Canadian Institute of Actuaries

Institut canadien des actuaires

EDUCATIONAL NOTE

Guidance for the 2024 Reporting of Capital, Financial Condition Testing, and Own Risk and Solvency Assessment for Life and Health, P&C and Mortgage Insurers

April 29, 2024

Internal

Guidance for the 2024 Reporting of Capital, Financial Condition Testing, and Own Risk and Solvency Assessment for Life and Health, P&C and Mortgage Insurers

Committee on Risk Management and Capital Requirements

The CRMCR would like to acknowledge the contribution of the subcommittee that assisted in the development of this educational note: Nicholas Caramagno (Chair of the subcommittee), Gabriel Bisson, Debarshi Chatterjee, Ivy Lee, Sebastian Lessard, Christian Nadeau-Alary, Devika Prashad and Anne Ruel.

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Ce document est disponible en français.

The actuary should be familiar with relevant educational notes. Educational notes are not binding; rather they are intended to illustrate the application of the standards of practice. A practice that an educational note describes for a situation is not necessarily the only accepted practice for that situation nor is it necessarily accepted practice for a different situation. Responsibility for ensuring that work is in accordance with accepted actuarial practice lies with the actuary. As accepted actuarial practice evolves, an educational note may no longer appropriately illustrate the application of standards.

Contents

Preamble

The Committee on Risk Management and Capital Requirements (CRMCR) has prepared this educational note to provide guidance to actuaries in several areas affecting the reporting of the 2024 regulatory capital requirements, financial condition testing (FCT) and own risk and solvency assessment (ORSA) of life and health, P&C and mortgage insurers operating in Canada. In addition, the note provides an update on recently published educational notes and introductory information about potential changes in regulatory capital reporting.

This educational note is not intended to replace the review of applicable guidelines by the actuary but to provide a high-level summary of key changes and updates. The actuary should refer to regulators' publications and to the relevant guideline(s) to ascertain whether the changes impact the actuary's situation.

Process

A preliminary version of this educational note was shared with the following committees for their review and comments:

- Property and Casualty Financial Reporting Committee
- Committee on Life Insurance Financial Reporting
- Appointed Actuary/Valuation Actuary Practice Committee
- Enterprise Risk Management Practice Committee

This educational note was also presented at the Actuarial Guidance Council (AGC) in the month preceding its approval. The CRMCR is satisfied it has sufficiently addressed the material comments received by the various committees and the AGC.

The creation of this cover letter and educational note has followed the AGC's protocol for the adoption of educational notes. In accordance with the CIA's *Policy on Due Process for the Approval of Guidance Material Other than Standards of Practice and Research Documents*, this educational note has been prepared by the CRMCR and has received final approval for distribution by the AGC on April 29, 2024.

Guidance to members on specific situations

CIA members may ask[1], in confidence, the chair and/or vice-chair questions relating to the *Standards of Practice* (SOP) and educational notes. This dialogue is encouraged; however, such discussions do not constitute a formal opinion as to whether the work in question is in compliance with the CIA SOP.

Your feedback

Questions or comments regarding this educational note may be directed to the chair of the CRMCR.

1. General background *(modified)*

The actuary would be aware of the following considerations, which could impact regulatory capital, FCT and ORSA work.

[1] Rule 13 (excerpt) from the CIA *Rules of Professional Conduct*: "In order to foster education amongst members, thereby fulfilling the profession's responsibility to the public, a member who has a question about the spirit or intent of the standards of practice, or of generally accepted actuarial practice when no standards exist, may consult in confidence with the chair (or vice-chair) of a designated council… or of an appropriate practice committee."

1.1 IFRS 17 and IFRS 9 accounting standards *(modified)*

IFRS 17 is effective for annual reporting periods beginning on or after January 1, 2023, and has significantly impacted the operations of insurance companies. For many insurers, this also coincides with the implementation date of IFRS 9. The actuary would be aware of the guidance published by the CIA on this topic, which can be found here. IFRS 17 guidance directly impacting capital modelling work is also discussed in more details in upcoming sections.

