

A photograph of a person holding a large red umbrella in the rain. The person is wearing a dark jacket and blue jeans. The background shows a city street with other people and buildings, all blurred. The overall scene is rainy and urban.

INSURANCE REGULATORY EBULLETIN

ROUND UP OF REGULATORY DEVELOPMENTS IN NOVEMBER 2022

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WELCOME TO OUR INSURANCE REGULATORY EBULLETIN

Welcome to this November edition of our Insurance Regulatory eBulletin, which aims to keep you updated with significant regulatory developments and their implications across the insurance sector.

November has not been a busy month for major regulatory change. It is noted that the PRA is currently consulting on proposals to streamline, significantly, a number of current Solvency II reporting and disclosure requirements, together with improving some data collection. However, this is to conclude in May 2023. In addition to specific elements which may be relevant to readers, this edition includes a number of speeches by regulators which are helpful in providing a view of the regulatory horizon.

This bulletin contains as much up to date regulatory news as we can gather. Inevitably, this may change as the current situation develops and we will aim to keep you informed in the future.

Please do not hesitate to contact myself or your usual BDO contact if you have any concerns over any matter highlighted in this update. For more information about our audit, tax and advisory services to the insurance sector, visit our [insurance services](#) page.

I hope you enjoy reading this latest update and I would like to take this opportunity of wishing you well over this festive season.



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PRUDENTIAL REGULATION

PRA REGULATORY DIGEST - OCTOBER 2022

On 1 November, the PRA published the October 2022 edition of its [Regulatory Digest](#), which highlights key regulatory news and publications for the month of October. Among other things, the Digest includes:

- ▶ a statement on credit risk mitigation (CRM) eligibility, risk-based capital treatment, and leverage ratio treatment of guarantees under the Energy Markets Financing Scheme (EMFS);
- ▶ results of the firm feedback survey 2021; and
- ▶ a scenario for banks and building societies not part of concurrent stress testing.

CP14/22 REVIEW OF SOLVENCY II: REPORTING PHASE 2

The PRA is [consulting](#) on proposals to streamline significantly a number of current Solvency II reporting and disclosure requirements for insurers and to improve the collection of data in a small number of areas where reporting is currently not tailored appropriately to the features of the UK insurance sector, or to the PRA's supervisory needs. The PRA believes that the proposals would allow it to continue to meet its statutory objectives while reducing ongoing reporting costs for firms, thereby improving competitiveness and proportionality.

The deadline for submitting comments is 8 May 2023.

FS1/22 POTENTIAL REFORMS TO RISK MARGIN AND MATCHING ADJUSTMENT WITHIN SOLVENCY II

On 17 November, the PRA published a [feedback statement](#) providing a summary of the responses received to its Discussion Paper DP2/22 'Potential Reforms to Risk Margin and Matching Adjustment within Solvency II'. The DP, published in April 2022, set out the PRA's views at that time on some key aspects of potential reforms to Solvencies II covered in HM Treasury's April 2022 consultation. The PRA took into account the feedback received to DP2/22 in its discussions

with HMT on potential reforms. Responses sent to HMT's separate consultation were subsequently shared with the PRA, but those responses are not included in this statement (please see below).

HM TREASURY CONSULTATION OUTCOME: SOLVENCY II REVIEW

On 17 November, HM Treasury [published](#) the outcome of its Solvency II consultation, launched on 28 April 2022. The consultation sought views on proposals to:

- ▶ Release capital by changing the calculation of the risk margin and cutting the risk margin substantially, including by 60-70% for long-term life insurers in recent economic conditions;
- ▶ Reform the fundamental spread of the matching adjustment;
- ▶ Unblock long-term productive investment by making it easier to include a wider range of assets in matching adjustment portfolios; and
- ▶ Reform certain reporting and administrative requirements.

