

HKFRS 17 – Readiness Assessment Survey

Name of Insurer:

Type of business Authorized:

Contact person for this survey:

Name:

Telephone:

Email:

Personal Information Collection Statement

The provision of personal data is voluntary. However, failure to provide such data may make it impossible to communicate with you. Purpose of Collection: The personal data you provide will be used for future correspondence and in relation to this survey. Transfer of Personal Data: For the purposes of collection mentioned above, the personal data you provide may be disclosed to organisations (e.g. The Hong Kong Federation of Insurers) that are directly involved in this exercise. Access to / Correction of Personal Data: In accordance with the Personal Data (Privacy) Ordinance, you have the right to request access to and correct the personal data provided. Requests should be made in writing to the Data Privacy Officer of the Insurance Authority at 19/F, 41 Heung Yip Road, Wong Chuk Hang, Hong Kong.

Questions	Responses
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Status of Readiness

1) The effective date of Hong Kong Financial Reporting Standard 17 Insurance Contract (HKFRS 17) is 1 January 2021. Do you expect your company can implement HKFRS 17 by the effective date?	[Please Select]					
If your answer is no, how long does your company expect to delay, from effective date, in order to comply with the HKFRS 17 standard?	[Please Select]					
2) a) Have you performed any gap analysis of HKFRS 17?	[Please Select]					
b) Have you performed any impact analysis of HKFRS 17?	[Please Select]					
3) What is your company's readiness status in preparing the implementation of HKFRS 17?	[Please Select]					
4) Please list and rank the top five challenges of implementing HKFRS 17. Please also elaborate. For example, tight transition timeline, lack of HKFRS 17 expert in the market, lack of in-house expert, tight budget, lack of HKFRS 17 training, information technology (IT) infrastructure, determination of the measurement models (such as general model, premium allocation model, or variable fee model), data storage and management, reporting & disclosure requirements, lack of actuarial support, etc. Optional – you may also supplement the proposed solutions respectively.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td style="text-align: center;">1</td></tr> <tr><td style="text-align: center;">2</td></tr> <tr><td style="text-align: center;">3</td></tr> <tr><td style="text-align: center;">4</td></tr> <tr><td style="text-align: center;">5</td></tr> </tbody> </table>	1	2	3	4	5
1						
2						
3						
4						
5						
5) What is your plan if you are unable to comply with HKFRS 17 by the effective date? (Please provide a short description)	[Please provide a short description]					

Questions	Responses
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Support & Resources

6) a) Have you started engaging with your company's management on HKFRS 17? (e.g. senior management, board of directors, etc)	[Please Select]
If your answer in 6(a) is yes, please select your answer. Multiple selection is allowed.	
Senior Management	[Please Select]
Board of directors	[Please Select]
Senior management from head office or parent company (applicable to insurer being part of an international insurer)	[Please Select]
Others: (Please specify)	[Please Specify if your selection is others]
b) If your answer in 6(a) is yes, how does your management support the implementation of HKFRS 17? Please list and rank the top three support.	1
	2
	3
7) Have you set up any dedicated team for the HKFRS 17 development and implementation?	[Please Select]
8) What is the estimated cost (in HKD '000) of HKFRS 17 Implementation of your company in Hong Kong?	[Please enter \$]
a) One-off implementation cost	[Please enter \$]
b) On-going maintenance cost (per annum)	[Please enter \$]
c) As compared with your current maintenance cost on HKFRS 4, do you expect and how much do you expect extra cost on HKFRS 17 per annum? (Please state the estimated amount and describe the difference)	[Please state the estimated amount and describe the difference]
9) a) Did/will you upgrade your finance IT system, actuarial valuation model/database, administration system to meet the requirements of HKFRS 17?	[Please Select]
b) If your answer in 9(a) is Yes, please list and rank the importance of your top five reasons of upgrading the systems. Please also elaborate. For example, system data input capabilities, calculation capabilities, system runtime issue, reporting interface, data storage, etc.	1
	2
	3
	4
	5
10) How many full-time employees would you involve in implementing HKFRS 17?	[Please Select]