1.2 OSFI and the AMF Standardized Climate Scenario Exercise *(new)*

In October 2023, the Office of the Superintendent of Financial Institutions (OSFI) released its draft "Standardized Climate Scenario Exercise – Draft for consultation" (SCSE) for consultation. The SCSE consultation has two parts. The first part of the consultation, on the draft methodology, concluded in December 2023. The second part, on the updated draft methodology, the draft technical instructions and a draft workbook, was launched in April 2024 in collaboration with the Autorité des marchés financiers (AMF). The final version of these documents, including the due date for the SCSE results, is expected to be released later in 2024. It should be noted that the SCSE is a separate exercise from the standardized stress tests that OSFI mandates from time to time as a part of the annual FCT process.

2. Regulatory capital requirements for 2024 *(modified)*

2.1 Life regulatory capital requirements for 2024 *(modified)*

OSFI and the AMF introduced regulatory capital guidelines called, respectively, Life Insurance Capital Adequacy Test (LICAT) and Capital Adequacy Requirements for Life and Health Insurers (CARLI), effective January 1, 2018.

The guidelines provide the framework within which OSFI and the AMF assess whether a life and health insurance company maintains adequate capital and whether a foreign company operating in Canada on a branch basis maintains an adequate margin. The guidelines describe the capital required using measures based on risks and define the capital or the margin that is available to meet the minimum standard.

Each year, OSFI and the AMF consider whether changes are required to improve the risk measures, address emerging issues and encourage improved risk management.

For 2024, the guidelines were updated to reflect minor adjustments and clarifications in the areas of the volatility adjustment, owner-occupied property, crypto assets, capital composition and limitations, outstanding premiums for branches and reduction in negative reserve deductions/assets required for stop-loss arrangements.

In October 2023, OSFI published the LICAT 2024 guideline, effective January 1, 2024, which replaces the LICAT 2023 guideline.

In March 2024, OSFI published adjustments and clarifications to the LICAT 2024 guideline related to the assurance attestation and the calculation of the limit applied to the amounts recoverable on surrender.

Also in October 2023, the AMF published an updated CARLI 2024 guideline, effective January 1, 2024. The key revisions made to the CARLI guideline are consistent with those made by OSFI and also include a revision of the treatment of P&C subsidiaries and enhancement of the quality assurance requirements.

2.2 P&C regulatory capital requirements for 2024 *(modified)*

The OSFI and AMF Minimum Capital Test (MCT) guidelines provide the framework within which OSFI and the AMF assess whether a P&C company maintains adequate capital and whether a foreign company operating in Canada on a branch basis maintains an adequate margin.[1] The guidelines describe the capital required using measures based on risks and define the capital or margin that is available to meet the minimum standard. Each year, OSFI and the AMF consider whether changes are required to improve the risk measures, address emerging issues and encourage improved risk management.

In October 2023, OSFI published the "Minimum Capital Test - Guideline (2024)" that built on the MCT 2023 guideline by incorporating the following adjustments and clarifications:

- Clarified the determination of the amount of unamortized insurance acquisition cash flows.
- Added "reinsurance commissions" and footnote to Formula 1 in subsection 4.2.2.1.
- Added "unamortized reinsurance commission" and footnote to Formula 2 in subsection 4.2.2.1.
- Within footnote 44, removed "and receivable."

On December 14, 2023, OSFI published adjustments and clarifications to MCT 2024 related to the formulas for the determination of the unexpired coverage for reinsurance contracts held.

Similarly, the AMF updated on December 14, 2023, its "Notice relating to the application of the Guideline on Capital Adequacy Requirements – Property and Casualty Insurance 2023" to incorporate similar clarifications related to the formulas for the determination of the unexpired coverage for reinsurance contracts held.

The AMF published on December 21, 2023, an updated version of the "Guideline on Capital Adequacy Requirements – Property and Casualty Insurance" (MCT), effective in January 2024, which incorporated all the clarifications from the prior notice. The major changes are:

- insurers are allowed to use an internal model to assess insurance risk; and
- the MCT has been reviewed to enhance the quality assurance requirements.

2.3 Mortgage insurance regulatory capital requirements for 2024 *(modified)*

OSFI updated the "Mortgage Insurer Capital Adequacy Test - Guideline (2024)" (MICAT) guideline, effective January 1, 2024.

Key revisions to the MICAT 2024 guideline include:

- Incorporating the Advisory into the MICAT 2024 guideline clarifying the maximum remaining amortization in the requirements calculations. When the guideline came into effect on January 1, 2024, that Advisory was repealed.
- An increase to the maximum LTV (loan-to-value ratio) to 105% from 100% in the requirements calculations.