2022 LIST OF UK FIRMS DESIGNATED AS OTHER SYSTEMICALLY IMPORTANT INSTITUTIONS

On 29 November, the PRA published a [list](#) of the 15 firms it has designated as other systemically important institutions (O-SIIs) for 2022. The list is based on the methodology for O-SII identification, as set out in the updated Policy Statement [PS9/22](#) which sets out on the PRA's approach to identifying other O-SII.

TRANSFORMING DATA COLLECTION COMMUNICATION TO FIRMS

On 28 November the Bank of England and the FCA provided an [update on their joint transformation](#) programme, including:

- ▶ the programme's progress and the phase two use cases; and
- ▶ an update on the Data Standards Review.

CONDUCT REGULATION

AI: MOVING FROM FEAR TO TRUST - SPEECH BY JESSICA RUSU

On 9 November, Jessica Rusu, Chief Data, Information and Intelligence Officer of the FCA, delivered a [speech](#) at the City and Financial Global summit: Regulation and Risk Management of Artificial Intelligence (AI) in Financial Services. She spoke about:

- ▶ the need for governance of AI so that more trust can be placed in it;
- ▶ the current rules and regulations surrounding AI in the financial services and if these should be developed or reconsidered entirely;
- ▶ the FCA's recent survey with the Bank of England on the use of machine learning and AI in the UK financial services; and
- ▶ the ethical questions that remain around AI, such as economic stability and ethical questions surrounding the ability of AI to mimic human intelligence.

ROLLING REGULATION FORWARDS - SPEECH BY NIKHIL RATHI

On 16 November, Nikhil Rathi, Chief Executive of the FCA, delivered a [speech](#) at the UK Finance annual dinner. He spoke about:

- ▶ The Consumer Duty and the regulatory habitat;
- ▶ regulation of the future and innovation; and
- ▶ FCA working with industry to ensure that the UK remains the largest destination for fintech investment in Europe.

DIVERSITY AND INCLUSION: DRIVING CHANGE IN OUR INDUSTRY - SPEECH BY SELDON MILLS

On 22 November, Sheldon Mills, Executive Director, Consumers and Competition at the FCA, [spoke](#) at the Association of British Insurers (ABI) Diversity, Equity & Inclusion (D&I) Conference. He spoke about:

- ▶ the FCA's Business Plan priority on environmental, social, and governance (ESG) and its wider strategy for 2022 to 2025;
- ▶ the increased pressures faced by firms and consumers from cost-of-living and the impact on diverse representation;
- ▶ the FCA's work to understand how a sample of firms approach the collection of D&I data, D&I strategies, and inclusive cultures; and
- ▶ the steps firms are taking to develop their capabilities.

PS22/12: PENSIONS DASHBOARDS RULES FOR PENSION PROVIDERS

On 1 November, the FCA [published](#) a Policy Statement on the pensions Dashboards rules for pension providers, which sets out the rules and guidance requiring FCA regulated pension providers to provide and enable information about personal and stakeholder pensions for pensions dashboards.

The FCA has adopted the Pension Schemes (Information to Dashboards) Instrument 2022, which amends the Glossary of definitions and the Conduct of Business sourcebook (COBS). This instrument comes into force on 30 March 2023.

DEFINED BENEFIT PENSION REDRESS CALCULATIONS

On 9 November, the FCA issued a [statement](#) about firms not including all fees and charges in their defined benefit pension advice redress calculations in line with current guidance FG17/9. Based on information it has received, the FCA thinks these firms are not considering ongoing fund costs and/or fully allowing for ongoing adviser charges in redress calculations. Some of these firms may also be unfairly terminating consumer contracts after consumers make a complaint. The FCA is looking into these matters and will take action against firms not calculating redress correctly using the full range

of its powers which may include appointing an independent professional to check calculations.

