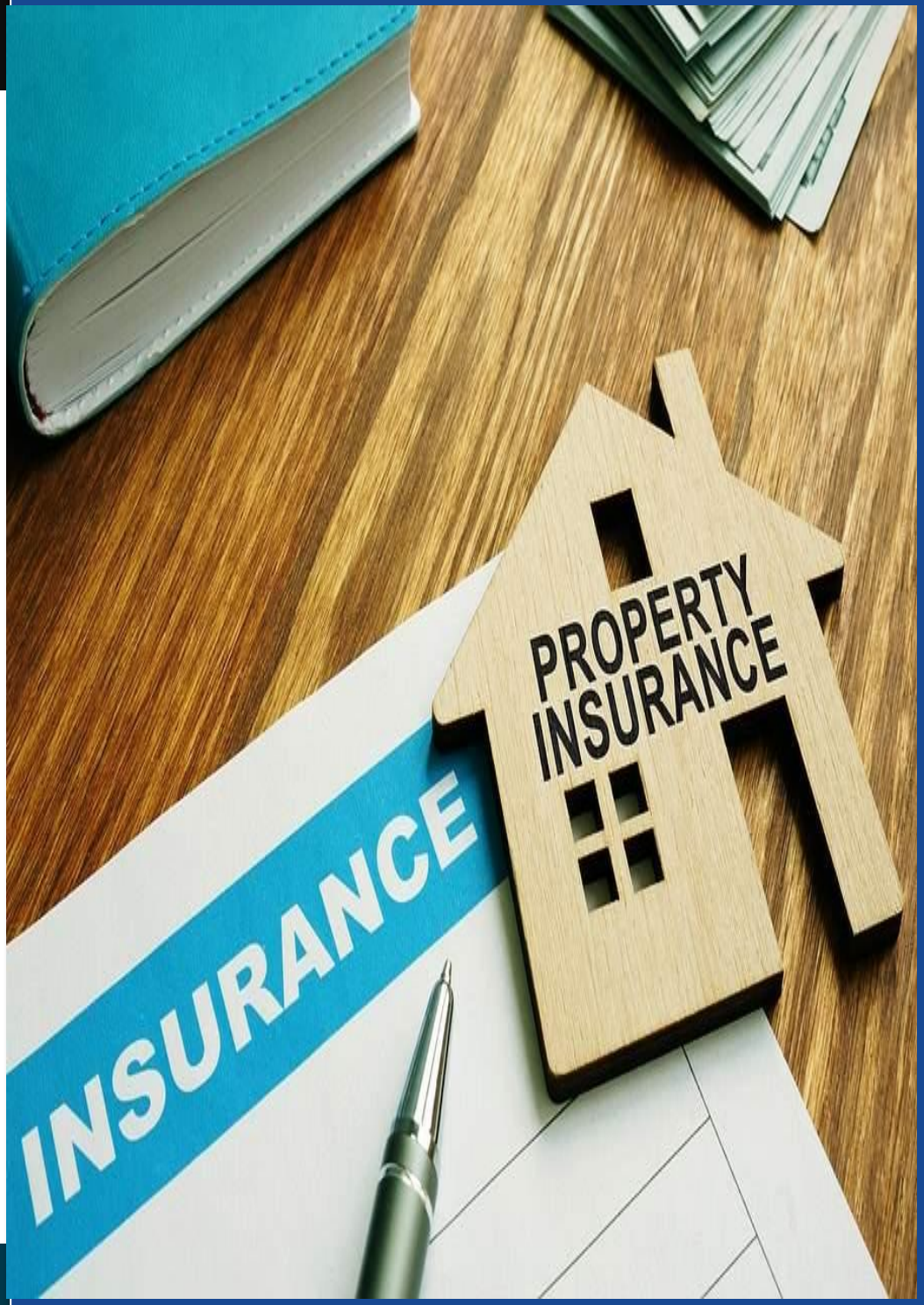
IFRS 17 (PSAK 74)

Understanding Implementation Issues in General Insurance

IKATAN AKUNTAN INDONESIA

3 November 2022

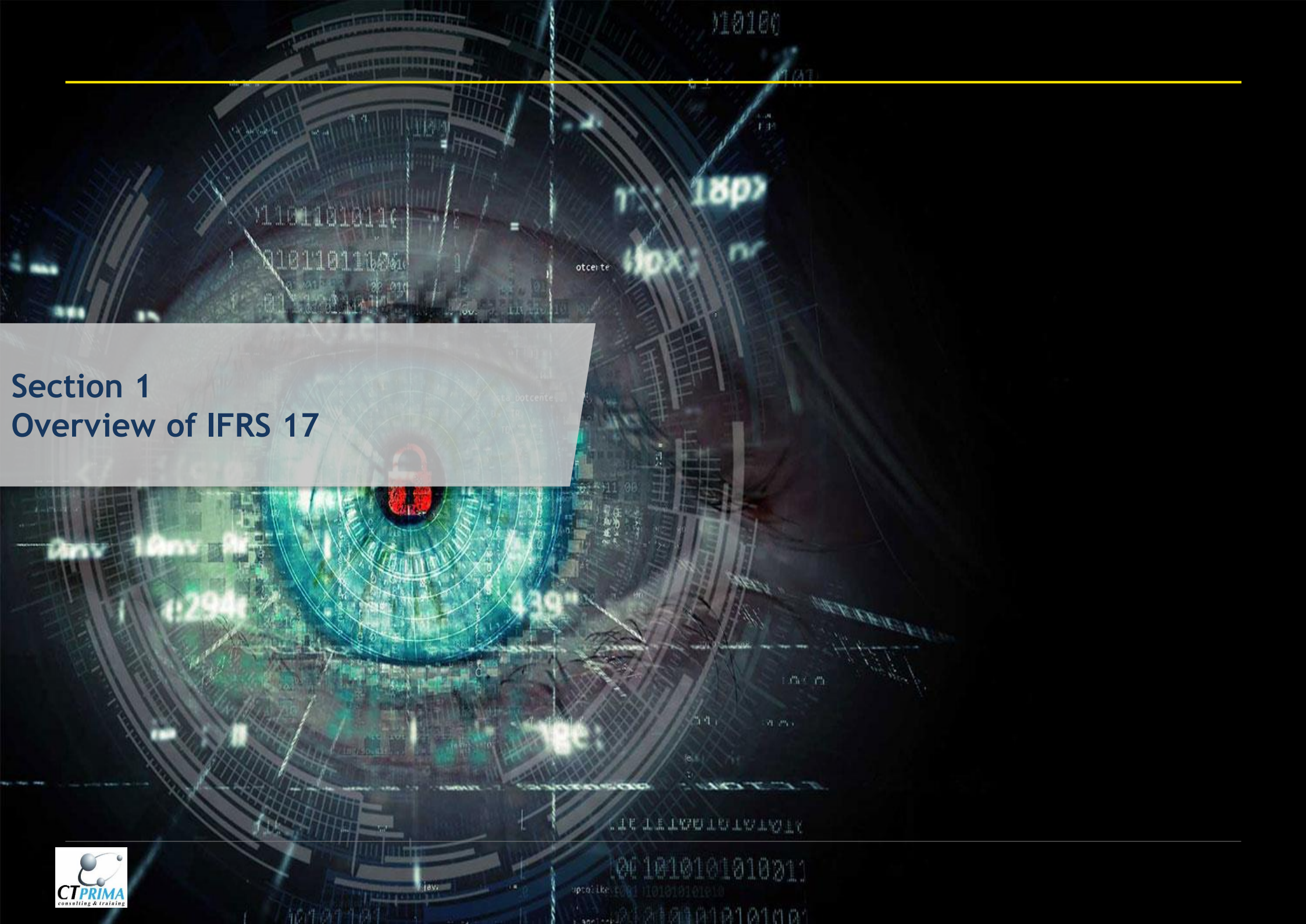
Dr.Ludovicus Sensi W, CPA, CA



Agenda

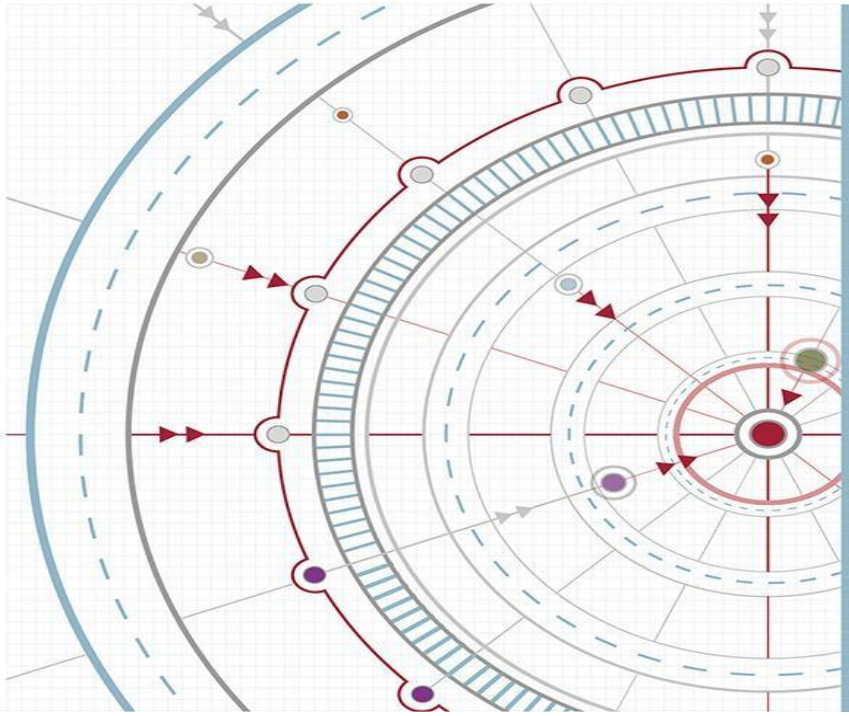
1. Overview IFRS 17
2. Persiapan Implementasi IFRS17
   - Surat OJK – Persiapan Implementasi IFRS 17
3. Timeline Penerapan PSAK 74 (IFRS 17)
4. Metodologi Penerapan PSAK 74 (IFRS 17)
5. Isu Kritis PSAK 74 (IFRS 17)
   - Aspek Aktuaria

   Pemaparan Video IFRS 17 - Simply Explained
   - Aspek IT
   - Aspek Akuntansi dan Pelaporan
6. Memahami *Gap Analysis* (persyaratan OJK)
7. Memahami *Technical Position Paper*



Section 1
Overview of IFRS 17

IFRS® Foundation



IFRS 17: the first truly international IFRS Standard for insurance contracts

IAI IFRS International Seminar
Jakarta, 12 July 2017

Sue Lloyd
IASB Vice-Chair

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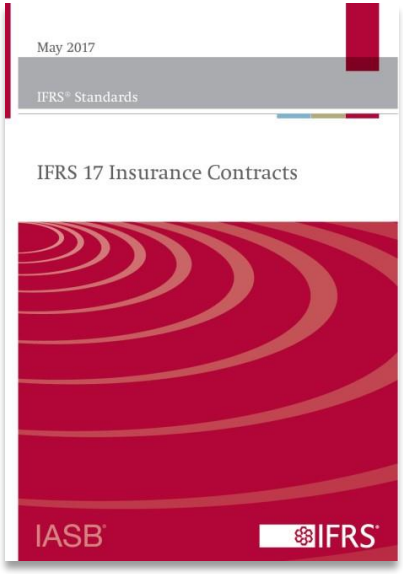
IFRS®

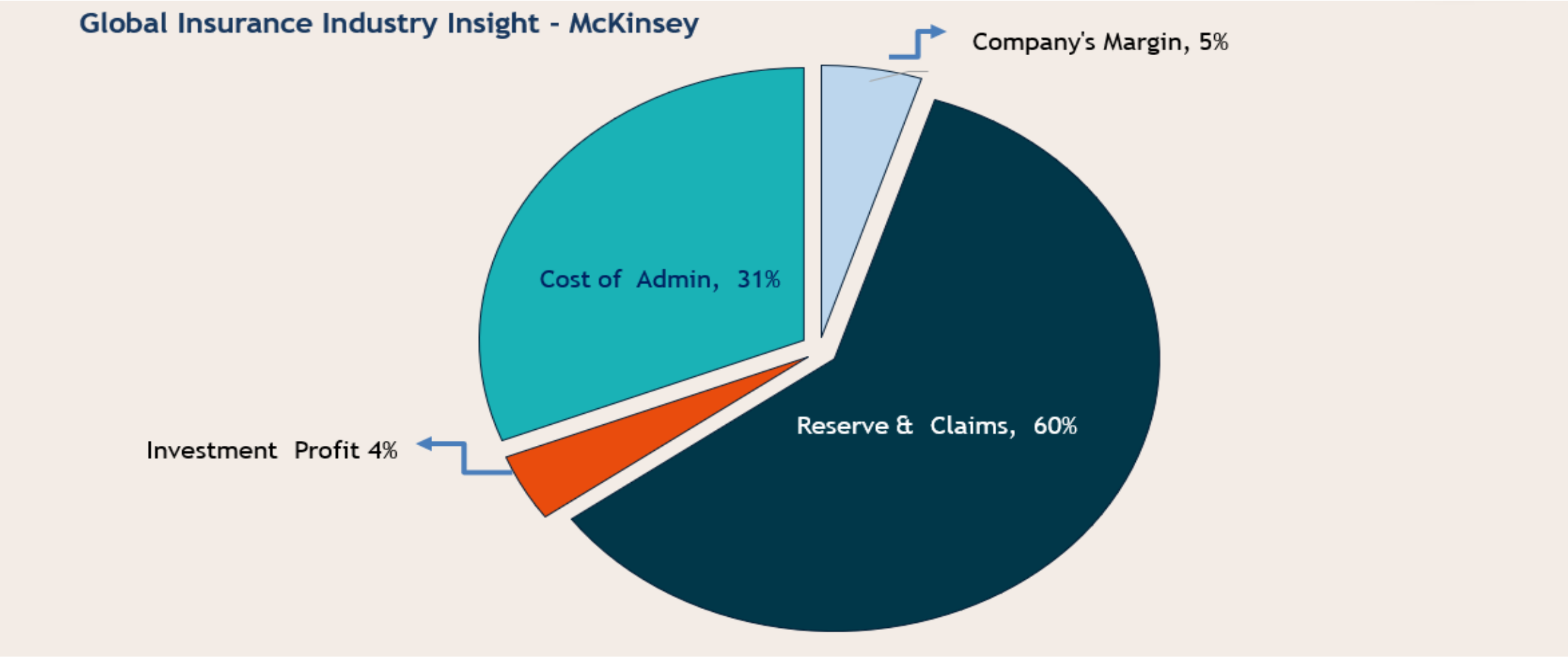
IFRS 17 Insurance Contracts



- IFRS 17 issued on 18 May 2017
  - replaces an interim Standard - IFRS 4
  - requires *consistent accounting* for all insurance contracts, based on a *current measurement model*
  - will provide *useful information* about *profitability* of insurance contracts

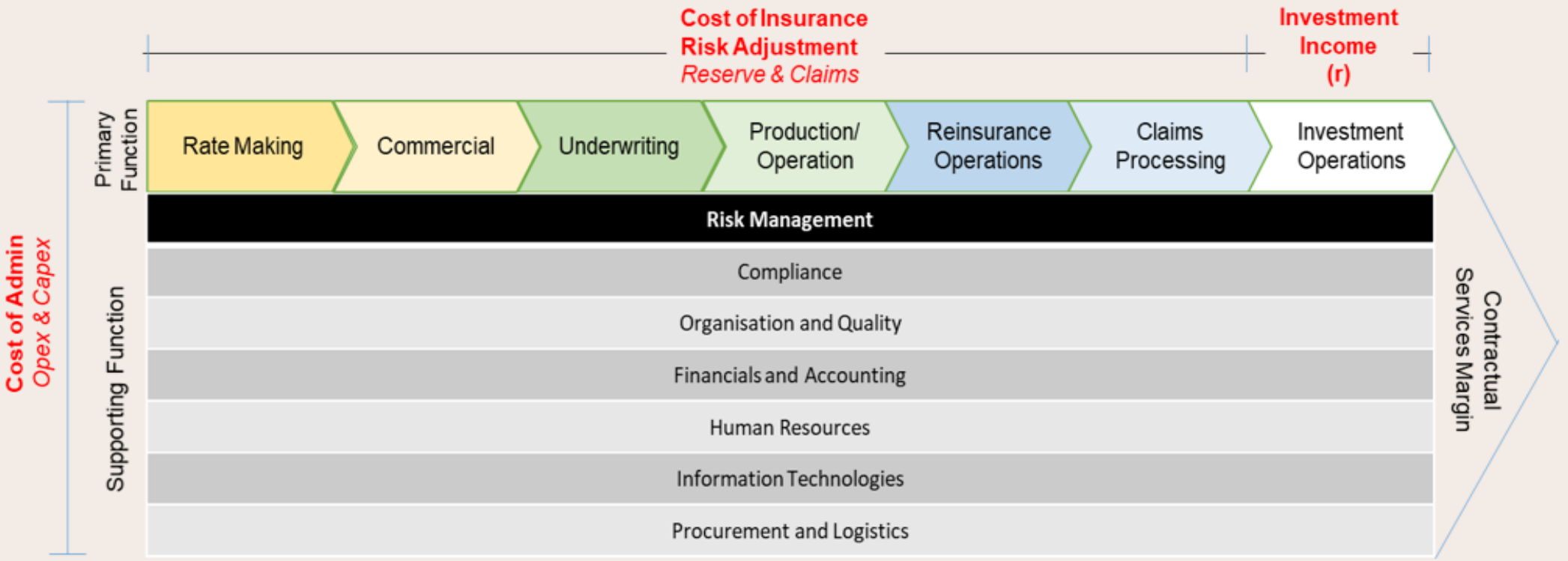
- Effective on 2021
  - early application permitted
  - one year comparative information

INSURANCE VALUE CHAIN – PRODUCT SPECIFICATION

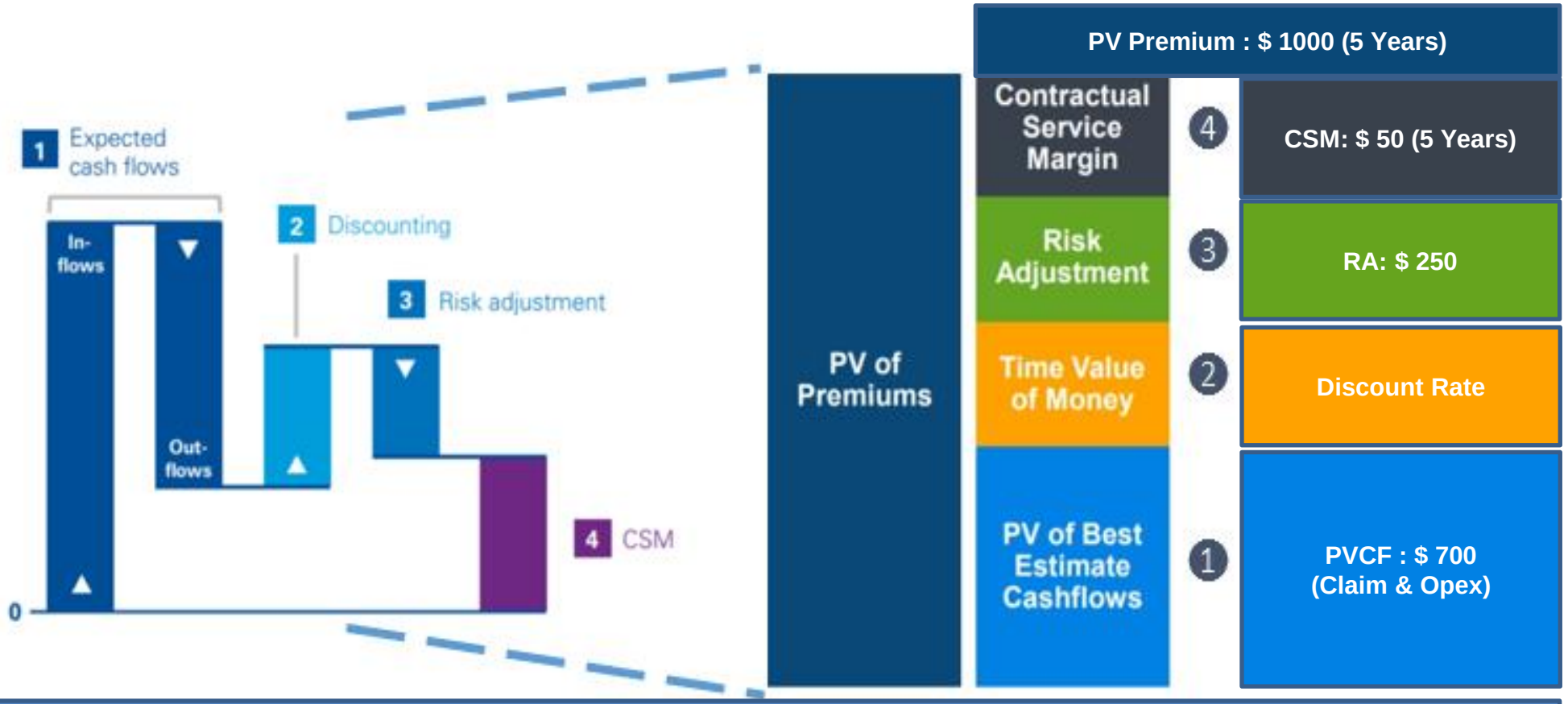


INSURANCE VALUE CHAIN – PRODUCT SPECIFICATION

Global Insurance Industry Insight - McKinsey



BUILDING BLOCK APPROACH



Premium is Liability instead of Income

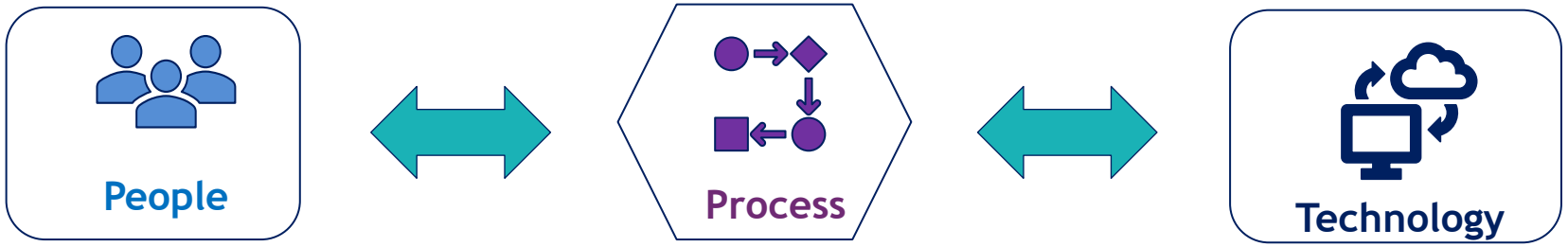
Section 2
Persiapan Implementasi IFRS 17

- Surat OJK – Persiapan Implementasi IFRS 17

CTPRIMA

TAHAP – 1 Surat OJK

- Dalam rangka memastikan persiapan penerapan PSAK 74 berjalan dengan baik maka pada tahun 2021 diharapkan seluruh Perusahaan Asuransi dan Perusahaan Reasuransi telah melakukan kajian terhadap kebutuhan *infrastruktur* dan hal pendukung lainnya dibandingkan dengan ketersediaan/kesiapannya (*Gap Analysis*). Kajian tersebut juga dilengkapi dengan analisis dampak penerapan PSAK 74 berdasarkan karakteristik produk dan portofolio polis perusahaan serta rencana pemenuhan gap dimaksud.



TAHAP – 1 Surat OJK

- Berkaitan dengan hal tersebut, kami minta Saudara untuk menuangkan hasil analisis tersebut dalam *Position Paper* dan menyampaikannya kepada OJK. *Penyampaikan position paper* tersebut kami harapkan dapat diterima OJK sebelum tanggal 31 Desember 2021.

TAHAP – 2 Surat OJK

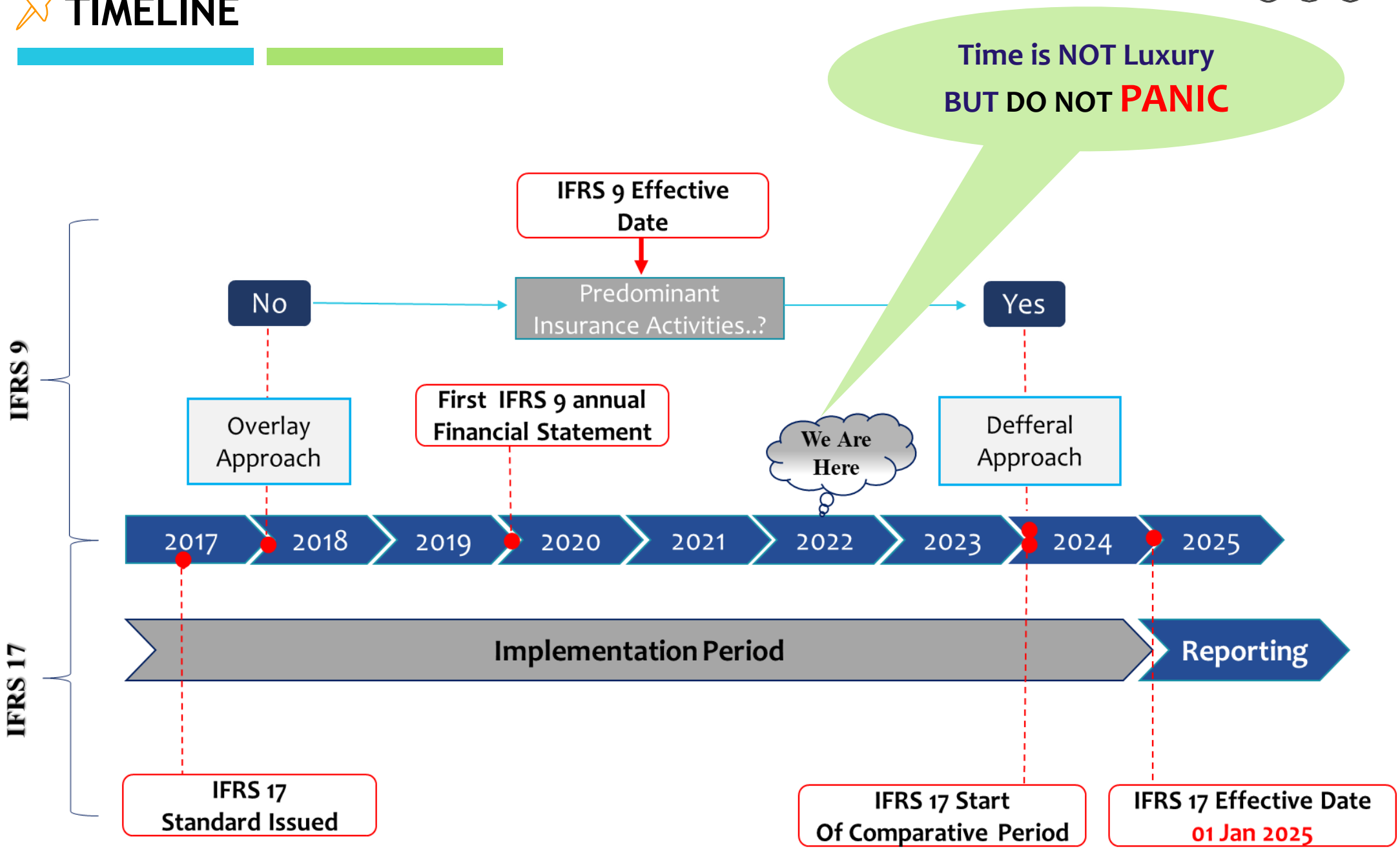
- Memasuki tahapan berikutnya, saat ini OJK sedang dalam proses pembentukan Tim Implementasi PSAK 74 untuk Perusahaan Asuransi yang anggotanya terdiri dari instansi maupun asosiasi terkait. Selanjutnya, dapat kami informasikan bahwa *Target Output* Persiapan Implementasi PSAK 74 untuk tahun 2022 sebagai berikut:

  - Laporan *Technical/Accounting Position Paper* dari seluruh perusahaan asuransi;
  - Laporan *Updated Gap Analysis* dari seluruh perusahaan asuransi;
  - Studi Kasus & *Chart of Account* atas implementasi PSAK 74 dari seluruh perusahaan asuransi.