The guideline provides the framework within which OSFI assesses whether a mortgage insurance company maintains adequate capital. The guideline describes the capital required using measures based on risks and defines the capital that is available to meet the minimum standard.

[1] When we refer to a P&C company and MCT in this document, we also refer to self-regulatory organizations and reciprocal unions that are authorized to carry on insurer activities in Quebec and their applicable MCT.

3. Considerations for the 2024 financial condition testing *(modified)*

3.1 *Standards of Practice*: Section 2500 *(unchanged)*

On September 10, 2019, the Actuarial Standard Board approved Section 2500 of the SOP, with an effective date of January 1, 2020. No changes to Section 2500 have been made since then.

Prior to performing FCT, the actuary should be familiar with the latest FCT educational note. An updated version of the FCT educational note was published in January 2023. Notable changes versus the prior version include:

- updates to reflect IFRS 17, including guidance on FCT considerations associated with measurement under IFRS 17 and IFRS 17-specific modelling considerations;
- expanded discussion regarding adverse scenario selection and assessment of the percentile ranking of scenarios;
- expanded guidance on the role of going concern scenarios;
- expanded guidance regarding ripple effects and management actions; and
- clarification regarding the requirement to use the wording prescribed in the SOP for the FCT opinion.

Climate-related risks, technology and cyber risks were added to the major risk categories that the actuary would consider for FCT analysis.

3.2 Transition to IFRS 17 *(modified)*

For all insurers subject to IFRS 17, the actuary would perform FCT in 2024 using IFRS 17 and associated actuarial standards and regulatory capital guidelines throughout the projection period, and for all scenarios.

In practice, the actuary may continue to encounter challenges in preparing financial projections reflecting IFRS 17 and updated capital requirements for the 2024 process. Examples of potential challenges may include the following:

- Accounting and actuarial policies and methodologies may have had some late changes and potential choices might have material impacts on the financial projections.
- The company's latest business forecast may not project certain cash flows or assumptions needed under IFRS 17, requiring the actuary to calibrate additional assumptions over the forecast period. For example, premium volume forecasts provided by the business may only be on a written and earned basis, whereas the split between premium received and to be received needs to be determined by the actuary.

As such, FCT under IFRS 17, including any associated quantitative analysis, may require the use of approximations, where appropriate, to address data and model limitations as well as working assumptions for guidelines and internal decisions that may still be evolving at the time of the FCT analysis. Approximations and working assumptions would be described in the report with focus on areas of material sensitivity in relation to the FCT results.

The actuary would clearly disclose the accounting basis under which the projections were produced, the regulatory capital requirements guideline used, the key assumptions and approximations made regarding the application of IFRS 17, and the taxation of earnings and the sensitivity of results to material decisions and assumptions.

3.3 Recent events *(slightly modified)*

The actuary would stay current with events that can impact the insurer's financial position and reflect these in FCT work when relevant. The following excerpts from Section 2500 of the SOP provide guidance on the topic:

> .03 The appointed actuary should ensure that the investigation is current. The investigation should take into consideration recent events and recent financial operating results of the insurer.
>
> .13 The actuary would consider recent events and recent operating results of the insurer up to the date of the report.
>
> .14 If an adverse event occurs between the date of the report and the date of its presentation to the insurer's board of directors (or its chief agent for Canada), then the actuary would, at a minimum in the presentation to the insurer's board of directors (or its chief agent for Canada), address the event and its potential implications on the results of the investigation. If appropriate, the actuary would redo the investigation.

Additionally, the following excerpt from OSFI Guideline E-15 outlines OSFI's expectations for the consideration of recent events in the FCT work: "If the FCT report is presented to the board or chief agent in the second half of the financial year, then it should include material changes in experience and in financial position up to the period of 90 days before the date of presentation."

Examples of recent events that could impact an insurer's financial position and require further considerations include, but are not limited to:

- the occurrence of large losses or natural catastrophes;
- significant change in claims experience or policyholder behaviour;
- significant change in inflation or interest rates;
- significant change in the market value of investments;
- significant changes in the volume and mix of business;
- key court decisions;
- implementation of government policy or regulation;
- the adoption of a radically different business plan; or
- major changes in key internal accounting decisions.