EIGHT FIRMS ENTER LIQUIDATION FOLLOWING FCA ACTION

On 11 November, the FCA has [announced](#) that the Court has ordered eight regulated financial services firms to be wound up following a number of petitions by the FCA. The firms are:

- ▶ Cavendish Incorporated Ltd,
- ▶ Cottesmore Associate Ltd,
- ▶ Marvell Enterprises Ltd,
- ▶ Grosvenor Associates Ltd,
- ▶ Renaissance Advisory Ltd,
- ▶ Falcon Financial Solutions Ltd,
- ▶ Thestral Financial Services Ltd, and
- ▶ Semantic Business Services Ltd.

The FCA has previously issued consumer warnings against the eight firms. The process of winding up the firms and liquidating any assets will be carried out by the Official Receiver.

FCA RESPONSE: LISTINGS AUTHORITY ADVISORY PANEL ON THE 2021/22 ANNUAL REPORT

On 14 November, the FCA [wrote](#) to Mark Austin, Chairman of the Listings Authority Advisory Panel, in response to issues raised in the Panel's 2021/22 Annual Report. The letter includes comments on:

- ▶ the Primary Market Effectiveness review, Environmental, Social and Governance (ESG);
- ▶ the Future Regulatory Framework (FRF);
- ▶ the Secondary Capital Raising Review; and
- ▶ the Business, Energy and Industrial Strategy.

FCA RESPONSE: SMALL BUSINESS PRACTITIONER PANEL ON THE 2021/22 ANNUAL REPORT

On 14 November, the FCA [wrote](#) to Andy Mielczarek, Small Business Practitioner Panel Chair, responding to issues raised in the Panel's

2021/22 Annual report. The letter provides an update on (amongst other issues):

- ▶ the Future Regulatory Framework (FRF);
- ▶ Environment, Social and Governance (ESG);
- ▶ FCA Transformation;
- ▶ Firm failure;
- ▶ Cost of regulation;
- ▶ Claims Management Companies;
- ▶ Data Strategy; and
- ▶ Consumer Duty.

FCA RESPONSE: FINANCIAL SERVICES PANEL ON THE 2021/22 ANNUAL REPORT

On 14 November, the FCA [wrote](#) to the Financial Services Consumer Panel in response to their questions (amongst other issues) on:

- ▶ the FCA's future regulatory framework (FRF) and financial inclusion;
- ▶ claims management companies (CMCs);
- ▶ FCA Transformation;
- ▶ the Consumer Duty; and
- ▶ General Insurance.

PROFESSIONAL INDEMNITY INSURANCE

On 18 November, the FCA [published](#) an updated version of its guidance on professional indemnity insurance (PII). The FCA requires certain firms to hold this kind of cover because:

- ▶ it provides an extra financial resource that you can pay justified claims from;
- ▶ it helps prevent insolvency and excessive claims on the Financial Services Compensation Scheme, which is funded by firms that are still trading; and
- ▶ it is a liability insurance that covers firms when a third party claims to have suffered a loss, usually due to professional negligence.

CODE OF CONDUCT FOR ESG DATA AND RATINGS PROVIDERS

The FCA has formed a group to develop a [Code of Conduct](#) for Environmental Social and Governance (ESG) data and ratings providers. If HM Treasury extends the FCA's regulatory perimeter. The FCA will take the necessary steps to develop and consult on a proportionate, effective regulatory regime, with a focus on outcomes in areas highlighted in the International Organization of Securities Commissions' (IOSCO) recommendations. These include transparency, good governance, management of conflicts of interest and systems and controls. While the Government considers this, and to maintain momentum, the FCA has worked to convene, support and encourage industry participants to develop and follow a voluntary Code of Conduct and will continue to work with regulatory partners internationally to encourage a coordinated approach to the development of the Code. A Code could also continue to apply for ESG data and ratings providers that fall outside the scope of potential future regulation.

HARTLEY PENSIONS UPDATE

On 24 November the FCA published an [update](#) on Hartley Pensions Limited (the "firm"), further to notifying consumers that the firm had entered administration, and Peter Kubik and Brian Johnson of UHY Hacker Young LLP had been appointed as joint administrators. The FCA, amongst other things, has set out the facts that customers' existing pension assets are currently unaffected by the firm going into administration.

