

11 January 2021

Our Ref: INS/TEC/6/20/6 Subfile IV

By **email** only

To: Chief Executives of authorized insurers carrying on long term insurance business

Dear Sirs,

Prescribed Scenarios for Long Term Insurance Business in relation to GL21

I am writing to inform you that the Prescribed Scenarios for long term insurance business (“Prescribed Scenarios”) in relation to Guideline on Enterprise Risk Management (“GL21”) has been published today as enclosed (See **Appendix 1**).

The Prescribed Scenarios shall be adopted for the first Own Risk and Solvency Assessment (“ORSA”) Report, which is required for the financial year ended 31 December 2020. As this is the first set of Prescribed Scenarios under the GL21, we will review the Prescribed Scenarios for the next ORSA Report and may revise some of the scenarios in future having regard to market conditions.

We take this opportunity to thank the insurance industry and professional bodies for providing invaluable comments on the Prescribed Scenarios. You may also download the Prescribed Scenarios and the summary of comments from the IA’s Guidelines website¹ and the Insurer’s Collaboration Corner² respectively.

Should you have any queries in relation to the above, please contact Ms Kay Szeto at 3899 9980, or email us at rbcphase2@ia.org.hk.

Yours faithfully,

Tony Chan
Associate Director
Policy and Development Division
Insurance Authority

Encl.

c.c. Chairman, The Hong Kong Federation of Insurers
President, The Actuarial Society of Hong Kong

¹ https://ia.org.hk/en/legislative_framework/guidelines.php

² https://ia.org.hk/en/portal_for_insurers/icc/welcome.html