The actuary could use the following process to determine how to reflect a recent event that occurred after the calculation date, but before the report date, in the FCT work:

1. Does the event have a material impact on the company's financial position, or make the base scenario inconsistent or unrealistic or potentially impact the actuarial opinion? For example, this could include a material decrease in the value of investments, a natural catastrophe with significant financial impact or a significant deterioration in claims experience.

   a. If it does, then the actuary would reflect the recent event in the base scenario by following SOP 2520.17,[2] and update the adverse scenarios accordingly. This could also require the actuary to reassess the risk categories that are relevant to the insurer and further update its adverse scenarios by following SOP 2520.20.[3]

   b. If not, the actuary would move on to question 2.

2. Does the event have a material impact on the risk profile of the insurer? For example, this could include the emergence of a pandemic or geopolitical tensions with no immediate impact on the insurer's financial position.

   a. If it does, then the actuary would reassess the risk categories that are relevant to the insurer and update its adverse scenarios accordingly by following SOP 2520.20.

   b. If not, the actuary would move on to question 3.

3. Would the management or the board decisions be impacted from being aware of the effect of the event? For example, this could include a large loss that is material to a portfolio, but not to the company, or a natural catastrophe that is large but mostly reinsured.

   a. If they would, then the actuary would comment on the event at a minimum at the board presentation. It would be good practice to document it in the report.

   b. If they would not, then the actuary could omit the recent event from the presentation and report.

3.4 Additional guidance on the 2024 financial condition testing *(modified)*

Standardized stress tests

In 2023, OSFI had requested that all insurers perform a standardized stress test on inflation. There will be no such standardized stress test in 2024. It should be noted that OSFI has initiated a Standardized Climate Scenario Exercise which is a separate exercise from the standardized stress tests that OSFI mandates from time to time as a part of the annual FCT process.

OSFI and AMF FCT templates

OSFI and the AMF each have their own data collection templates, which were adapted to the IFRS 17 accounting standard in 2023. Those data templates are expected to be submitted to the regulators along with the 2024 FCT report.

The AMF data template is available on the AMF website, while OSFI's data template will be sent to each insurer.

Climate-related risk

As mentioned in the FCT educational note, the impact of climate change is an important emerging risk that the actuary could consider within an integrated adverse scenario. Similar to other risk exposures, if climate-related risks are material for the insurer, the actuary would develop a relevant scenario in their

[2] SOP 2520.17: "The base scenario would be a realistic set of assumptions used to forecast the insurer's financial position over the forecast period. Normally, the base scenario would be consistent with the insurer's business plan. The actuary would accept the business plan's assumptions for use in the base scenario unless these assumptions are so inconsistent or unrealistic that the resulting report would be misleading. The actuary would report any material inconsistency between the base scenario and the business plan."

[3] SOP 2520.20: "The actuary would assess various risk categories and identify those that are relevant to the insurer's circumstances when considering threats to capital adequacy under adverse scenarios."

FCT. The introduction of the SCSE for 2024 does not impact the consideration for a climate change scenario as part of an FCT.

In addition to the FCT educational note, the following sources could be used as guidance to develop such a scenario:

- OSFI's Guideline B-15 "Climate Risk Management"
- Bank of Canada and OSFI's final report on climate scenario analysis "Using Scenario Analysis to Assess Climate Transition Risk"
- OSFI's 2021 paper "Navigating Uncertainty in Climate Change Promoting Preparedness and Resilience to Climate-Related Risks"
- AMF Draft Climate Risk Management Guideline (final version expected in Summer 2024)
- OSFI and AMF's draft SCSE methodology published in 2024

Technology and cyber risk

As mentioned in the FCT educational note, technology and cyber risk is an important emerging risk that the actuary could consider as an adverse scenario. Additional considerations for the development of the scenario could be based on:

- OSFI's guideline B-13: "Technology and Cyber Risk Management"
- AMF's guideline on "Information and Communications Technology Risk Management"
- CIA, SOA and CAS joint report *Quantification of Cyber Risk for Actuaries – An Economic-Functional Approach – Executive Summary*

4. Considerations for the 2024 Own Risk and Solvency Assessment *(modified)*

As per subsection 2430 of the SOP, the ORSA report is part of the information needed by the Appointed Actuary to fulfil their role, as it provides an understanding of the insurer's operations, its obligations and the resources available to meet those obligations. No changes were made to this subsection of the SOP in 2023.