GENERAL INSURANCE VALUE MEASURES DATA - JULY TO DECEMBER 2021

The FCA has published [value measures data](#) for a range of general insurance products for July to December 2021. Some of the noted things that the data shows is that: claims cost, as a proportion of premium, range from 5.21% (GAP insurance Add on) to 65.95% (motorcycle); the products with the lowest percentage of

premiums paid in claims include travel insurance (various), excess protection insurance (add-on), personal accident insurance (add-on), and GAP insurance (add-on and standalone).

There is also information on FCA expectation, Consumer Duty, why the FCA is publishing this information, what the data includes and an explanation of the data.

PS22/13: CALCULATING REDRESS FOR NON-COMPLIANT PENSION TRANSFER ADVICE

The FCA has released a Policy Statement [PS22/13](#) regarding the methodology for calculating redress for consumers who have received non-compliant advice to transfer from a defined benefit (DB) pension scheme to a defined contribution (DC) pension scheme. This release also summarises the feedback received on Chapters 1-7 of CP22/15 and subsequent changes methodology following consultation.

FCA CONFIRMS PLANS TO DELIVER REDRESS TO FORMER BRITISH STEEL PENSION SCHEME MEMBERS

On 28 November, the FCA published Policy Statement [PS22/14](#) detailing the final rules for a redress scheme for former members of the British Steel Pension Scheme (BSPS) who received unsuitable advice to transfer out. Over 1,000 consumers are expected to receive redress. Firms will have to review the advice they gave and pay redress to those who lost money due to unsuitable advice. The scheme will cover most consumers who were advised between 26 May 2016 to 29 March 2018.

The FCA is providing a tool that firms will have to use to calculate redress payments. Firms must provide details of all cases rated as 'suitable' to the FCA so it can check if consumers would like the Financial Ombudsman Service to independently review their advice.

The FCA has also written to insurers who provide or have provided Professional Indemnity Insurance (PII) and intermediaries that have arranged PII for firms that gave defined benefit

pension transfer advice to BSPS members between 26 May 2016 and 29 March 2018.

The FCA has also released, for consultation, the proposed extended asset retention requirements for firms under the BSPS consumer redress scheme ([CP22/22](#)). Specifically, following the final rules for the BSPS consumer redress scheme, the FCA are seeking feedback on extending the temporary asset retention rules. The FCA believes the extension would ensure that the rules continue to apply until firms have resolved all the scheme cases that they are responsible for, plus other relevant cases outside the scheme. Comments must be submitted on or before 23 December 2022.

FINANCIAL PROMOTIONS QUARTERLY DATA 2022 Q3

The FCA has [published](#) its financial promotions quarterly data 2022 Q3. The publication analyses data from 1 July 2022 to 30 September 2022 and allows the FCA to monitor market developments, gain insight into sectors where there are concerns and to act to prevent consumers from harm. The data includes:

- ▶ key messages for regulated and unregulated financial promotion activity;
- ▶ the number of financial promotions reviewed during the period;
- ▶ the number of unauthorised reports received and alerts issued; and
- ▶ how the FCA act.

HANDBOOK NOTICES 103 & 104

The FCA published its Handbook Notices [103](#) & [104](#) in November 2022.

REGULATION ROUND UP

On 24 November, the FCA published its monthly Regulation Round-up. In addition to various topics, detailed above, this noted the following:

- ▶ Lessons learning from Covid relevant to the financial downturn

A message from Sheldon Mills that the FCA has already acted where they have found poor

practice. We have told 32 firms to make changes to improve the way they treat customers and so far, 7 of these firms have agreed to pay £12m in compensation to nearly 60,000 customers.

The FCA will be closely reviewing a further 40 firms in the coming months to make sure they are meeting our expectations.

The FCAs upcoming consumer duty rules will set a higher standard of consumer protection, but all firms should be stepping up now to help people in these difficult times.

