

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: <i>'The Journey from Model Validation to Model Risk Management'</i>	
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



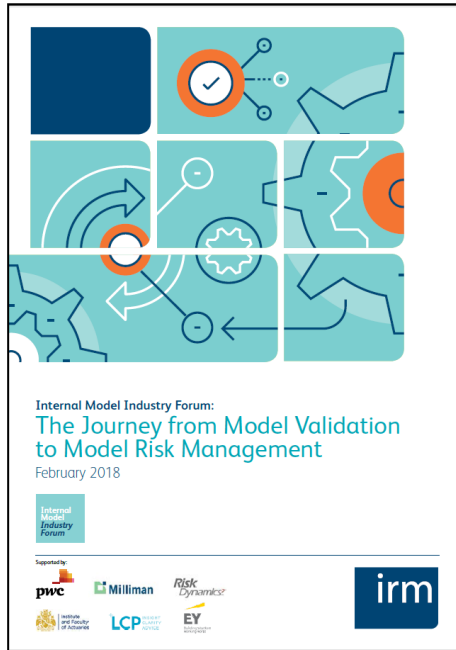
- Understanding challenges for the insurance industry in complying with Solvency II regulation for Internal Models
- Understanding the stage of maturity of industry in embedding Internal Models, as a key tool of risk and capital evaluation
- Identifying the current gaps and best practices in the Industry
- 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).



Model Risk Management

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

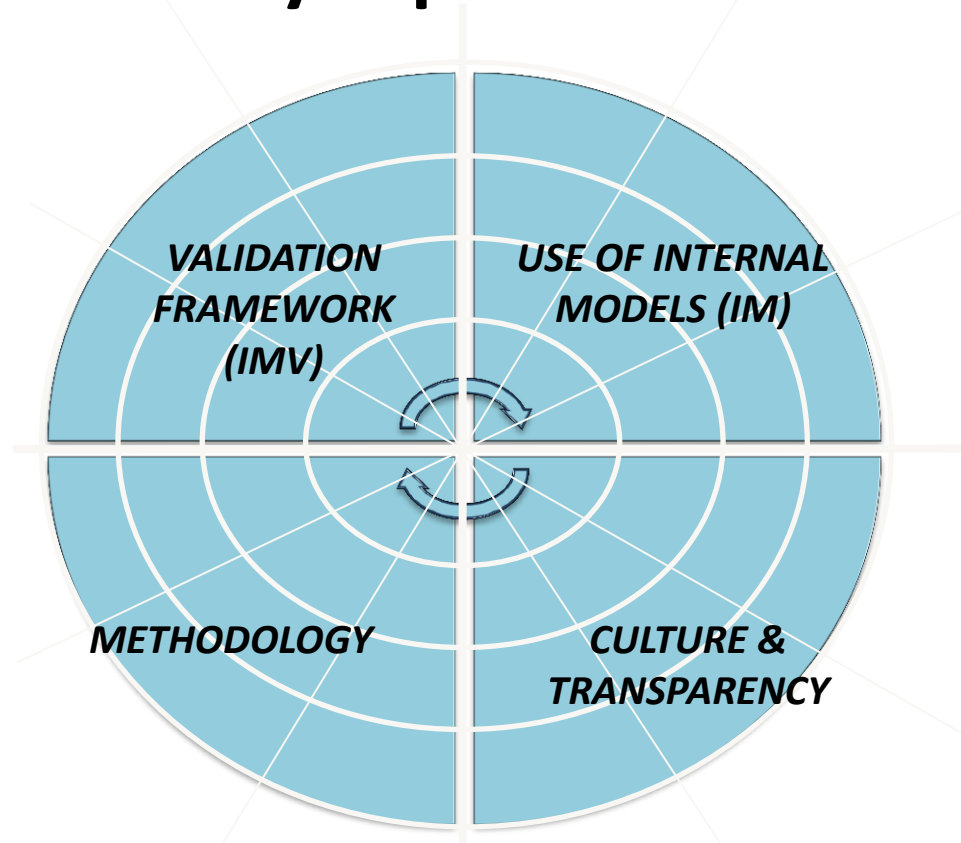
Update on the IMIF

Phil Whittingham, IMIF Chairman





IMIF scope and key topic areas



A strong industry forum



Institute
and Faculty
of Actuaries

Deloitte.

*Over 40 life and non-life
insurance players represented
Over 400 forum members*



The IMIF's contribution so far

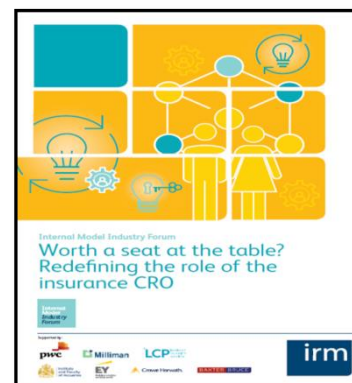


- Kick off meeting June 2014
- Approximately 40 Steerco meetings
- 7 booklets
- 4 “use” case studies
- 1 published “roundtable”
- Industry surveys
- 1 webinar
- Speaking opportunities
- Articles in the press



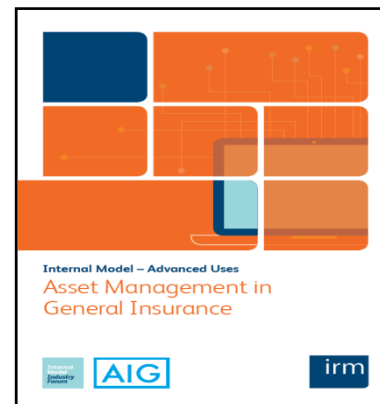
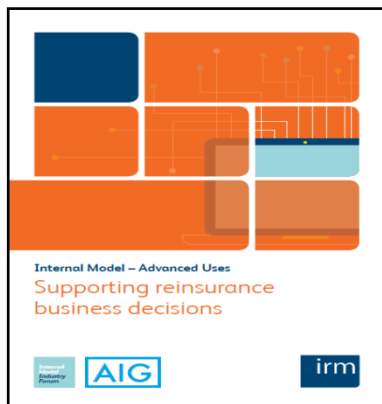


IMIF published guidance





Advanced uses of internal models – case studies



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)

The lessons learned
from internal model
approval

An InsuranceERM/EY/
Internal Model Industry Forum Roundtable

InsuranceERM

EY

Internal
Model
Industry
Forum

irm





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