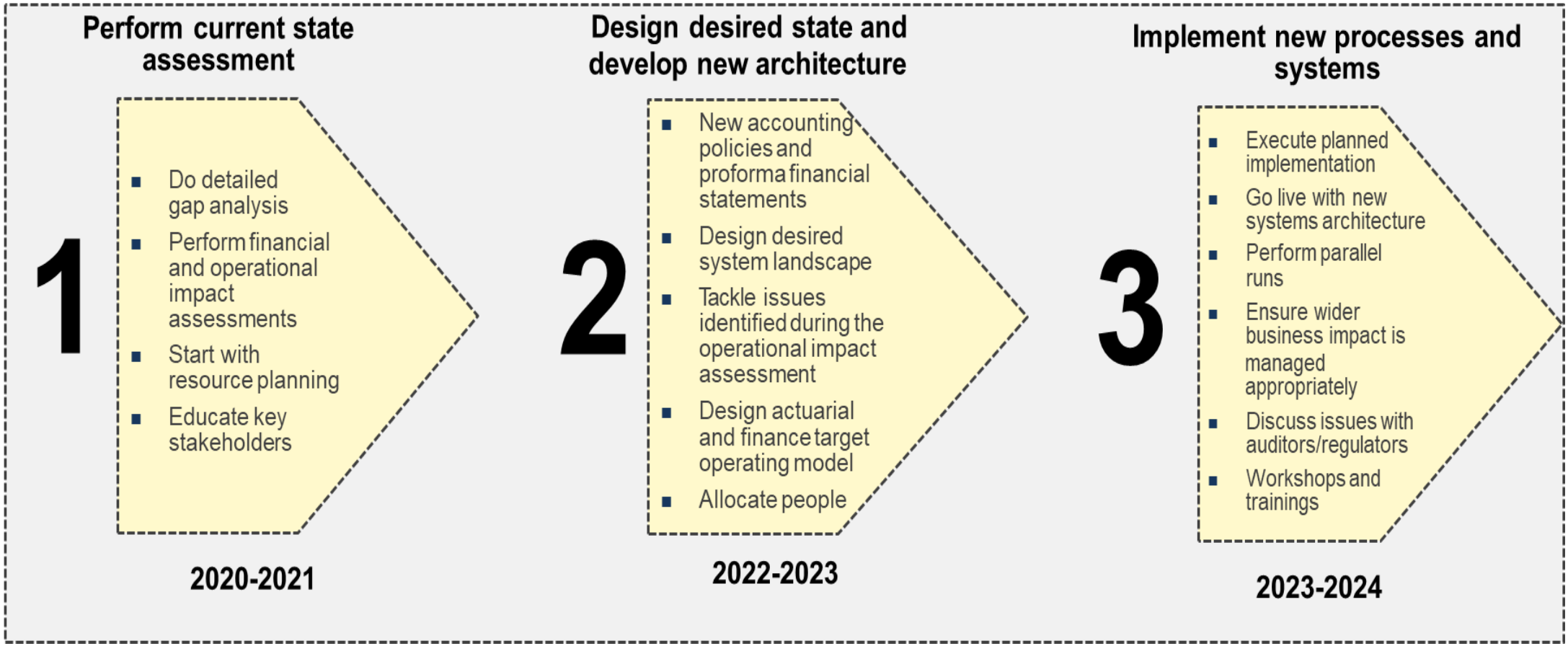
- Target waktu penyampaian dokumen dari seluruh perusahaan asuransi kepada OJK adalah tanggal **23 Desember 2022**.

Section 3
TIMELINE

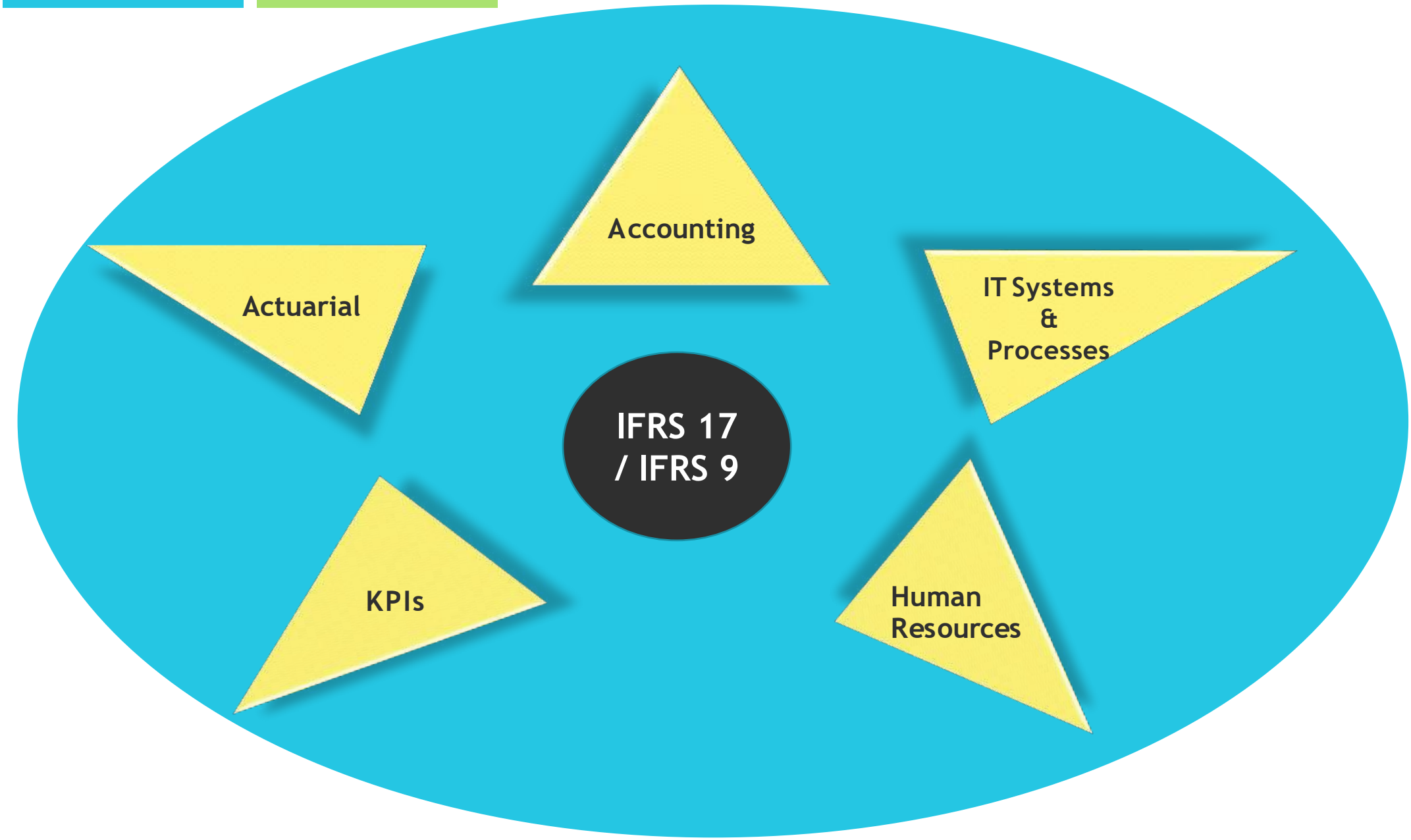
TIMELINE


Time is NOT Luxury
BUT DO NOT PANIC
IFRS 9 Effective Date
No
Predominant Insurance Activities..?
Yes
IFRS 9
Overlay Approach
First IFRS 9 annual Financial Statement
We Are Here
Defferal Approach
2017
2018
2019
2020
2021
2022
2023
2024
2025
IFRS 17
Implementation Period
Reporting
IFRS 17 Standard Issued
IFRS 17 Start Of Comparative Period
IFRS 17 Effective Date 01 Jan 2025

TIMELINE


Perform current state assessment
1
Do detailed gap analysis
Perform financial and operational impact assessments
Start with resource planning
Educate key stakeholders
2020-2021
Design desired state and develop new architecture
2
New accounting policies and proforma financial statements
Design desired system landscape
Tackle issues identified during the operational impact assessment
Design actuarial and finance target operating model
Allocate people
2022-2023
Implement new processes and systems
3
Execute planned implementation
Go live with new systems architecture
Perform parallel runs
Ensure wider business impact is managed appropriately
Discuss issues with auditors/regulators
Workshops and trainings
2023-2024

IMPLICATION TO MANAGEMENT AND STAKEHOLDERS



OPERATIONAL IMPLICATIONS

The big picture

1. Policy
- New accounting policies/procedures and control documentation
- IFRS 17 methodology guidance and reporting instructions
- GL Chart of Accounts changes and account mappings
- Assumptions setting (modelling)
- Investment policy changes (TFRS 9)

2. Performance Management
- Changes in MI reports and KPI's
- Planning, budgeting and forecasting processes need to be adjusted
- VBM, scorecards and incentive schemes

3. People
- Training
- Cross functional collaboration (especially for Finance & Risk)
- Project resourcing & budget
- Managing change fatigue

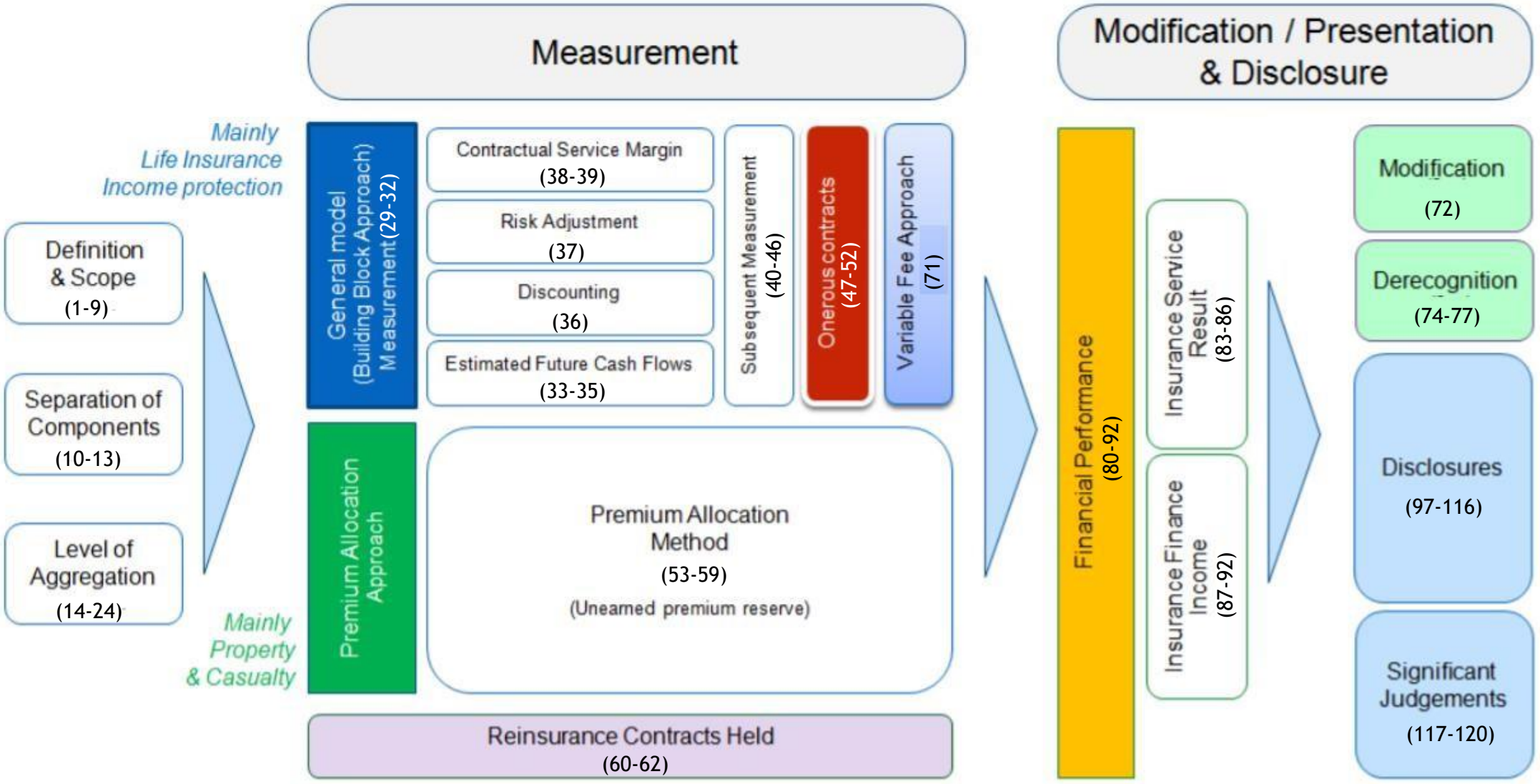
4. Organization
- Roles and responsibilities between Actuarial and Finance departments
- Technical Provisions Assumptions/ Expert Judgement Committee
- Impact on outsourcing contracts

5. Data
- Refinement, upgrading, conversion and migration of (complex) actuarial valuation models
- New financial reporting data requirements (input/output)
- Data reconciliations at different levels
- Data quality, storage and archiving
- Data security & controls
- Data governance and master data management

6. Processes
- Materiality concepts/guidelines
- Updating closing and reporting processes, planning processes, actuarial processes, risk management etc.
- Internal and external reporting templates including group reporting packages
- Internal controls and audit trail

7. Technology
- Core systems, investment system, actuarial systems, pricing systems, etc.
- Posting logic/engines
- General Ledger, consolidation and reporting systems
- System interfaces
- Current system capacities & capabilities (agile technology)
- New functionalities/features

KEY FOCUS AREAS OF THE STANDARD



IMPROVE FINANCIAL REPORTING

Provides up-to-date **market consistent information** of obligation including value of options and guarantees

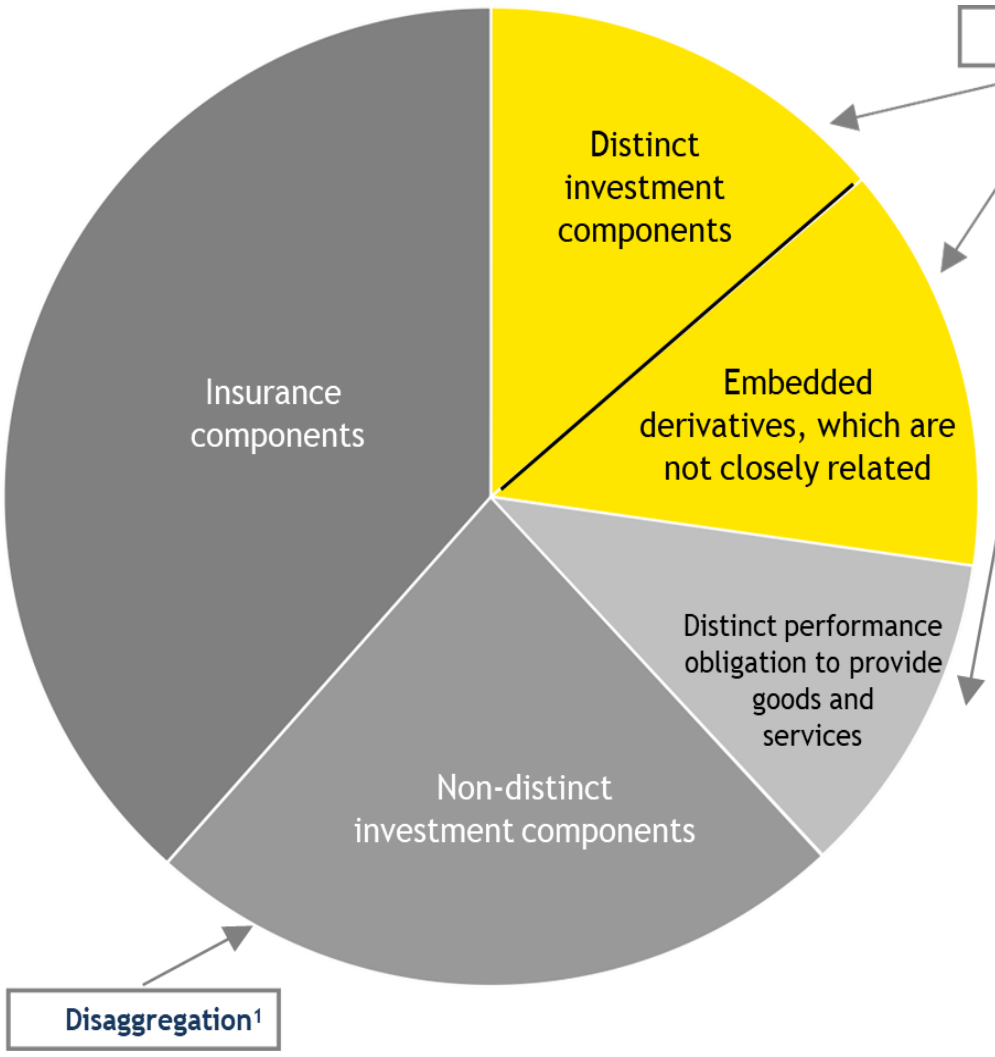
Underwriting **revenue and expenses are recognised over time** in comparable way to other non insurance business

Reflects **time value of money**

Provides separate information about the **investment and underwriting performance**

Assumptions used in the valuation of insurance contact liabilities reflect the characteristics of the insurance contract rather than the risk related to asset / investment activity

SEPARATED COMPONENTS



Accounting under IFRS 17

Accounting under IFRS 9

Accounting under IFRS 15

Accounting under IFRS 17, disaggregation for presentation in income statement notes

[1] *Disaggregation* is the exclusion of an unseparated investment component from insurance contracts revenue

LEVEL OF AGGREGATION

At Contract Inception

1 **Portfolio**

Portfolio = A group of contracts
(a) subject to similar risks
(b) managed together

2 **Cohorts**

Permitted to group only contracts issued no more than one year apart

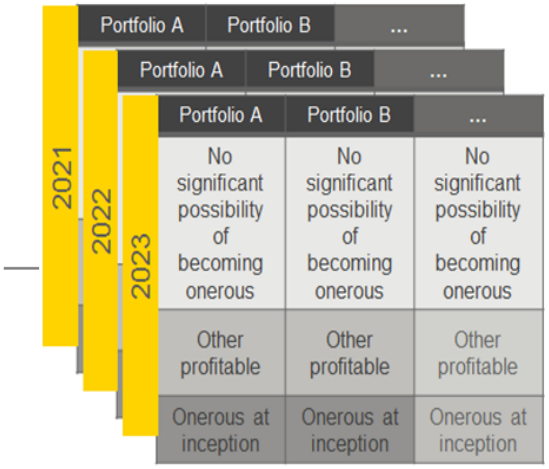
3 **Onerous contracts at inception**

Contracts not onerous at inception

Other profitable contracts

No significant possibility of becoming onerous

Assessment based on:
(a) Likelihood of changes in estimates which, if they occurred, would result in the contracts becoming onerous
(b) Using internal information about changes in estimates

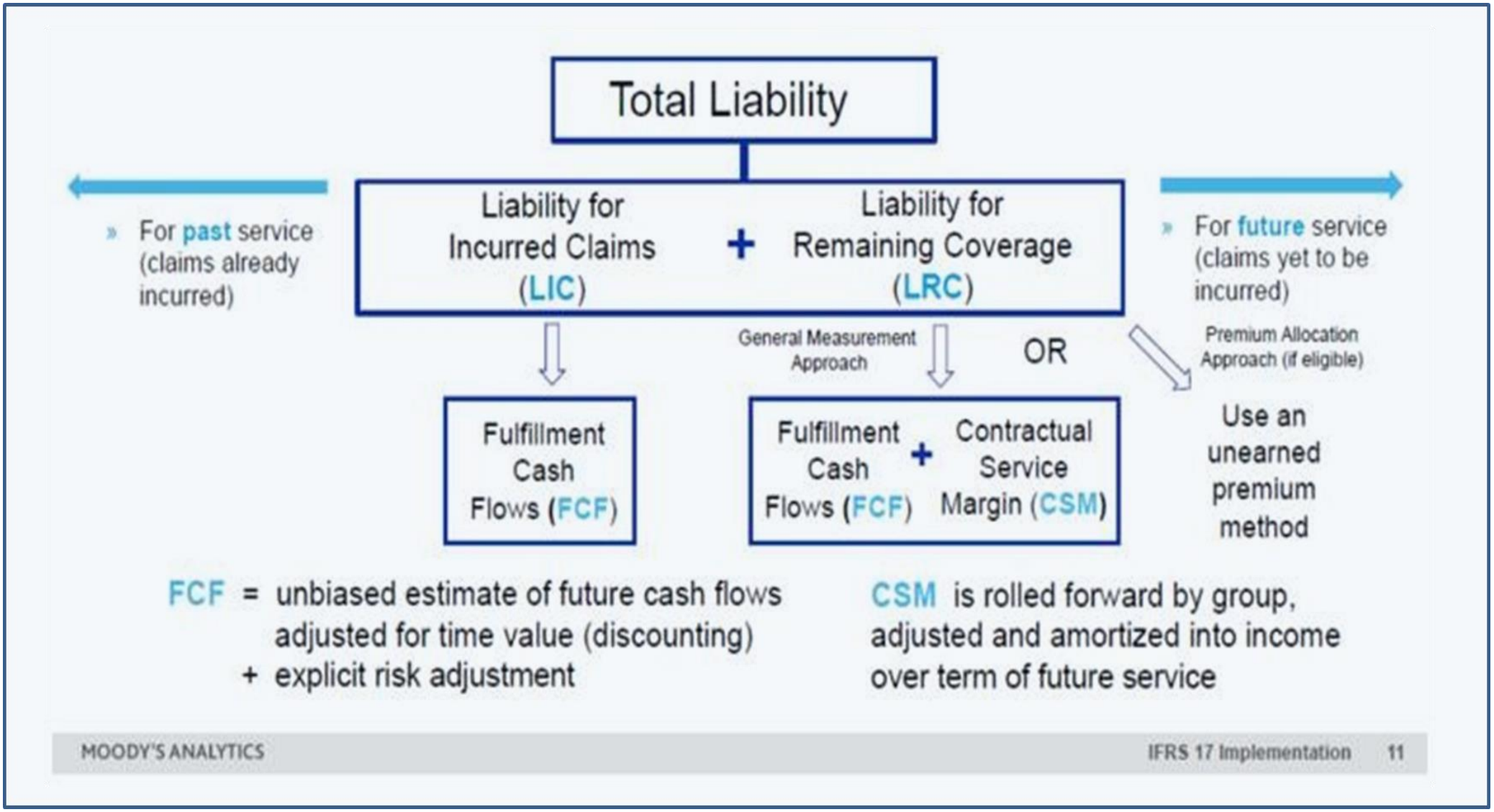


A loss is recognized in the P&L at inception

CSM is recognized and released as insurance service is provided

Assessment is done at contract inception - no subsequent re-assessment

BASIC METHODS IN MEASUREMENT INSURANCE CONTRACT



CHANGES IN FS PRESENTATION AND DISCLOSURE

Statement of Comprehensive Income

IFRS 4

- Net earned premiums
- Interest, dividend and other investment income
- Incurred claims and benefits
- Change in provisions
- **Profit or loss**

IFRS 17

- Insurance revenue
- Insurance services expense
  - Incurred claims and expense
  - Acquisition costs
  - Gain/loss from reinsurance
- **Insurance service result**
- Investment income
- Insurance finance expense
- **Net financial result**
- **Profit or loss**
- Discount rate changes on insurance liability (optional)
- **Total comprehensive income**

Key Changes :

- Two drivers of profit presented separately
- Insurance revenue excludes deposits [written premiums disclosed in the notes]
- Revenue and expense are recognized as earned or incurred
- Insurance finance expenses are excluded from insurance service result and are presented (i) fully in P&L or (ii) in P&L and OCI, depending on accounting policy

CHANGES IN FS PRESENTATION AND DISCLOSURE

Statement of Financial Position

Assets

Reinsurance contract assets

Deferred acquisition costs

Premiums receivable

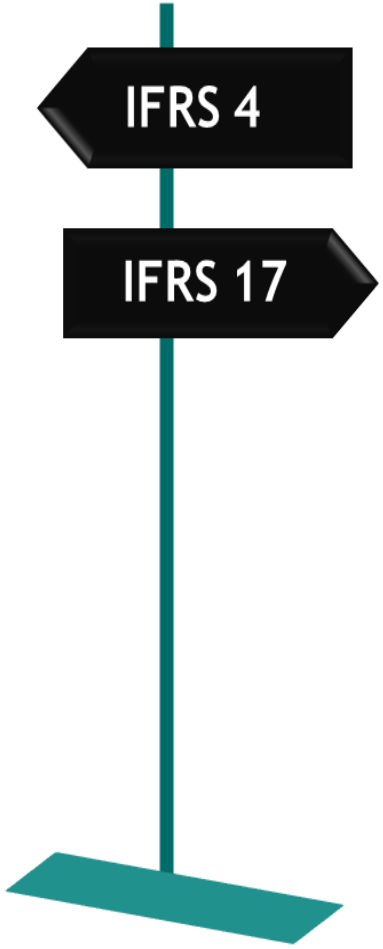
Policy loans

Liabilities

Insurance contracts liabilities

Unearned premiums

Claims payable



Assets

Reinsurance contract assets

Insurance contract assets

Liabilities

Insurance contracts liabilities

Reinsurance contracts liabilities

NEW STATEMENT OF COMPREHENSIVE INCOME

Operating Result	**(WU) = (a) - (f)**
Insurance Contracts Revenue	(a) = (b) + (c) +(d) + (e)
Change in CSM	(b)
Change in Risk Adjustment	(c)
Amortisation of acquisition costs	(d)
Expected claims and expenses	(e)
Insurance expenses	(f) = (g) + (h) +(i) + (j)
Incurred expenses and paid claims	(g)
Incurred acquisition costs	(h)
Recognised losses from onerous contracts	(i)
Changes in insurance liabilities	(j)
Investment Result	**(WI) = (k) – (l)**
Investment income	(k)
Investment expenses	(l) = (m) + (n) + (o)
Accretion of CSM	(m)
Accretion of RA	(n)
Accretion of insurance liabilities	(o)
Total Income	**(WU) + (WI)**

- Release of part of CSM allocated to current period
- Release of part of RA related to risk expired in the current period
- **Expected** claims and expenses in the current period
- **Actual incurred** claims and expenses in the current period
- Loss for „onerous contracts"
- In case of changes in liabilities for expired cover or in case when CSM cannot absorb negative deviations
- Cost related to the unwind of the discount rate in valuation of liabilities

IFRS REQUIREMENTS - CHANGES IN BALANCE SHEET AND INCOME STATEMENT

Unify takes the output of the IFRS 17 model via DataValidator to a **Reporting Front end**

IFRS 17 income statement	Year	2017	2018
General Insurance	Month	12	12
Insurance service result		**790**	**1,361**
Insurance revenue		**1,203**	**2,217**
Expected claims		68	131
Expected maintenance expenses		97	168
Allocation of recovery of insurance acquisition cash flows		313	557
Release of contractual service margin to P&L		617	1,151
Release of risk adjustment to P&L		108	211
Insurance service expense		**413**	**856**
Incurred claims death (excl. investment component)		-	131
Incurred insurance service expenses		100	168
Allocation of insurance acquisition cash flows		313	557
Net finance result		**(3,079)**	**-**
Investment income		**(322)**	**(595)**
Insurance finance expense (or income)		**2,757**	**(595)**
Interest expense		(322)	(595)
Charge in discount rates		3,079	-
Profit or loss for the year		**(2,289)**	**1,361**

Balance sheet			
General Insurance			
Best estimate liability (incl. O&G)	**(17,537)**	**356,369**	**305,355**
Discounted future cash flows (det.)	(17,537)	356,369	305,355
[illegible]		-	-
Risk adjustment	**2,946**	**3,100**	**2,884**
Contractual service margin	**14,591**	**15,067**	**13,987**
Total insurance liabilities	**-**	**374,536**	**322,136**

CSM roll forward	2017
Opening CSM	**-**
New business CSM	**14,591**
Accrete interest	(13)
Experience adjustments	
Change in CF	(27,639)
Inv. comp/Premiums exp. adjustment	28,741
Change in RA	(240)
Change in assumptions	
Change in CF	244
Change in RA	-
CSM pre allocation	**15,684**
Allocation to the period	**617**
Closing CSM	**15,067**

