particular, the Solvency II regime should take account of the specific nature of captive insurance and

reinsurance undertakings. As those undertakings cover only risks associated with the industrial or commercial group to which they belong, appropriate approaches should be provided in line with the principle of proportionality to reflect the nature, scale and complexity of their business.

Or. en

Justification

To take account of the captive insurance sector and its particular circumstances.

Amendment 77

José Manuel García-Margallo y Marfil

Proposal for a directive

Recital 14 a (new)

Text proposed by the Commission

Amendment

(14 bis) La supervisión de la actividad reaseguradora tendrá en cuenta las especiales características del negocio reasegurador, en especial su naturaleza global y el hecho de que sus tomadores son empresas de seguros y de reaseguro.

Or. es

Justification

Tal y como establece la IAIS en su Norma sobre supervisión del reaseguro, se hace necesario reiterar la especial naturaleza de la actividad reaseguradora, cuyos servicios son ofrecidos a clientes profesionales del seguro como las propias entidades aseguradoras y reaseguradoras. Con este nuevo considerando se clarifica que el principio de proporcionalidad también requiere una consideración propia en el ámbito del negocio reasegurador.

by lines of business, if their bonus allocation rules allow mutually independent allocation.

Or. en

Justification

When mutually independent allocation is not allowed, companies that pay bonuses on certain policies yet under the obligation not to jeopardise the overall solvency position are put in a disadvantage. This is because the bonus allocations are higher when the HRGs are measured separately than when they are measured jointly. This, however, has no real impact on the solvency position of the entire company but merely on hypothetical entities that are the HRGs.

Amendment 257
Sharon Bowles

Proposal for a directive
Article 80 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

In calculating the technical provisions of a company reinsured by a dedicated reinsurer, the assets and liabilities of a dedicated reinsurer shall be treated as the assets and liabilities of the reinsured company, and no adjustment shall be made for the time difference between recoveries and direct payments or expected losses due to the default of the counterparty in respect of the dedicated reinsurer's contractual obligations to the reinsured company.

Or. en

Amendment 258

Astrid Lulling

Proposal for a directive

Article 85 – paragraph 1 – point h

Text proposed by the Commission

(h) where necessary, simplified methods and techniques to calculate technical provisions, in order to ensure the actuarial methods and statistical techniques referred to in point (a) are proportionate to the nature, scale and complexity of the risks supported by insurance and reinsurance undertakings.

Amendment

(h) where necessary, simplified methods and techniques to calculate technical provisions, in order to ensure the actuarial methods and statistical techniques referred to in point (a) are proportionate to the nature, scale and complexity of the risks supported by insurance and reinsurance undertakings ***including captive insurance and reinsurance undertakings.***

Or. en

Justification

There is a need for specific simplifications to be applied to the calculation of technical provisions in the case of captives. This is in line with the general approach adopted for other small and medium sized insurance and reinsurance undertakings. QIS 4 will determine what impact these simplifications will have. The proposed amendment provides in the Directive a platform for the provision of such specific simplifications where appropriate.

Amendment 259

Gay Mitchell

Proposal for a directive

Article 85 – paragraph 1 – point h

Text proposed by the Commission

(h) where necessary, simplified methods and techniques to calculate technical provisions, in order to ensure the actuarial and statistical methodologies referred to in point (a) and (d) are proportionate to the nature, scale and complexity of the risks supported by insurance and reinsurance undertakings.

Amendment

(h) where necessary, simplified methods and techniques to calculate technical provisions, in order to ensure the actuarial and statistical methodologies referred to in point (a) and (d) are proportionate to the nature, scale and complexity of the risks supported by insurance and reinsurance undertakings ***including captive insurance and reinsurance undertakings.***

Or. en

1.000.000 EUR for non-life insurance *and reinsurance* undertakings *and 2.000.000 EUR* for life insurance undertakings.

(i) **EUR 2 200 000** for non-life insurance undertakings, *including captive insurance undertakings, save in the event that all or some of the risks included in one of the classes 10 to 15 listed in point A of Annexe 1 are covered, in which case it shall be no less than EUR 3 200 000,*

(ii) **EUR 3 200 000** for life insurance undertakings, *including captive insurance undertakings,*

(iii) **EUR 3 000 000** for reinsurance undertakings, *except in the case of captive reinsurance undertakings, in which case the Minimum Capital Requirement shall not be less than EUR 1 200 000,*

(iv) *the sum of the amounts set out in points (i) and (ii) for insurance undertakings as referred to in Article 72(2) and (5).*

Or. en

Justification

The Reinsurance Directive currently recognises the specific risk structure of captive business and provides that in order to take account of the specificities of captive reinsurance undertakings, provisions should be made to allow the home Member State to set the minimum guarantee fund required for captive reinsurance undertakings at a lower amount of 1 million euros. The reasons which a few years ago led Member States to adopt a specific regime for Captives in the Reinsurance Directive are still valid today.

Amendement 417
Gay Mitchell

Proposition de directive
Article 127 – paragraph 1 – point d

Texte proposé par la Commission

(d) it shall have an absolute floor *of 1 000 000 EUR* for non-life insurance *and*

Amendement

(d) it shall have an absolute floor of:

reinsurance undertakings and 2 000 000 EUR for life insurance undertakings.

(i) EUR 2 200 000 for non-life insurance undertakings, save in the event that all or some of the risks included in one of the classes 10 to 15 listed in point A of Annex 1 are covered, in which case it shall be no less than EUR 3 200 000,

(ii) EUR 3 200 000 for life insurance undertakings,

(iii) EUR 3 000 000 for reinsurance undertakings, except in the case of captive reinsurance undertakings, in which case the minimum capital requirement shall be no less than EUR 1 000 000.

Or. en

Justification

To reintroduce the current Solvency I Minimum Guarantee Fund as the absolute floor of the MCR requirement.

Amendement 418
Antolín Sánchez Presedo

Proposition de directive
Article 127 – paragraph 1 – point d

Texte proposé par la Commission

(d) it shall have an absolute floor of **1 000 000 EUR** for non-life insurance **and reinsurance** undertakings **and 2 000 000 EUR** for life insurance undertakings.

Amendement

d) it shall have an absolute floor of:

(i) EUR 2 200 000 for non-life insurance undertakings, save in the event that all or some of the risks included in one of the classes 10 to 15 listed in point A of Annexe 1 are covered, in which case it shall be no less than EUR 3 200 000,

(ii) EUR 3 200 000 for life insurance undertakings,