

GISA SURVEY TO MEMBER INSURERS

Introduction

The International Financial Reporting Standard (IFRS) 17 has implications for Canadian property and casualty (P&C) insurers, potentially affecting many aspects of insurer operations. In addition to accounting and financial reporting, for which the impact is most significant, IFRS 17 may affect many functions including claims, underwriting, reinsurance, actuarial, regulatory reporting and, of course, systems.

The purpose of this survey is to assess the effect that IFRS 17 might have on an insurers' ability to report data in accordance with the Automobile and Commercial Liability Statistical Plans (hereinafter called the ASP and CLSP respectively). GISA, through this survey, is evaluating any necessary changes to the ASP and CLSP. The survey includes questions not directly related to ASP and CLSP reporting but potentially have an impact to how information generated from statistical reporting data may be affected.

It is our understanding that insurers may be considering systems changes, and possibly even the implementation of new systems to accommodate IFRS 17 reporting requirements, particularly with respect to premiums, claim indemnity and expenses. While some insurers may plan to retain their current processes for reporting under ASP and CLSP, we recognize that this is not necessarily the case for all insurers.

Insurers are requested to provide the information solicited in this short survey and consult with individuals in your organization familiar with these changes as necessary. The survey should be returned to IFRS17survey@ibc.ca on or before September 20, 2019.

All survey responses will be considered strictly proprietary and confidential. The intent of this survey is to gain a better understanding and appreciation of the industry's response to IFRS 17 requirements and how it will ultimately impact various GISA processes. Any results presented will only reflect an overall industry perspective of the impact of IFRS 17 implementation.

IFRS 17 Implementation in your organization

Insurer Name (Or Group Name if reporting on a group basis)

Reporting Insurers included (if reporting on a group basis)

Is your organization

- a. Canadian
- b. Foreign –please identify country of ownership _____

Contact information:

Name: _____

Title: _____

Email: _____

Where would you say your organization is with IFRS 17 implementation? (Check the appropriate response)

- a. Awaiting more information before initiating any changes
- b. Recently initiated evaluating the requirements and impact to our processing
- c. Completed high level evaluation, just awaiting any further possible revisions
- d. Changes are have been or are being implemented
- e. Not familiar with IFRS 17 requirements

Comment on whether any changes as related to IFRS 17 contemplated by your organization will result in any potential issues with reporting current ASP or CLSP requirements in regards to:

1. Reporting of Written Exposures and Premiums

2. Reporting of Indemnity Losses

3. Reporting of Allocated Expenses

4. Transactional Aggregation of Claim Counts

5. Any Other Dimensional Elements (i.e. reported class attributes which pertain to the numeric measures listed above)

6. The organization's ability to reconcile, on a monthly and/or annual basis, the expected amount of direct business that is to be reported to GISA ASP or CLSP by disclosing any adjustments made to analogous amounts on financial statements.

Comment on whether any changes as related to IFRS 17 contemplated by your organization will result in any variance or change from the current process that these estimates are developed:

7. Unallocated Expenses Methodology

8. Case Reserving Methodology

9. Incurred but Not Reported (IBNR) Methodology

10. What is the time frame that your organization plans to transition from current processes?

- a. No transition, old process requirements will be eliminated or replaced right away
- b. Over a period of time, specify the anticipated end of support of current processes or systems

- c. Still to be determined
- d. Current processes will continue in a parallel with new for the foreseeable future

11. Many areas of your organization will be involved/impacted, indicate which functional/business area of your organization is expected to be driving/responsible your IFRS 17 implementation? Provide the names and contact information for these individuals.