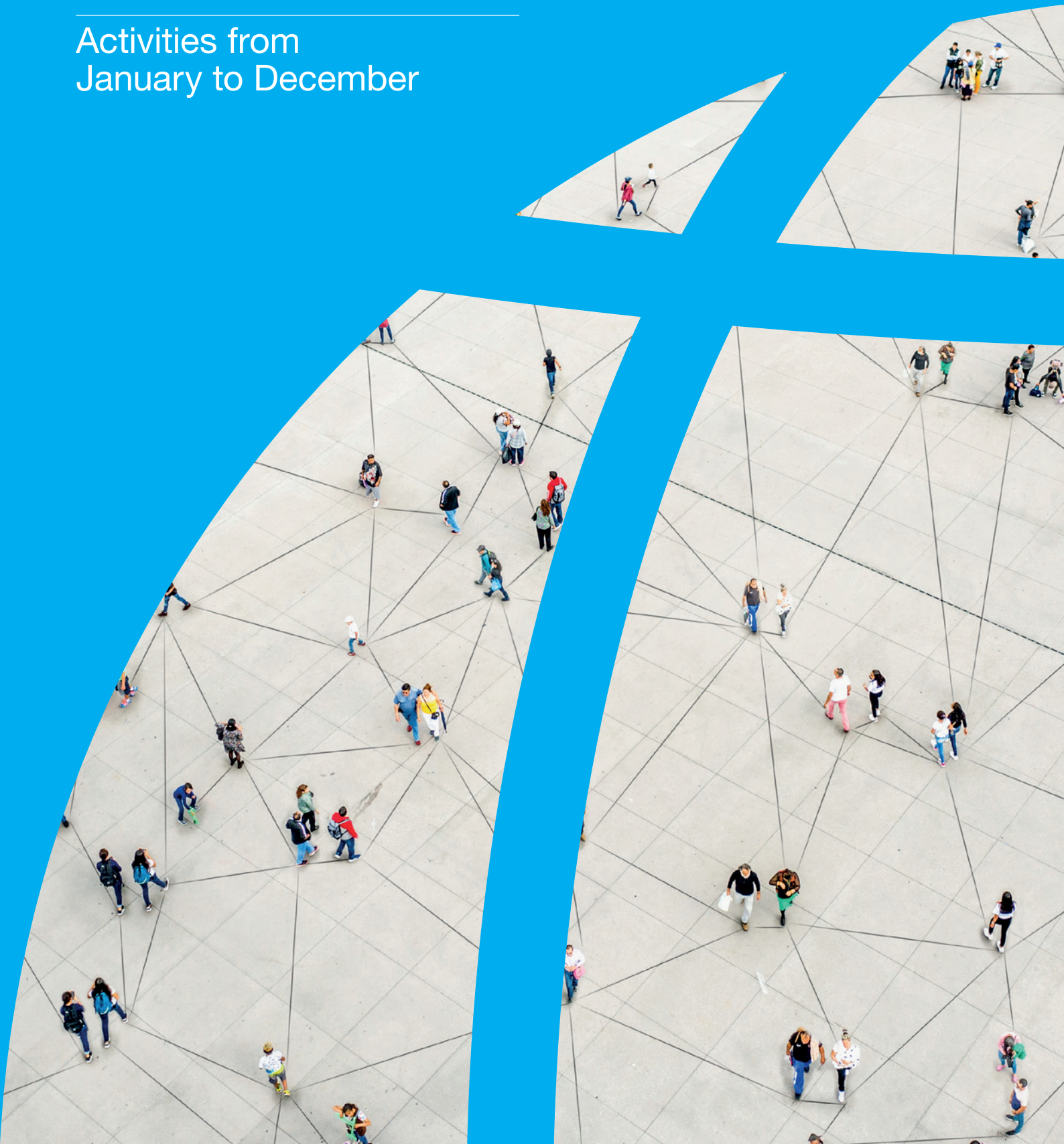


# Year in Review

# 2022

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Activities from  
January to December



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# Message from the Secretary General



**Jonathan Dixon**  
IAIS Secretary General

I am pleased to present the IAIS' Year in Review 2022. This report highlights the progress we made over the past year to support our dual mission of policyholder protection and doing our part to maintain global financial stability.

2022 was a tumultuous year with a myriad of global disruptions that exacerbated the risks faced by insurers and, consequently, the challenges for insurance supervisors globally. In the face of this complexity, global cooperation and the platform the IAIS provides are essential to finding effective solutions. Throughout the year, IAIS members, Secretariat and stakeholders worked together toward such solutions and marked multiple achievements along the way.