No of Claims and Expenses in half year

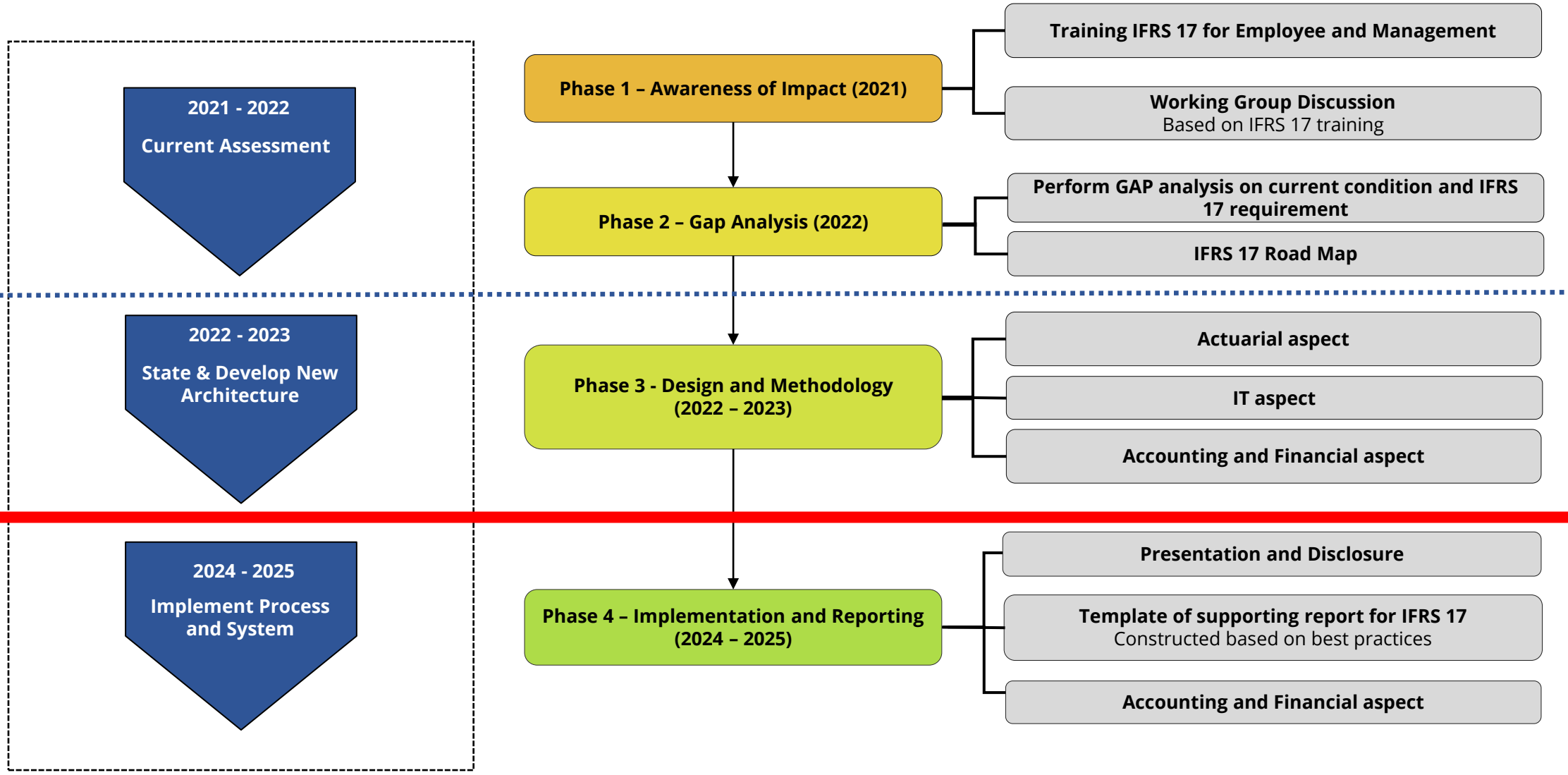
Change in future expense assumptions

CSM roll forward under the General Measurement Model

Section 4
METODOLOGI PENERAPAN PSAK 74

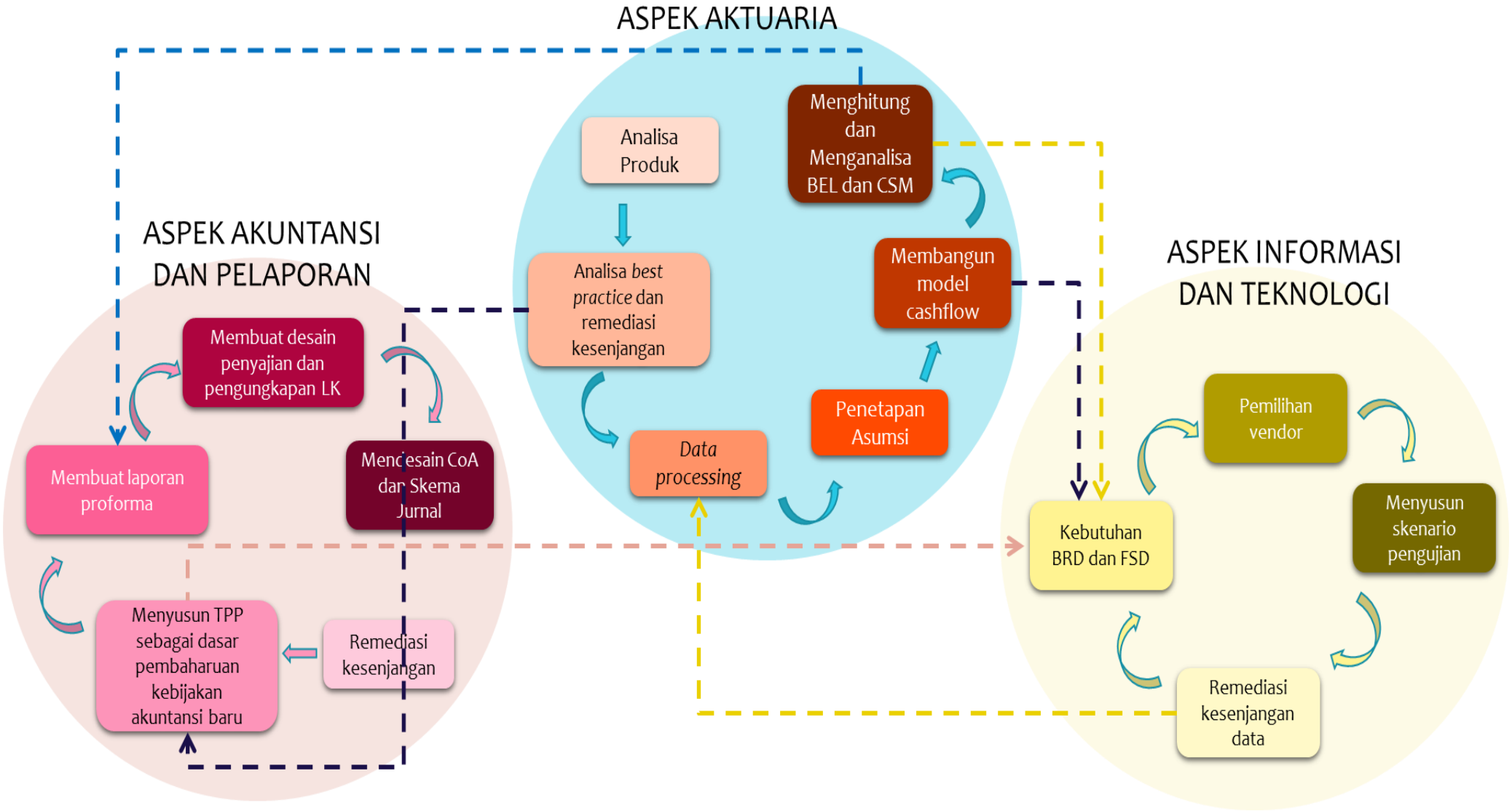
METODOLOGI PENERAPAN PSAK 74

Berikut tahapan dan pendekatan yang dilakukan dalam rangka implementasi PSAK 74 (IFRS 17)



METODOLOGI PENERAPAN PSAK 74

Strategi yang dilakukan dalam rangka implementasi PSAK 74 (IFRS 17)



Section 5
ISU KRITIS PSAK 74 - IFRS 17

ISU KRITIS PSAK 74 - IFRS 17

Hal-hal yang dirangkum dalam *critical component* PSAK 74 (IFRS 17) dalam penyusunan *Technical Position Paper* terdiri dari:

1. Definition of Insurance contracts
2. Combination / unbundling of insurance contracts
3. Separating non-insurance components
4. Recognition of insurance contracts
5. Insurance acquisition cash flows
6. Contract modifications and accounting for derecognition
7. Level of Aggregation (LoA)
8. Onerous contracts
9. Contract Boundaries

THE CRITICAL IFRS 17 COMPONENTS

ISU KRITIS PSAK 74 - IFRS 17

Hal-hal yang dirangkum dalam critical component PSAK 74 (IFRS 17) dalam penyusunan *Technical Position Paper* terdiri dari:

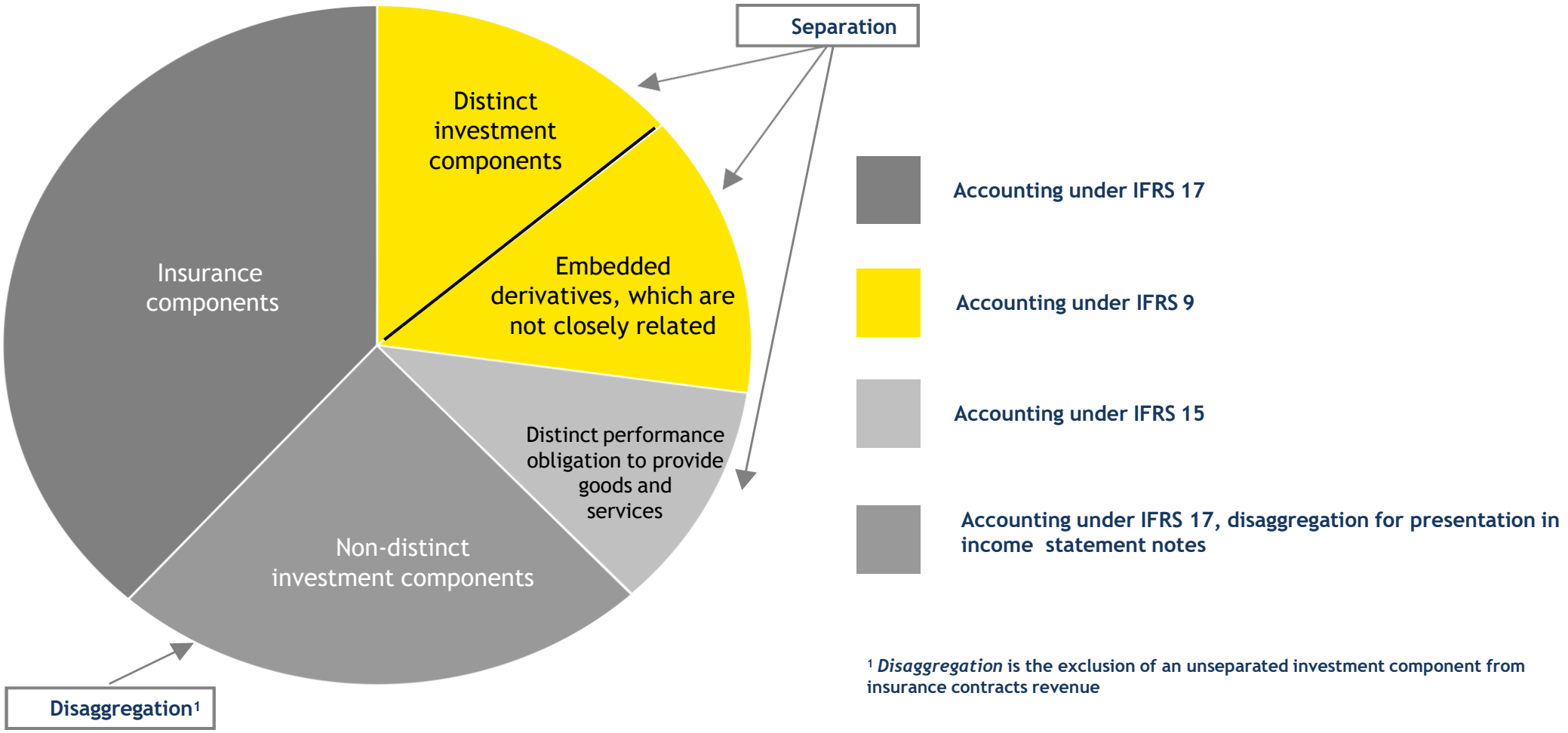
10	General Measurement Model (GMM)
11	Discount Rate
12	Risk adjustments for non-financial risk
13	Contractual Service Margin (CSM)
14	Subsequent Measurement
15	Premium Allocation Approach (PAA)
16	Accounting for reinsurance contract held – recognition
17	Accounting for reinsurance contract held - measurement
18	Presentation and disclosures
19	Transition

THE CRITICAL IFRS 17 COMPONENTS

Actuarial Aspect

- Separated components
- Level of aggregation
- Expected Cash Flows
- Discount Rate
- Risk Adjustment
- Exercise
- Gap analysis

SEPARATED COMPONENTS



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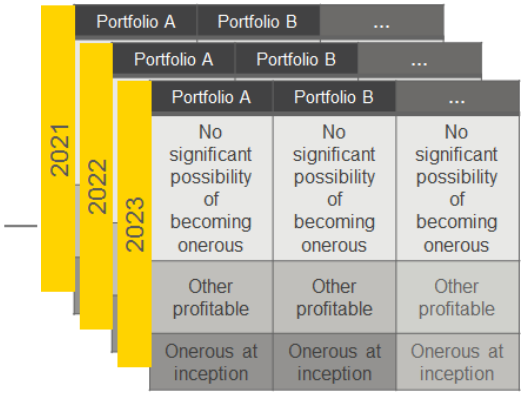


LEVEL OF AGGREGATION GROUPING OBJECTIVES

Portfolio 1

Credit insurance

Entity divides each portfolio into groups

- contracts issued within the same year
- information about the contracts' resilience
- consistent with internal reporting
- exemption for regulatory pricing
- group not reassessed after initial recognition

Profitable contracts	**Group A**	Contracts that at initial recognition have no significant possibility of becoming onerous subsequently, if any	Unearned profit is recognised as part of the liability and is released as insurance services are provided
	Group B	Other profitable contracts, if any	
Onerous contracts	**Group C**	Contracts that are onerous at initial recognition, if any	A loss is recognised in P&L

BUILDING BLOCK APPROACH - FULFILMENT CASH FLOWS

Geneva Consulting Group

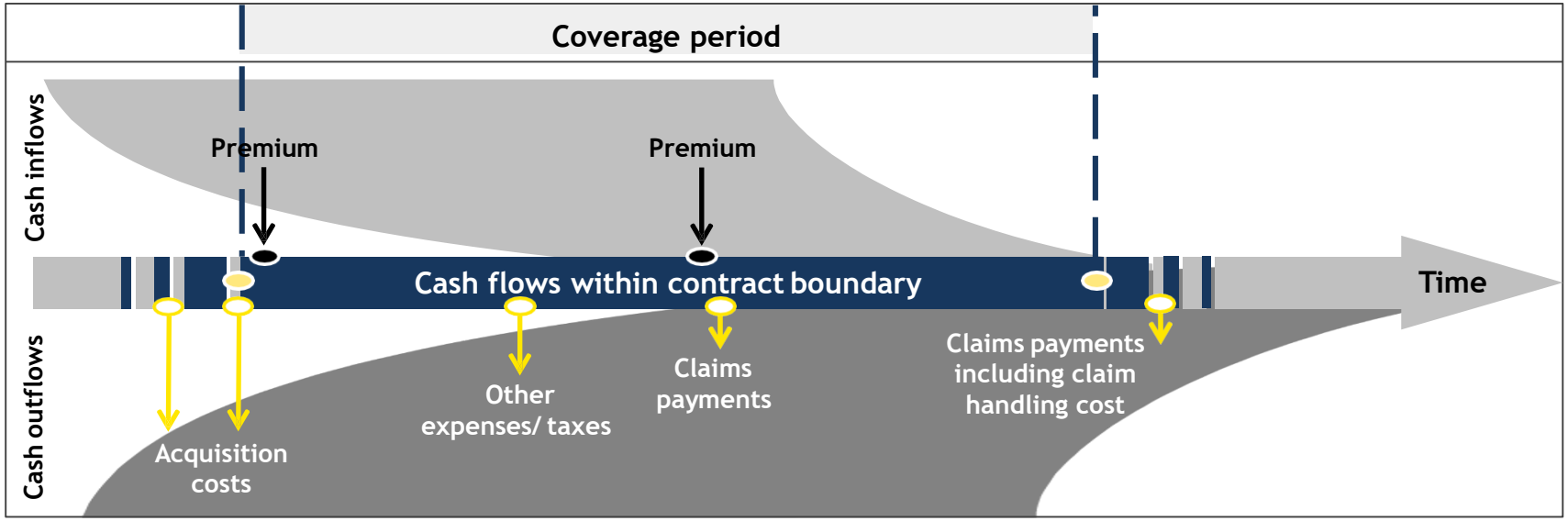
Contractual service margin

Risk adjustment

Time value of money

Future cash flows

- The estimates of CFs used to determine the fulfilment CFs shall include all cash inflows and outflows that relate directly to the fulfilment of the portfolio of contracts:
  - Current and explicit (separate from discount rate and risk adjustment)
  - Market variables as consistent as possible with observable market prices
  - Incorporate all available information in an unbiased manner (including trends)
  - Include all CFs within contract boundary



EXPECTED CASH FLOW - Expected Cash Flows of a Group of Insurance Contracts

Cash Flow	Examples
Premiums and any other costs specifically chargeable to the Policyholder	• Premium adjustments • Instalment premiums • Any additional cash flows that result from those premiums
Payments to, or on behalf of policyholder	• Incurred claims that have not yet been paid (IBNP) • Incurred claims that have not yet been reported (IBNR) • Future claims • Payments that vary depending on returns on underlying items
Costs of providing benefits in kind	• Replacement of stolen articles
Payments in a fiduciary capacity to meet the policyholder's tax obligations	• Payment of death duties or inheritance tax
Potential cash inflows from recoveries on claims, as long as they have not been recognised as a separate asset	• Salvage and subrogation
Insurance acquisition cash flows attributable to the portfolio	• Acquisition Cost

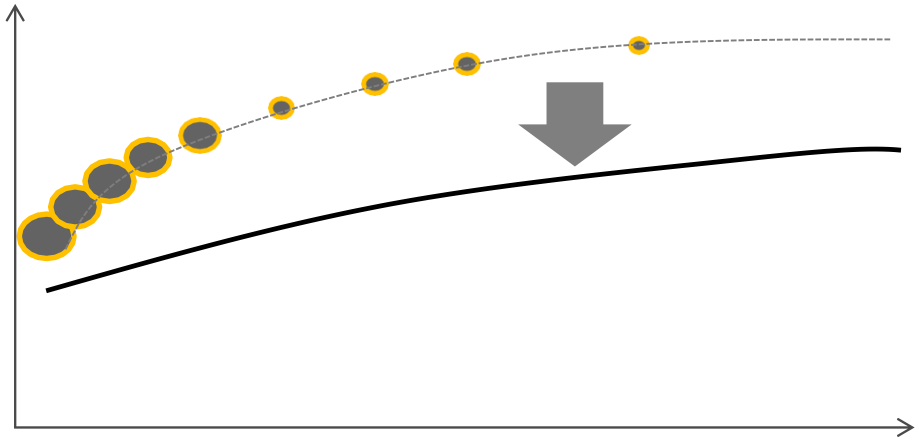
Cash Flow	Examples
Claim handling costs – investigating, processing and resolving claims	• Legal and loss adjusters' fees • Internal costs of investigating • claims and processing claims payments
Policy administration and maintenance costs	• Costs of billing premiums • Costs of handling policy changes (e.g. conversions) • Recurring commissions expected to be paid to intermediaries if the policyholder continues paying premiums within the boundary.
*Allocation of fixed and variable overheads **directly attributable** to fulfilling insurance contracts*	These are allocated to contracts or groups using methods that are systematic, rational and consistently applied to all costs with similar characteristics. These include accounting, human resources, IT and support, building depreciation, rent, maintenance and utilities.
Cost of investment activity	Costs of managing certain investments

BUILDING BLOCK APPROACH - TIME VALUE OF MONEY

Top-down approach
Current market rates of returns: either of own asset portfolio or a reference portfolio

Adjust for **risks that are not relevant to the insurance contract**, e.g., default risk, market risk

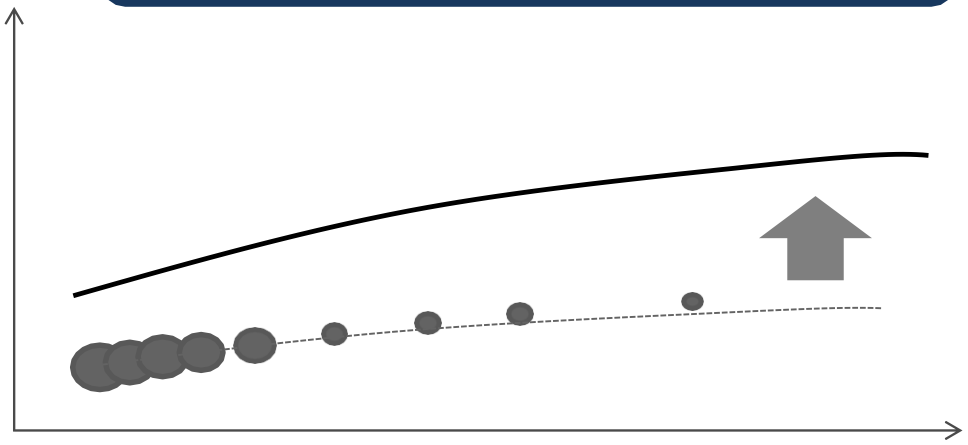
Adjust for **duration differences** if necessary (No need to adjust for the difference due to liquidity)



Adjust for **other characteristics** of the insurance contracts if necessary

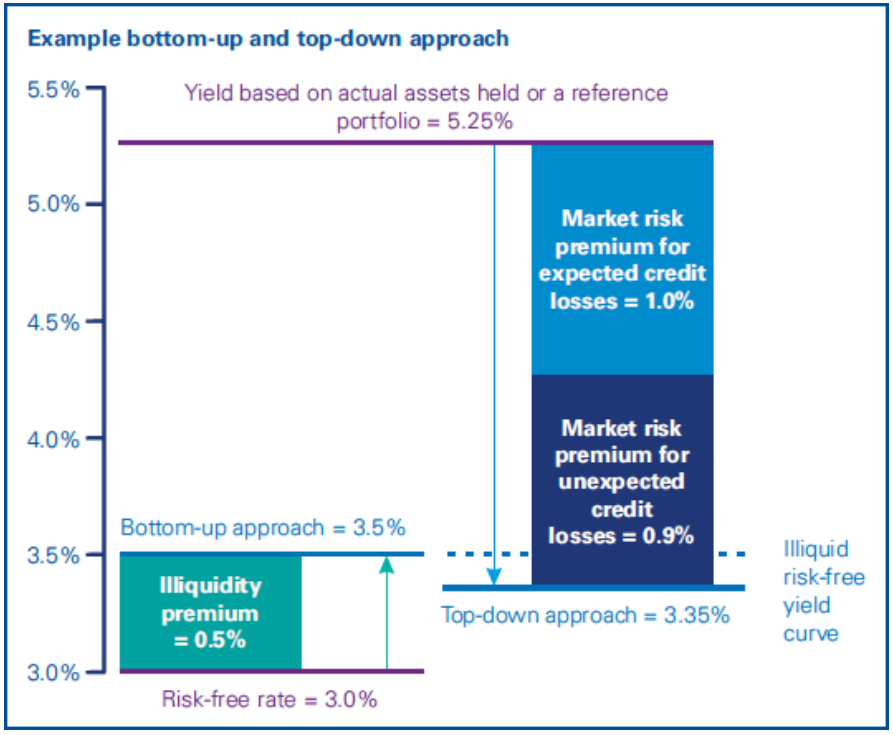
Illiquidity premium: Adjust for liquidity characteristics of the insurance contracts

Bottom-up approach
Risk-free yield curve with similar characteristics (e.g., duration, currency)



DISCOUNT RATE - Discounting to Reflect the Time Value of Money

IFRS 17 does not prescribe a single estimation technique to derive discount rates. However, the standard does specify that a 'top- down' or 'bottom-up' approach may be used. In theory, for insurance contracts with cash flows that do not vary based on the performance of the underlying items, both approaches should result in the same discount rate, although differences may arise in practice. ***The rate shall reflect the time value of money and the financial risks related to those cash flows (ALMA).***



Aspect of Measurement	Discount Rate
Fulfilment cash flows	Current discount rates
CSM interest accretion for contracts without direct participation features	Rates determined on initial recognition of the group
Adjustments to the CSM for changes in the fulfilment cash flows for contracts without direct participation features	Rates determined on initial recognition of the group
Adjustments to the CSM for changes in the fulfilment cash flows for direct participating contracts that do not vary based on the returns on underlying items, excluding the change in the effect of the time value of money and financial risks	Current discount rates
For groups applying the PAA, liability for remaining coverage adjustment for the time value of money	Rates determined on initial recognition of the group
Insurance finance income or expenses	Discount rate used for disaggregation

BUILDING BLOCK APPROACH - RISK ADJUSTMENT

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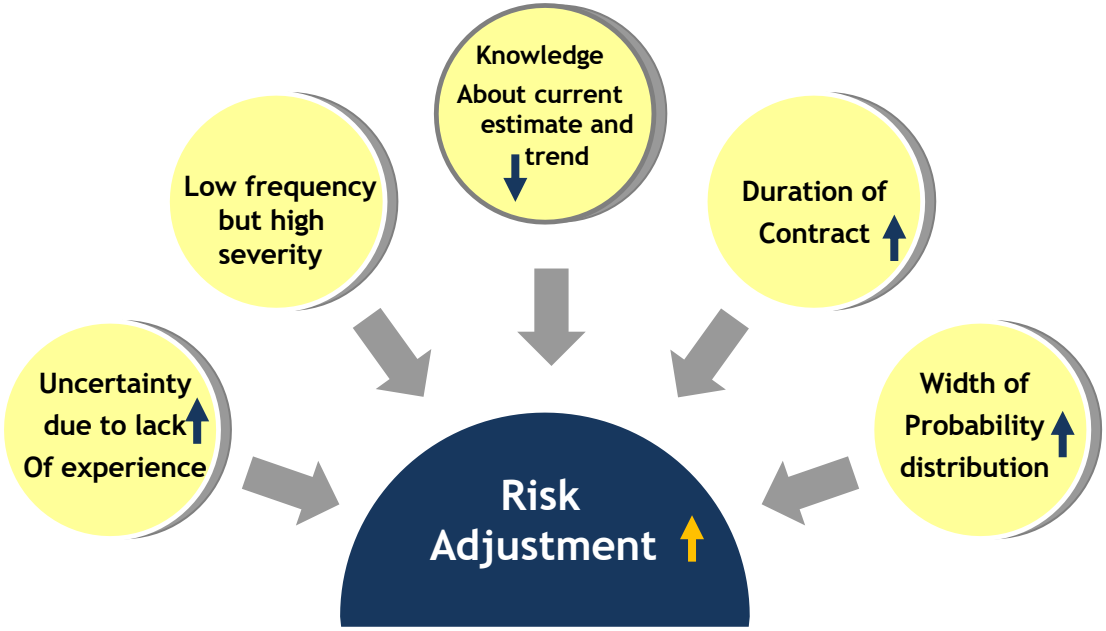
- Contractual service margin
- **Risk adjustment**
- Time value of money
- Future cash flows

- Compensation that an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arise as the entity fulfils the insurance contract
- RA shall be included in the measurement in an explicit way (i.e. uncertainty should not be included in the future cash flows)
- No prescribed technique so different companies may use different techniques
- Disclosure on the confidence-level is required if the entity uses a technique other than the confidence level technique



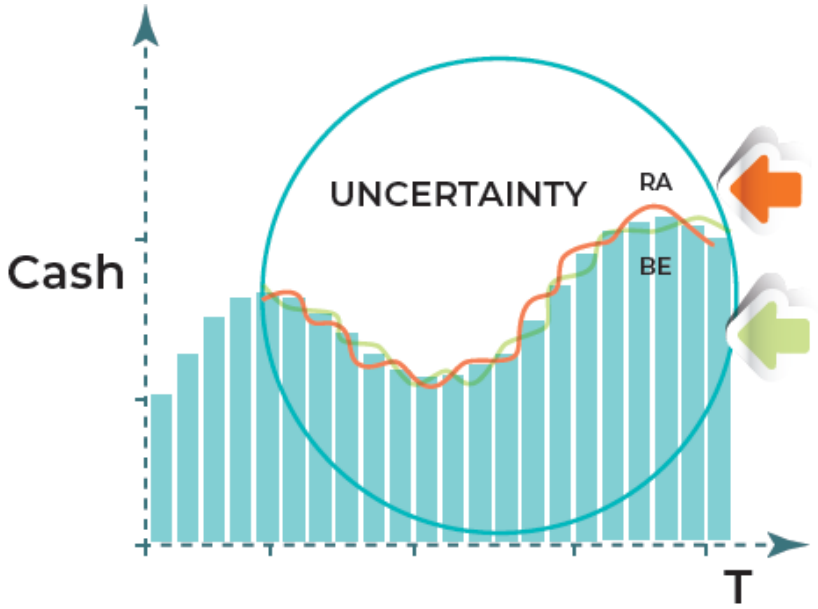
RISK ADJUSTMENT - Risk Adjustment for Non-Financial Risk

Risk Adjustment corresponds to the compensation that an entity requires for bearing the uncertainty about *the amounts of and timing cash flows* related to non-financial risks inherent in insurance contracts

The scope of risks associated with the calculation of the RA covers both insurance risks (e.g. mortality risk, P&C reserve risk, longevity, morbidity) and non-financial risks related to insurance contracts (e.g. *lapse risk, surrender risk, and expense risk);* operational risk is not included in the RA assessment because by nature it is considered more global.

the IASB proposed 3 approaches to measuring RA:

- the Cost of Capital method,
- the Value at Risk (VaR) - (confidence level)
- the Tail Value at Risk approach (TVaR).



