Commission Implementing Regulation (EU) 2017/1421 of 2 August 2017 laying down technical information for the calculation of technical provisions and basic own funds for reporting with reference dates from 30 June until 29 September 2017 in accordance with Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of Insurance and Reinsurance (Text with EEA relevance)

COMMISSION IMPLEMENTING REGULATION (EU) 2017/1421

of 2 August 2017

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(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II)[(1)], and in particular the third subparagraph of Article 77e(2) thereof,

Whereas:

(1) In order to ensure uniform conditions for the calculation of technical provisions and basic own funds by insurance and reinsurance undertakings for the purposes of Directive 2009/138/EC, technical information on relevant risk-free interest rate term structures, fundamental spreads for the calculation of the matching adjustment and volatility adjustments should be laid down for every reference date.

(2) Insurance and re-insurance undertakings should use the technical information, which is based on market data related to the end of the last month preceding the first reporting reference date to which this Regulation applies. On 6 July 2017, the European Insurance and Occupational Pensions Authority provided the Commission with the technical information related to end of June 2017 market data. That information was published on 6 July 2017 in accordance with Article 77e(1) of Directive 2009/138/EC.

(3) Given the need for the immediate availability of the technical information, it is important that this Regulation enters into force as a matter of urgency.

(4) For prudential reasons it is necessary that insurance and reinsurance undertakings use the same technical information for calculating technical provisions and basic own funds irrespective of the date on which they report to their competent authorities. This Regulation should therefore apply from the first reporting reference date to which this Regulation applies.

Changes to legislation: *There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2017/1421. (See end of Document for details)*

(5) To provide legal certainty as soon as possible, it is duly justified on imperative grounds of urgency related to the availability of the relevant risk-free interest rate term structure that measures provided for in this Regulation be adopted in accordance with Article 8, in conjunction with Article 4, of Regulation (EU) No 182/2011 of the European Parliament and of the Council[(2)],

HAS ADOPTED THIS REGULATION:

Article 1

1 Insurance and reinsurance undertakings shall use the technical information referred to in paragraph 2 when calculating technical provisions and basic own funds for reporting with reference dates from 30 June until 29 September 2017.

2 For each relevant currency, the technical information used to calculate the best estimate in accordance with Article 77 of Directive 2009/138/EC, the matching adjustment in accordance with Article 77c of that Directive and the volatility adjustment in accordance with Article 77d of that Directive shall be the following:

a the relevant risk-free rate term structures set out in Annex I;

b the fundamental spreads for the calculation of the matching adjustment set out in Annex II;

c for each relevant national insurance market, the volatility adjustments set out in Annex III.

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 30 June 2017.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 2 August 2017.

For the Commission

The President

Jean-Claude JUNCKER

***Changes to legislation:** There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2017/1421. (See end of Document for details)*

ANNEX I

Relevant risk-free interest rate term structures to calculate the best estimate, without any matching adjustment or volatility adjustment

Term to maturity (in years)	Euro (%)	Czech koruna (%)	Danish krone (%)	Forint (%)	Krona (%)	Kuna (%)
1	– 0,335	0,337	– 0,344	0,093	– 0,549	0,287
2	– 0,225	0,581	– 0,235	0,489	– 0,335	0,855
3	– 0,098	0,696	– 0,108	0,623	– 0,105	1,419
4	0,037	0,792	0,027	1,135	0,122	1,889
5	0,172	0,879	0,162	1,551	0,336	2,164
6	0,312	0,958	0,302	1,984	0,536	2,333
7	0,446	1,014	0,436	2,359	0,719	2,465
8	0,577	1,074	0,567	2,638	0,887	2,596
9	0,702	1,133	0,692	2,856	1,035	2,733
10	0,817	1,188	0,807	3,030	1,165	2,852
11	0,919	1,227	0,909	3,196	1,326	2,950
12	1,011	1,262	1,001	3,355	1,501	3,034
13	1,095	1,303	1,084	3,503	1,672	3,106
14	1,167	1,351	1,156	3,635	1,832	3,169
15	1,224	1,407	1,213	3,750	1,977	3,224
16	1,265	1,470	1,255	3,844	2,108	3,274
17	1,299	1,538	1,288	3,922	2,227	3,318
18	1,331	1,609	1,320	3,986	2,333	3,358
19	1,365	1,681	1,355	4,039	2,430	3,394
20	1,407	1,753	1,396	4,083	2,517	3,427
21	1,456	1,824	1,445	4,120	2,596	3,457
22	1,511	1,893	1,501	4,150	2,668	3,485
23	1,570	1,960	1,560	4,175	2,734	3,511
24	1,631	2,025	1,621	4,196	2,795	3,535
25	1,693	2,088	1,683	4,214	2,851	3,558
26	1,755	2,149	1,746	4,229	2,902	3,579
27	1,816	2,207	1,807	4,241	2,950	3,598
28	1,877	2,263	1,868	4,251	2,994	3,617
29	1,936	2,317	1,928	4,259	3,036	3,634