A significant achievement for the IAIS in 2022 was the endorsement by the Financial Stability Board (FSB) of the IAIS Holistic Framework as an improved approach to assess and mitigate systemic risk in the insurance sector and the FSB adoption of the Holistic Framework in place of the annual Globally Systemically Important Insurer (G-SII) identification process. This is the culmination of six years of work – one year of exploratory work, two years of design and three years of implementation – and is great recognition of our efforts. The Holistic Framework has demonstrated

significant benefits for macroprudential supervision in the insurance sector and will help build a safer financial system for the benefit of policyholders.

In addition, the IAIS has kept up momentum on delivering the Insurance Capital Standard (ICS), which is on track for finalisation in 2024.

Beyond these key reforms, we also enhanced our assessment of the implementation of our global standards and undertook pioneering work on key themes like climate change, cyber risk, and diversity, equity and inclusion (DEI). This is just a sample of the many activities and achievements detailed in this report.

We started 2022 with a fresh face – a modernised IAIS logo and brand – to convey the Association's professionalism more effectively and emphasise its unique global role. A key outcome of this project is a consistent and fully integrated visual identity across all communication platforms and materials.

Simultaneously, we made significant improvements to the IAIS website. It has received a new look and now features a more intuitive structure, improved functionality and fresh content. For sharing confidential information with members and stakeholders

participating in our data collection exercises, a new user interface has been rolled out, which upgrades user experience and streamlines authentication.

A highlight of 2022 was the return to in-person meetings and events after two years of remote interaction. The June Global Seminar in Dubrovnik, hosted by the Croatian Financial Services Supervisory Agency (HANFA), and the November Annual General Meeting and Annual Conference in Santiago, hosted by the Chilean Financial Market Commission (CMF), were wonderful occasions, both in terms of renewing ties across our membership and in the very successful discussions. Although we will continue to hold most meetings virtually, it is valuable to have these occasions to be back amongst the IAIS community in person.

With respect to internal policies and procedures, in 2022, the IAIS updated its Members Handbook to reflect various governance and operational changes that have taken place since the last update (in November 2018). Notably, updates were made to align the Handbook with the IAIS Environmental Policy, which guides the IAIS' performance on environmental issues.

This past year, I have been especially pleased with the steps we are taking to become more intentional about DEI in the way we operate and conduct ourselves as an Association. The diversity of our membership is a key strength of the IAIS, enabling us to build a truly global view of the challenges and opportunities of insurance supervision, particularly if we are successful in making our discussions and activities as inclusive

as possible. Accordingly, we published a statement about the value we place in DEI and how we will continue working to improve our internal DEI further. This includes fostering the inclusion of members from emerging market and developing economy (EMDE) jurisdictions, members from smaller jurisdictions and new members.

Both DEI and protecting the environment are essential aspects of the social responsibility the IAIS carries. To share more details on these topics, we have created a new section in our Year in Review that delves into our efforts in these areas.

Much of the work I have detailed above is only possible thanks to the commitment and dedication of our small Secretariat, which supports the interconnections of this international community. Through 2022, we have continued to strengthen the capacity of the Secretariat by bringing in new and diverse talents, including through our successful secondment programme. I am proud of what we have achieved and how we have continued to take steps to make our work more effective.

In the period ahead, we will build on the significant achievements of the past year, attained through the commitment of our members and in partnership with our stakeholders. I look forward to continuing this journey together.



Jonathan Dixon

**“The diversity of our membership is a key strength of the IAIS, enabling us to build a truly global view of the challenges and opportunities of insurance supervision.”**

# Report from the Chair of the Executive Committee



**Victoria (Vicky) Saporta**  
Chair, IAIS Executive Committee

Against the backdrop of a global pandemic that had already tested the resilience of societies and financial systems, 2022 saw geopolitical tensions fuelled by the war in Ukraine, natural catastrophes exacerbated by climate change, and a challenging economic environment due to inflationary pressures – a set of deep and interlocking crises.

In these turbulent times, cooperation and collective action are vital, and the work of the IAIS is more necessary than ever to ensure that insurance protection will serve societies as it is meant to. I am pleased to say that during 2022, the IAIS rose to the challenge, assessing the major trends affecting our sector as they unfolded, formulating supervisory responses to shared risks and identifying best practices whilst still delivering on our ongoing key reform projects.

Working together with other standard-setting bodies, the IAIS has helped to ensure the stability of the global financial system and has brought an insurance supervisory perspective to cross-sectoral issues, such as climate-related risks and cyber risk.