▶ Appointed Representatives S165 request

As reported in previous eBulletins, the FCA have published new rules to make authorised financial firms more responsible for their appointed representatives (ARs).

As part of the FCA's enhanced reporting requirements, principal firms will receive a mandatory section 165 data request for information about their ARs. The FCA will issue this request between 8 to 10 December by email to the Principal User on Connect. Therefore, firms should ensure their details are up to date.

If a principal firm does not receive the S165, after checking their spam/junk folder, they should email the FCA at: firm.queries@fca.org.uk.

FAQs will be published on the FCA website on 8 December and firms will have until 28 February 2023 to respond to the request.

▶ UK Transition Plan Taskforce (TPT)

This has published its Disclosure Framework and accompanying Implementation Guidance for consultation alongside a Sandbox for companies and financial institutions to test implementation.

Responses to the to the consultation survey should be made by 28 February 2023.

▶ Annual Public Meeting Q&As

The FCA has published responses to unanswered questions asked at the annual public meeting. There were over 100 submitted questions that there was not time to answer at that meeting,

which have now been answered in full. Topics range from questions about the call-in power amendment to the FS Bill, the new Consumer Duty and Blackmore Bonds.

▶ New modification by consent for EEA firms

On 28 October, the FCA published a modification by consent disapplying certain requirements for EEA firms operating a branch in the United Kingdom with a Part 4A permission to carry out regulated activities for non-investment insurance contracts, meets the conditions set out in the directions.

EIOPA

We continue to monitor EIOPA's activity and draw your attention to it where we believe it to be necessary or helpful. This will, we hope, assist those firms continuing to operate in the EU.

Items of possible interest this month are as follows:

SUSTAINABILITY: A KEY ISSUE FOR EIOPA - SPEECH BY PETRA HIELKEMA

Petra Hielkema, Chair of EIOPA, delivered a speech at BaFin's Annual Insurance Supervision Conference 2022 in Bonn on 2 November 2022. She focused on the impact of climate-change risks on insurers and what insurers can do to strengthen resilience. She set out how EIOPA, as a regulator and supervisor, promotes a proactive approach to managing sustainability issues.

[\[Speech in original language\]](#).

TRYING TIMES AND THEIR EFFECT ON INSURERS - SPEECH PETRA HIELKEMA

Petra Hielkema, Chair of the EIOPA, delivered a [speech](#) at S&P Global Ratings' European Insurance Conference on 15 November 2022.

She spoke about the current macroeconomic and risk environment and its effect on insurers. She said that insurers are facing an approaching recession and that the current situation is not something that was expected at the beginning of the year but is actually the opposite. She went on to speak about the evolution of the risk environment in the last year and the impact of the global financial crisis. She also spoke about EIOPA's work in the area of crisis prevention and crisis management, and the need for insurers to be prepared for the future.

INTRODUCTORY REMARKS AT THE TECHNICAL SEMINAR ON RECOVERY AND RESOLUTION IN (RE-) INSURANCE - PETRA HIELKEMA

Petra Hielkema, Chair of EIOPA, delivered the [introductory remarks](#) at the Technical Seminar

on recovery and resolution in (re-) insurance on 18 November 2022. She spoke about EIOPA's technical contributions to the Recovery and Resolution Directive and the importance of a pan-European framework for (re-insurance) and how it could have a broader impact for consumers and the general industry. She also covered the European Commission's decision to introduce an Insurance Proposal for an Insurance Recovery and Resolution Directive. She noted that EIOPA appreciates its preventive approach, as well as the fact that it considers all relevant building blocks of a resolution framework, with a focus on cooperation and coordination among authorities.

EIOPA COMPARISON OF RECOVERY AND RESOLUTION FRAMEWORKS IN BANKING AND INSURANCE

EIOPA has conducted a [comparative analysis](#) of the Insurance Recovery and Resolution Directive (IRR) and the Bank Recovery and Resolution Directive (BRRD) in order to identify similarities and differences between the two legal texts, with the aim to understand the rationale behind them. The IRRD was adopted in September 2021 as part of the Solvency II (SII) review package. Since then it has been under consideration by European Parliament and the Council of the European Union.

