

S2 IMPLEMENTATION SLOVENIAN EXPERIENCE

Sergej Simoniti, Director AZN
SORS 2017

SHIFT IN MINDSET

- a) - **Emphasis** is not anymore on capital adequacy but also on Pillar 2, especially system of Governance.
- The role of **ORSA** in the decision making.
 - Capital requirements (also) reflect quality of system of Governance.
- b) Importance of **Fit & Proper** proceedings:
- **At licensing stage**
 - **On-going.**

SHIFT IN MINDSET

- c) - **Focus** on contents rather than form.
 - Assessment of quality of **Business Model** and its **Risks**.
 - What are main **Profit / Loss** drivers?
 - **Responsibility** for Business Model & Strategy lies with the insurer.
- d) **Emphasis** on Market Conduct Risks.
- e) **Supervisory dialogue**.

TRANSITION

- **SMOOTH.**
- **LONG YEARS OF PREPARATION.**

POTENTIAL CHANGES

- Shift from **Long Term** Guarantees;
- Increase of **Cross-Border** activities;
- Consolidation;
- **MTPL Competition.**

ACTUAL EXPERIENCE

ITEM	(mio EUR)
Minimum capital requirement (MCR)	225,1
Total available own funds to meet MCR	2.360,00
SURPLUS to meet MCR	2.157,70
Solvency Capital Requirement (SCR)	913
Total available own funds to meet SCR	2.384,00
SURPLUS to meet SCR	1.471,00
Ratio of eligible own funds to SCR	
Solvency 1 na 31.12.2015	259%
Solvency 2 na 1.1.2016	261%

Thank you!