Scope: Impact of regulation on risk management WP

Questions:

* How have life insurance prudential and accounting regulation impacted risk management strategies (investments and ALM, reinsurance, diversification, etc)? In particular what recent changes or trends can be identified and can these be attributed to regulatory change?
* Can 'good' or 'economic' risk management in life insurance be defined, in a manner that is independent of regulatory regime?
* Is there a future role for 'economic' risk management given the number of competing regulatory balance sheets that need managing? What framework could be used for optimising behaviour under multiple, sometimes conflicting, measures?
* To what extent have different regulatory regimes incentivised ‘good risk management’ as defined above? Conversely, are there any unintended consequences of regulation?

Workstreams:

* Prudential regulation and metrics
* Accounting regulation and metrics
* Risk governance

Industries covered:

* Life insurance, with secondary consideration of impacts seen in General Insurance and Pensions Consolidation sectors and possible crossover to Life.

Markets / regimes covered:

* UK: ICAS, Solvency II, UK GAAP / IFRS 4 (50%) - initial focus
* International emerging: ICS, IFRS17 (20%)
* Europe: SST (Switzerland), Solvency II (10%)
* Asia Pac: C-ROSS (China), HK, Aus (10%)
* USA: (10%)

Risk Perspectives:

* Regulators - micro and macro-prudential
* Customers
* Shareholders

Risk Management Areas:

* Assets / ALM
* Reinsurance
* Product strategy and diversification
* Systemic Risk
* Other: Operational risk, Intra-group transactions

Deliverables:

* Sessional paper (late 2020)
* The Actuary / LinkedIn articles (2019-20)
* Presentations (Life conference, CILA, Regional societies, ...) (2020)