JC 2022 64 JOINT COMMITTEE LETTER TO EUROPEAN COMMISSION ON THE DELAY IN SFDR MANDATE

On 26 October, the Joint Committee (JC) of the ESAs [wrote to John Berrigan](#), Director General of Financial Stability, Financial Services, and the Capital Markets Union, regarding the delay in delivering the ESAs' mandate to review the indicators for principal adverse impact (PAI) and the financial product disclosures in Commission Delegated Regulation (EU) 2022/1288 (the "SFDR Delegated Regulation"). The ESAs have identified

significant challenges to deliver the required input in the time requested. These challenges relate to the significant number of technical components to the work under this mandate to deliver the desired changes to the SFDR Delegated Regulation and the need to seek input from a range of expert bodies or agencies. The JC is therefore notifying the European Commission of up to a six month delay for the delivery of this mandate.

LETTER FROM FISMA DIRECTOR-GENERAL, JOHN BERRIGAN, REQUESTING EIOPA'S OPINION ON EFRAG'S TECHNICAL ADVICE REGARDING THE ESRS

EIOPA has published a [letter](#) from the Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA) Mr John Berrigan. This letter requested EIOPA's opinion on the European Financial Reporting Advisory Group (EFRAG) technical advice with regards to the European Sustainability Reporting Standards (ESRS). In particular, the letter requested comments regarding its consistency with Regulation (EU) 2019/2088 and the delegated acts adopted pursuant to that Regulation.

ESAS CALL FOR EVIDENCE ON GREENWASHING

The ESAs have issued a [call for evidence](#) on better understanding greenwashing. The Call for Evidence seeks input on potential greenwashing practices in the whole EU financial sector, including banking, insurance and financial markets, which may also be relevant to various segments of the sustainable investment value chain and of the financial product lifecycle. All interested parties are welcome to contribute to the survey, including financial institutions under the remit of the three ESAs and other stakeholders ranging from retail investors and consumers associations to Non-Governmental Organizations and academia. Comments should be submitted on or before 10 January 2023.

EIOPA-BOS-22/514 DISCUSSION PAPER ON METHODOLOGIES OF INSURANCE STRESS TESTING - CYBER COMPONENT

EIOPA has published a [discussion paper](#) on Methodologies of Insurance Stress Testing - Cyber component. The discussion paper is part of a broader effort to enhance EIOPA's stress testing framework. The paper is open for comments until 28 February 2023. The feedback received will be considered in the preparation of a final methodological paper.

JC 2017 49 QUESTIONS AND ANSWERS (Q&A) ON THE PRIIPS KEY INFORMATION DOCUMENT (KID)

ESMA, EIOPA, European Banking Authority (EBA) and the Joint Committee of the ESAs have published an updated version of their [Q&A](#) on the Packaged Retail Investment and Insurance-based Products (PRIIPs) Key Information Document (KID). The Q&As concern Regulation (EU) No 1286/2014 (the PRIIP Regulation) and its Delegated Acts.

EIOPA-22-939 PROPOSAL FOR AN INSURANCE RECOVERY AND RESOLUTION DIRECTIVE: FAQS

EIOPA has published a [staff paper](#) on frequently asked questions about the European Commission's proposal for an Insurance Recovery and Resolution Directive (IRRD), published in September 2021. EIOPA has drafted the current document to provide answers to some frequently-asked questions by a number of different stakeholders.

RISK-FREE INTEREST RATE - CREDIT AND CURRENCY ADJUSTMENTS

EIOPA has [answered a question](#) regarding the technical documentation for calculation of the risk-free rates.