Evaluation of non financial/insurance risks Integrated in the Risk Adjustment

Evaluation of financial risks Integrated in the Best Estimate

Risko Asuransi: Risiko, selain risiko keuangan, yang dialihkan dari pemegang kontrak kepada penerbit kontrak. Contoh: – *death or survival, injury, illness, disability, loss of property due to damage or theft, and failure of a debtor to make a payment when it is due.*

Risiko Keuangan: Risiko akibat kemungkinan perubahan masa depan atas factor" berikut: *interest rates, financial instrument prices, commodity prices, currency exchange rates, indices of prices or rates, and credit ratings or credit indices*.

BUILDING BLOCK APPROACH - CONTRACTUAL SERVICE MARGIN

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Contractual service margin

Risk adjustment

Time value of money

Future cash flows

- At initial recognition, the CSM is defined as the negative of fulfilment cash flow, floored by zero.
- Purpose of recognizing a positive initial CSM:
  - To eliminate any day 1 gains (if initial CSM is positive)
  - To represents the unearned profit that the entity recognizes as it provides services under the insurance contract
- If CSM is floored by zero at inception, the insurance contract is onerous. All loss should be recognized in P&L at inception
- Objective of the standard is to:
  - Provide principles for the measurement of an individual insurance contract, but that in applying the standard an entity could aggregate insurance contracts provided that it meets that objective; and
  - Onerous contracts should not be aggregated with profit-making contracts

BUILDING BLOCK APPROACH - CONTRACTUAL SERVICE MARGIN

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Contractual service margin

Risk adjustment

Time value of money

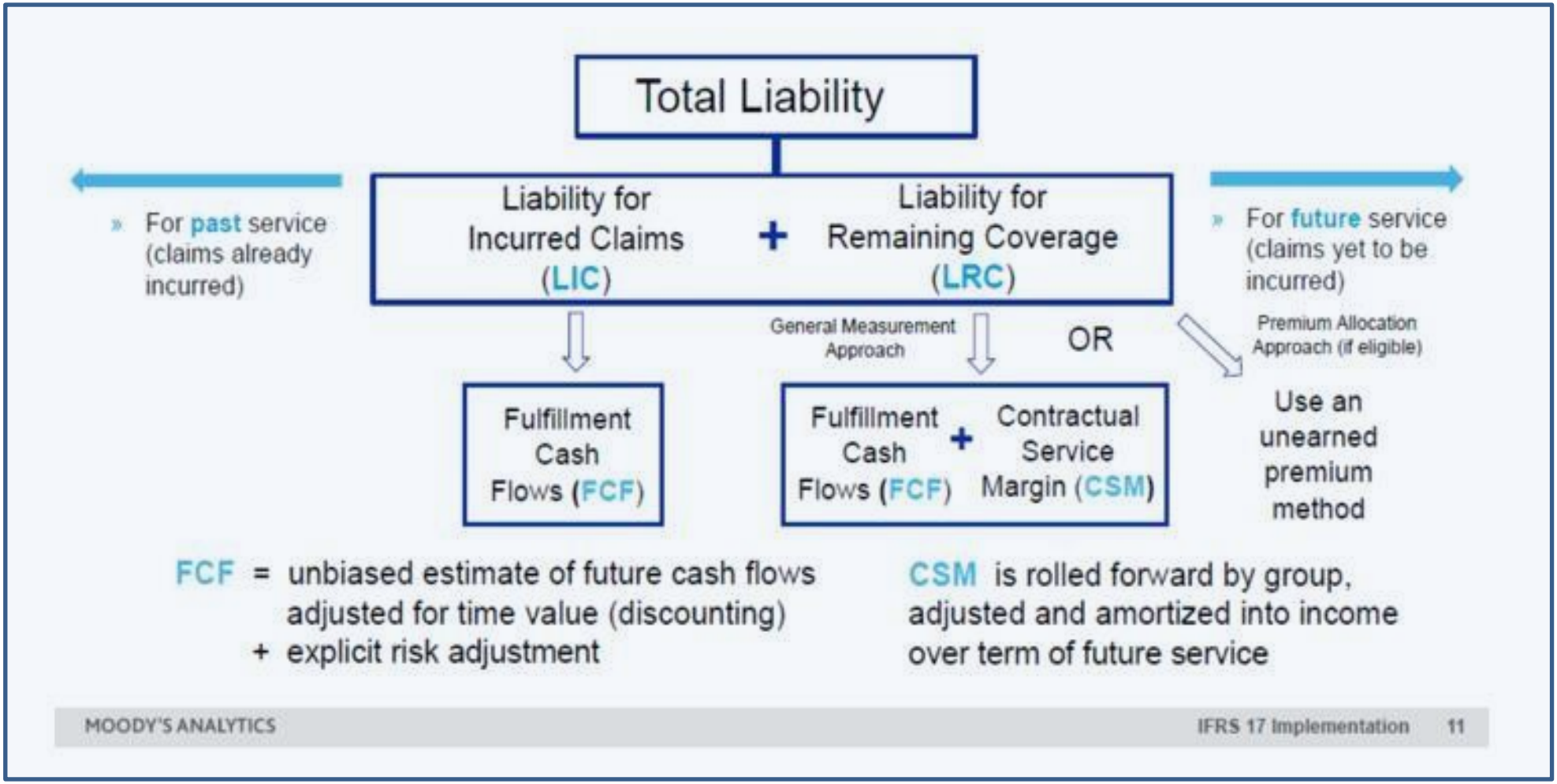
Future cash flows

- Subsequently, the roll-forward calculation of CSM is summarized as follows:

	CSM at the beginning of the reporting period
+	Accreted interest
-	Amount recognised for services provided in the period
+/-	Changes in the estimates of future cash flows
+/-	Changes in RA relating to future coverage
=	CSM at the end of the reporting period

- Locked-in rate at the inception of contract is used for accreting interest.
- An entity should recognise the remaining contractual service margin in profit or loss over the coverage period in a systematic way that best reflects the remaining transfer of the services. For contracts with no participating features, the service represented by the contractual service margin is insurance coverage that:
  - is provided on the basis of the passage of time; and
  - reflects the expected number of contracts in force.

BASIC METHODS IN MEASUREMENT INSURANCE CONTRACT



What is “Contractual Service Margin – CSM”?

Contractual Service Margin *: A component of the carrying amount of the asset or liability for a* ***group of insurance contracts*** *representing the unearned profit the entity will recognise as it provides services under the* ***insurance contracts*** *in the group.*

“.....Marjin jasa kontraktual. Komponen jumlah tercatat aset atau liabilitas untuk suatu kelompok kontrak asuransi yang merupakan laba belum diakui, yang akan diakui pada saat entitas menyediakan jasa sesuai kontrak asuransi dalam kelompok tersebut.....”

CSM diakui secara sistematis sesuai dengan periode jasa proteksi dari service jasa asuransi yang diberikan oleh perusahaan asuransi kepada tertanggung.

What is “Contractual Service Margin – CSM” ?

Fulfilment cash flows greater than zero

- Contractual services margin is a **component of the liability** for a group of insurance contract that represents **the unearned profit** the entity will **recognise as it provides services in the future**.
- Release based on **unit coverage.**
- The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage duration.

Contractual service margin – example 1

Fact pattern:

- Group of 50 contracts, each with a coverage period of 4 years.
- Single premiums of 30 per contract received immediately after initial recognition.
- Directly attributable insurance acquisition cash flows of 100 are allocated to the group.
- Expected claims and expenses of 800, expected to be incurred evenly over the coverage period.
- The cash outflows are paid immediately upon claimsbeing incurred.
- Risk adjustment of 80, released evenly to SCI over the period.
- For simplicity, the discount rate is negligible.

Contractual service margin - example 1

Below is the determination of the FCFs and CSM at initial recognition for the group over the coverage period:

LRC – Liability for Remaining Coverage	
Exp. Inflows	1,500
Exp. Outflows	(900)
Risk Adj.	(80)
FCFs	520
CSM	(520)
Total liability	0

Premiums of 30 x 50 contracts

100 + 800 = acquisition CF, claims and expenses

1,500 – 900 - 80

CSM is set as equal opposite to the FCFs

Contractual service margin - example 2

Fact pattern:

- Group of 50 contracts, each with a coverage period of 4 years.
- Single premiums of 25 per contract received immediately after initial recognition.
- Directly attributable insurance acquisition cash flows of 100 are allocated to the group.
- Expected claims and expenses of 1400, expected to be incurred evenly over the coverage period.
- The cash outflows are paid immediately upon claims being incurred.
- Risk adjustment of 120, released evenly to SCI over the period.
- For simplicity, the discount rate is negligible.

Contractual service margin - example 2

Below is the determination of the FCFs and CSM at initial recognition for the group over the coverage period:

LRC – Liability for Remaining Coverage	
Exp. Inflows	1,250
Exp. Outflows	(1,500)
Risk Adj.	(120)
FCFs	(370)
CSM	0
Total Liability	(370)
Loss Component	(370)

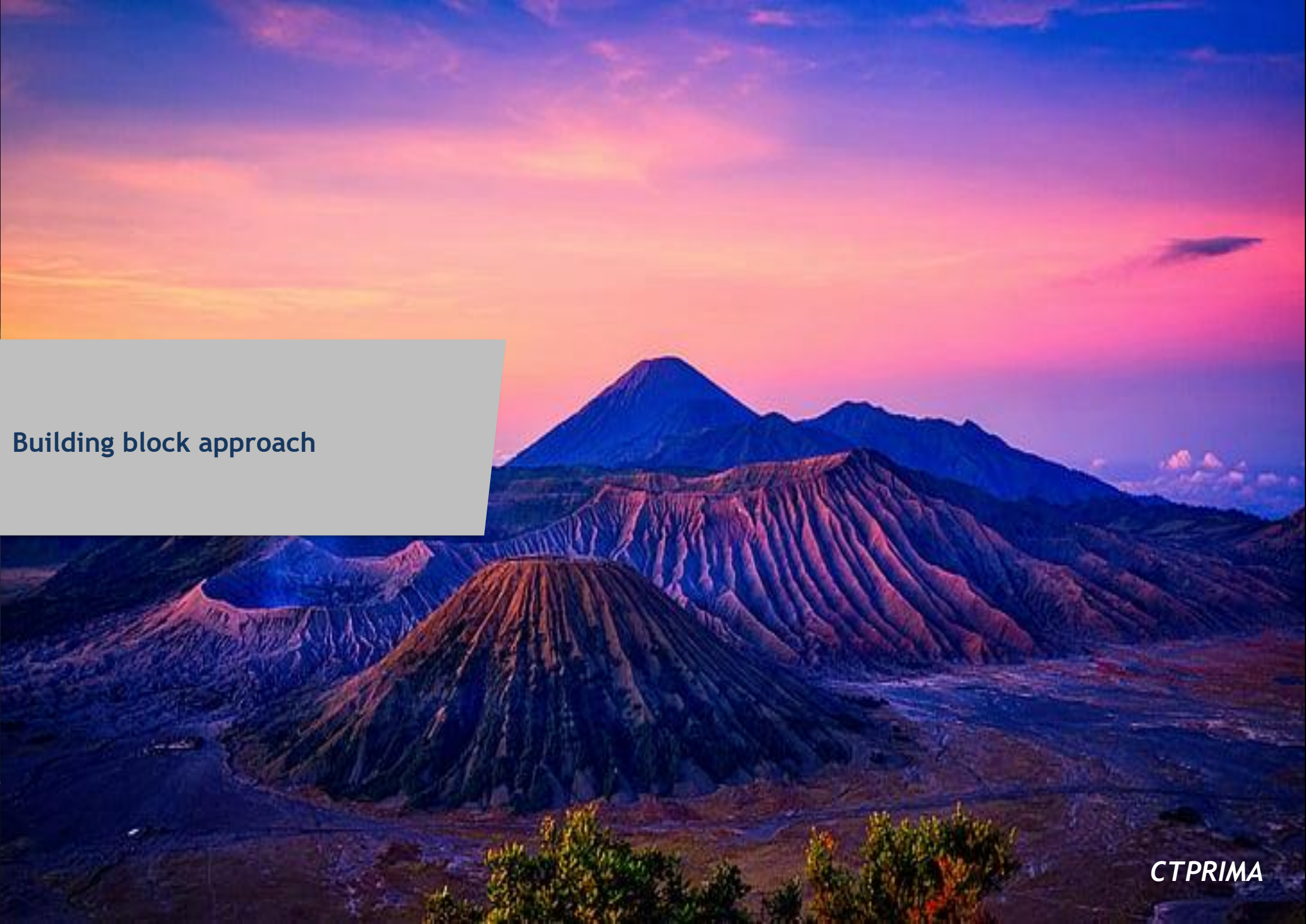
Premiums of 25 x 50 contracts

100 + 1,400 = acquisition CF, claims and expenses

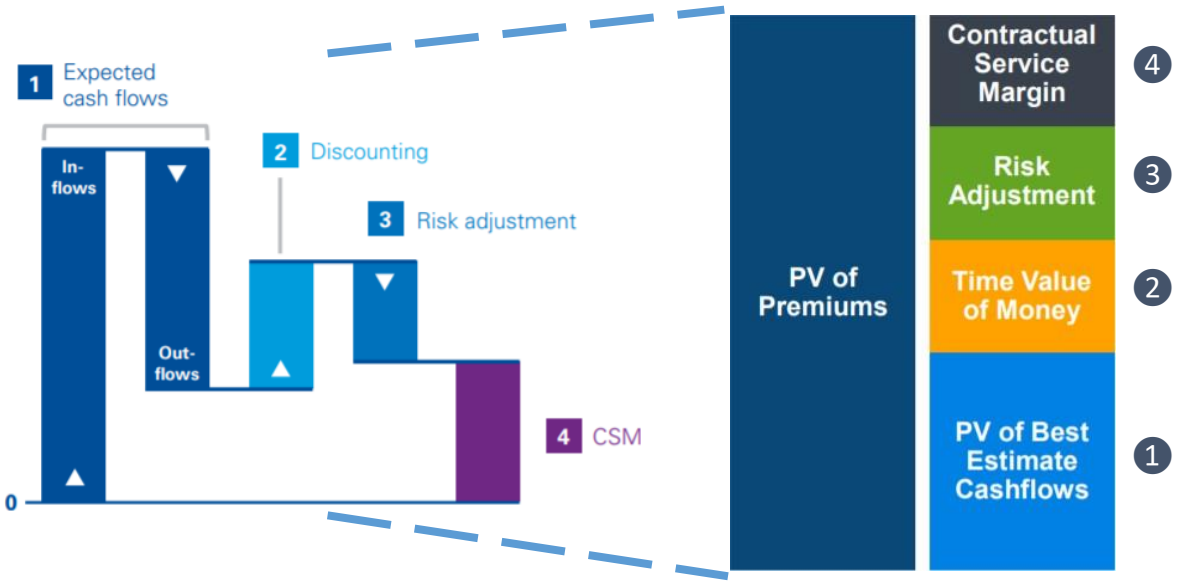
1,250 – 1,500 - 120

Nil CSM as there is loss

Building block approach

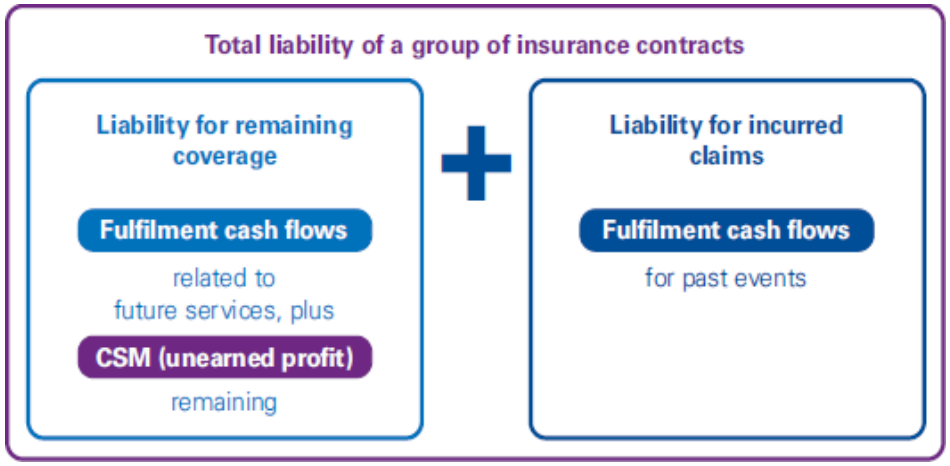


BUILDING BLOCK APPROACH - INITIAL MEASUREMENT

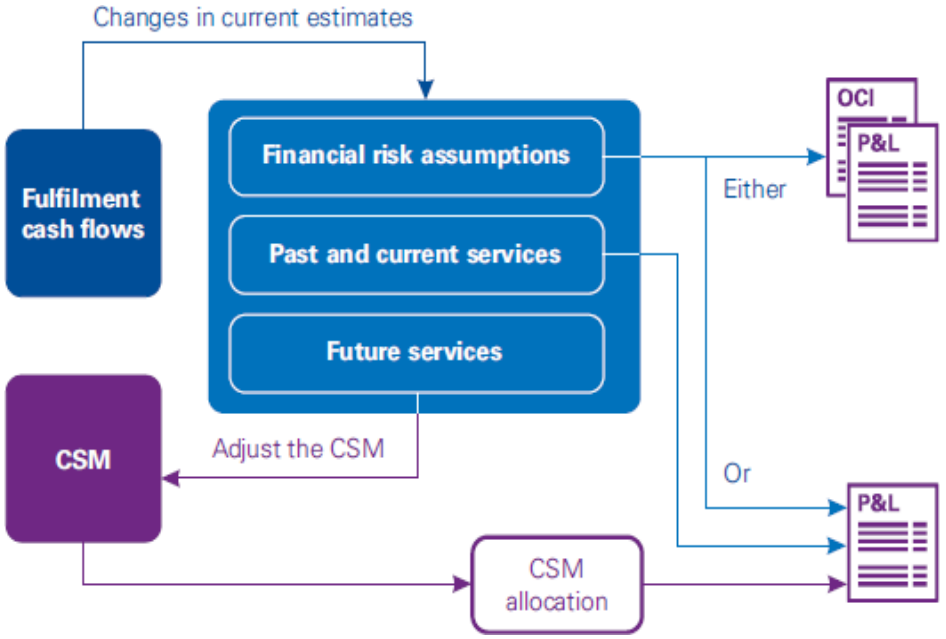


- Measured at inception as the expected contract profit to be earned as services are fulfilled. It is adjusted for changes in non-financial variables affecting future coverage cash flows. It accretes interest based on day 1 discount rate (locked-in rate) – ***Block 4***
- An entity-specific assessment of the *uncertainty* about the *amount* and *timing of future cash flows* – ***Block 3***
- An adjustment that converts future cash flows into current amounts. *Discount rates* based on *market interest rates (currency, duration, liquidity)*. – ***Block 2***
- Expected (probability-weighted) cash flows from premiums, claims, benefits, expenses and acquisition costs – ***Block 1***
- Contracts are grouped by portfolio, year of sale and one of the three possible profitability levels
- Profit measured and reported based on the delivery of the "insurance coverage service"
- CSM ("deferred profit") absorbs assumption changes for future coverage ("unlocking")
- Discount rates based on market interest rates (currency, duration, liquidity)
- CSM (expected profit) from participating contracts revalued based on assets.

BUILDING BLOCK APPROACH - SUBSEQUENT MEASUREMENT

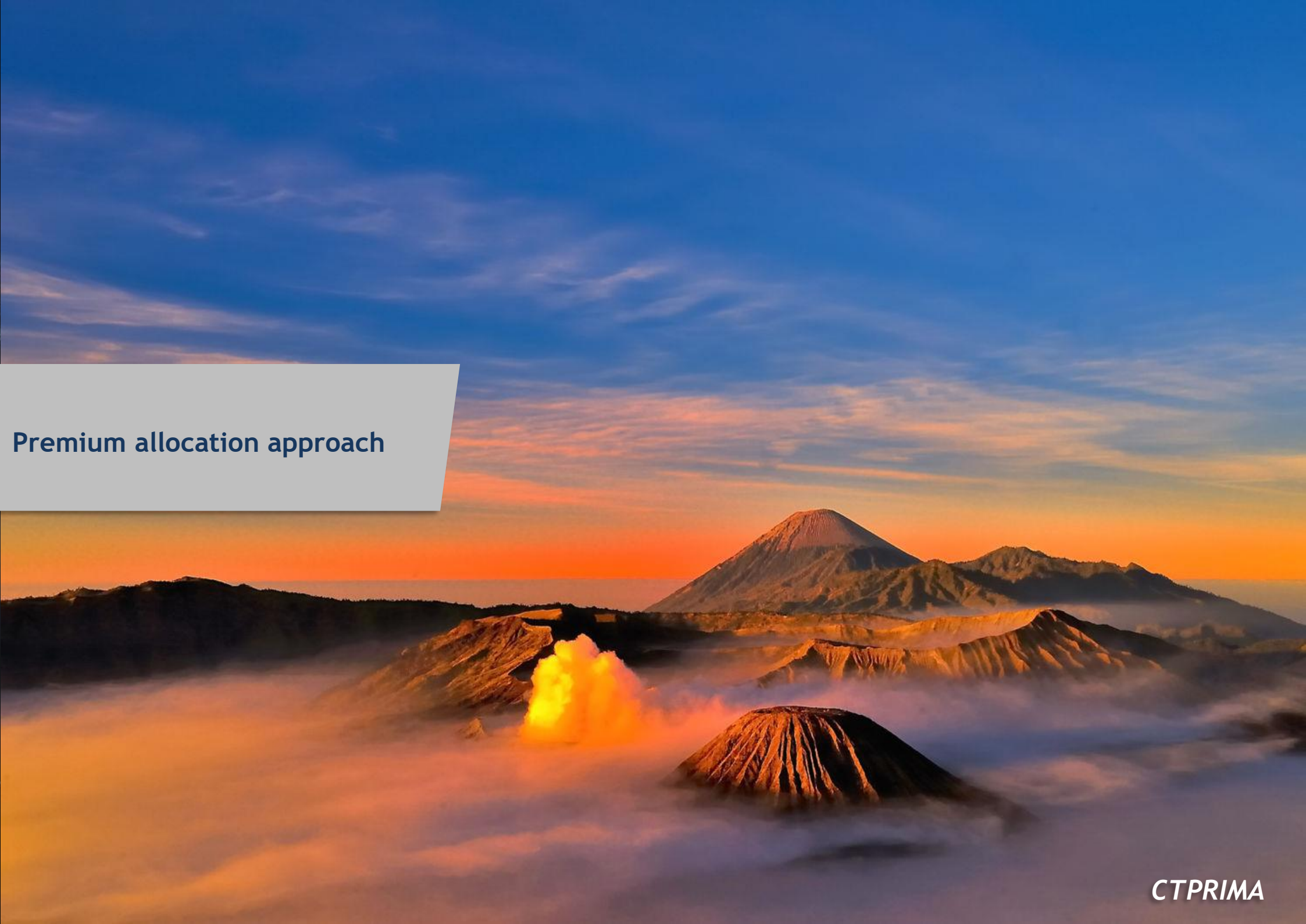


The fulfilment cash flows are remeasured at each reporting date to reflect estimates based on current assumptions, applying the same requirements that apply to initial measurement. Changes in estimates of the fulfilment cash flows are reflected in either profit or loss or OCI – or, in some cases, they adjust the CSM – depending on their nature.



