Changes to legislation: *There are outstanding changes not yet made to Commission Implementing Regulation (EU) 2015/2017. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)EUR 2015 No. 2017 may be subject to amendment by EU Exit Instruments made by the Prudential Regulation Authority under powers set out in The Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (S.I. 2018/1115), regs. 2, 3, Sch. Pt. 2. These amendments are not currently available on legislation.gov.uk. Details of relevant amending instruments can be found on their website/s. (See end of Document for details) View outstanding changes*

Commission Implementing Regulation (EU) 2015/2017 of 11 November 2015 laying down implementing technical standards with regard to the adjusted factors to calculate the capital requirement for currency risk for currencies pegged to the euro in accordance with Directive 2009/138/EC of the European Parliament and of the Council (Text with EEA relevance)

COMMISSION IMPLEMENTING REGULATION (EU) 2015/2017

of 11 November 2015

laying down implementing technical standards with regard to the adjusted factors to calculate the capital requirement for currency risk for currencies pegged to the euro in accordance with Directive 2009/138/EC of the European Parliament and of the Council

(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 Article 109a(2)(c) thereof,

Whereas:

(1) The adjustments laid down in this Regulation take into account the detailed criteria set out in Article 188(5) of Commission Delegated Regulation (EU) 2015/35[(2)].

(2) In order to ensure a consistent treatment of currencies pegged to the euro in the calculation of the capital requirement for currency risk, adjusted factors should be provided for the currency risk relating to the exchange rates between the euro and currencies pegged to the euro as well as in relation to the exchange rates between two currencies pegged to the euro.

(3) This Regulation is based on the draft implementing technical standards submitted by the European Insurance and Occupational Pensions Authority to the Commission.

(4) The European Insurance and Occupational Pensions Authority has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Insurance and Reinsurance Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1094/2010 of the European Parliament and of the Council[(3)],

HAS ADOPTED THIS REGULATION:

Changes to legislation: *There are outstanding changes not yet made to Commission Implementing Regulation (EU) 2015/2017. Any changes that have already been made to the legislation appear in the content and are referenced with annotations. (See end of Document for details)EUR 2015 No. 2017 may be subject to amendment by EU Exit Instruments made by the Prudential Regulation Authority under powers set out in The Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (S.I. 2018/1115), regs. 2, 3, Sch. Pt. 2. These amendments are not currently available on legislation.gov.uk. Details of relevant amending instruments can be found on their website/s. (See end of Document for details) View outstanding changes*

Article 1

Adjusted factors for currency risk where the local or foreign currency is the euro

Where the local or foreign currency is the euro, for the purposes of Article 188(3) and (4) of Delegated Regulation (EU) 2015/35, the 25 % factor is replaced by:

(a) 0,39 % where the other currency is the Danish krone (DKK);

(b) 1,81 % where the other currency is the lev (BGN);

(c) 2,18 % where the other currency is the West African CFA franc (BCEAO) (XOF);

(d) 1,96 % where the other currency is the Central African CFA franc (BEAC) (XAF);

(e) 2,00 % where the other currency is the Comorian franc (KMF).

Article 2

Adjusted factors for currency risk where the local and the foreign currency are pegged to the euro

For the purposes of Article 188(3) and (4) of Delegated Regulation (EU) 2015/35, the 25 % factor is replaced by:

(a) 2,24 % where the two currencies are the DKK and the BGN;

(b) 2,62 % where the two currencies are the DKK and the XOF;

(c) 2,40 % where the two currencies are the DKK and the XAF;

(d) 2,44 % where the two currencies are the DKK and the KMF;

(e) 4,06 % where the two currencies are the BGN and the XOF;

(f) 3,85 % where the two currencies are the BGN and the XAF;

(g) 3,89 % where the two currencies are the BGN and the KMF;

(h) 4,23 % where the two currencies are the XOF and the XAF;

(i) 4,27 % where the two currencies are the XOF and the KMF;

(j) 4,04 % where the two currencies are the XAF and the KMF.

Article 3

Entry into force

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

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