The following guidelines have been published by Canadian insurance regulators with regard to ORSA:

- OSFI, Guideline E-19*:* "Own Risk and Solvency Assessment", effective January 1, 2018
- OSFI, Guideline A-4: "Regulatory Capital and Internal Capital Targets", effective January 1, 2023
- AMF, "Capital Management Guideline", Section 5: Own risk and solvency assessment, effective May 2015

In addition, there are other actuarial publications on ORSA:

- "*Report on the CIA ORSA Survey conducted in April 2015*", April 2016
- "IAA Risk Book – Own Risk Solvency Assessment", May 2023

4.1 Transition to IFRS 17 *(modified)*

For all insurers subject to IFRS 17, the ORSA would be performed using IFRS 17 and associated actuarial standards, for all projection periods and all scenarios, except for economic capital modelling where assumptions and methodologies may deviate from the accounting framework. It would also be an acceptable practice to perform the ORSA using the parent company solvency framework (e.g. Solvency II) when applicable.

Economic capital modelling for ORSA purposes may require consideration of various items in the context of IFRS 17. For example:

- Liability cash flow discounting methods (e.g., using a yield curve vs. a single interest rate).
- Liability cash flow discounting rates (simulated risk-free rates, simulated market-consistent returns, simulated returns on assets, simulated returns on a modelled replicating portfolio, etc.).
- Contractual service margin and loss component modelling (i.e., accounting-based profits vs. economic profits).
- Changes in asset/liability mismatch risk.
- Modelling of the risk mitigation option.

Also, as discussed in Section 3 on FCT, practical IFRS 17 implementation may still be challenging given potential late changes in accounting and actuarial policies and methodologies. The implications of modeling approximations in economic capital models for the purpose of selecting internal target(s) would be understood and communicated.

The general approach actuaries would take in relation to their work is as follows:

- The actuary would use approximations, where appropriate, to address data and model limitations as well as working assumptions for guidelines and internal decisions that may still be evolving at the time of the analysis.
- The actuary would clearly identify and describe IFRS 17 specific assumptions and other aspects of their projections where the modelling decision may materially affect the work.
- The actuary would test the sensitivity of results to those key decisions and assumptions and disclose the impact.

4.2 Recent events *(unchanged)*

The actuary would stay current with events that can impact the insurer's financial position and reflect these in the ORSA process when relevant. The guidance in subsection 3.3 can be followed for the consideration of recent events in the ORSA process.

5. Recently approved regulatory guidelines *(modified)*

The following regulatory guidelines were released since the publication of the last CRMCR's "Educational Note: Guidance for the 2023 Reporting of Capital and Financial Condition Testing for Life and Health, P&C and Mortgage Insurers" in April 2023. This list does not include the regulatory capital guidelines as these have already been captured above (apart from the solo capital framework):

- The final revised version of OSFI Guideline B-10: "Third-Party Risk Management Guideline" was released in April 2023, and will come into effect on May 1, 2024. Third-party arrangements commencing on or after May 1, 2024, would be expected to comply with all applicable sections of the guideline. Legacy arrangements entered into prior to May 1, 2024, would be expected to be reviewed and updated at the earliest appropriate contract renewal or revision point to meet the expectations of the guideline.
- The first version of OSFI Guideline B-15: "Climate Risk Management" was released in March 2023. A revised version of the guideline was released in March 2024 with updates to Annex 2-2 to align the wording with elements of the International Sustainability Standards Board standard

S2 on climate-related disclosures. The guideline will be effective fiscal year-end 2024 for domestic systemically important banks and Internationally Active Insurance Groups (IAIGs) headquartered in Canada. For all other in-scope companies, the guideline will become effective at fiscal year-end 2025.

- The final revised version of OSFI Guideline E-15: "Appointed Actuary: Legal Requirements, Qualifications and Peer Review Guideline (2023)" was released in August 2023. The changes were mainly due to the implementation of IFRS 17. The Appointed Actuary's qualification requirements were also changed. If a full external peer review of the 2023 FCT was not conducted, OSFI will expect a full external peer review of the FCT in 2024.
- The final version of the OSFI guideline "Parental Stand-Alone (Solo) Capital Framework for Federally Regulated Life Insurers" was released in September 2023 and became effective January 1, 2024. Life IAIGs are expected to commence regulatory reporting under the guideline within 45 days of fiscal quarter-end. The framework is to ensure a non-viable life insurer has sufficient loss absorbing capacity on a stand-alone, or solo, legal entity basis to support its resolution. This would, in turn, facilitate an orderly resolution of the life insurer while minimizing adverse impacts on the stability of the financial sector.
- The final version of the OSFI "Integrity and Security - Guideline" was released in January 2024. The guideline sets out OSFI's expectations for the policies and procedures that federally regulated financial institutions employ to protect themselves against threats to their integrity and security, including foreign interference. The implementation will occur in a phased approach as documented in the letter.
- No updates or additional guidelines were published by the AMF.

