



Annex 3 - Structure and content of CEIOPS' Advice on level 2 implementing measures

For each point (or sub-point) of an implementing measure examined as part of its Level 2 Advice, CEIOPS' Advice should be based on the following structure:

1. Introduction

- Description of the issue covered by the point of the implementing measure (e.g.: "risk free interest rate", "actuarial function", "solvency and financial condition report", etc.)
- Definition of the scope of the issue examined (e.g. "solo undertakings", "undertakings forming part of a group", etc.)

2. Extract from Level 1 text

- The key extracts from the Level 1 Directive which are directly relevant for the issue being examined (e.g. for the risk free interest rate, those Articles should include Art. 75(3) and 76(2))
- Identification of the legal basis for the Level 2 implementing measure being examined, i.e. identification of the Article(s) calling for an implementing measure with respect to that issue (for example, for the risk free interest rate, the Article to be mentioned is Art. 85(b)).

3. CEIOPS' Advice

- Explanatory text
 - Key questions to be considered
 - Rationale for the Advice, including the various possibilities considered and their respective merits
 - Where an impact assessment annex is provided with respect to that issue, the explanatory text should include a reference to that annex
 - Any relevant data used in the development of the advice, as well as other background information considered (e.g. QIS3 and QIS4 results)
- Advice box
 - The Advice should be aligned with the Level 1 Directive.
 - The Advice should be both concrete and comprehensive, covering all potential aspects of a future level 2 measure. It should clearly explain what

undertakings/supervisors/Member States will be expected to do in order to comply with the implementing measure/Level 1 Directive.

- Where several reasonable implementation alternatives exist and where it is considered desirable to provide undertakings with different options, all alternatives should be presented. In these cases, attention may be drawn to the fact that undertakings will need to use expert judgement when choosing between those alternatives. However, the use of expert judgement should not be used as a reason for not providing advice covering the range of different approaches that could reasonably be used.

5. Annex: Impact Assessment tables and narrative

Where relevant in the context of the issue being examined (i.e. issue which is included under points A., B. as well as other issues identified by CEIOPS under C. in the *List of Policy Issues and Options* agreed between the Commission and CEIOPS), the Advice should include an annex covering the Impact Assessment contribution from CEIOPS with respect to that issue, both in narrative and table format.