Interest is accreted on the carrying amount of the CSM during the reporting period using the discount rate applied on initial recognition to reflect the time value of money. The balance is allocated to profit or loss each reporting period to reflect the provision of insurance contract services in the period

Premium allocation approach



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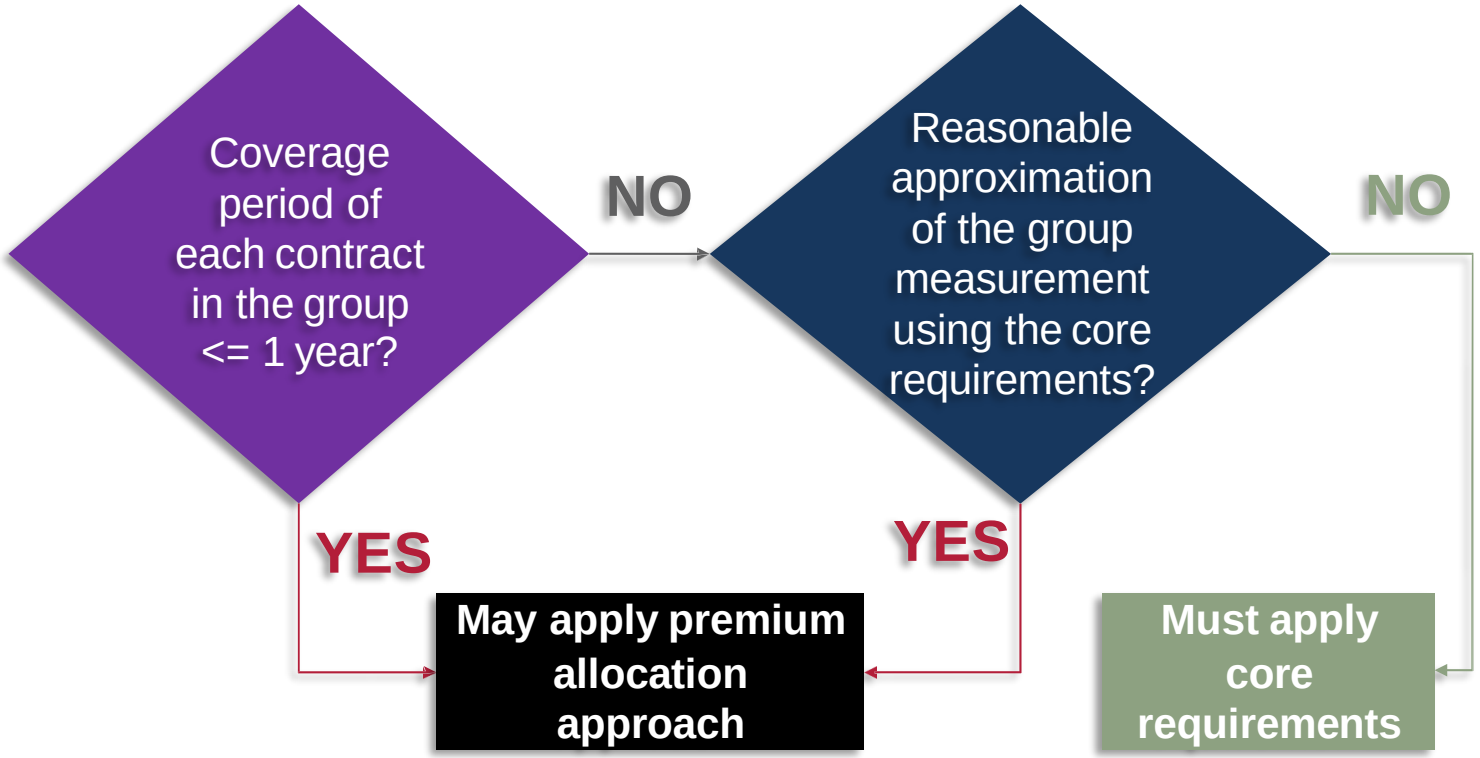
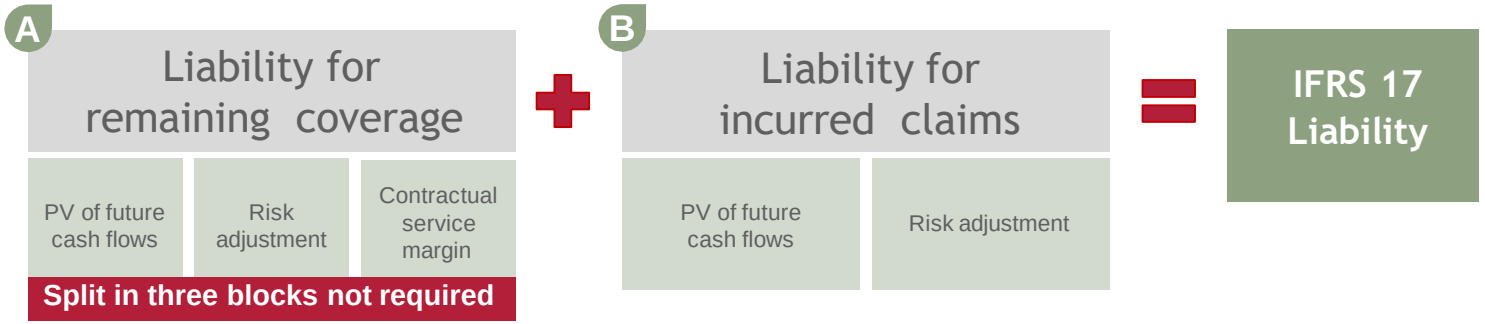
PREMIUM ALLOCATION APPROACH - ELIGIBILITY CRITERIA



PREMIUM ALLOCATION APPROACH - Simplifications for short-term contracts



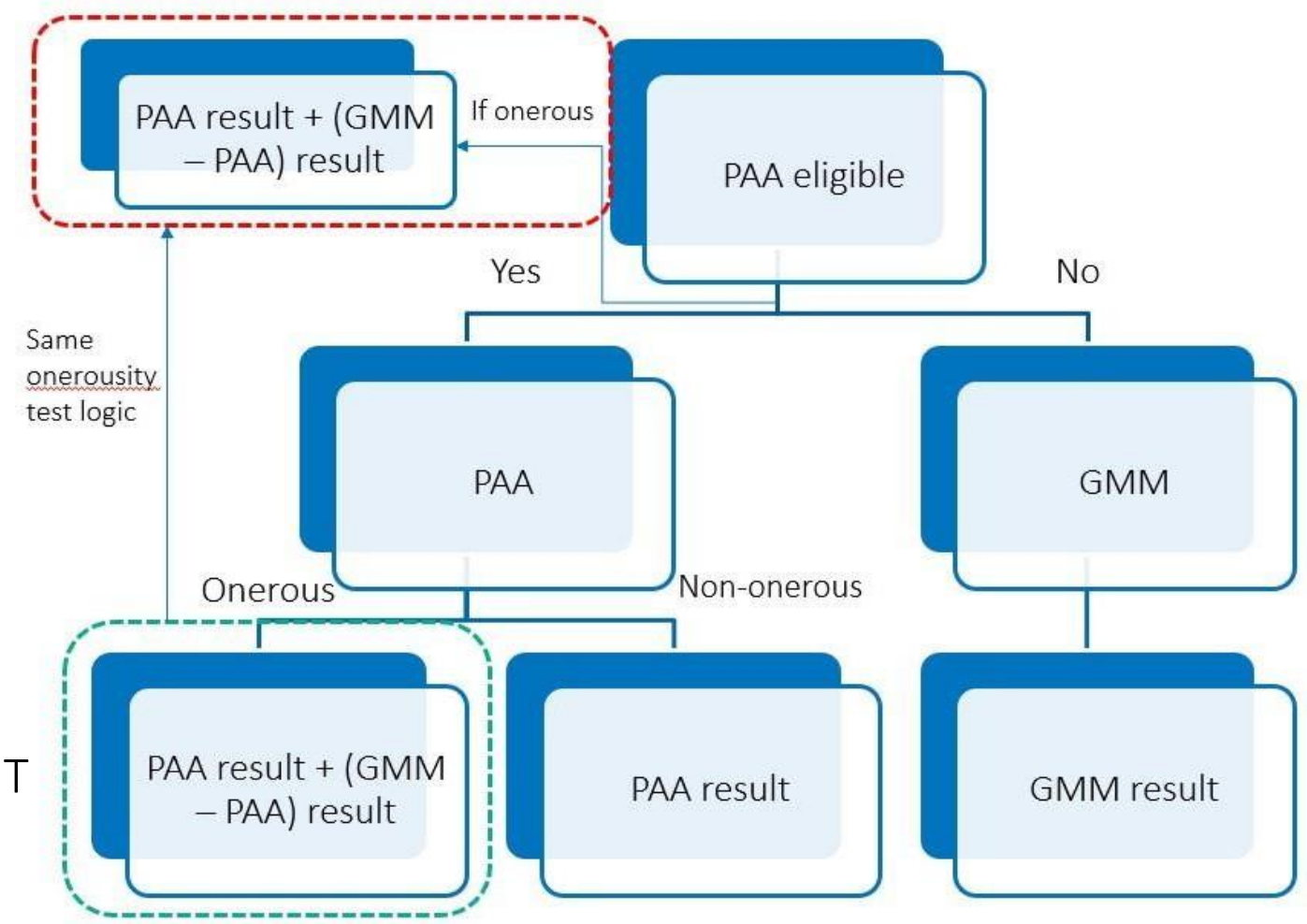
A. Simplified measurement

B. Measurement under the general model, but discounting of claims to be settled within 1 year not required

PREMIUM ALLOCATION APPROACH - Simplifications for short-term contracts

INITIAL

SUBSEQUENT



Impact of IFRS for IT

- IT Systems Requirements

IT Systems Requirements
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NEW SYSTEMS REQUIREMENTS

1. Master data management

Data preparation, data validation, posting and reporting capability. Facilitating significant volumes of data feeds and storage, integrate with general ledgers and actuarial models to load and post data. Audit trail availability.

2. Process Organization

Ability to orchestrate end-to-end workflows with clear reporting processes, ability to perform adjustments and audit data inputs, outputs and any manual interventions.

3. Calculation engine

Powerful enough to process a significant volume of information, with the ability to trace and document calculation inputs and outputs in detail. includes best estimate cashflows, the risk adjustment and the CSM at inception and subsequent measurements

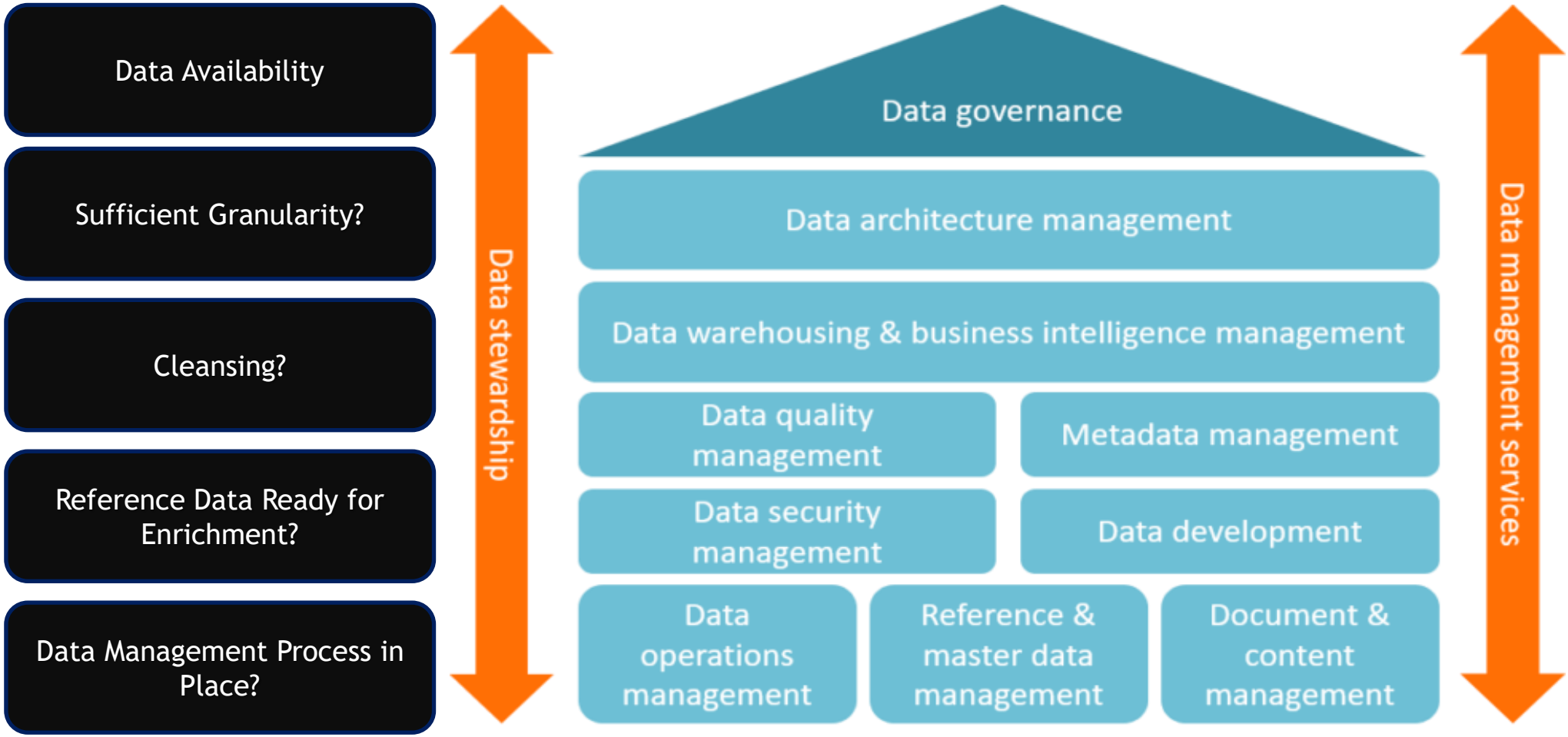
4. Rules engine

Needs predefined rules that can integrate with data management to generate posting. The engine must be easy to deploy and able to accommodate your custom posting rules

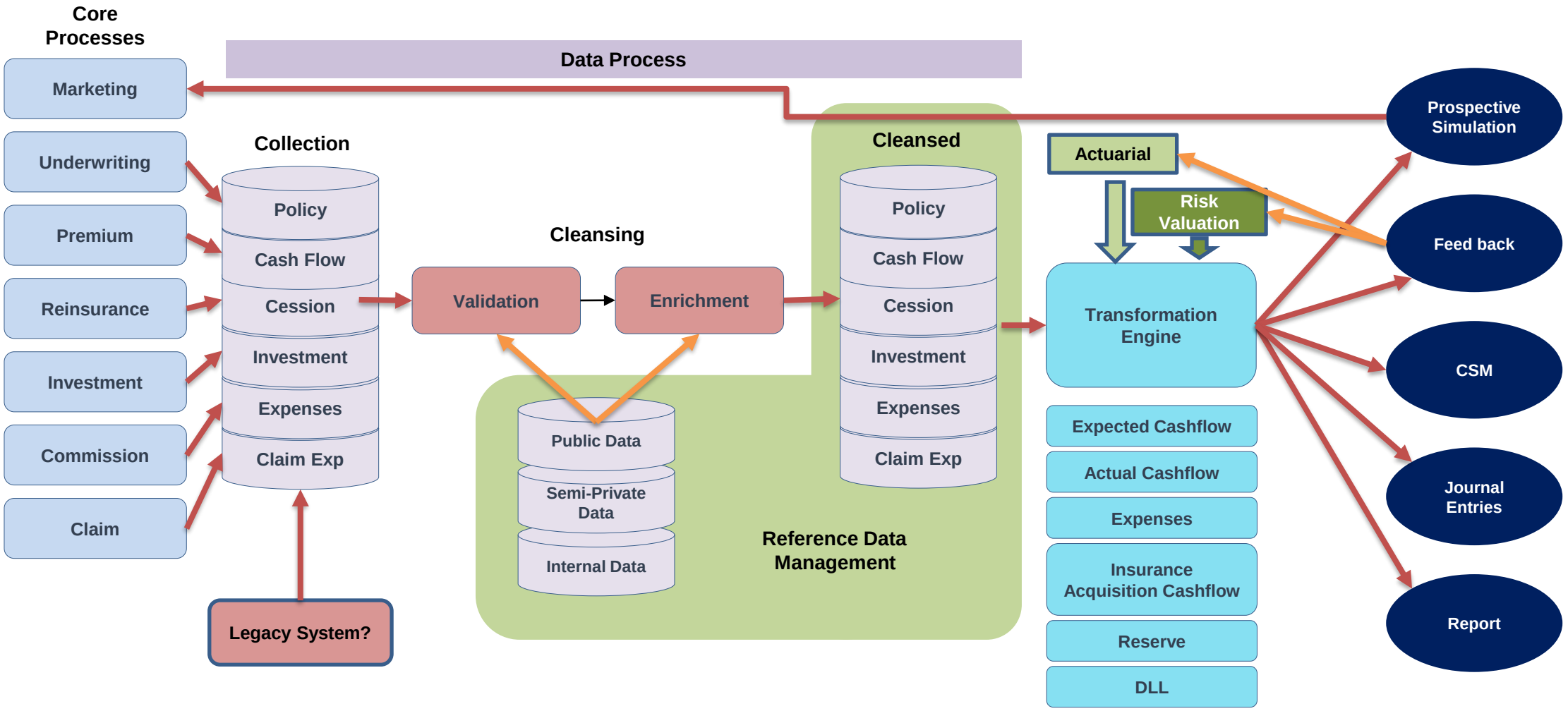
5. Reporting

Ready for both predefined and ad hoc reports.

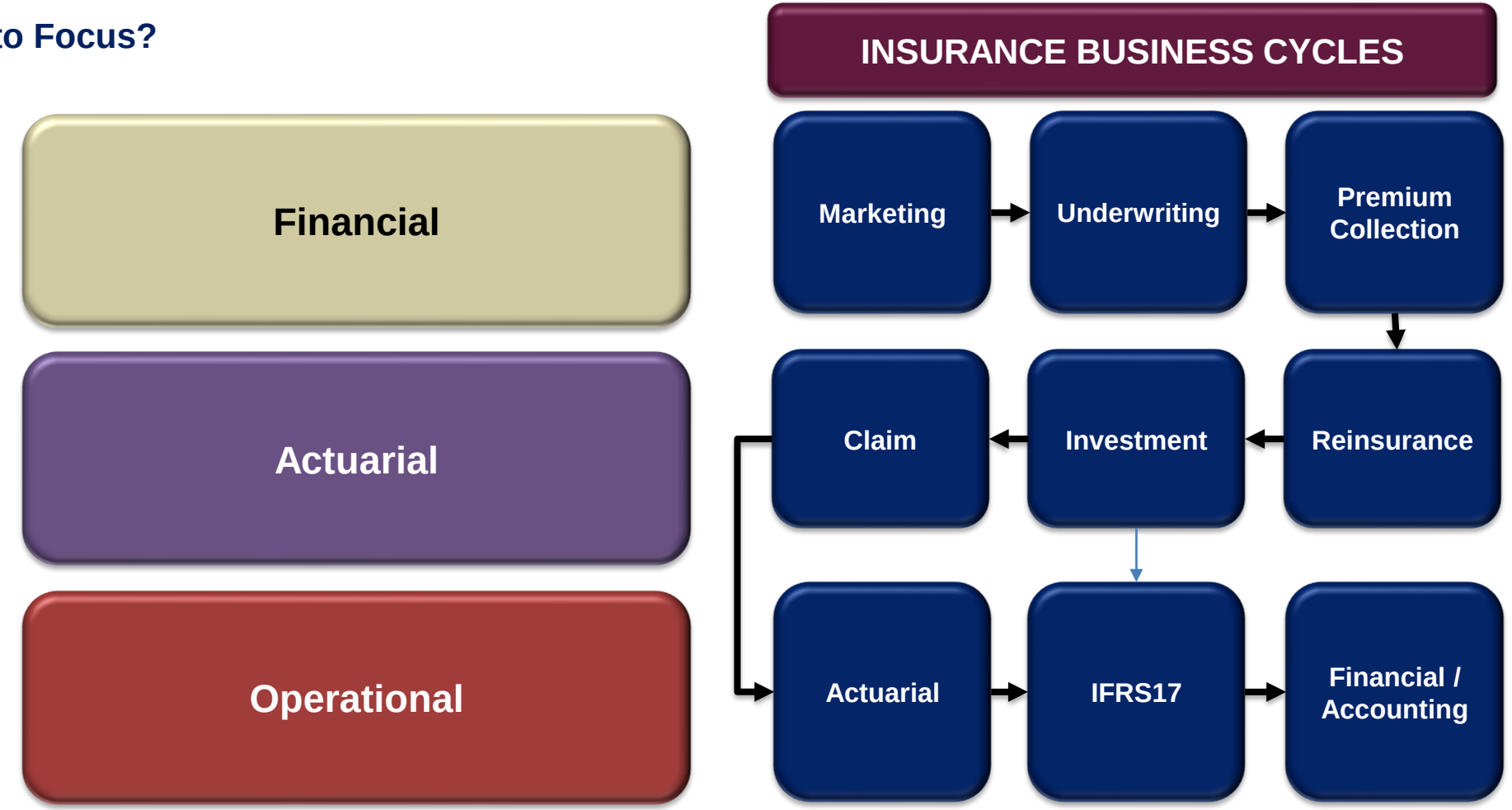
DATA MANAGEMENT

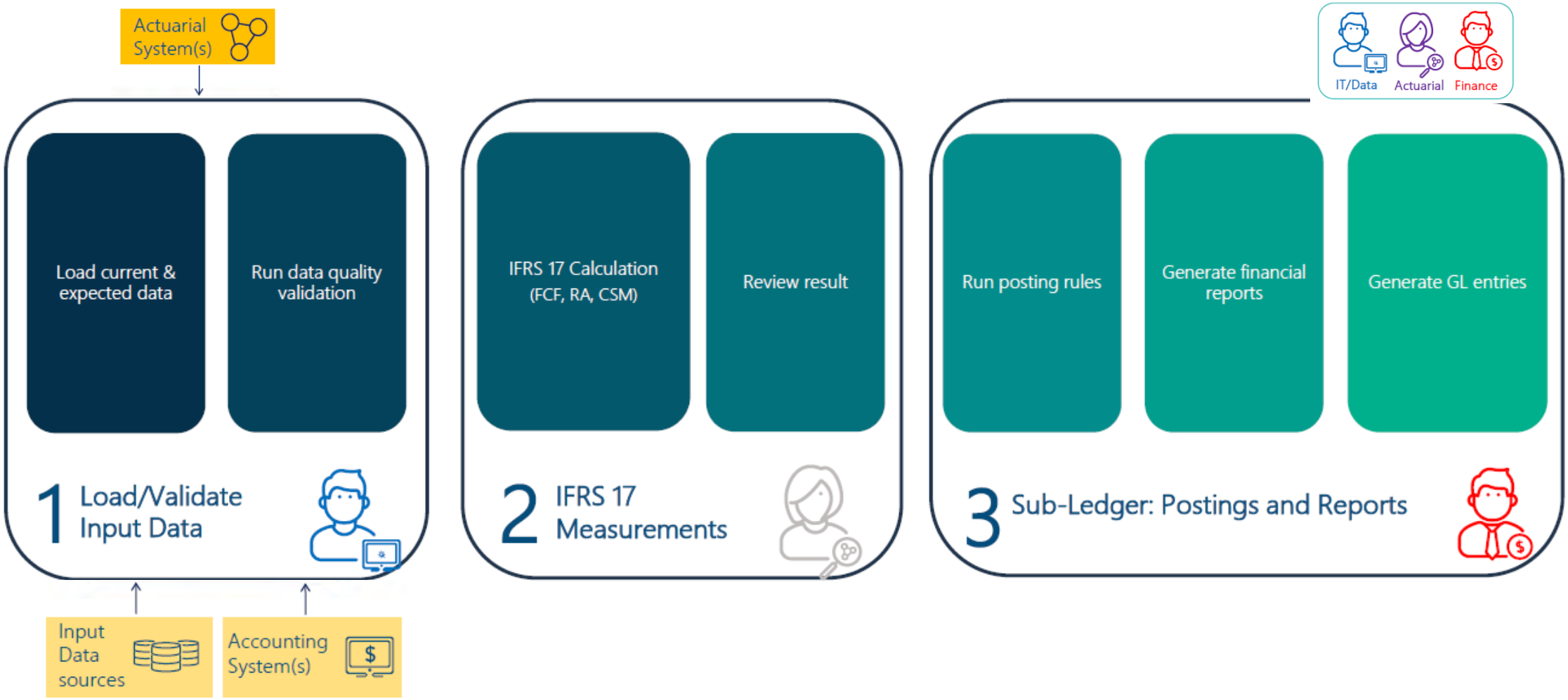


DATA PROCESS ARCHITECTURE

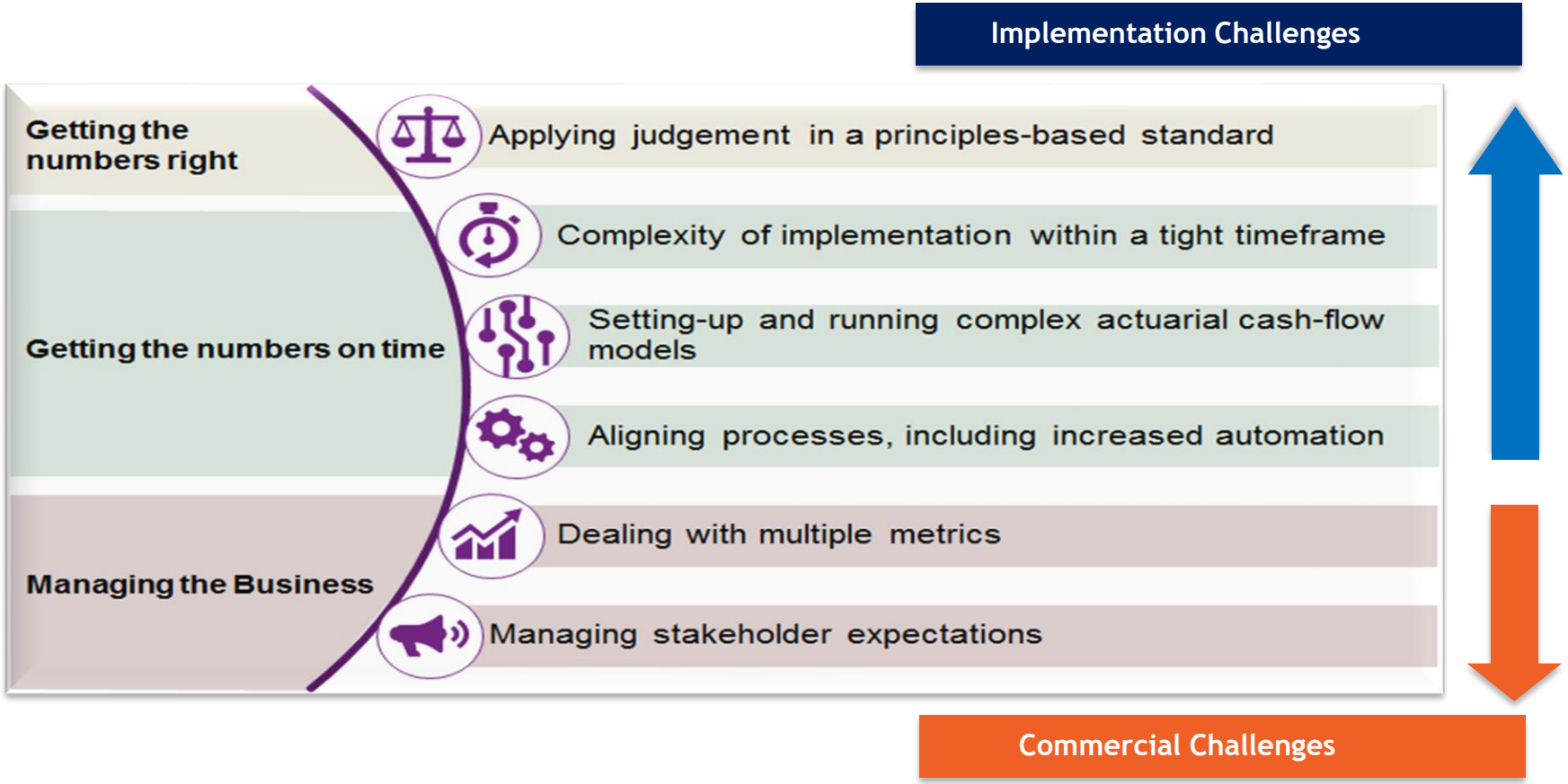


What to Focus?