The publications listed above can be found on the OSFI website under Guidance library or the AMF website under Guidelines – Insurers. A list of some of the current guidelines, filing requirements, educational notes and research papers related to capital management is available in the appendices.

6. Upcoming regulatory guidelines *(modified)*

Based on OSFI's fall update to the Annual Risk Outlook (ARO) issued in October 2023, additional guidelines are expected to be released in 2024. This would include the following guidelines:

- Final Culture and Behaviour Risk Guideline (2024)
- Draft revised Guideline E-21 on operational resilience and operational risk management (released for consultation in October 2023 with submissions due in February 2024)
- Draft revised Guideline E-23 on model risk management (released for consultation in November 2023 with submissions due in March 2024)

OSFI is also expected to issue its annual risk outlook in May 2024 and its fall update to its annual risk outlooks in October 2024. Actuaries would refer to the OSFI website for additional communications as they become available.

The following guidelines are expected to be released or updated by the AMF in 2024:

- Draft Climate Risk Management Guideline (new, final version expected in Summer 2024)
- Draft Model Risk Management Guideline (new, 2024)

6.1 2025 segregated fund guarantee capital changes *(modified)*

For life insurers with segregated fund guarantee (SFG) business, OSFI and the AMF have conducted a series of quantitative impact studies (QIS) exercises to develop a new standard approach, as well as a simplified option, to determine capital requirements for SFG risk to replace the current method.

In June 2021, OSFI and the AMF announced that they were deferring the implementation date of the new approach to January 1, 2025 (from January 1, 2023). In the interim period, the current method for the capital treatment of SFG risk has been retained, slightly updated to accommodate certain elements of IFRS 17.

For the 2025 SFG capital framework, OSFI and the AMF launched QIS 7, a directed consultation, in February 2024 on the draft methodology for determining capital requirements for SFG risk. The AMF also launched a Sensitivity Testing Add-on in addition to QIS 7. A public consultation on the revised methodology is planned for September 2024. The final guideline is expected to be published in November / December 2024.

For the purposes of the FCT, performing the projections for SFG business using the latest 2025 SFG capital framework (draft) on a best-efforts basis is strongly encouraged.

However, it would also be an acceptable practice to perform the projections using the current SFG capital framework together with additional qualitative and quantitative analysis on the new 2025 framework. At a minimum, the actuary would be expected to provide a quantitative analysis of the insurer's expected statement of financial position and regulatory capital position at the January 1, 2025 effective date under the base scenario using the latest 2025 SFG capital framework (draft) on a best-efforts basis.

Since some elements of the 2025 SFG capital framework have been deferred to post January 1, 2025 (such as interest rate risk) or may not have yet been finalised (depending on the timing of the FCT), the actuary would consider these components as part of the FCT with a focus on material elements. Approximations and working assumptions would be described in the FCT report.

The same considerations would apply to the ORSA.

