IMIF - Internal Model Industry Forum – Model Risk Management

Phil Whittingham
Head of Model Validation and Risk Governance, XL Catlin
IMIF Chairman
Agenda

9.00am  Welcome and introduction  IMIF Chairman Phil Whittingham

9.10am  Launch of New IMIF Guidance:  
'The Journey from Model Validation to Model Risk Management'

9.15am  The consultant’s perspective  Marc Taymans,  
Risk Dynamics, part of McKinsey & Company

9.35am  The practitioner’s perspective  Roger Dix, Chief Risk Officer,  
Wesleyan Assurance Society

9.55am  The regulator’s perspective  Nylesh Shah and Johann Meeke,  
Bank of England PRA

10.10am  Discussion panel and audience questions

10.30am  Closing remarks and update on other IMIF work in progress
'The Journey from Model Validation to Model Risk Management'

Phil Whittingham, IMIF Chairman
IMIF Purpose and Objectives: *Creating value through internal models*

- Understanding challenges for the insurance industry in complying with Solvency II regulation for Internal Models
- Understanding the stage of maturity of industry in embedding Internal Models, as a key tool of risk and capital evaluation
- Identifying the current gaps and best practices in the Industry
- Ensuring alignment in the industry including good balance between pragmatic solutions and regulatory requirements
- Enabling a communication channel with the regulator, industry associations (e.g. IRM, IFoA, ABI) and other stakeholders (i.e. consulting firms).
Why model risk management?

- First wave of internal model approvals is complete
- Validation is becoming “business as usual”
- Is that it?
Thank you to working group

Andrew Hitchcox – Tokio Marine Kiln
Bianca Hanscombe - Aviva
David Innes - RSA
Elizabeth Cabrera – Talbot Underwriting
Michael Hosking - Faraday
Peter Telford – Legal & General
Roger Dix – Wesleyan

And of course, RiskDynamics
Update on the IMIF

Phil Whittingham, IMIF Chairman
IMIF scope and key topic areas

- Validation Framework (IMV)
- Use of Internal Models (IM)
- Methodology
- Culture & Transparency
A strong industry forum

Over 40 life and non-life insurance players represented
Over 400 forum members
The IMIF’s contribution so far

Kick off meeting June 2014
Approximately 40 Steerco meetings
7 booklets
4 “use” case studies
1 published “roundtable”
Industry surveys
1 webinar
Speaking opportunities
Articles in the press
IMIF published guidance

Available at www.theirm.org/imif
Advanced uses of internal models – case studies

Available at www.theirm.org/imif
Expanding delivery

• Continue with White Papers
• Continue with surveys
• Build roundtables to increase dialogue between regulators and industry
• Continue with published roundtables to raise awareness of key topics
• Further events (e.g. ABI)
Further Topics for 2018

• Operational Risk – release in April
• Reserve Risk - scoping
• Competencies for Validation function
• Questions for Non-Executives
• Lessons learnt on Board validation reports
• Suggestions from the floor?
Questions?

For Information: www.theirm.org/imif