Actuarial System(s)
IT/Data
Actuarial
Finance
Load current & expected data
Run data quality validation
1 Load/Validate Input Data
IFRS 17 Calculation (FCF, RA, CSM)
Review result
2 IFRS 17 Measurements
Run posting rules
Generate financial reports
Generate GL entries
3 Sub-Ledger: Postings and Reports
Input Data sources
Accounting System(s)

Key challenges faced by industry and actuaries



Financial Accounting and Reporting Aspects

THE CRITICAL IFRS 17 COMPONENTS

1. Definition of Insurance contracts
2. Combination / unbundling of insurance contracts
3. Separating non-insurance components
4. Recognition of insurance contracts
5. Insurance acquisition cash flows
6. Contract modifications and accounting for derecognition
7. Level of Aggregation (LoA)
8. Onerous contracts
9. Contract Boundaries

THE CRITICAL IFRS 17 COMPONENTS

THE CRITICAL IFRS 17 COMPONENTS

10	General Measurement Model (GMM)
11	Discount Rate
12	Risk adjustments for non-financial risk
13	Contractual Service Margin
14	Subsequent Measurement
15	Premium Allocation Approach (PAA)
16	Accounting for reinsurance contract held – recognition
17	Accounting for reinsurance contract held - measurement
18	Presentation and disclosures
19	Transition

THE CRITICAL IFRS 17 COMPONENTS

Business Process and Control
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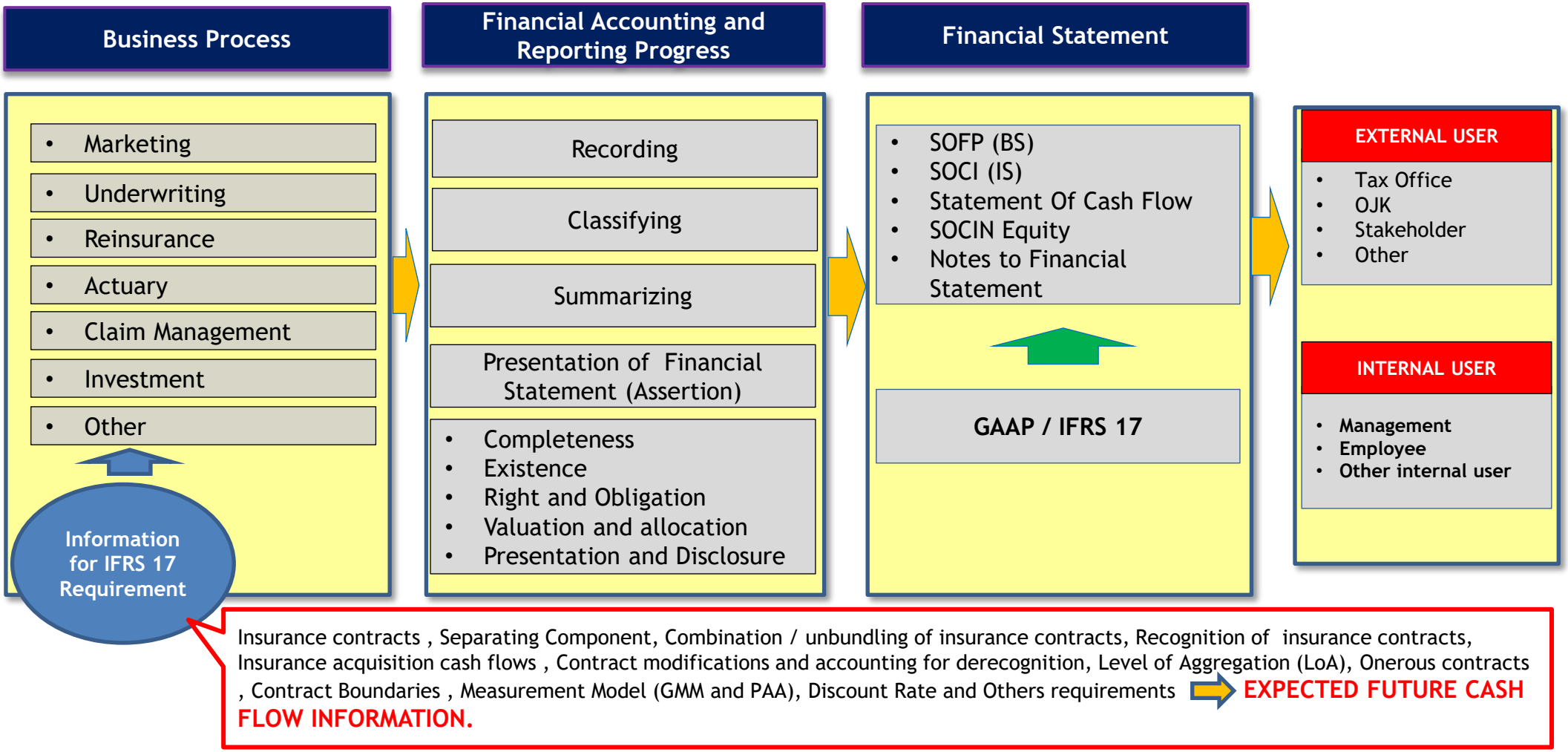
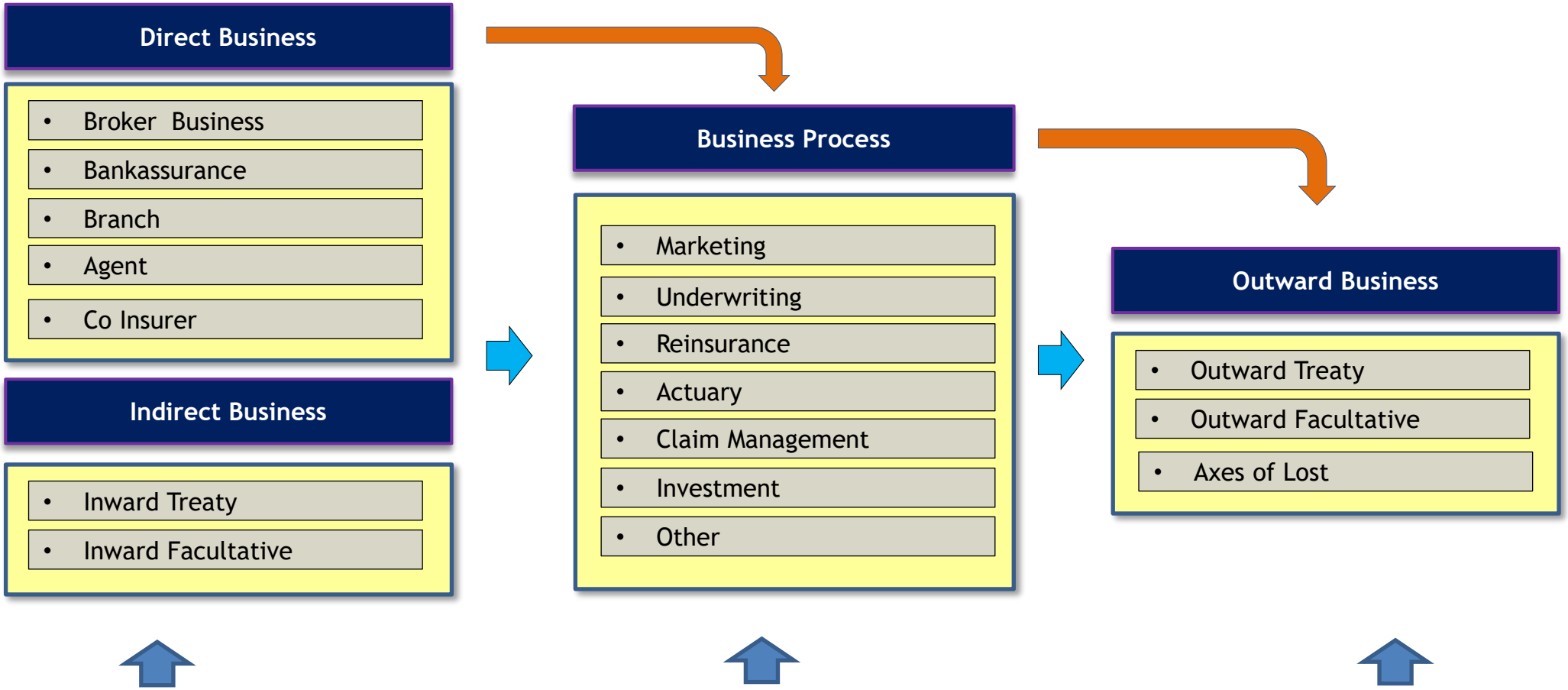
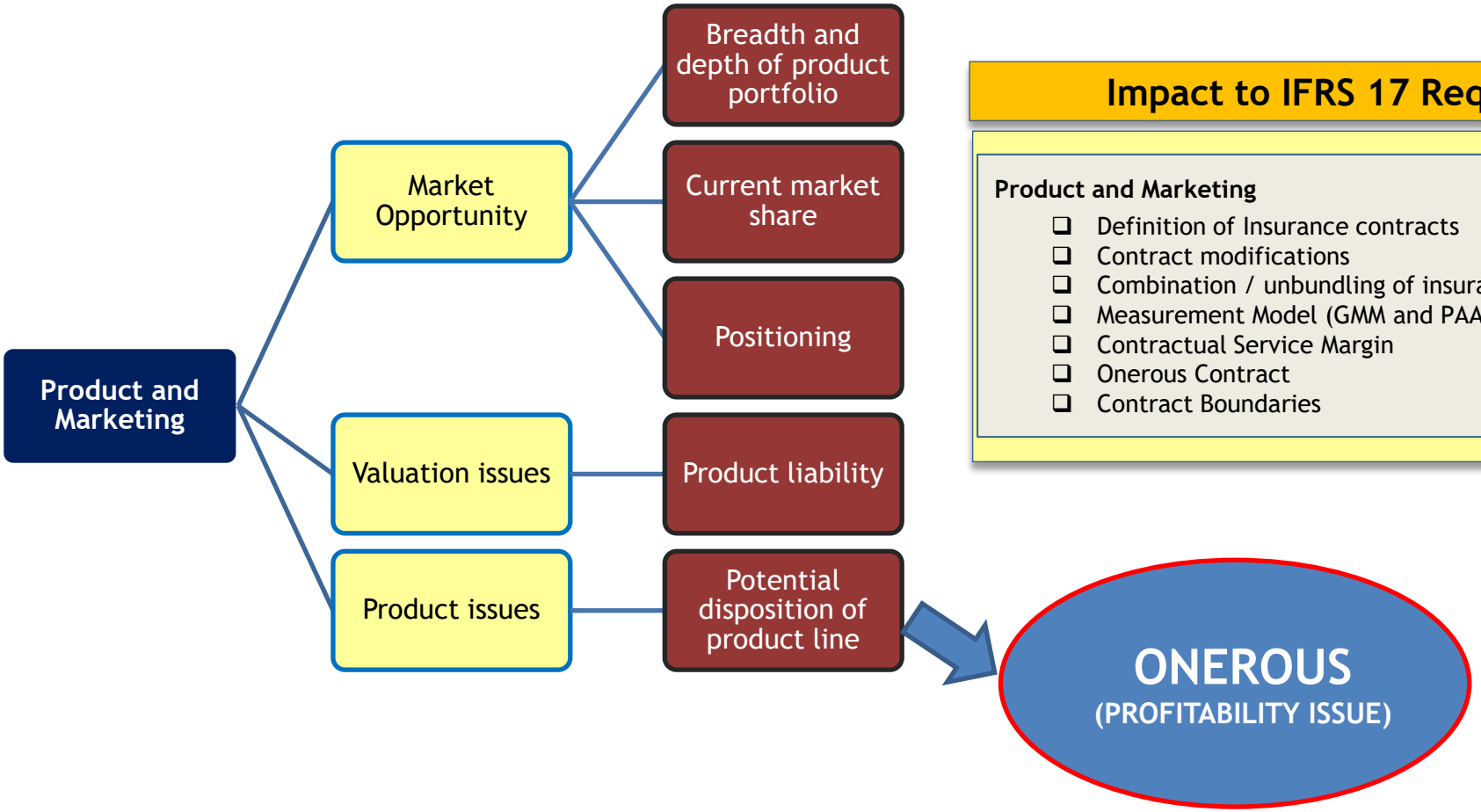
BUSINESS PROCESS AND CONTROL



BUSINESS PROCESS AND CONTROL



BUSINESS PROCESS CONTROL - PRODUCT AND MARKETING



Impact to IFRS 17 Requirement

Product and Marketing

- ❑ Definition of Insurance contracts
- ❑ Contract modifications
- ❑ Combination / unbundling of insurance contracts
- ❑ Measurement Model (GMM and PAA)
- ❑ Contractual Service Margin
- ❑ Onerous Contract
- ❑ Contract Boundaries

Activity	Cost Driver	Insurance Product	Budget VS Actual	LOB	IT Support
Marketing Expense	**Expected FCF**	**Insurance Policy**	<table><tr><th>Bgt</th><th>Act</th><th>Var</th></tr><tr><td>xxx</td><td>xxx</td><td>xxx</td></tr></table>	**By LOB**	
• Agent Training	Training Expense – Detail information.	**Dimension I :** • Individual • Group		• Marine Cargo • Marine Hull • Fire	Application Program identification by marketing activity and LOB and By Policy contract
• Acquisition Cost	Acquisition Expense – Detail Information	**Dimension II :** Period Policy • Short Term • Long Term			1. Policy Number 2. Insured party 3. Policy period 4. Measurement model 5. LOB 6. Nature of Expense 7. Allocation model by LOB 8. Other information 9. Chart of Account 10. Expense category _ • Fixed • variable • Semi variable 11. Direct Expense or Direct Attributable cost
• Commission expense	Commission expense	**Dimension III :** • Bank Business • Broker Business • Agent Business			
• Marketing support					
• Promotion and Seminar					
• Marketing Bonus					
• Social Activity					
• Other Marketing Expense					

Accounting Policy Framework

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DISCLOSURE

Quoted from the disclosure of PWC Presentation:

IFRS 17(100)	Property and Casualty – Insurance contracts issued	20X5						20X4					
		LRC [1]		LIC for contracts not under the PAA	LIC for contracts under the PAA		Total	LRC		LIC for contracts not under the PAA	LIC for contracts under the PAA		Total
		Excluding loss comp.	Loss comp.		Present value of future cash flows	Risk adj. for non-fin. risk		Excluding loss comp.	Loss comp.		Present value of future cash flows	Risk adj. for non-fin. risk	
IFRS 17(99)(b)	**Insurance contract liabilities as at 1 January[2]**	**7,839**	**-**	**-**	**4,920**	**449**	**13,208**	**8,126**	**-**	**-**	**11,468**	**1,046**	**20,640**
IFRS 17(103)(a)	**Insurance revenue**	**(20,477)**	**-**	**-**	**-**	**-**	**(20,477)**	**(17,053)**	**-**	**-**	**-**	**-**	**(17,053)**
IFRS 17(103)(b)	**Insurance service expenses**												
IFRS 17(103)(b)(i)	Incurred claims and other directly attributable expenses	-	-	3,262	10,869	394	14,525	-	-	-	10,780	219	10,999
IFRS 17(103)(b)(i), (B123A)	Other pre-recognition cash flows assets derecognised at the date of initial recognition	-	-	-	-	-	-	-	-	-	-	-	-
IFRS 17(103)(b)(iii)	Changes that relate to past service – changes in the FCF relating to the LIC	-	-	-	784	(315)	469	-	-	-	1,977	(852)	1,125
IFRS 17(103)(b)(iv)	Losses on onerous contracts and reversals of those losses	-	-	-	-	-	-	-	-	-	-	-	-
IFRS 17(103)(b)(ii)	Insurance acquisition cash flows amortisation	3,281	-	-	-	-	3,281	3,366	-	-	-	-	3,366
	Insurance service expenses	**3,281**	**-**	**3,262**	**11,653**	**79**	**18,275**	**3,366**	**-**	**-**	**12,757**	**(633)**	**15,490**
	Insurance service result	**(17,196)**	**-**	**3,262**	**11,653**	**79**	**(2,202)**	**(13,687)**	**-**	**-**	**12,757**	**(633)**	**(1,563)**

DISCLOSURE

NOTE :

1. Reconciliation of the net carrying amounts of contracts based on liability /asset component, i.e LRC and LIC explain how line items in profit or loss are linked to changes in the carrying amount of contracts.
2. More transparent disclosures for onerous contracts
3. Amounts not related to insurance service, i.e cash flows in the period, insurance finance income or expenses, etc also included in the reconciliation
4. Separate revenue disclosure for contracts under modified retrospective or fair value approach

Chart Of Account - COA

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CHART OF ACCOUNT - COA

CHART OF ACCOUNT

PSAK 62

- Level 1 (Asset & Liability)
- Level 2 (Current & Non Current)
- Level 3 (Piutang Premi atau RA)
- Dimension (By Category atau LoB)

PSAK 74

- Granularity Level 1
- Granularity Level 2
- Granularity Level 3
- Granularity Level 4
- Granularity Level 5

CHART OF ACCOUNT IFRS 17 – STATEMENT OF FINANCIAL POSITION

Group Account

Level 1	Level 2	Level 3			
Asset and Liability	Insurance Contract Asset (Liability)	Engineering	Fire	MC	Total
	Reinsurance Contract Asset (Liability)	Level 4			
		Engineering	Fire	MC	Total
		LRC / LIC	LRC / LIC	LRC / LIC	LRC / LIC
		Level 5			

Engineering		Fire		MC		Total	
LRC	LIC	LRC	LIC	LRC	LIC	LRC	LIC
PV CF	PV CF	PV CF	PV CF	-	PV CF	PV CF	PV CF
RA	RA	RA	RA	-	RA	RA	RA
CSM	-	CSM	-	-	-	CSM	-

CHART OF ACCOUNT IFRS 17 – STATEMENT OF INCOME

Geneva Consulting Group

Group Account

Level 1	Level 2	Level 3		
Revenue and Expenses	Insurance Contract revenue	Engineering	Fire	MC
	Insurance Service Expense	Engineering	Fire	MC

Level 4

Insurance Contract Revenue		
Engineering	Fire	MC
-	-	Changes and premium received - PAA
Change in CSM - LRC	Change in CSM - LRC	-
Change in RA - LRC	Change in RA - LRC	-
Expected Claim & Expenses - LRC	Expected Claim & Expenses - LRC	-

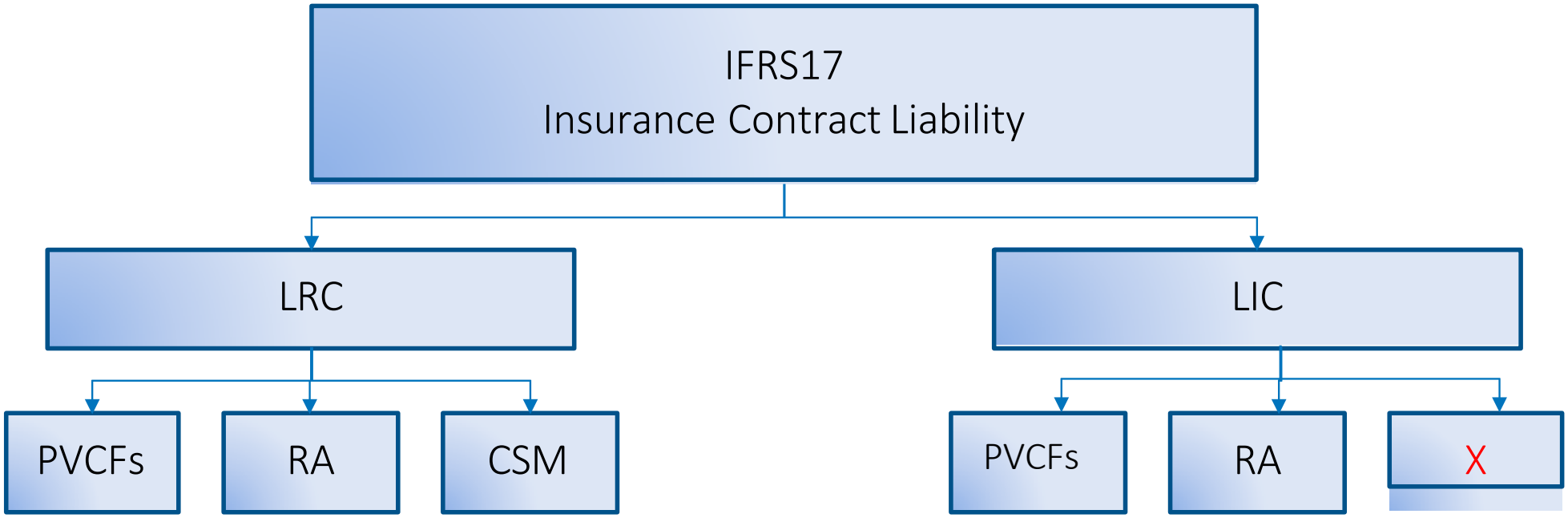
Insurance Service Expense		
Engineering	Fire	MC
Incurred expenses & paid claim	Incurred expenses & paid claim	Incurred expenses & paid claim
Incurred accuisition Cost	Incurred accuisition Cost	Incurred accuisition Cost
Recognised losses from onerous contract	Recognised losses from onerous contract	-
Change in insurance liabilities	Change in insurance liabilities	-

Chart Of Account - COA PADA GMM

CTPRIMA

IFRS17 - Measurement

Insurance Contract Liability



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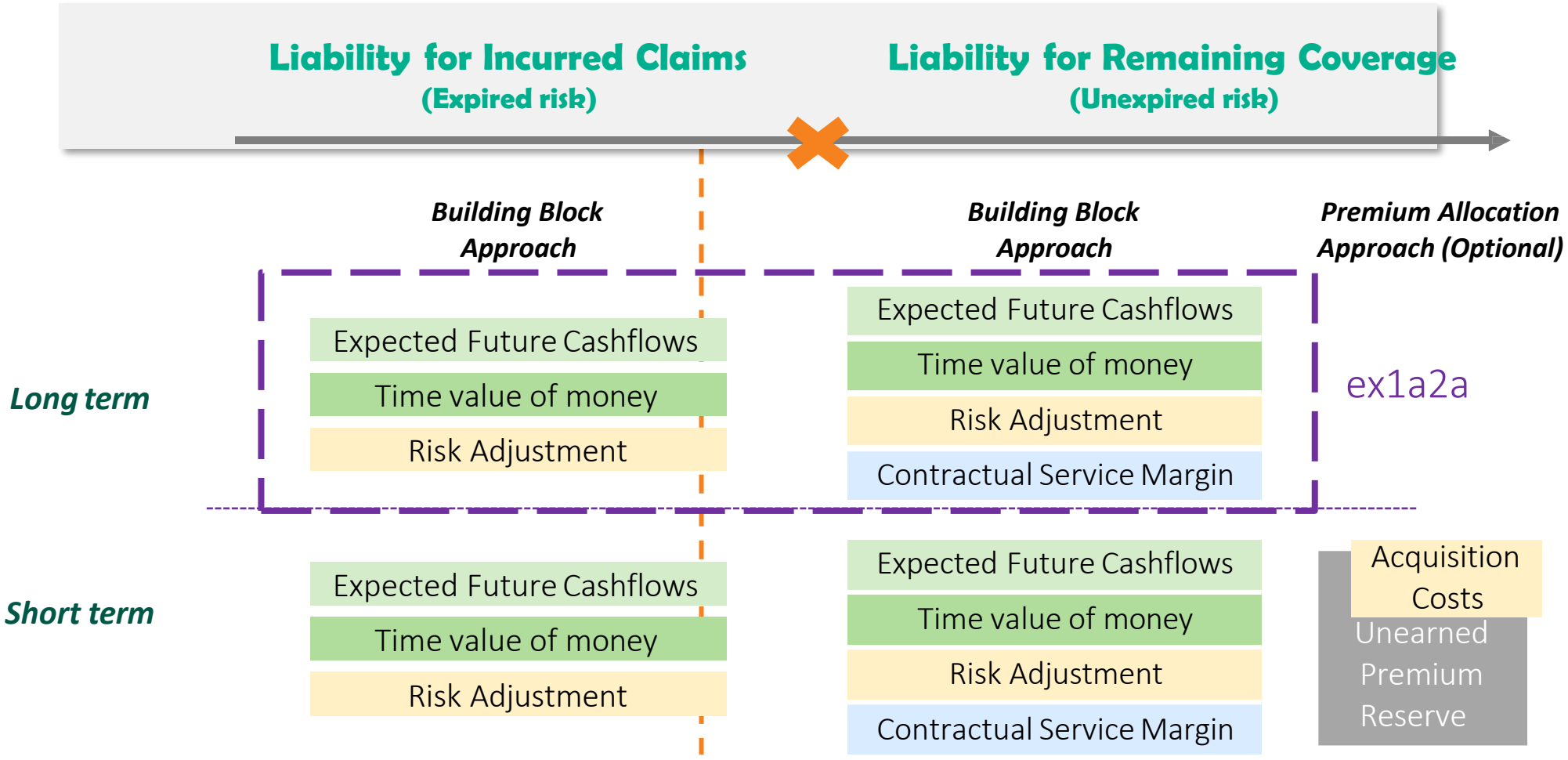
IFRS 17 – Measurement

Measurements Approach: GMM – VFA – PAA



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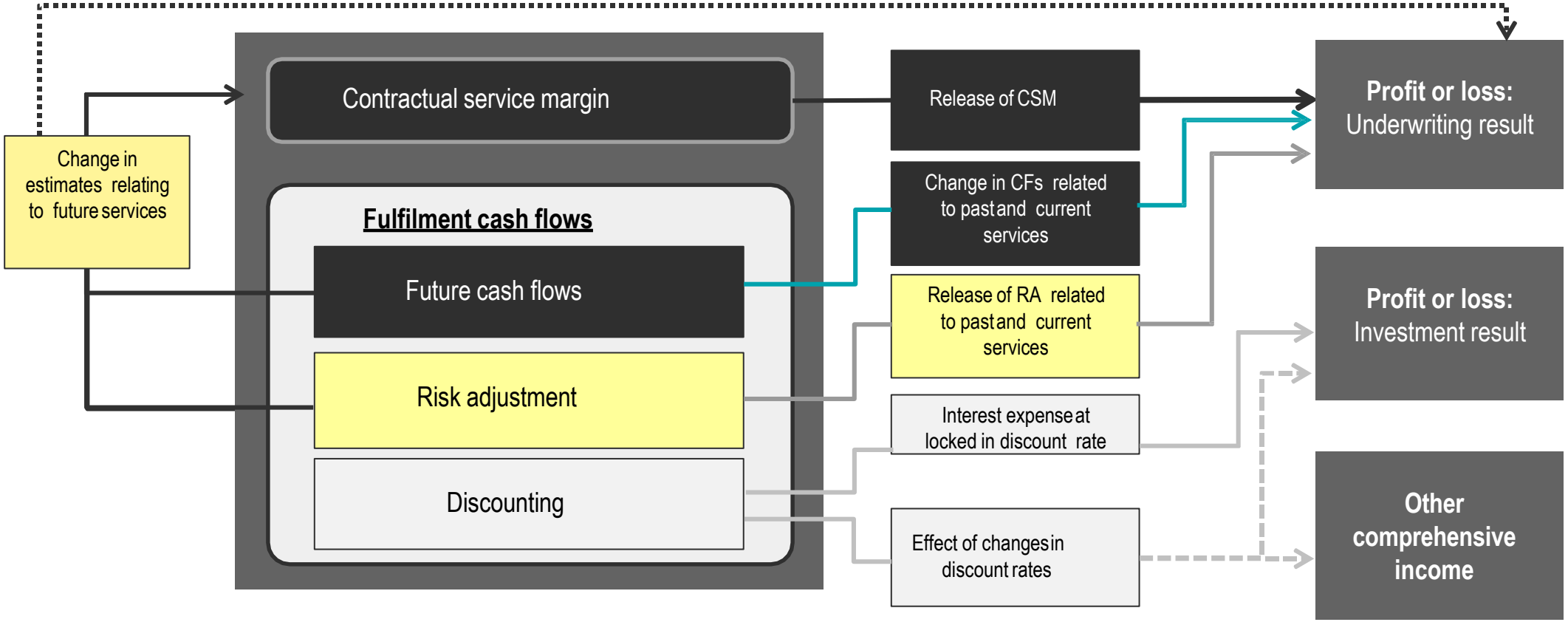
DIGIT DAN DIMENSI PSAK 74

To disaggregate changes in the measurement of the insurance contracts in different line items of the financial statements, depending on the sources of the changes.



