

Time to line out the synergies between the Core Data Record (CDR) and the Ruschlikon ePlacing initiatives

Status Update

Following recent announcements about the publication of v3.2 of the Core Data Record (CDR) and the updated guidance for the Market Reform Contract (MRC v3) to facilitate collection of the applicable data, many people in the Ruschlikon community will be wondering what the CDR is and how it compares to Ruschlikon data and processes.

What is it?

The short answer is that the CDR is a central record of contract information, containing items that are deemed critical to support the subsequent downstream transactional processes. The Joint Venture (commonly known as the 'bureau') will use the information to provide a greater level of automation across central services.



It is generated at the time of placement (at or around the point of bind), and will initially support four use cases being, i) premium validation; ii) claims matching; iii) tax validation, and iv) for Lloyd's Managing Agents, reporting and regulatory validation.

Why is it needed?



The Ruschlikon initiative operates on a peer-to-peer basis, where both parties have access to their own contract data and can use that data to validate information received from their counterparties. The London market uses a third party (the Joint Venture) to process transactions on their behalf, and the existing service includes a large number of (primarily manual) validations. Having the appropriate data available and verified prior to submission of the transactions, will allow the Joint Venture to implement a high level of automation, leading to faster and less error prone processing of transactions.

A significant proportion of queries that are generated from the premium validation service relate to tax information, and by providing the tax data at an earlier stage, it is envisaged that a good proportion of these queries will be eliminated.

Lloyd's as a regulator receives increasing demands for data from authorities around the world in order to maintain their license agreements. Some of these authorities want both a greater volume of data and for it to be provided earlier, requirements that cannot be met with the existing processes (bearing in mind that a lot of the regulatory data is an output from current transactional processes).



What comparisons can be made with Ruschlikon ePlacing?

The main differences between the London market CDR and Ruschlikon ePlacing processes are the point at which they are implemented, and the type of business currently catered for.

The CDR is intended to capture information from the moment that an organisation commits to participate in the contract by writing a line (in ACORD terms, the Firm Order stage). The Ruschlikon ePlacing process however covers the entire placement cycle, from submission, through quotation and then on to firm order.



In terms of the type of business covered, the focus for Ruschlikon ePlacing started with treaty reinsurance, and has now moved on to capturing facultative reinsurance requirements. In contrast, the London market have developed the CDR around commercial insurance and facultative reinsurance business, though both initiatives have plans in place to ultimately cater for all business types.

Where are the similarities and synergies?



In spite of those minor differences, there is a strong correlation between the initiatives around the specific data items being transmitted, and the events adopted to complete the respective processes. The written line event for CDR is equivalent to the unconditional line message in Ruschlikon, both have a signed line advice event and will incorporate endorsement events, and both have an event to make the translation from placing to accounting (pre-accounting event for CDR and post placement message for Ruschlikon).

The initiatives use the same ACORD data items to express things like parties to the contract; limits & deductibles; premiums; fees and other deductions; market participation and many other elements.

More information on the Core Data Record can be found at: [Core Data Record \(lloyds.com\)](https://lloyds.com/core-data-record)

For those interested in the wider Blueprint Two program of which CDR is one part, more information can be found at: [Blueprint Two \(blueprint-2.com\)](https://blueprint-2.com)

Tim Pledger, Swiss Re, Chair of ACORD Core Data Record & Pre Accounting Business Implementation Group

Thank you for reading



LinkedIn



Contact Us

Website



Subscribe



Unsubscribe