## Finalising key reform projects in support of financial stability

### Holistic Framework

A key accomplishment in 2022 was the FSB's endorsement of the Holistic Framework as a more effective basis for assessing and mitigating systemic risk in the insurance sector than the former approach of annual G-SII identification.

The IAIS adopted the Holistic Framework in November 2019 as part of a comprehensive set of reforms contributing to the maintenance of global financial stability. Since then, the operationalisation of the Holistic Framework has been strong across each of its key elements: risk assessment through the annual Global Monitoring Exercise (GME), enhanced macroprudential supervisory policy measures and an in-depth assessment of the consistent implementation of these measures.

The Holistic Framework has led to significantly richer discussions and coordinated action points amongst our member supervisors to better address financial stability risks.

Bringing this project to fruition involved a significant amount of work, from financial stability monitoring to policy development and implementation assessment. I would like to thank all insurers and supervisors involved for their contributions. Going forward, strong engagement of insurers and supervisors will continue to be essential in ensuring that the Holistic Framework remains effective in monitoring and addressing key risks and trends and assessing potential build-up of systemic risk in the global insurance sector.

## Insurance Capital Standard

We completed the third year of the ICS monitoring period, and momentum is growing as we approach the finish line for adopting the standard at the end of 2024.

A global ICS is even more important in these times of global stress. It will create a common language for supervisory discussions of group solvency of internationally active insurance groups (IAIGs) and enhance global convergence amongst group capital standards – a strong step forward in support of global financial stability.

As we prepare for the implementation of the ICS, we will issue a public consultation on the ICS as a Prescribed Capital Requirement (PCR) and undertake an ICS economic impact assessment in 2023. We remain committed to achieving shared success in terms of finalising the design of an ICS that takes into account differences in business models and risk exposures around the globe while providing a common language for supervisors to more effectively supervise IAIGs on a cross-border basis.

We also launched our consultation on the draft criteria to assess whether the Aggregation Method (AM) being developed by the US provides comparable outcomes to the ICS. The task of designing the comparability assessment was complex, given that the ICS and the AM framework are methodologically and conceptually quite distinct. As such, stakeholder feedback is particularly important to provide a range of perspectives on this unprecedented area of work. For that reason, we offered stakeholders several additional feedback opportunities following the consultation.

## Implementation assessment and capacity building

Over the past year, the IAIS put a particular focus on the comprehensive and consistent implementation of IAIS global macroprudential standards, as this is key to the effectiveness of our Holistic Framework. Noteworthy are the detailed Targeted Jurisdictional Assessments (TJAs), which are intensive assessments of the implementation of the Holistic Framework supervisory material in 10 major insurance markets. A public report will be issued in 2023.

The following accomplishments also illustrate how dynamic our implementation assessment and capacity-building activities are:

- A record number of 86 IAIS members took part in our thematic peer review process for Insurance Core Principles (ICPs) 9 (Supervisory Review and Reporting) and 10 (Preventive Measures, Corrective Measures and Sanctions).
- Four new members joined the IAIS Multilateral Memorandum of Understanding (MMoU) for a total of 80 (representing 75% of global gross written premiums).
- We now have six IAIS Forums on different themes for members to share and discuss developments, with three added in 2022.
- More than 500 supervisors attended our regional events and high-level meetings.
- Hundreds of supervisors across the globe were able to take part in trainings, thanks to our partnership with the Financial Stability Institute (FSI):
  - 311 supervisors from 81 jurisdictions have joined the FSI-IAIS Regulatory and Supervisory Online Programme (FIRST ONE);
  - 300 supervisors from almost 60 jurisdictions received IAIS-sponsored access to online FSI trainings (FSI Connect); and
  - Around 700 supervisors from more than 90 jurisdictions have benefited from climate and environmental risk trainings hosted on the Climate Training Alliance platform.
- The Access to Insurance Initiative (A2ii), the IAIS' key implementation partner, has organised 15 events reaching more than 1,200 participants from more than 120 jurisdictions.
- Connect.A2ii, the supervisory e-learning platform of the A2ii, now has nearly 600 users.

Our supervisory capacity building and peer exchange efforts are amplified thanks to the excellent cooperation with our implementation partners: the A2ii, FSI, Toronto Centre and the International Actuarial Association (IAA). I am grateful for the support these organisations provide, which is key to delivering on our mandate.

We have also carried on with our efforts to support a clear voice at the IAIS for our members from EMDE jurisdictions and will be expanding this effort through a deeper relationship with our regional coordinators.

