

Finansinspektionen's Regulatory Code

Publisher: Finansinspektionen, Sweden, www.fi.se
ISSN 1102-7460



This translation is furnished solely for information purposes. Only the printed version of the regulation in Swedish applies for the application of the law.

Regulations

amending Finansinspektionen's regulations and general guidelines (FFFS 2011:27) regarding simplified annual reporting in insurance undertakings granted dispensation;

FFFS 2019:24

Published
17 December 2019

decided on 10 December 2019.

Finansinspektionen prescribes pursuant to section 4, points 1 and 4 of the Annual Accounts at Credit Institutions, Securities Companies and Insurance Undertakings Ordinance (1995:1600) that the heading to Finansinspektionen's regulations and general guidelines (FFFS 2011:27) regarding simplified annual reporting in insurance undertakings granted dispensation and Chapter 1, section 1, Chapter 2, sections 2 and 3, Chapter 3, sections 5 and 6, Chapter 4, sections 3–5, and Chapter 8, section 2 shall have the following wording.

Finansinspektionen also provides the following general guidelines.

Finansinspektionen's regulations and general guidelines on simplified annual reporting in insurance undertakings given exemption

Chapter 1

Section 1 These regulations and general guidelines shall apply to mutual insurance companies and insurance associations subject to the Insurance Business Act (2010:2043), if they have been given exemption from the Annual Accounts at Insurance Undertakings Act (1995:1560).

Finansinspektionen specifies in these regulations and the general guidelines which exemptions are granted from the Annual Accounts at Insurance Undertakings Act.

The regulations state which rules in Finansinspektionen's regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision an undertaking shall apply despite its exemption.

General guidelines

The conditions for being given an exemption are set out in Chapter 1, section 1 of the Annual Accounts at Insurance Undertakings Act.

Chapter 2

Section 2 Given the occurrence of repos or repurchase transactions, an undertaking shall apply Chapter 2, section 1 of Finansinspektionen's regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision.

Section 3 If an undertaking takes over technical provisions from another insurance undertaking or institution for occupational retirement provision, it shall apply Chapter 2, section 2 of Finansinspektionen's regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision.

Chapter 3

Section 5 If insurance contract obligations are in a foreign currency, an undertaking shall apply Chapter 3, section 8 of Finansinspektionen's regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision.

Section 6 If there are special pension obligations for own employees, an undertaking shall apply Chapter 3, section 10, first and second paragraphs of Finansinspektionen's regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision.

Chapter 4

Section 3 If buildings and land are measured at fair value, this value shall be determined in accordance with Chapter 4, section 1 of Finansinspektionen's regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision.

General guidelines

Buildings and land may be measured in accordance with the cost method or at fair value pursuant to Chapter 4, section 5 of the Annual Accounts Act at Insurance Undertakings Act (1995:1560).

An undertaking that measures buildings and land at fair value should also apply the approved international financial reporting standards IAS 40 Investment Property and IFRS 13 Fair Value Measurement. References to other international financial reporting standards should not be applied.

Section 4 With the exception of that set out in Chapter 4, section 8 of the Annual Accounts at Insurance Undertakings Act (1995:1560), costs associated with underwriting do not need to be recognised as an asset.

If underwriting costs are recognised as an asset pursuant to Chapter 4, section 8 of the Annual Accounts at Insurance Undertakings Act, the undertaking shall apply Chapter 4, sections 4 and 5 of Finansinspektionen's regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision.

Section 5 Technical provisions shall be reported in accordance with Chapter 4, section 9 of the Annual Accounts at Insurance Undertakings Act (1995:1560).

When reporting technical provisions, Chapter 4, sections 6–9, 11–14 and 16 of Finansinspektionen’s regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision shall be applied.

When applying the second paragraph, the provisions may be reported with the eligible simplifications based on the circumstances in each individual case.

General guidelines

The undertaking should also apply the approved international accounting standard, IFRS 4 Insurance Contracts.

Chapter 1, section 2 lays down that agreements regarding insurance in accordance with the Insurance Business Act (2010:2043) must be reported as insurance contracts even if the agreement does not transfer significant insurance risk.

Chapter 7

General guidelines¹

If an interim report is prepared, the undertaking should apply Chapters 2–4 and the following points in the general guidelines in Chapter 8 of Finansinspektionen’s regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision:

- a) Point 2 on application of the Annual Accounts Act.
- b) Point 6 on amended accounting principles.

Chapter 8

Given reinsurance cessions, the undertaking shall apply Chapter 4, sections 2 and 3 of Finansinspektionen’s regulations and general guidelines (FFFS 2019:23) regarding annual accounts at insurance undertakings and institutions for occupational retirement provision.

These regulations and general guidelines enter into force on 01 January 2020.

ERIK THEDÉEN

Greta Wennerberg

¹ The amendment entails the removal of the second paragraph and other changes.