



**Markt/2515/07
October 2007**

Solvency I

Results of the annual review of the amount of the minimum guarantee fund (life and non-life) and the premium and claims indices (non-life)

The purpose of this note is:

To present results of the annual review of the minimum guarantee fund (life and non-life) and the premium and claims indices (non-life) required under Article 1(5) of Directive 2002/12/EC¹ and Article 1(3) of Directive 2002/13/EC².

The review has been conducted in accordance with the methodology proposed and agreed at 36th meeting of the Insurance Committee held on 1st December 2004³. The review indicates that the increase in the consumer price index since the last adaptation does not exceed 5 %. As a consequence no adaptation of the minimum guarantee fund, premium and claims index figures are required.

Question to the Members of the EIOPC:

- *Do you agree that the consumer price index has increased by less than 5 % since the last adaptation?*
- *Do you agree that no adaptation of the minimum guarantee fund, premium and claims index figures are required?*

¹ OJ L 77, 20.3.2002

² OJ L 77, 20.3.2002

³ MARKT/2520/04

1. BACKGROUND

At the 36th meeting of the Insurance Committee the Commission proposed a methodology for the annual review of the minimum guarantee fund (life and non-life) and the premium and claims indices (non-life) required under Article 1(5) of Directive 2002/12/EC and Article 1(3) of Directive 2002/13/EC. Under the Commission's proposal the reference period would be 12 months ending on 20 March each year, the relevant index would be the "European index of consumer prices" (EICP) and Member States would have until the end of the following year to implement any changes. The Insurance Committee agreed the Commission's proposed methodology and proposed approach to implementation of any changes required.

The Insurance Committee agreed on the basis of the analysis conducted by the Commission that no changes were required in 2006 as the percentage increase over the period March 2005 to March 2006 was 2.10%, below the 5% threshold.

2. REVIEW

The Commission has conducted the annual review of the minimum guarantee fund (life and non-life) and the premium and claims indices (non-life) in accordance with the methodology agreed by the Insurance Committee. The EICP has increased by 4.42% (from 99.32 to 103.71) during the review period (20 March 2005 – 20 March 2007) and consequently changes are not required.

- *Do you agree that the consumer price index has increased by less than 5 % since the last adaptation?*
- *Do you agree that no adaptation of the minimum guarantee fund, premium and claims index figures are required?*

Contact:

Ben Carr, Telephone: (32-2) 295 66 61, Benedict.Carr@cec.eu.int