# Focus on key trends

The key risks and trends impacting the insurance sector are increasingly cross sectoral and global in nature, and it is on these issues that the IAIS' role is particularly relevant. These include climate-related risk, digital innovation, cyber risk, conduct and culture, financial inclusion and DEI.

## Climate-related risk

Seized by the importance of tackling climate-related risk, we progressed work rapidly in 2022 and are equipping our member supervisors to heighten their focus on the accelerating transition and physical risks for the insurance sector and on ensuring that insurers take appropriate action in response.

We completed capacity-building workshops on climate scenario analysis that were attended by more than 200 supervisors from around the world. We also integrated elements of climate-related risks into our 2022 GME, publishing the results in our 2022 Global Insurance Market Report (GIMAR) publication. With the improved data, both in terms of coverage and quality, the 2022 GME analysis provided an enhanced indication of the industry's investment exposure to climate-relevant assets.

We have also been preparing for two consultations to launch in 2023 on supervisory practices related to climate risk and will continue to refine our data requests related to climate risk as part of the GME, as a solid understanding of climate-related risks is fundamental to ensuring an adequate supervisory response.

## Digital innovation

Digital innovation remains an important focus at the IAIS, given its paradigm-shifting nature. Our FinTech Forum this year shared insights with IAIS members on several deep dives on artificial intelligence (AI) and machine learning (ML); distributed ledger technology (DLT) and decentralised finance (DeFi); and application programming interfaces (APIs) and open data and published the outcomes in a public report. In parallel, a note on key trends and developments relating to the deployment of supervisory technology (SupTech) by insurance supervisors was published jointly with the A2ii and FSI.

## Cyber and operational risk

In the area of cyber risk, we are using our vantage point as a standard setter to assess the risks to the sector and develop material to support supervisory considerations with respect to cyber and operational risks. We progressed our work on a GIMAR special topic edition on how cyber risk can impact financial stability, how cyber insurance can mitigate or amplify this, and how we could monitor these risks on a more structural basis in the GME. This report will be published early in 2023. Additionally, we put out for consultation an Issues Paper on Operational Resilience in the Insurance Sector, specifically on broader supervisory considerations with respect to risks associated with IT third-party outsourcing and insurance sector cyber resilience.

## Market conduct and culture

The IAIS is focused on how supervisors can help improve consumer outcomes with more forward-looking and outcomes-based approaches. To this end, we published a report on the use of key indicators to proactively monitor conduct risks, so as to enable more timely supervisory responses to emerging conduct trends and risks. We also continued our work preparing a members' guide on the use of key indicators to monitor conduct risks proactively.

“Working together with other standard-setting bodies, the IAIS has helped to ensure the stability of the global financial system and has brought an insurance supervisory perspective to cross-sectoral issues.”

## Financial inclusion and resilience

On the strategic theme of financial inclusion, we have continued to build on our long-championed commitment to advancing inclusive insurance. Our Financial Inclusion Forum (FIF) has grown in influence and our partnership with the A2ii has continued to flourish. We look at all the key trends through a financial inclusion lens as we support our members in EMDE jurisdictions to develop sustainable, inclusive insurance markets.

As part of a broader set of lessons learnt from Covid-19, the IAIS with the A2ii published a note focussed on the gaps in coverage for pandemic risks where diversification is more difficult to achieve. Concepts presented in the note will inform future work on the role of supervisors in addressing protection gaps more broadly. Specifically, we have added a new project to our work programme in 2023, which considers issues related to the role of supervisors in addressing natural catastrophe protection gaps. With protection gaps set to increase, impacting both advanced economies and EMDEs, this work will consider the ways in which supervisors should be involved in these important policy questions.

## Diversity, equity and inclusion

The IAIS considers DEI particularly relevant to supervisory objectives related to good governance, culture and conduct, but also to financial inclusion and sustainable economic development. Since becoming a strategic priority in 2021, our focus in this area has continued to grow. From the supervisory perspective, we are examining the role of insurance supervisors in promoting DEI within the insurance industry and from an internal perspective, we are enhancing DEI at the IAIS as a global membership association.

On the supervisory side, in 2022, we carried out a stocktake to learn about activity underway by insurance supervisors, the insurance industry and others to promote DEI in the insurance sector – including what drives that activity and what creates challenges. We have since kicked off work on two follow-up projects: one focused on insurers' institutional governance exploring how DEI benefits governance, risk management and corporate culture; and the other focused on how applying a DEI perspective to conduct of business can contribute to the fair treatment of diverse customer groups.

