IMIF - Internal Model Industry Forum – Operational risk and insurance alignment

Phil Whittingham
Head of Model Validation and Risk Governance, XL Catlin
IMIF Chairman
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<tr>
<th>Time</th>
<th>Topic</th>
<th>Speaker</th>
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<tr>
<td>9:00am</td>
<td>Welcome and introduction</td>
<td>Phil Whittingham, IMIF Chairman</td>
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<td>9:30am</td>
<td>The Industry perspective</td>
<td>Caroline Coombe, Chief Executive, ORIC International</td>
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<td>9:45am</td>
<td>The practitioner’s perspective</td>
<td>Michael Hosking, Chief Risk Officer, Faraday Underwriting Limited</td>
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<td>10:00am</td>
<td>The insurance provider’s perspective</td>
<td>Angelos Deftereos, Senior Underwriter, XL Catlin</td>
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<td>10:15am</td>
<td>Discussion panel and audience questions</td>
<td>All</td>
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<td>10:40am</td>
<td>Closing remarks and update on other IMIF work in progress</td>
<td>Phil Whittingham, IMIF Chairman</td>
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‘Aligning Operational Risk and Insurance’

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).
Operational Risk and Insurance

- The understanding we gain from our operational risk modelling can inform our insurance purchasing; and
- The benefit of insurance purchases can be better reflected in our capital modelling, potentially providing a capital benefit
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
Further Topics for 2018/19

• Model change - scoping
• Reserve Risk - planning
• 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