Q&A - SOLVENCY CAPITAL REQUIREMENT (SCR)

EIOPA has updated its Q&A Database to include:

- ▶ a question regarding the [Solvency Capital Requirement \(SCR\)](#). In particular concerning

the calculation of the marine, aviation and fire catastrophe risk sub-modules pursuant to Articles 130 to 132 of Commission Delegated Regulation (EU) 2015/35.

- ▶ a question regarding the [Solvency Capital Requirement \(SCR\)](#). In particular, for the purposes of the calculation of counterparty default risk module with the standard formula, how is the loss-given-default calculated for CCP-related derivative exposures of insurance or reinsurance undertakings that are themselves clearing members of the relevant CCP.

CORPORATE GOVERNANCE

FRS 100 APPLICATION OF FINANCIAL REPORTING REQUIREMENTS

On 18 November, the FRC issued a [revised edition of FRS 100](#) Application of Financial Reporting Requirements. This incorporates the revised Application Guidance and other amendments made since the previous edition was issued in 2018, as well as changes in Irish company law.

KEY MATTERS FOR 2022/23

On 23 November, the FRC published its summary of [key matters for 2022/23 reports and accounts](#). This sets out the key findings and expectations of the Corporate Reporting Review (CRR) team of the FRC for the coming year and provides links to other relevant documents. The summary is mainly targeted at CEOs, CFOs and Audit Committee Chairs but will be helpful to all those involved in the preparation or auditing of annual reports and accounts.

WHAT MAKES A GOOD ENVIRONMENT FOR AUDITOR SCEPTICISM AND CHALLENGE

On 23 November, the FRC published a [report](#) with regard to high-quality auditing and an auditor's mindset and the need to exercise professional scepticism and challenge when performing audits. This report draws on evidence from the FRC's work performed by its Audit Market Supervision (AMS) team. This takes a cross-firm approach to areas of importance to audit quality and firm resilience. The FRC hope to encourage the spread of good practices through sharing its insights, leading to continual improvement in audit quality.

OUR APPROACH TO REGULATION: THE FRC AND THE REGULATORS' CODE

On 23 November, the FRC published a [document](#) explaining how it complies with the Regulators'

Code and follows the principles of good regulation. The document covers:

- ▶ an explanation of the FRC's regulatory role and approach;
- ▶ how it is funded;
- ▶ its compliance with the Regulators' Code; and
- ▶ the impact of its planned transition to the Audit Reporting and Governance Authority (ARGA), which is expected to be reflected in future legislation to create the new regulator.

INFORMATION COMMISSIONER'S OFFICE

We continue to monitor material being issued by the Information Commissioner's Office (ICO) with a view to highlighting high-level matters that may be relevant to readers. The following has been identified for this month:

INTERNATIONAL TRANSFERS: EMPOWERING INNOVATION AND GROWTH WHILST PROTECTING PEOPLE'S PERSONAL INFORMATION

Emma Bate, Director of Legal Services (Regulatory Advice & Commercial), at the ICO posted a [blog](#) on 17 November 2022 regarding the protection of personal information when making international transfers.

HOW THE ICO ENFORCES: A NEW STRATEGIC APPROACH TO REGULATORY ACTION

On 23 November the ICO published the [keynote speech](#) delivered by the Information Commissioner, John Edwards, at the National Association of Data Protection Officers (NADPO) annual conference. His remarks covered the ICO's regulatory and enforcement philosophy, including changes to the way the ICO deals with the public sector, the decision to publish all reprimands issued from January 2022 onwards, and the launch of a new advice service for innovators, among other topics.

ICO AND OFCOM STRENGTHEN PARTNERSHIP ON ONLINE SAFETY AND DATA PROTECTION

On 25 November the ICO [announced](#) how it will work with Ofcom to ensure coherence between the data protection and the new online safety regimes.

ENFORCEMENT ACTION

PRA / FCA REGULATORY FINES ROUND-UP

We have reviewed key relevant enforcement action announced by the PRA / FCA during November and there were no relevant matters to report.

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