



**BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY**

Solvency II: Supervisory disclosures, the PRA's supervisory approach and insurance regulations applicable in the United Kingdom

On 20 April 2021, the Prudential Regulation Authority (PRA) published supervisory disclosures in line with its obligations under Article 31(2) of the Solvency II Directive. These disclosures include: aggregate statistical data on key aspects of the application of the prudential framework; a table covering the manner of exercise of the options provided for in the Solvency II Directive; links to the texts of insurance regulations applicable in the United Kingdom; and links to the PRA's supervisory approach.

This public disclosure is designed to foster a uniform level of transparency and accountability between supervisory authorities. The material published will be of primary interest to PRA authorised insurance companies.

(a) 'Laws, regulations, administrative rules and general guidance' with regard to the requirement under point (a) of Article 31(2) of Directive 2009/138/EC ;

Union legislation in the field of insurance regulation that is directly applicable within the territory of the home Member State:

i. Solvency II Delegated Regulations

[Commission Delegated Regulation \(EU\) 2016/467 of 30 September 2015 amending Commission Delegated Regulation \(EU\) 2015/35 concerning the calculation of regulatory capital requirements for several categories of assets held by insurance and reinsurance undertakings \(Text with EEA relevance\)](#)

[Commission Delegated Regulation \(EU\) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance \(Solvency II\) \(Text with EEA relevance\)](#)

ii. Solvency II Implementing Regulations

[Commission Implementing Regulation \(EU\) 2016/1976 of 10 November 2016 laying down technical information for the calculation of technical provisions and basic own funds for reporting with reference dates from 30 September until 30 December 2016 in accordance with Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2016/1868 of 20 October 2016 amending and correcting Implementing Regulation \(EU\) 2015/2450 laying down implementing technical standards with regard to the templates for the submission of information to the supervisory authorities according to Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2016/1800 of 11 October 2016 laying down implementing technical standards with regard to the allocation of credit assessments of external credit assessment institutions to an objective scale of credit quality steps in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2016/1630 of 9 September 2016 laying down implementing technical standards with regard to the procedures for the application of the transitional measure for the equity risk sub-module in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2016/1376 of 8 August 2016 laying down technical information for the calculation of technical provisions and basic own funds for reporting with reference](#)

[dates from 30 June until 29 September 2016 in accordance with Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2016/869 of 27 May 2016 laying down technical information for the calculation of technical provisions and basic own funds for reporting with reference dates from 31 March until 29 June 2016 in accordance with Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2016/165 of 5 February 2016 laying down technical information for the calculation of technical provisions and basic own funds for reporting with reference dates from 1 January until 30 March 2016 in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Solvency II\) \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2452 of 2 December 2015 laying down implementing technical standards with regard to the procedures, formats and templates of the solvency and financial condition report in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2450 of 2 December 2015 laying down implementing technical standards with regard to the templates for the submission of information to the supervisory authorities according to Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2451 of 2 December 2015 laying down implementing technical standards with regard to the templates and structure of the disclosure of specific information by supervisory authorities in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2015 of 11 November 2015 laying down implementing technical standards on the procedures for assessing external credit assessments in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2017 of 11 November 2015 laying down implementing technical standards with regard to the adjusted factors to calculate the capital requirement for currency risk for currencies pegged to the euro in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2014 of 11 November 2015 laying down implementing technical standards with regard to the procedures and templates for the submission of information to the group supervisor and for the exchange of information between supervisory authorities in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2013 of 11 November 2015 laying down implementing technical standards with regard to standard deviations in relation to health risk equalisation systems in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2012 of 11 November 2015 laying down implementing technical standards with regard to the procedures for decisions to set, calculate and remove capital add-ons in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2011 of 11 November 2015 laying down implementing technical standards with regard to the lists of regional governments and local authorities, exposures to whom are to be treated as exposures to the central government in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/2016 of 11 November 2015 laying down the implementing technical standards with regard to the equity index for the symmetric adjustment of the standard equity capital charge in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/499 of 24 March 2015 laying down implementing technical standards with regard to the procedures to be used for granting supervisory approval for the use of ancillary own-fund items in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/500 of 24 March 2015 laying down implementing technical standards with regard to the procedures to be followed for the supervisory approval of the application of a matching adjustment in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/498 of 24 March 2015 laying down implementing technical standards with regard to the supervisory approval procedure to use undertaking-specific parameters in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/462 of 19 March 2015 laying down implementing technical standards with regard to the procedures for supervisory approval to establish special purpose vehicles, for the cooperation and exchange of information between supervisory authorities regarding special purpose vehicles as well as to set out formats and templates for information to be reported by special purpose vehicles in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/460 of 19 March 2015 laying down implementing technical standards with regard to the procedure concerning the approval of an internal model in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

[Commission Implementing Regulation \(EU\) 2015/461 of 19 March 2015 laying down implementing technical standards with regard to the process to reach a joint decision on the application to use a group internal model in accordance with Directive 2009/138/EC of the European Parliament and of the Council \(Text with EEA relevance\)](#)

iii. Solvency II Delegated Decisions

[Commission Delegated Decision \(EU\) 2016/310 of 26 November 2015 on the equivalence of the solvency regime for insurance and reinsurance undertakings in force in Japan to the regime laid down in Directive 2009/138/EC of the European Parliament and of the Council](#)

