

# EC to delay Solvency II implementation to coincide with financial years

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## **The European Commission is set to delay the implementation of the Solvency II directive by two months for accounting purposes.**

Michel Barnier, member of the commission responsible for the internal market and services, promised that the Solvency II implementation date be pushed back from 31 October 2012 to 31 December 2012 to "coincide with the usual end of the financial year"

Speaking at public Solvency II hearing in Brussels earlier today, Mr Barnier said: "As very few insurers end their financial year on 31 October, I wish to propose deferring the date of entry into force of the directive...to bring it into line with the date on which the accounts of most European insurance undertakings are closed."

Mr Barnier also urged insurers across continent concerned about the level of capital requirements to share their concerns by taking part in the fifth quantitative impact survey.

He added: "We do not expect the entire European insurance industry to increase their capital by virtue of the changeover to Solvency 2. Let us therefore await the final results of QIS5 in order to do the final adjustment, but let us not give up at this point of time. The best way to give your opinion on the calibration of Solvency 2 is to take part in QIS5."

At the same hearing, the CEA - the European insurance and reinsurance federation - called for more work to be done on the implementation on the Level 2 measures for Solvency II.

CEA director general Michaela Koller, said: "Although we welcome the modifications that the European Commission has already made to the implementing measures and the QIS 5 specifications, the proposed measures are still too conservative in many areas and much work remains to be done before they truly reflect the economic, risk-based principles that form the basis of the framework directive."