DIGIT DAN DIMENSI PSAK 74

Persyaratan baru dalam PSAK 74 menuntut transparansi atas pelaporan keuangan sehingga data dan informasi yang dibutuhkan untuk mendukung penyajian dan pengungkapan laporan keuangan akan lebih detil dan jelas. Untuk memberikan ilustrasi tentang kebutuhan penyajian dan pengungkapan laporan keuangan sesuai dengan PSAK 74, dalam tabel di bawah ini kami menyajikan tingkat granularitas minimum per masing-masing kelompok akun yang saat ini belum tercermin dalam tingkat akun maupun dimensi di struktur CoA di perusahaan asuransi:

Komponen Laporan Keuangan	Jenis kontrak	Model pengukuran	Komponen	LRC/ LIC/ Onerous	Movement	Sub movement
1	2	3	4	5	6	7
▪ LRC ▪ LIC ▪ Pendapatan asuransi ▪ Beban jasa asuransi	▪ Kontrak asuransi terbitan (Insurance contract issued) ▪ Kontrak reasuransi milikan (Reinsurance contract held)	▪ GMM ▪ PAA ▪ VFA (Life insurance)	▪ PV CF ▪ Risk adjustment ▪ CSM ▪ Loss component ▪ DAC - Deferred Acquisition Cash Flows	▪ LRC ▪ LIC ▪ Onerous	▪ Opening balance ▪ New business ▪ Amount release, recognized or amortized ▪ Interest accretion ▪ Forex impact ▪ Amount incurred / written ▪ Amount received / paid ▪ Experience adjustment ▪ Changes in estimates	▪ Past service ▪ Current service ▪ Future service

Understanding COA – In More Detail GMM

Penjelasan Rinci Komponen Laporan Keuangan

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
1. LRC – Liability Remaining Coverage ▪ LRC – Liability Remaining Coverage – Fire ▪ LRC – Liability Remaining Coverage – Engineering ▪ LRC – Liability Remaining Coverage – Motor Vehicle ▪ LRC – Liability Remaining Coverage – Personal Accident	**1. LRC – Liability Remaining Coverage terdiri dari:** **1.1 PV CF – Fire** **1. Opening balance** **2. Changes during period :** • Recognition • Derecognition • Unwinding • Release of expected claims • Release of expected expense • Premium received • Release of expected acquisition cost • Release of expected premium • Amortization of acquisition cost • Change in onerous contract liability • Change in expectation • Unrealized gain / losses **3. Ending balance**

DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
1. LRC – Liability Remaining Coverage ▪ LRC – Liability Remaining Coverage – Fire ▪ LRC – Liability Remaining Coverage – Engineering ▪ LRC – Liability Remaining Coverage – Motor Vehicle ▪ LRC – Liability Remaining Coverage – Personal Accident	**1. LRC – Liability Remaining Coverage terdiri dari:** **1.2 Risk Adjustment** **1. Opening balance** **2. Changes during period :** • Recognition • Derecognition • Change in current period • Change in future period **3. Ending balance** **1.3 Contractual Service Margin** **1. Opening balance** **2. Changes during period :** • Recognition • Opening balance • Recognition • Derecognition • Unwinding • Release • Unlocking **3. Ending balance**

DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
2. LIC – Liability for Incurred Claim ▪ LIC – Liability for Incurred Claim – Fire ▪ LIC – Liability for Incurred Claim – Engineering ▪ LIC – Liability for Incurred Claim – Motor Vehicle ▪ LIC – Liability for Incurred Claim – Personal Accident	**2. LIC – Liability for Incurred Claim terdiri dari:** **2.1 PV CF** **1. Opening balance** **2. Changes during period :** • Recognition • Derecognition • Unwinding • Release of expected claims • Release of expected expense • Premium received • Release of expected acquisition cost • Release of expected premium • Amortization of acquisition cost • Change in onerous contract liability • Change in expectation • Unrealized gain / losses **3. Ending balance** **2.2 Risk Adjustment** **1. Opening balance** **2. Changes during period :** • Recognition • Derecognition • Change in current period • Change in future period **3. Ending balance**

DIGIT DAN DIMENSI PSAK 74

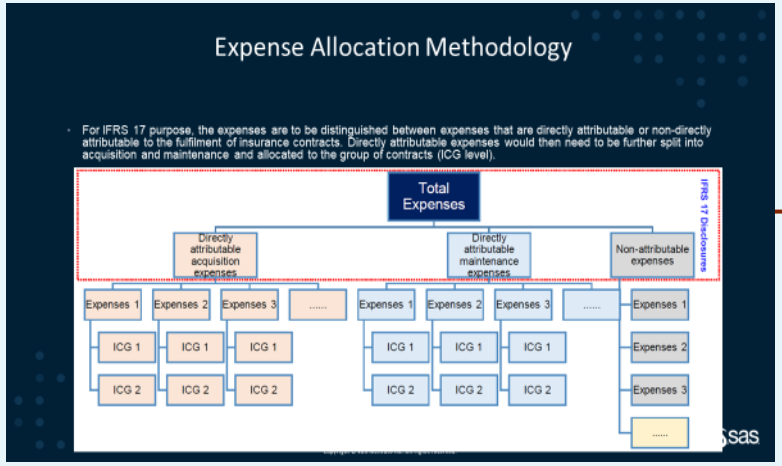
Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
1. LRC – Liability Remaining Coverage ▪ LRC – Liability Remaining Coverage – Fire ▪ LRC – Liability Remaining Coverage – Engineering ▪ LRC – Liability Remaining Coverage – Motor Vehicle ▪ LRC – Liability Remaining Coverage – Personal Accident **2. LIC – Liability for Incurred Claim** ▪ LIC – Liability for Incurred Claim – Fire ▪ LIC – Liability for Incurred Claim – Engineering ▪ LIC – Liability for Incurred Claim – Motor Vehicle ▪ LIC – Liability for Incurred Claim – Personal Accident	1. Insurance covered period (Short vs Long). • Long term contract - BBA (GMM) • Short term contract – PAA 2. Portfolio insurance contract (Similar risk and managed together) 3. LRC khusus untuk portofio kontrak asuransi yang masih aktif (Inforce) – Future services 4. LIC khusus untuk klaim yang sudah terjadi – Past services 5. GMM Model membagi LRC menjadi 3 (tiga) block : • Fullfilment Cashflow (PV CF + Risk Adjustment) + CSM 6. PAA membagi LRC menjadi 2 (dua) block: • Fullfilment Cashflow (PV CF + Risk Adjustment)

DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
3. Insurance Service Revenue ▪ Changes in CSM ▪ Changes in Risk Adjustment ▪ Amortization of Acquisition Cost ▪ Expected Claim ▪ Expected Expenses (Attributable and Non attributable)	1. Changes in CSM adalah perubahan CSM yang disebabkan oleh factor – factor berikut ini: ▪ Amortisasi (Alokasi) CSM – Fire ▪ Amortisasi (Alokasi) CSM – Engineering ▪ Amortisasi (Alokasi) CSM – Motor Vehicle ▪ Amortisasi (Alokasi) CSM – Personal Accident 2. Changes in RA adalah perubahan Risk Adjusctment yang disebabkan oleh factor – factor berikut ini: ▪ Changes in current period RA – Fire ▪ Changes in current period RA – Engineering ▪ Changes in current period RA – Motor Vehicle ▪ Changes in current period RA – Personal Accident 3. Amortization of Acquisition terdiri dari: ▪ Amortisasi beban akuisisi – Fire ▪ Amortisasi beban akuisisi – Engineering ▪ Amortisasi beban akuisisi – Motor Vehicle ▪ Amortisasi beban akuisisi – Personal Accident

DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
3. Insurance Service Revenue ▪ Changes in CSM ▪ Changes in Risk Adjustment ▪ Amortization of Acquisition Cost ▪ Expected Claim ▪ Expected Expenses (Attributable and Non attributable)	4. Expected Claim merupakan projected (perkiraan) atas klaim yang akan terjadi dimasa depan. Expected claim terdiri dari: ▪ Expected claim – Fire ▪ Expected claim – Engineering ▪ Expected claim – Motor Vehicle ▪ Expected claim – Personal Accident 5. Expected Expenses merupakan projected (perkiraan) atas beban yang akan terjadi dimasa depan baik bersifat attributable dan non attributable (setelah dialokasi dengan menggunakan metode yang sistematis dan reasonable). Expected expense terdiri dari: ▪ Expected expense – Fire ▪ Expected expense – Engineering ▪ Expected expense – Motor Vehicle ▪ Expected expense – Personal Accident **Catatan: Detail expected expenses ada di CSM Engine**



DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
4. Insurance Service Expense ▪ Incurred Expenses (Attributable and Non attributable) ▪ Incurred Claim ▪ Incurred Acquisition cost ▪ Recognizes loses from onerous contract ▪ Changes in insurance liability	1. Incurred Expense (Attributable and Non attributable) merupakan beban – beban yang terjadi (incurred) dalam periode akuntansi baik bersifat Attributable dan Non-Attributable yang terdiri dari: ▪ Incurred Expense – Fire ▪ Incurred Expense – Engineering ▪ Incurred Expense - Motor Vehicle ▪ Incurred Expense – Personal Accident 2. Incurred claim merupakan beban klaim yang terjadi (incurred) dalam periode akuntansi yang terdiri dari : ▪ Incurured claim – Fire ▪ Incurured claim – Engineering ▪ Incurured claim – Motor Vehicle ▪ Incurured claim – Personal Accident 3. Incurred Acquisition cost merupakan beban akuisisi yang terjadi (incurred) atas produk – produk asuransi, Incurred Acquistion cost terdiri dari : ▪ Incurred Acquisition cost – Fire ▪ Incurred Acquisition cost – Engineering ▪ Incurred Acquisition cost – Motor Vehicle ▪ Incurred Acquisition cost – Personal Accident

DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
4. Insurance Service Expense ▪ Incurred Expenses (Attributable and Non attributable) ▪ Incurred Claim ▪ Incurred Acquisition cost ▪ Recognizes loses from onerous contract ▪ Changes in insurance liability	4. Recognizes loses from insurance contract, dicatat pada saat produk asuransi mengalami loss komponen (onerous), Recognizes loses from insurance contract terdiri dari: ▪ Recognizes loses from insurance contract – Fire ▪ Recognizes loses from insurance contract – Engineering ▪ Recognizes loses from insurance contract – Motor Vehicle ▪ Recognizes loses from insurance contract – Personal Accident 5. Changes in Insurance Liability adalah pencatatan atas beban terkait perubahan LRC dan LIC antara lain perubahan PVCF dan perubahan Risk Adjustment.

DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
5. Insurance Finance Expenses ▪ Accretion of CSM ▪ Accretion of Risk Adjustment ▪ Accretion of Insurance Contract Liability (PV CF)	1. Accretion of CSM merupakan Beban bunga akrekasian pada jumlah tercatat CSM. Acrretion of CSM teridir dari : ▪ Accretion of CSM – Fire ▪ Accretion of CSM – Engineering ▪ Accretion of CSM – Motor Vehicle ▪ Accretion of CSM – Personal Accident 2. Accretion of RA merupakan Beban bunga akrekasian pada jumlah tercatat RA. Accretion of RA terdirl dari: ▪ Accretion of RA – Fire ▪ Accretion of RA – Engineering ▪ Accretion of RA – Motor Vehicle ▪ Accretion of RA – Personal Accident 3. Accretion of Insurance Contract Liability (PV CF) merupakan Beban bunga akrekasian pada jumlah tercatat atas arus kas. Accretion of Insurance Contract Liability (PV CF) terdirl dari: ▪ Accretion of Insurance Contract Liability (PV CF) – Fire ▪ Accretion of Insurance Contract Liability (PV CF) – Engineering ▪ Accretion of Insurance Contract Liability (PV CF) – Motor Vehicle ▪ Accretion of Insurance Contract Liability (PV CF) – Personal Accident

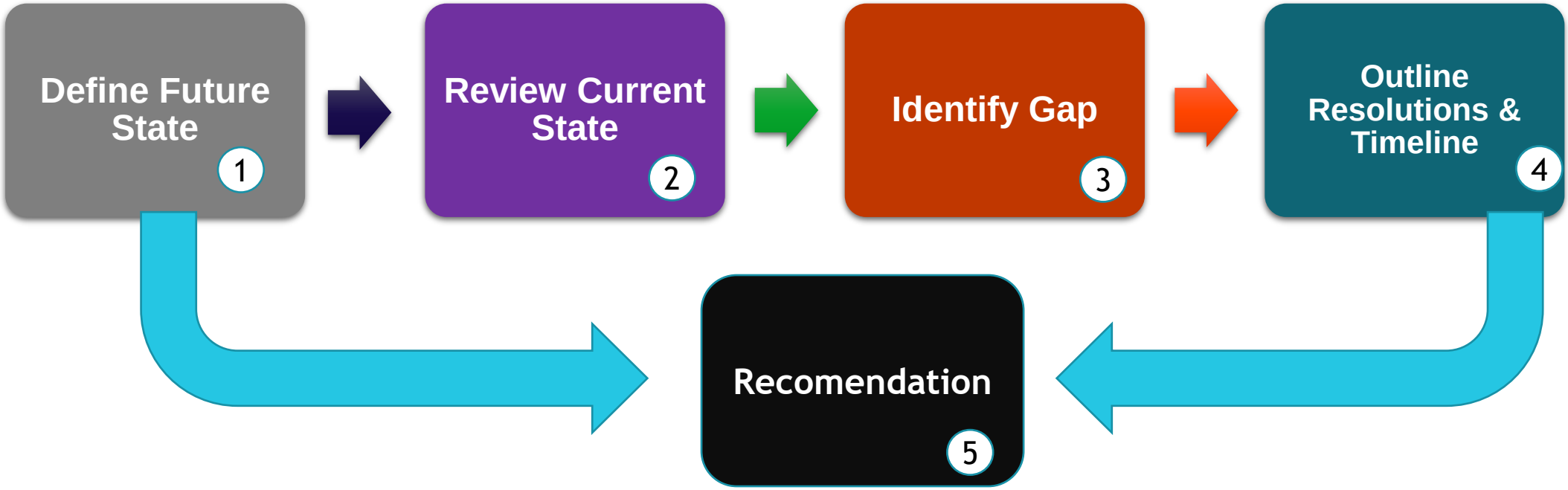
DIGIT DAN DIMENSI PSAK 74

Komponen Laporan Keuangan	
Komponen Akun	**Catatan Penting**
6. Other Comprehensive Income (OCI) - OPTIONAL ▪ Discount rate changes on insurance liability –	❑ Discount rate changes on insurance liability (discount rate different between in locked in rate and market rate - optional) ▪ Discount rate different between in locked in rate and market rate – Fire ▪ Discount rate different between in locked in rate and market rate – Engineering ▪ Discount rate different between in locked in rate and market rate – Motor Vehicle ▪ Discount rate different between in locked in rate and market rate – Personal Accident

Section 6
MEMAHAMI GAP ANALYSIS

MEMAHAMI *GAP ANALYSIS*

Pada umumnya pendekatan dan metodologi yang digunakan dalam *Gap analysis* adalah dengan (i) melakukan diskusi dan tanya jawab (*define future state*), (ii) review dokumentasi atas sistem yang berjalan (*review current state*), (iii) membandingkan dengan persyaratan *(requirement)* IFRS 17 dan IFRS 9 (*pratical best practices*), (iv) menganalisis kesenjangan (*Gap Analysis)* dan (v) memberikan saran dan rekomendasi .



MEMAHAMI *GAP ANALYSIS*

Analisis kesenjangan PSAK 74 merupakan tahap lanjutan setelah dilakukan tahap pelatihan (*awareness phase*). Analisis kesenjangan disusun dan dikaji berdasarkan kebutuhan infrastruktur dan pendukung lainnya dengan membandingkan kondisi yang berjalan saat ini dengan kondisi yang dipersyaratkan oleh PSAK 74.

Contoh ringkasan analisis kesenjangan yang relevan berdasarkan persyaratan PSAK 74 (*IFRS 17 Requirement*) adalah sebagai berikut:

Persyaratan PSAK 74		
	1	Definisi Kontrak Asuransi
	2	Penggabungan / Pemisahan Kontrak Asuransi
	3	Pemisahan komponen Non - asuransi
	4	Pengakuan kontrak asuransi dan reasuransi
	5	Arus Kas Akuisisi Asuransi
	6	Modifikasi Kontrak dan Akuntansi untuk Penghentian Pengakuan
	7	Tingkat Agregasi (LoA)
	8	Kontrak yang Merugi
	9	Batasan Kontrak
	10	Model Pengukuran Umum (GMM)

Persyaratan PSAK 74		
	11	Tingkat Diskonto
	12	Penyesuaian Risiko untuk Risiko non Keuangan
	13	Marjin Jasa Kontraktual (CSM)
	14	Pengukuran Selanjutnya
	15	Pendekatan Alokasi Premi (PAA)
	16	Akuntansi Untuk Kontrak Reasuransi Milikan - Pengakuan dan Pengukuran
	17	Penyajian dan Pengungkapan
	18	Transisi

PENILAIAN KESENJANGAN

Penilaian kesenjangan atas analsis kesenjangan yang digunakan meliputi 3 (tiga) indikator sebagai berikut:

Tingkat Implementasi	
Rendah	Indikator atas impelementasi ***Rendah*** terdiri dari 4 (empat) kriteria diantaranya ialah ■ Tidak terdapat kesenjangan yang teridentifikasi berdasarkan informasi yang diperoleh melalui hasil diskusi dan hasil review dokumentasi, ■ Tidak terdapat pertimbangan penting yang diperlukan dalam mengimplementasikan persyaratan PSAK 74 (IFRS 17), ■ Memerlukan satu departemen untuk menerapkan persyaratan PSAK 74 (IFRS 17), ■ Kebutuhan atas sistem yang digunakan dalam implementasi PSAK 74 (IFRS 17) bersifat rendah
Sedang	Indikator atas impelementasi ***Sedang*** terdiri dari 4 (empat) kriteria diantaranya ■ Tidak terdapat kesenjangan yang teridentifikasi berdasarkan informasi yang diperoleh melalui hasil diskusi dan hasil review dokumentasi ■ Diperlukan pertimbangan untuk mengimplementasikan persyaratan PSAK 74 (IFRS 17), ■ Memerlukan dua atau lebih departemen untuk menerapkan persyaratan PSAK 74 (IFRS 17), ■ Kebutuhan atas sistem yang digunakan dalam implementasi PSAK 74 (IFRS 17) bersifat sedang.
Tinggi	Indikator atas impelementasi ***Tinggi*** terdiri dari 4 (empat) kriteria diantaranya ■ Terdapat kesenjangan yang signifikan teridentifikasi berdasarkan informasi yang didapat melalui hasil diskusi dan hasil review dokumentasi, ■ Dibutuhkan pertimbangan untuk mengimplementasikan ketentuan PSAK 74 (IFRS 17), ■ Memerlukan dua atau lebih departemen untuk menerapkan persyaratan PSAK 74 (IFRS 17), ■ Kebutuhan atas sistem yang digunakan dalam implementasi PSAK 74 (IFRS 17) bersifat tinggi.

MEMAHAMI *GAP ANALYSIS*

Berikut adalah contoh ringkasan kesenjangan dan dampak serta tingkat implementasi dalam menerapkan PSAK 74 (IFRS 17) di PT ABC berdasarkan persyaratan (*requirement*) sebagaimana disebutkan diatas:

PERSYARATAN PSAK 74	1. DEFINISI KONTRAK ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par A,B18–B23	❑ Berdasarkan IFRS 17 (PSAK 74) definisi kontrak asuransi ialah suatu kontrak di mana satu pihak (penerbit) menerima risiko asuransi signifikan dari pihak lain (pemegang polis) dengan menyetujui untuk mengompensasi pemegang polis jika suatu kejadian masa depan yang tidak pasti (kejadian terasuransikan) berdampak merugikan secara finacial terhadap pemegang polis. ❑ Sebagai contoh PT ABC memiliki 20 produk kontrak asuransi. Dari keseluruhan produk PT ABC sebagian besar memiliki risiko asuransi yang signifikan dan dikategorikan sebagai kontrak asuransi menurut PSAK 62. Saat ini, **PT ABC belum melakukan kajian atas penentuan serta dokumentasi untuk produk – produk yang memiliki risiko asuransi signifikan.**

PERSYARATAN PSAK 74	1. DEFINISI KONTRAK ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par A,B18–B23	❑ PT ABC belum melakukan analisis risiko asuransi yang signifikan untuk semua polis yang diterbitkannya sebagaimana dipersyaratkan oleh PSAK 74 (IFRS 17). Penentuan *threshold* untuk menentukan risiko asuransi yang signifikan bagi setiap produk sangat penting untuk mengklasfikasikan bahwa produk tersebut adalah produk asuransi dan bukan produk asuransi (non asuransi) seperti : *financial guaranteed product* atau administrative service only (ASO). Selanjutnya, penilaian risiko asuransi signifikan harus menggunakan basis nilai nilai kini (PV) yang diterapkan untuk setiap polis atau produk asuransi ❑ **Catatan:** 1. Perlu mendokumentasikan atas semua produk yang memiliki risiko asuransi signifikan 2. *Hasil analisis menunjukan bahwa produk berikut ini perlu dikaji lebih lanjut:* • *Asuransi kredit (AJK)* • *Financial credit guarantee* • *Bonding (performance bond)* • *Dan lain-lain*

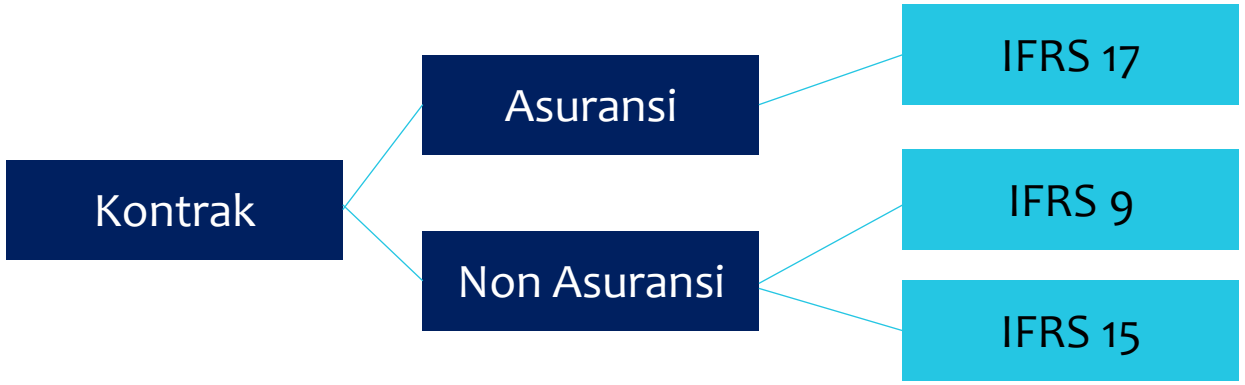
PERSYARATAN PSAK 74	1. DEFINISI KONTRAK ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par A,B18–B23	Berdasarkan kesenjangan terkait definisi kontrak asuransi tersebut, berikut adalah rekomendasi yang perlu dilakukan oleh PT ABC: **1. ACTUARIAL PERSPECTIVE** a. Menyusun kebijakan teknis aspek aktuaria dalam menetapkan "risiko asuransi signifikan" (penetapan *threshold.* "signifikan" dan penentuan rumus berdasarkan basis nilai kini yang akan digunakan). Hal hal yang perlu yang perlu dipertimbangkan dalam penentuan risiko asuransi yang signifikan yaitu: ▪ Apakah terdapat skenario penerbit akan membayarkan jumlah tambahan atas suatu kontrak? ▪ Apakah terdapat kemungkinan penerbit untuk merugi jika dilihat dari kontrak secara individual? ▪ Apakah kontrak asuransi mensyaratkan pembayaran saat terjadinya suatu kejadian yang waktu terjadinya tidak pasti? b. Model formula aktuaria berikut ini yang mungkin dapat dipertimbangkan:

PERSYARATAN PSAK 74	1. DEFINISI KONTRAK ASURANSI (Lanjutan)

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par A,B18–B23	❑ *A contract has significant insurance risk if **at inception**, there is any single scenario such that A / B >= 110% where A = PV of benefits paid when an insured event occurs and B = PV of benefits payable if insured event does not occur.* ❑ *Some jurisdictions have their own guidance as to what constitutes significant insurance risk. However, other jurisdictions offer no quantitative guidance. Some US GAAP practitioners apply a guideline that a reasonable possibility of a significant loss is a 10% probability of a 10% loss, although this guideline does not appear in US GAAP itself. [IFRS 17.BC77]. It is not disputed in the Basis for Conclusions that a 10% chance of a 10% loss results in a transfer of significant insurance risk and, indeed, the words 'extremely unlikely' and 'a small proportion' (see 3.2 above) suggests that the IASB envisages that significant insurance risk could exist at a different threshold than a 10% probability of a 10% loss. (EY IGAAP IFRS 17)"* **2. ACCOUNTING PERSPECTIVE** Merancang kebijakan akuntansi dan bisnis proses untuk menentukan apakah suatu kontrak merupakan kontrak asuransi menurut PSAK 74 (IFRS 17) atau tunduk kepada PSAK lain (PSAK 71 atau PSAK 72)

PERSYARATAN PSAK 74	1. DEFINISI KONTRAK ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par A,B18–B23	**3. INFORMATION TECHNOLOGY (IT) PERSPECTIVE** Merancang system IT yang memungkinkan pada saat awal kontrak (initial) sehingga aplikasi yang digunakan dapat menyesuaikan dengan kontrak yang dapat memilih apakah sebagai kontrak asuransi (tunduk kepada IFRS 17) atau bukan kontrak asuransi (IFRS 9 atau IFRS 15) 

PERSYARATAN PSAK 74	2. PENGGABUNGAN / PEMISAHAN KONTRAK ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par 25,26	Berikut adalah kondisi yang terjadi saat ini atas penggabungan / pemisahan kontrak asuransi: **Penggabungan kontak asuransi:** ❑ PT ABC menerbitkan polis kontrak asuransi yang bersifat gabungan (terdiri dari beberapa tertanggung). Kontrak asuransi yang bersifat gabungan tersebut secara sistem dapat teridentifikasi per masing – masing tertanggung. ❑ Selanjutnya untuk pelaporan reasuransi sifatnya gabungan yaitu permasing – masing polis tidak permasing - masing tertanggung.

PERSYARATAN PSAK 74	2. PENGGABUNGAN / PEMISAHAN KONTRAK ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par 25,26	**Pemisahaan kontrak asuransi:** ❑ PT ABC saat ini belum melakukan pemisahan komponen atas kontrak asuransi dan reasuransi (*unbundling*) sesuai ketentuan PSAK 74 untuk produk yang dijual secara bersamaan (*bundling*). ❑ Dalam persyaratan PSAK 74, PT ABC juga perlu melakukan klasifikasi pemisahan antara ***basic plan*** dan **rider** (tambahan) yang diberikan kepada pemegang polis *Riders.* Perlu penentuan *judgment* untuk pemisahan antaran *basic plan* dan *rider* terutama terkait saling ketergantungan (*interdependency*) dari *cash flow* yang diterima dari tertanggung. Selanjutnya dalam PSAK 74 untuk menggabungkan atau memisahkan jenis kontrak, seperti produk-produk yang dijual bersama, harganya ditentukan sebagai risiko tunggal, dan sangat terkait satu sama lain. ❑ Dengan demikian PT ABC perlu melakukan pemisahan kontrak asuransi untuk permasing – masing pemegang polis (tertanggung) guna untuk memudahkan model perhitungan (*measurement model*) dalam penentuan CSM pemegang polis (tertanggung). Selanjutnya perlu dipertimbangkan system informasi yang ada di PT ABC untuk mengakomodasi proses pemisahan tersebut.