Changes to legislation: *There are currently no known outstanding effects for the Commission Implementing Regulation (EU) 2017/1421. (See end of Document for details)*

30	1,994	2,368	1,986	4,266	3,074	3,651
31	2,050	2,417	2,042	4,271	3,110	3,666
32	2,104	2,464	2,097	4,275	3,144	3,681
33	2,157	2,510	2,149	4,279	3,176	3,694
34	2,208	2,553	2,200	4,282	3,206	3,708
35	2,256	2,594	2,249	4,284	3,234	3,720
36	2,303	2,634	2,296	4,285	3,261	3,732
37	2,349	2,672	2,342	4,286	3,286	3,743
38	2,392	2,709	2,385	4,287	3,310	3,754
39	2,434	2,744	2,428	4,287	3,333	3,765
40	2,474	2,777	2,468	4,288	3,354	3,774
41	2,513	2,809	2,507	4,287	3,375	3,784
42	2,550	2,840	2,544	4,287	3,395	3,793
43	2,586	2,870	2,580	4,287	3,413	3,802
44	2,621	2,899	2,615	4,286	3,431	3,810
45	2,654	2,926	2,648	4,285	3,448	3,818
46	2,686	2,952	2,680	4,285	3,464	3,826
47	2,717	2,978	2,711	4,284	3,480	3,833
48	2,746	3,002	2,741	4,283	3,495	3,840
49	2,775	3,026	2,770	4,282	3,509	3,847
50	2,802	3,048	2,797	4,281	3,523	3,854
51	2,829	3,070	2,824	4,280	3,536	3,860
52	2,855	3,091	2,850	4,279	3,549	3,866
53	2,879	3,112	2,874	4,278	3,561	3,872
54	2,903	3,131	2,898	4,277	3,573	3,878
55	2,926	3,150	2,922	4,276	3,584	3,884
56	2,949	3,169	2,944	4,274	3,595	3,889
57	2,970	3,186	2,966	4,273	3,606	3,894
58	2,991	3,204	2,986	4,272	3,616	3,899
59	3,011	3,220	3,007	4,271	3,626	3,904
60	3,031	3,236	3,026	4,270	3,636	3,909
61	3,049	3,252	3,045	4,269	3,645	3,914
62	3,068	3,267	3,064	4,268	3,654	3,918
63	3,086	3,282	3,081	4,267	3,662	3,922

64	3,103	3,296	3,099	4,267	3,671	3,927
65	3,119	3,309	3,115	4,266	3,679	3,931
66	3,136	3,323	3,132	4,265	3,687	3,935
67	3,151	3,336	3,148	4,264	3,694	3,939
68	3,167	3,348	3,163	4,263	3,702	3,942
69	3,182	3,361	3,178	4,262	3,709	3,946
70	3,196	3,373	3,192	4,261	3,716	3,949
71	3,210	3,384	3,206	4,260	3,723	3,953
72	3,224	3,395	3,220	4,260	3,729	3,956
73	3,237	3,406	3,233	4,259	3,736	3,960
74	3,250	3,417	3,246	4,258	3,742	3,963
75	3,262	3,427	3,259	4,257	3,748	3,966
76	3,275	3,437	3,271	4,257	3,754	3,969
77	3,287	3,447	3,283	4,256	3,760	3,972
78	3,298	3,457	3,295	4,255	3,766	3,975
79	3,310	3,466	3,306	4,255	3,771	3,978
80	3,321	3,475	3,318	4,254	3,776	3,980
81	3,332	3,484	3,328	4,253	3,782	3,983
82	3,342	3,493	3,339	4,253	3,787	3,986
83	3,352	3,501	3,349	4,252	3,792	3,988
84	3,362	3,510	3,359	4,251	3,797	3,991
85	3,372	3,518	3,369	4,251	3,801	3,993
86	3,382	3,526	3,379	4,250	3,806	3,995
87	3,391	3,533	3,388	4,250	3,810	3,998
88	3,400	3,541	3,397	4,249	3,815	4,000
89	3,409	3,548	3,406	4,248	3,819	4,002
90	3,418	3,556	3,415	4,248	3,823	4,004
91	3,427	3,563	3,424	4,247	3,827	4,007
92	3,435	3,569	3,432	4,247	3,832	4,009
93	3,443	3,576	3,440	4,246	3,835	4,011
94	3,451	3,583	3,448	4,246	3,839	4,013
95	3,459	3,589	3,456	4,245	3,843	4,015
96	3,467	3,596	3,464	4,245	3,847	4,017
97	3,474	3,602	3,472	4,245	3,850	4,018