[Commission Delegated Decision \(EU\) 2016/309 of 26 November 2015 on the equivalence of the supervisory regime for insurance and reinsurance undertakings in force in Bermuda to the regime laid down in Directive 2009/138/EC of the European Parliament and of the Council and amending Commission Delegated Decision \(EU\) 2015/2290](#)

[Commission Delegated Decision \(EU\) 2015/2290 of 12 June 2015 on the provisional equivalence of the solvency regimes in force in Australia, Bermuda, Brazil, Canada, Mexico and the United States and applicable to insurance and reinsurance undertakings with head offices in those countries](#)

[Commission Delegated Decision \(EU\) 2015/1602 of 5 June 2015 on the equivalence of the solvency and prudential regime for insurance and reinsurance undertakings in force in Switzerland based on Articles 172\(2\), 227\(4\) and 260\(3\) of Directive 2009/138/EC of the European Parliament and of the Council](#)

iv. Solvency II EIOPA Guidelines

[Guidelines on the supervision of branches of third-country insurance undertakings](#)

[Guidelines on Financial Stability Reporting](#)

[Guidelines on the Extension of the Recovery Period](#)

[Guidelines on the exchange of information within colleges](#)

[Guidelines on the implementation of the long-term guarantee measures](#)

[Guidelines on the methods for determining the market shares for reporting](#)

[Guidelines on reporting and public disclosure](#)

[Guidelines on recognition and valuation of assets and liabilities other than technical provisions](#)

[Guidelines on System of Governance](#)

[Guidelines on Own Risk Solvency Assessment \(ORSA\)](#)

[Guidelines on ancillary own funds](#)

[Guidelines on application of outwards reinsurance](#)

[Guidelines on the application of life underwriting risk module](#)

[Guidelines on basis risk](#)

[Guidelines on classification of own funds](#)

[Guidelines on contract boundaries](#)

[Guidelines on group solvency](#)

[Guidelines on health catastrophe risk sub-module](#)

[Guidelines on look-through approach](#)

[Guidelines on operational functioning of colleges](#)

[Guidelines on ring-fenced funds](#)

[Guidelines on supervisory review process](#)

[Guidelines on the loss-absorbing capacity of technical provisions and deferred taxes](#)

[Guidelines on the methodology for equivalence assessments by national supervisory authorities under Solvency II](#)

[Guidelines on the treatment of market and counterparty risk exposures in the standard formula](#)

[Guidelines on the use of internal models](#)

[Guidelines on treatment of related undertakings, including participations](#)

[Guidelines on undertaking-specific parameters](#)

[Guidelines on valuation of technical provisions](#)

v. International Accounting Standards Regulation

[Regulation \(EC\) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards](#)

vi. Audit Regulation

[Regulation \(EU\) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC Text with EEA relevance](#)

The text of national laws, regulations, administrative rules and general guidance in the field of insurance regulation, transposing or based on Union law or otherwise applicable in the home Member States:

[Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance \(Solvency II\) \(recast\) \(Text with EEA relevance\)](#)

[Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014 amending Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts \(Text with EEA relevance\)](#)

[Financial Services and Markets Act 2000](#)

[Road Traffic Act 1988](#)

[Companies Act 2006](#)

[Solvency II Regulations 2015](#)

[Insurers \(Reorganisation and Winding Up\) Regulations 2004](#)

[Insurance Companies \(Legal Expenses Insurance\) Regulations 1990](#)

[The Large and Medium-sized Companies and Groups \(Accounts and Reports\) Regulations 2008](#)
[FRS 103 – Insurance Contracts: Consolidated accounting and reporting requirements for entities in the UK and Republic of Ireland issuing insurance contracts](#)

[Amendments to FRS 103 - Insurance Contracts: Solvency II](#)

[PRA Rulebook \(Solvency II Firms\)](#)

[PRA Rulebook \(Non-Solvency II Firms\)](#)

[FCA Handbook](#)

- (b) ‘The supervisory authority review process’ with regards to the requirement under point (b) of Article 31(2) of Directive 2009/138/EC;**

[PRA Supervision](#)

[The PRA’s approach to insurance supervision](#)

- (c) ‘Aggregate statistical data’ with regard to the requirement under point (c) of Article 31(2) of Directive 2009/138/EC**

[Template A](#)

[Template B](#)

[Template C](#)

[Template D](#)

- (d) ‘The exercise of options under Directive 2009/138/EC with regard to the requirement under point (d) of Article 31(2) of Directive 2009/138/EC;**

[Template for the disclosure of information regarding the exercise of options](#)

- (e) ‘Supervisory objectives, main functions and activities’ with regard to the requirement under point (e) of Article 31(2) of Directive 2009/138/EC.**

Supervisory objectives and main supervisory functions

[PRA supervisory approach](#)

[The PRA's approach to insurance supervision](#)

Main areas of ongoing or planned supervisory activity

[PRA annual report and accounts](#)