PERSYARATAN PSAK 74	2. PENGGABUNGAN / PEMISAHAN KONTRAK ASURANSI (Lanjutan)	

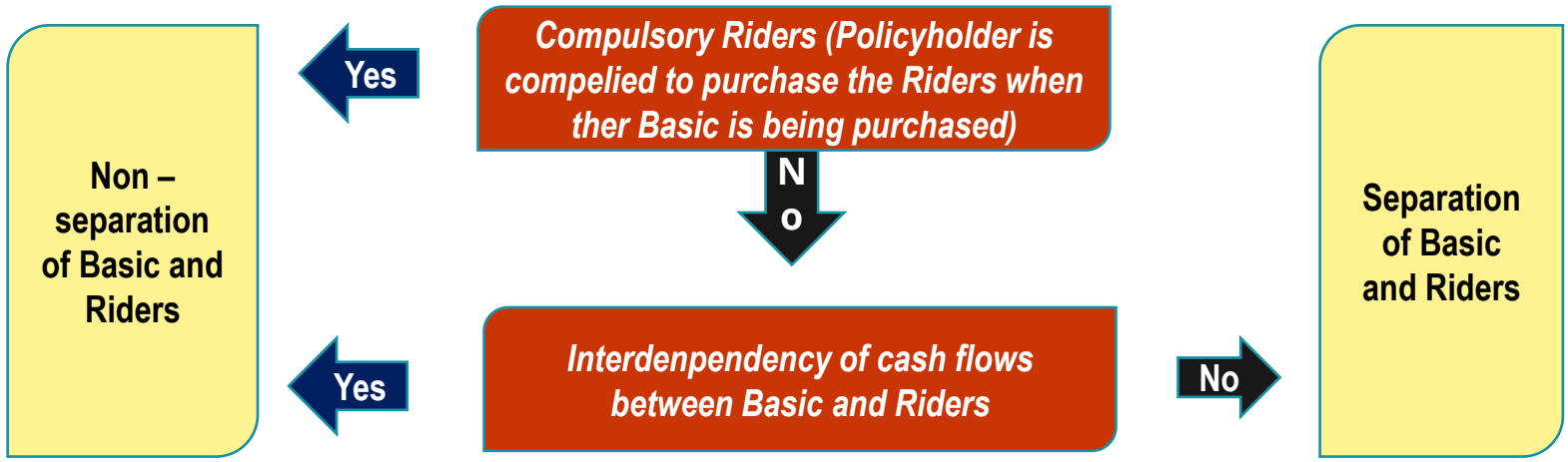
REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par 09,10, BC98	Berdasarkan kesenjangan tersebut, hal yang perlu dilakukan oleh PT ABC : **1. ACTUARIAL PERSPECTIVE** a. Melakukan kajian dan penilaian atas portofolio yang tersisa baik data maupun asumsi yang digunakan untuk mengetahui apakah penggabungan/pemisahan kontrak asuransi diperlukan sesuai dengan persyaratan PSAK 74 (IFRS 17) terutama jika terdapat produk – produk tambahan dari polis dasar (*basic plan and rider*) dengan tujuan untuk mempermudah aktuaria dalam menentukan model pengukuran (*measurement model*). Selanjutnya, memastikan kembali bahwa *granularitas* data yang diperlukan untuk kebutuhan PSAK 74 (IFRS 17) (hasil kombinasi kontrak atau pemisahan komponen asuransi) dapat tersedia di dalam sistem. b. Membuat pendekatan permodelan dan penentuan arus kas dalam batasan kontrak yang dapat menggambarkan kombinasi atau pemisahan kontrak asuransi

PERSYARATAN PSAK 74	2. PENGGABUNGAN / PEMISAHAN KONTRAK ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par 09,10, BC98	**1. ACTUARIAL PERSPECTIVE (lanjutan)** c. Melakukan pemisahan/alokasi dari arus kas ke masing-masing kontrak asuransi jika kontrak ditetapkan sebagai *multiple insurance contract* d. Melakukan proses analisis kombinasi kontrak, pemisahan komponen asuransi perlu didokumentasikan dalam *actuarial policy* dengan tujuan untuk menetapkan unit terkecil pada PSAK 74 (IFRS 17) (unit terkecil bisa jadi merupakan bagian dari suatu kontrak asuransi, ataupun gabungan dari beberapa kontrak asuransi)

PERSYARATAN PSAK 74	2. PENGGABUNGAN / PEMISAHAN KONTRAK ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par 09,10, BC98	e. Tabel berikut ini dapat dipertimbangkan dalam memutuskan antara *basic plan* dan *rider*



PERSYARATAN PSAK 74	2. PENGGABUNGAN / PEMISAHAN KONTRAK ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par 09,10, BC98	**2. ACCOUNTING PERSPECTIVE** a. Membuat kebijakan akuntansi sesuai dengan persyaratan aktuaria khususnya mengenai penentuan *insurance contract liability* terkait dengan: ▪ Kontrak kombinasi yang terjadi ▪ Memisahkan *host contract* (induk) dengan rider (tambahan) b. Menyakinkan bahwa *cash flow model* yang akan terbentuk dapat dipisahkan antara *host contract* dan *rider* sehingga pada saat penentuan *insurance service revenue* bisa dipisahkan antara *expected cash flow* dengan *actual cash flow*.

PERSYARATAN PSAK 74	2. PENGGABUNGAN / PEMISAHAN KONTRAK ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par 09,10, BC98	3. **INFORMATION TECHNOLOGY (IT) PERSPECTIVE** a. *Melakukan identifikasi, pengkodean, dan pemisahan / penggabungan permasing – masing kontrak asuransi atau per portofolio. Dilakukan pemilahan cash flow sesuai dengan komponen kontrak yang digabung / dipisahkan tersebut* b. *Sistem perlu dilengkapi untuk dapat memfasilitasi identifikasi portofolio, proses premi, komisi, dan klaim atas objek objek pertanggungan yang dipoliskan secara gabungan. Sesuai pembentukan portfolio, data tersimpan dalam object perlu dimuat dalam database agar proses pemisahan dan penggabungan kontrak asuransi dapat dilakukan.*

PERSYARATAN PSAK 74	3. PEMISAHAN KOMPONEN NON-ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par 25,26	❑ Dalam PSAK 62 yang menjelaskan bahwa hanya memerlukan pemisahan komponen derivatif melekat dan komponen deposit (serupa dengan komponen investasi) dan pemisahan diizinkan meskipun tidak diwajibkan. Selanjutnya berdasarkan persyaratan dalam IFRS 17 Par 10. BC 98 pemisahan komponen non asuransi baik komponen Derivatif melekat, komponen investasi dan komponen barang dan jasa perlu untuk dilakukan pemisahaan. ❑ PT ABC belum melakukan kajian secara mendalam terkait pemisahan komponen dari kontrak asuransi (*derivative* melekat, komponen investasi, dan komponen barang dan jasa selain jasa kontrak asuransi) sebagaimana dipersyaratkan dalam IFRS 17 Par 10, BC 98 tersebut diatas.

PERSYARATAN PSAK 74	3. PEMISAHAN KOMPONEN NON-ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par 25,26	❑ PT ABC memiliki 20 produk asuransi namun demikian sampai saat ini dari 15 produk asuransi tersebut belum teridentifikasi adanya komponen non-asuransi yang dapat dibedakan. Selain itu PT ABC juga belum melakukan kajian detail terkait pemisahan komponen dari kontrak asuransi (*derivative* melekat, komponen investasi, dan komponen barang dan jasa selain jasa kontrak asuransi) sebagaimana dipersyaratkan dalam IFRS 17 (PSAK 74) Par 10, BC 98 ❑ **Sebagai informasi atas 20 produk PT ABC menunjukan bahwa produk Asuransi Kredit merupakan produk asuransi yang berpotensi mengandung risiko keuangan (financial risk) dan tidak mengandung risiko asuransi sehingga tunduk pada PSAK 71** (***khusus untuk produk tersebut perlu untuk dilakukan evaluasi dan penilaian kembali***)

PERSYARATAN PSAK 74	3. PEMISAHAN KOMPONEN NON-ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par 09,10, BC98	Berdasarkan kesenjangan tersebut diatas, berikut adalah beberapa rekomendasi yang perlu dilakukan oleh PT ABC: **1. ACTUARIAL PERSPECTIVE** a. Melakukan identifikasi lebih lanjut apakah terdapat komponen non-asuransi lainnya dalam seluruh portofolio saat ini dan produk baru yang akan diluncurkan di masa mendatang khususnya untuk komponen investasi. Selanjutnya berdasarkan IFRS 17 BC 85 komponen investasi yang tidak dapat dibedakan (*non – distinct*) harus disajikan terpisah (dikeluarkan) dari *insurance service revenue* dan *insurance service expenses*. b. Menganalisa lebih lanjut untuk seluruh portfolio apakah komponen non-asuransi yang teridentifikasi tersebut perlu dipisahkan sesuai dengan persyaratan IFRS 17 (PSAK 74) dengan tujuan untuk mempermudah aktuaria dalam menentukan model pengukuran serta meningkatkan permodelan agar dapat menggambarkan pemisahan komponen non-asuransi c. Melakukan penilaian kembali data yang dibutuhkan dan asumsi yang akan digunakan d. Membuat kajian dari aspek aktuaria dan mendokumentasikan pemisahan komponen non-asuransi dalam **kajian teknis aktuaria** dengan memperhatikan ketentuan pada kontrak ataupun spesifikasi produk

PERSYARATAN PSAK 74	3. PEMISAHAN KOMPONEN NON-ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par 09,10, BC98	**2. ACCOUNTING PERSPECTIVE** Memperbaharui dan melengkapi kebijakan akuntansi terkait dengan Pemisahan Komponen Non-Asuransi (*Separating Non-Insurance Components*) untuk memisahkan komponen portofolio kontrak asuransi yang akan diklasifikasikan kedalam PSAK 74, PSAK 71 atau PSAK 72. **3. INFORMATION TECHNOLOGY (IT) PERSPECTIVE** Membuat sistem aplikasi yang memiliki kemampuan untuk mencatat dan mengidentifikasikan detail dalam kontrak asuransi yang dapat dipisahkan menjadi: *a. Insurance component;* *b. Distinct performance obligation to provide goods and services;* *c. Non-distinct investment components;* *d. Distinct investment components; dan* *e. Embedded derivatives.*

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par B65(e), BC182–BC183	❑ PT ABC mencatat beban akuisisi untuk menghitung *cost of insurance* dan penentuan *pricing* atas produk asuransi berdasarkan asumsi aktuaria. Asumsi tersebut mengacu pada biaya – biaya yang terjadi yang ditentukan berdasarkan *persentase* yang jumlahnya berkisar antara x% - y% dari biaya pemasaran produk. Selanjutnya biaya pemasaran yang meliputi promosi, *entertain*, komisi, dan lain lain pada periode berjalan dicatat sebagai beban usaha . ❑ Berdasarkan kondisi tersebut diatas menunjukan bahwa *cost of insurance* tidak dapat menggambarkan kondisi yang sebenarnya. Definisi dari arus kas akuisisi asuransi dalam PSAK 74 lebih luas daripada definisi beban akuisisi saat ini sehingga membutuhkan analisa lebih lanjut untuk mengidentifikasi arus kas yang dapat dipertimbangkan sebagai arus kas akuisisi asuransi.

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI	

REFERENSI PSAK 74	KESENJANGAN
IFRS 17 Par B65(e), BC182–BC183	❑ Dalam IFRS 17 khususnya Lampiran A secara khusus mengatur bahwa arus kas akuisisi asuransi sebagai arus kas yang timbul dari biaya penjualan, *underwriting*, dan biaya untuk membentuk kelompok kontrak asuransi (yang diterbitkan atau diharapkan terbit) yang dapat diatribusikan secara langsung kepada suatu portofolio kontrak asuransi di mana kelompok tersebut menjadi bagiannya. Arus kas tersebut mencakup juga arus kas yang tidak dapat diatribusikan secara langsung (*indirect attributable cost*) kepada kontrak asuransi

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	Berdasarkan analisis kesenjangan tersebut, saran berikut ini dapat dipertimbangkan oleh PT ABC terkait dengan arus kas akuisisi asuransi: **1. ACTUARIAL PERSPECTIVE** **a. *Insurance Acquisition Cash Flow* (IACF)** Mengidentifikasi arus kas saat ini, baik arus kas masuk maupun arus kas keluar, yang diterima ataupun dikeluarkan oleh seluruh bagian (seperti *marketing*, *underwriting*, dan *claim*), apakah arus kas tersebut atas sekelompok kontrak merupakan arus kas akuisisi asuransi menurut PSAK 74. **b. *Recognize an asset for any* IACF** Pengakuan atas arus kas akuisisi asuransi dan kebijakan akuntansi perlu diperbarui sesuai dengan persyaratan baru dari PSAK 74 (IFRS 17). **c. *Recoverability Testing*** Menilai kembali dari *recoverability* aset dari IACF jika mengindikasikan bahwa *cash flow* yang ada sudah tidak memiliki manfaat masa depan (*future benefit*)

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	**1. ACTUARIAL PERSPECTIVE** (lanjutan) ***d. Premium Allocation Approach* (PAA)** Khusus untuk kelompok kontrak asuransi jangka pendek (*short term contract)* dimana PT ABC memilih untuk menggunakan metode PAA maka beban arus kas akuisisi dapat dibebankan langsung dalam laba rugi (*insurance service expense*) pada saat terjadinya. ***e. Actuarial Model – Acquisition cash flow*** PT ABC perlu mempertimbangkan dampak permodelan dimana Arus kas dari penghentian pengakuan aset atas arus kas akuisisi asuransi perlu dimasukkan dalam pengukuran CSM (jika menggunakan GMM), atau pada liabilitas atas sisa masa pertanggungan / LRC (jika menggunakan PAA) pada pengakuan awal kelompok kontrak asuransi terkait.

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	**1. ACTUARIAL PERSPECTIVE** (lanjutan) Berikut adalah rekomendasi tambahan yang dapat dilakukan oleh PT ABC yaitu mengidentifikasi arus kas yang dapat masuk sebagai arus kas akuisisi asuransi. Secara umum, arus kas akuisisi asuransi merupakan arus kas yang: 1. Dapat timbul karena aktivitas internal (misalnya aktivitas *marketing*) atau *aktivitas external* (misalnya biaya untuk agen *marketing* eksternal) 2. Tidak hanya mencakup biaya inkremental atas penutupan kontrak asuransi, tetapi juga mencangkup biaya langsung lainnya dan sebagian biaya tidak langsung yang timbul untuk melakukan penutupan kontrak asuransi tersebut 3. Termasuk atas arus kas atas upaya akuisisi yang berhasil maupun tidak 4. Beberapa contoh arus kas akuisisi asuransi antara lain adalah biaya terkait komisi, *brokerage*, biaya *underwriting* atau *medical expense*, dll.

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	**1. ACTUARIAL PERSPECTIVE** (lanjutan) ❑ Selanjutnya beberapa contoh arus kas yang tidak tercakup dalam batasan kontrak (*non-attributable*) adalah: 1. Arus kas terkait pengembalian investasi, komponen yang dipisahkan dari kontrak asurans dan kontrak reasuransi milikan; 2. Arus kas yang berkaitan dengan biaya yang tidak dapat diatribusikan secara langsung ke dalam portofolio kontrak asuransi (misalnya beberapa biaya pengembangan produk dan biaya pelatihan); 3. Arus kas yang timbul dari jumlah abnormal atas tenaga kerja atau sumber daya lainnya yang digunakan untuk memenuhi kontrak; 4. Arus kas atas komponen yang tidak mengubah jumlah yang akan dibayarkan kepada pemegang polis (misalnya dana pemegang polis dan dana pemegang saham); 5. Arus kas yang mungkin timbul dari kontrak asuransi masa depan (arus kas yang terdapat diluar batasan kontrak asuransi).

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	**2. ACCOUNTING PERSPECTIVE** Membuat kebijakan akuntansi signifikan mengenai Arus kas akuisisi asuransi (*Insurance acquisition cash flows*) yang menyatakan bahwa: a. Jika arus kas akuisisi asuransi dapat diatribusikan secara langsung ke sekelompok kontrak maka arus kas tersebut dialokasikan ke kelompok kontrak tersebut. b. Jika arus kas akuisisi asuransi dapat diatribusikan secara langsung ke suatu portofolio tetapi tidak kepada sekelompok kontrak, maka kontrak tersebut akan dialokasikan ke dalam portofolio kontrak tersebut dengan menggunakan metode yang sistematis dan rasional.

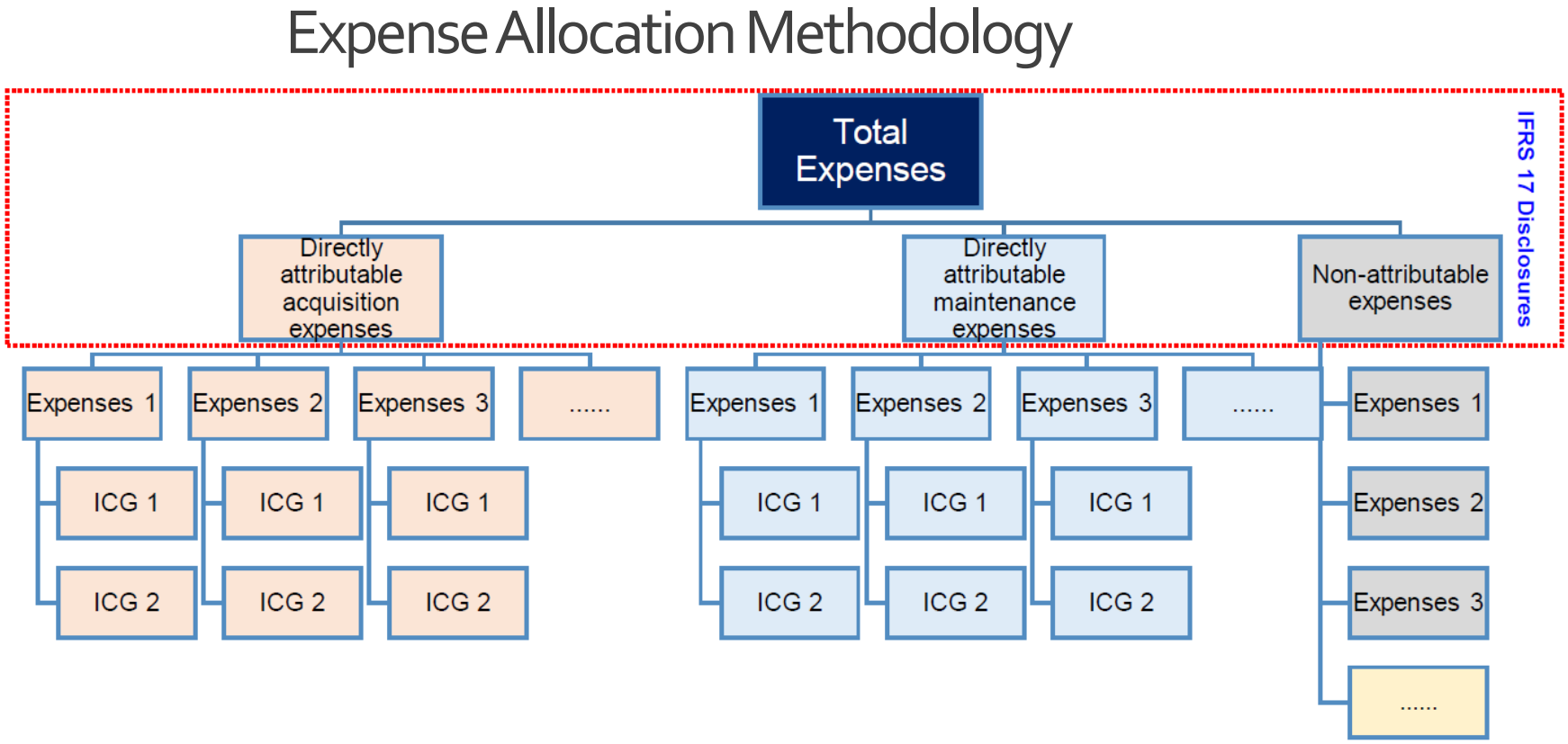
PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	**2. ACCOUNTING PERSPECTIVE (lanjutan)** c. Pengakuan atas arus kas akuisisi asuransi dan kebijakan akuntansi perlu diperbarui sesuai dengan persyaratan baru dari PSAK 74. d. Untuk kelompok kontrak asuransi jangka pendek mengunakan PAA dan dapat memilih untuk membebankan arus kas akuisisi saat terjadinya sehingga dengan demikian beban akusisi tidak ditangguhkan. e. Untuk kontrak asuransi jangka panjang beban akuisisi dapat diamortisasi secara sistematis dan rasional selama masa periode polis

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	**3. INFORMATION TECHNOLOGY (IT) PERSPECTIVE** a. Merancang system agar dilakukan evaluasi secara teratur terhadap beban akuisisi (IACF) yang ditangguhkan. b. Mengevaluasi apakah beban akuisisi tersebut telah mengalami penurunan nilai (*impairment*) terkait dengan arus kas masa depan yang dihasilkan dalam masa kontrak polis yang bersangkutan c. Aplikasi program untuk melakukan metode alokasi untuk beban akuisisi dan beban operasional (*direct attributable cost*) ***d. For IFRS 17 purpose, the expenses are to be distinguished between expenses that are directly attributable or non-directly attributable to the fulfilment of insurance contracts. Directly attributable expenses would then need to be further split into acquisition and maintenance and allocated to the group of contracts (ICG level).***

PERSYARATAN PSAK 74	5. ARUS KAS AKUISISI ASURANSI (Lanjutan)	

REFERENSI PSAK 74	ANALISIS GAP DAN REKOMENDASI
IFRS 17 Par B65(e), BC182–BC183	

Section 7
MEMAHAMI TECHNICAL POSITION PAPER

TECHNICAL POSITION PAPER

Technical position paper disusun dalam rangka persiapan kebijakan akuntansi yang baru dalam mengidentifikasi isu-isu strategis persiapan implementasi PSAK 74 (IFRS 17) dilambangkan dengan gap warna **merah**. Berikut adalah topi-topik *technical position paper* yang dibutuhkan :

- Definisi Kontrak Asuransi
- Penggabungan / Pemisahan Kontrak Asuransi
- Pemisahan komponen Non - asuransi
- Pengakuan kontrak asuransi dan reasuransi
- Arus Kas Akuisisi Asuransi
- Modifikasi Kontrak dan Akuntansi untuk Penghentian Pengakuan
- Tingkat Agregasi (LoA)
- Kontrak yang Merugi
- Batasan Kontrak
- Model Pengukuran Umum (GMM)
- Tingkat Diskonto
- Penyesuaian Risiko untuk Risiko non Keuangan
- Marjin Jasa Kontraktual (CSM)
- Pengukuran Selanjutnya
- Pendekatan Alokasi Premi (PAA)
- Akuntansi Untuk Kontrak Reasuransi Milikan - Pengakuan dan Pengukuran
- Penyajian dan Pengungkapan
- Transisi

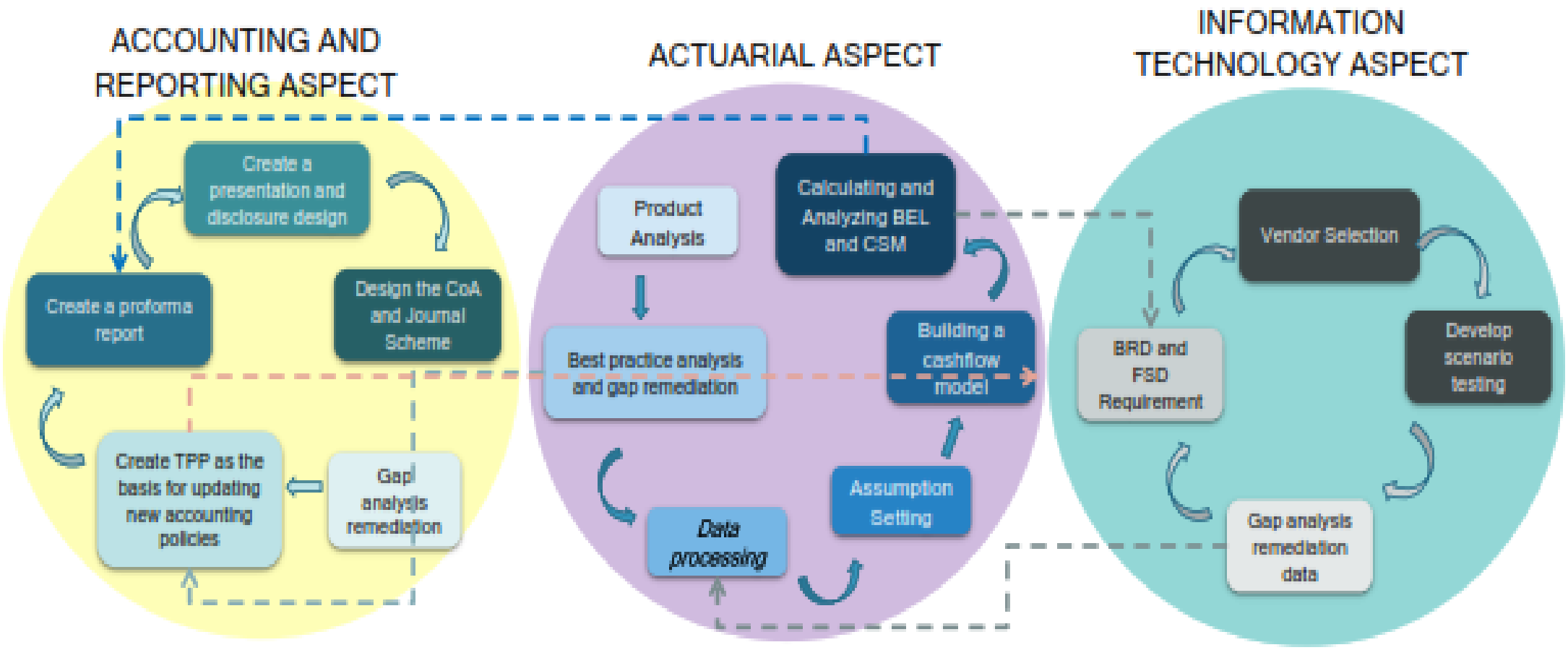
Tujuan TPP

Membantu manajemen perusahaan asuransi dalam mengambil keputusan strategis terkait dengan penerapan IFRS 17 (PSAK 74) untuk aspek aktuaria (*perspective actuary*) , aspek akuntansi (*accounting perspective*) , dan kebutuhan system informasi (*technology information perspective*)

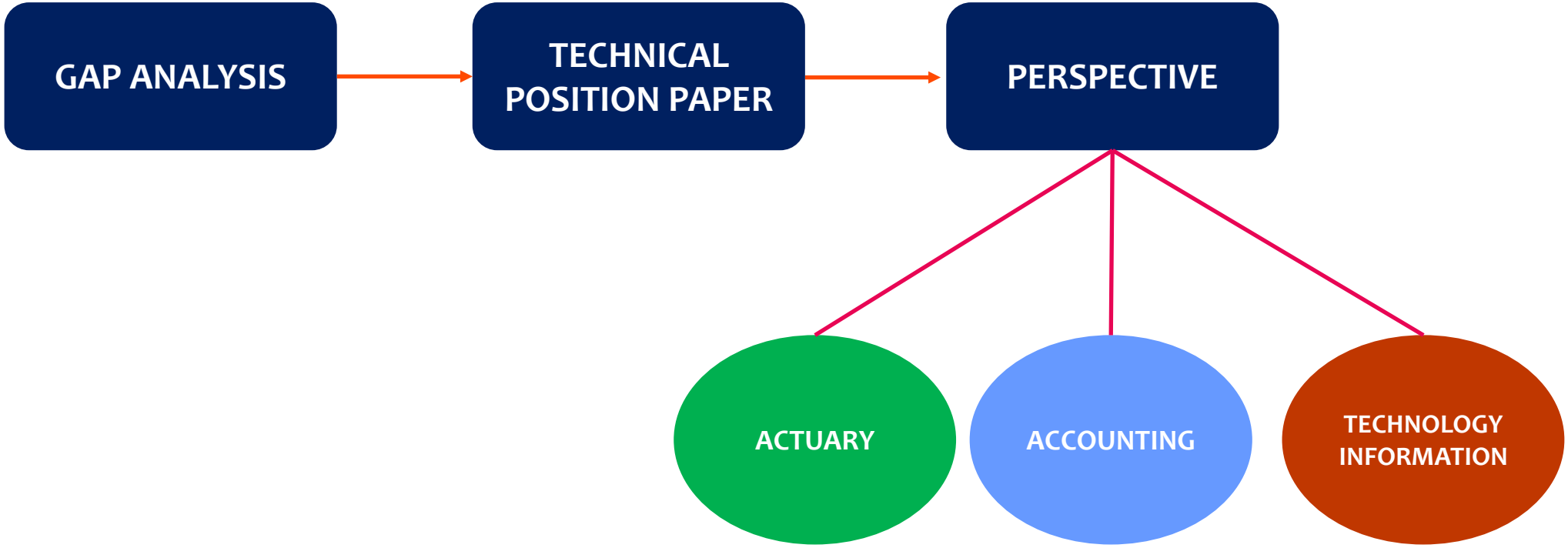
Ketiga hal tersebut dipertimbangkan karena hal-hal sebagai berikut:

1. IFRS 17 (PSAK 74) bersifat *principal based* sehingga perlu penegasan teknis untuk ketiga aspek tersebut.
2. Memudahkan manajamen perusahaaan asuransi untuk membuat kebijakan operasional yang relevan.
3. Dokumentasi yang mendukung untuk akuntansi terkait dengan aspek pengakuan (*recognition*), pengukuran (*measurement*), penyajian (*presentation*) dan pengungkapan (*disclosure*) agar sesuai dengan IFRS 17 (PSAK 74).
4. Dokumentasi kertas kerja dalam menghadapi auditor independen

METODOLOGI TECHNICAL POSITION PAPER



TECHNICAL POSITION PAPER



TECHNICAL POSITION PAPER

Dari topik-topik pembahasan tersebut diatas, berikut 3 (tiga) template contoh topik *technical position paper (TPP)* yang lengkap sebagai berikut:

1. *Definition of insurance contracts*
2. *Level of Aggregation*
3. *Measurement model (General Measurement Model – GMM and Premium Allocation Approach – PAA)*

1. DEFINITION OF INSURANCE CONTRACT

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CONTOH TECHNICAL POSITION PAPER

2. LEVEL OF AGREGRATION (LOA)

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THANK YOU