Questions	Responses
<p>11) a) What kinds of support does your company obtain for implementing HKFRS 17? (Please select and rank the items below in descending order: "1" is the most useful; "8" is the least useful; "NA" is not applicable)</p>	
<p>Support from head office or parent company (applicable to insurer being part of an international insurer) (please also complete question 11(b))</p>	<p>[Please Select]</p>
<p>HKFRS 17 practical workshop</p>	<p>[Please Select]</p>
<p>Formation of industry working group to facilitate industry discussion</p>	<p>[Please Select]</p>
<p>Online resources</p>	<p>[Please Select]</p>
<p>Q&A channel to accounting standard setting bodies</p>	<p>[Please Select]</p>
<p>Others #1 (Please specify)</p>	<p>[Please Select]</p>
	<p>[Please specify the others #1]</p>
<p>Others #2 (Please specify)</p>	<p>[Please Select]</p>
	<p>[Please specify the others #2]</p>
<p>Others #3 (Please specify)</p>	<p>[Please Select]</p>
	<p>[Please specify the others #3]</p>
<p>b) If you select "Support from head office or parent company" in question 11(a), what is the common support? (Please select and rank the items below in descending order: "1" is the most common; "5" is the least common; "NA" is not applicable)</p>	
<p>Central implementation at head office or parent company level</p>	<p>[Please Select]</p>
<p>Formation of working group with head office or parent company</p>	<p>[Please Select]</p>
<p>Secondment of head office or parent company resources to local level</p>	<p>[Please Select]</p>
<p>Others #1 (Please specify)</p>	<p>[Please Select]</p>
	<p>[Please specify the others #1]</p>
<p>Others #2 (Please specify)</p>	<p>[Please Select]</p>
	<p>[Please specify the others #2]</p>
<p>12) What kinds of support would you like the regulator or accounting standard setting body to provide for implementing HKFRS 17 in the coming 12 months?</p>	<p>[Please enter your response]</p>

Questions	Responses
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Technical Implications

<p>13) Please list and rank the top five topics you need further guidance in interpreting HKFRS 17. Please also elaborate.</p> <p>For example, Contractual Service Margin (CSM) amortisation, discount rates, contract boundary, unbundling of multi-component contracts, identification of onerous contracts, reinsurance, level of aggregation, hedging adjustment, retrospective application, etc.</p>	1
	2
	3
	4
	5

14) What percentage of your business do you expect applying the following approaches under HKFRS 17? (Please list the product lines on the corresponding approach below)	
Building Block Approach (General Model)	[Please enter %]
	[Please enter corresponding product lines]
Premium Allocation Approach	[Please enter %]
	[Please enter corresponding product lines]
Variable Fee Approach	[Please enter %]
	[Please enter corresponding product lines]

15) What are the possible changes or impact on the following items after implementing HKFRS 17?	
Items	Please specify the possible changes or impact below (if any)
Investment Strategy	
Pricing Methodology	
Product Feature / Product Mix	
Underwriting Strategy	
Reinsurance Management Strategy	
Risk Management Strategy	
Capital Requirement	
Reporting Processing Time	
Key Performance Indicator / Remuneration Policy and Structure	

Questions	Responses
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Stakeholders Communication

16) a) Have you started any communication with external stakeholders on HKFRS 17? (e.g. Rating agencies, Investors, auditors, etc.)	[Please Select]
If your answer in 16(a) is yes, please select your answer. Multiple selections are allowed.	
Rating Agency	[Please Select]
Investors	[Please Select]
Auditors	[Please Select]
Others (Please specify below)	[Please Specify if your selection is others]
b) If you have started any communication with the stakeholders on HKFRS 17, what are the top five issues discussed?	1
	2
	3
	4
	5

Other Comments

17) If you have other comments which the survey has not mentioned above , please supplement below:	[Please Enter the subject / topic #1 of HKFRS 17] [Please enter your comments related to the subject / topic 1 above]
	[Please Enter the subject / topic #2 of HKFRS 17] [Please enter your comments related to the subject / topic 2 above]
	[Please Enter the subject / topic #3 of HKFRS 17] [Please enter your comments related to the subject / topic 3 above]
	[Please Enter the subject / topic #4 of HKFRS 17] [Please enter your comments related to the subject / topic 4 above]
	[Please Enter the subject / topic #5 of HKFRS 17] [Please enter your comments related to the subject / topic 5 above]