Appendix A: OSFI documentation

Guidelines and advisories

Title	Publication Type	Publication No	Effective date
Guidelines on Regulatory Capital			
Life Insurance Capital Adequacy Test – Guideline (2024)	Guideline	A	01/01/2024
Life Insurance Capital Adequacy Test 2024 – Adjustments and Clarifications	Adjustments and Clarifications	NA	01/03/2024
Minimum Capital Test - Guideline (2024)	Guideline	A	01/01/2024
Minimum Capital Test 2024 – Adjustments and Clarifications	Adjustments and Clarifications	NA	01/01/2024
Mortgage Insurer Capital Adequacy Test - Guideline (2024)	Guideline	A	01/01/2024
Other Relevant Documentation			
Asset Securitization – Guideline (2018)	Guideline	B-5	01/01/2019
Assurance on Capital, Leverage and Liquidity Returns - Guideline (2022)	Guideline	NA	30/11/2022
Climate Risk Management	Guideline	B-15	Fiscal year-end 2024 or 2025
Corporate Governance – Guideline (2018)	Guideline	NA	30/09/2018
OSFI's Annual Risk Outlook - Semi-annual update (published on 12/10/2023)	Annual Risk Outlook	NA	NA
Integrity and Security - Guideline	Guideline	NA	31/01/2024
Interim arrangements for the regulatory capital and liquidity treatment of cryptoasset exposures	Advisory	NA	Q2 2023
Internal Model Oversight Framework - Guideline (2019)	Draft Guideline	E-25	TBD
Draft Guideline E-23 – Model Risk Management	Consultation	E-23	TBD
Life Insurance Capital Adequacy Test Public Disclosure Requirements	Guideline	NA	31/12/2018
Operational Resilience and Operational Risk Management - Draft guideline (2023)	Consultation	E-21	TBD
Operational Risk Management - Guideline (2016)	Guideline	E-21	30/06/2016
Own Risk and Solvency Assessment	Guideline	E-19	01/01/2018
Parental Stand-Alone (Solo) Capital Framework for Federally Regulated Life Insurers	Guideline	NA	01/01/2024
Property and Casualty Large Insurance Exposures and Investment Concentration	Guideline	B-2	01/01/2025
Regulatory Capital and Internal Capital Targets	Guideline	A-4	01/01/2023
Residential Mortgage Insurance	Guideline	B-21	01/03/2019

Title	Publication Type	Publication No	Effective date
Underwriting Practices and Procedures – Guideline (2019)			
Revised Guidance for Companies that Determine Segregated Fund Guarantee Capital Requirements Using an Approved Model	Advisory	NA	01/01/2023
Sound Reinsurance Practices and Procedures – Guideline (2025)	Guideline	B-3	01/01/2025
Stress Testing – Guideline (2009)	Guideline	E-18	31/12/2009
Technology and Cyber Risk Management	Guideline	B-13	01/01/2024
Third-Party Risk Management Guideline	Guideline	B-10	01/05/2024

Filing instructions and reporting requirements

Title	Date
2023 Life Insurance Capital Adequacy Test – Filing Instructions	October 2023
Key Metrics Report – Life Insurers Instructions	January 2023
Key Metrics Report – P&C insurers	February 2024
Reporting Requirement for Federally Regulatory Mortgage Insurers	December 2023
Reporting Requirement for Property and Casualty Insurance Companies	December 2023
Reporting Requirements for Life Insurance Companies and Fraternal Benefit Societies	January 2024

Appendix B: AMF documentation

Guidelines

Title	Effective date
Capital Adequacy Requirements Guideline – Life and Health Insurance	01/01/2024
Guideline on Capital Adequacy Requirements – Property and casualty insurance	01/01/2024
Capital Adequacy Requirements Guideline – Reciprocal Unions	01/01/2024
Capital Adequacy Requirements Guideline – Self-Regulatory Organizations	01/01/2024
Capital Management Guideline	01/05/2015

Filing instructions and reporting requirements

Title	Effective date
Actuary's Guide regarding the Financial Condition Testing report for Insurers of Persons	01/03/2024
Actuary's guide regarding the Financial Condition Testing report of P&C Insurers	01/03/2024
Instructions for Quarterly and Annual Statements (CARLI) (Available in French only)	01/01/2021

Appendix C: CIA guidance

Accession Number	Title	Publication date
Standards of Practice		
223181	Complete CIA Standards of Practice	01/02/2024
Educational Notes		
224026	Regulatory Capital Filing Certification for Life Insurers	14/02/2024
223095	Life Insurance Capital Adequacy Test (LICAT) and Capital Adequacy Requirements for Life and Health Insurance (CARLI)	17/05/2023
223010	Financial Condition Testing	12/01/2023
Practice Resource Documents		
223105	Risk Diversification	25/05/2023
221124	Risk Appetite	12/11/2021
221035	Actuarial Aspects of Enterprise Risk Management	31/03/2021
Other Documents		
223001	Statement from the CIA Board on Climate-Related Risk	01/01/2023
221023	Report 2: Canadian Insurance Industry Monthly Aggregate Data Analysis	23/02/2021
209095	Considerations for the Development of a Pandemic Scenario	15/10/2009

Canadian Institute of Actuaries
360 Albert Street, Suite 1740
Ottawa, ON K1R 7X7
613-236-8196
head.office@cia-ica.ca
cia-ica.ca
seeingbeyondrisk.ca