On the internal side, we recognise the importance of enhancing DEI in how we work so that we can best harness the diversity across our broad membership and, together, be our most effective as a global standard setter. In 2022, we took important steps to elevate our attention on DEI, including publishing a statement on why we consider DEI matters at the IAIS, exchanging with members for their feedback and ideas, and forming a plan to maintain our momentum in 2023.

This summary is just a small sample of new and noteworthy work we have undertaken to address key trends facing the insurance sector. For a more fulsome overview, visit the chapter on *sharing supervisory practices and information exchange*.

## A strong supervisory community

A final highlight of the year that bears mentioning is how wonderful it was to see so many new and familiar faces this year at the in-person committee meetings and milestone events. Although we achieved a great deal during our enforced separation and continued our excellent cooperation and collaboration through virtual engagements, it was fantastic to be back together again as a community.

Despite the challenges that inevitably lie ahead, we are, without a doubt, much stronger and more effective when we work together to tackle these global issues. Through the support and participation of our members, the IAIS is in a strong position to deliver on our mandate to promote effective and globally consistent supervision of the insurance industry.

I would like to thank all our members and the Secretariat for their tireless efforts and the support they provide, ensuring the IAIS can deliver on its Roadmap and uphold its mission day in and day out.



Vicky Saporta

# IAIS 2022 in numbers

## Published

### 5 Reports

- DEI Stocktake Report
- Liquidity metrics as an ancillary indicator (Level 2 Document)
- Report on FinTech developments in the insurance sector
- Report on supervisors' use of key indicators to assess insurer conduct
- 2022 GIMAR

### 2 Notes

- A2ii-FSI-IAIS joint note on SupTech in insurance supervision
- IAIS-A2ii joint note on the role of supervisors in multi-stakeholder approaches to address pandemic protection gaps

## Engaged

### 29th AGM/AC (Santiago, Chile)

- >350 in-person attendees

### Global Seminar (Dubrovnik, Croatia)

- >350 in-person attendees

### 3rd CRO Roundtable

#### 1st In-person collective discussion on the outcomes of the GME

>340 Supervisors attended IAIS regional events

>200 Stakeholders attended virtual roundtable on the implementation of the Holistic Framework

>100 Insurers and supervisors attended workshops on the GME data collection

>90 External speaking engagements

60 Insurers participated in the 2022 GME

45 Jurisdictions participated in the 2022 GME

14 Stakeholder consultations and workshops

10 Jurisdictions with completed TJAs

## Communicated

293,321 LinkedIn impressions (+70% from 2021)

5,230 LinkedIn followers (+50% from 2021)

>1,500 Newsletter subscribers

148 LinkedIn posts

11 News alerts and press releases

9 Newsletters

3 Statements

2021 Year in Review and 2021 Financial Report

2022-2023 Roadmap

## Welcomed

### 4 New signatories to the MMoU

- Albanian Financial Supervisory Authority
- Central Bank of Aruba
- Massachusetts Division of Insurance
- Superintendencia Financiera de Colombia

### 2 New IAIS members

- Kuwait Insurance Regulatory Unit
- Togo Direction Nationale des Assurances

## Supported

>1,200 Participants from >120 jurisdictions have joined A2ii events

>311 Supervisors from 81 jurisdictions have joined FSI-IAIS FIRST ONE programme

5 IAIS-A2ii Supervisory Dialogues

4 Regional seminars

2 IAIS-A2ii Public Dialogues

2 IAIS-FSI virtual high-level meetings (organised jointly with ASSAL and AFIR)

2 Virtual meetings on financial inclusion between the BIS, global standard-setting bodies and financial inclusion organisations

1 Workshop on proportionality and financial inclusion (organised with CGAP and FSI)

## Launched

3rd Year of monitoring of the global ICS

86 Members took part in PRP on ICPs 9 and 10

4 Surveys

3 Public consultations

3 New forums

- Financial Crime Forum
- Re-mandated Supervisory Forum
- Risk-based Solvency Implementation Forum

2 Member Assessment Programmes

New website

Refreshed brand

# About the IAIS

The International Association of Insurance Supervisors (IAIS) is the global standard-setting body for insurance supervision.

The IAIS is a voluntary membership organisation of insurance supervisors from over 200 jurisdictions, constituting 97% of the world's insurance premiums. Members develop and support the implementation and assessment of international standards, with the aim to promote effective and globally consistent supervision of the insurance industry to develop and maintain fair, safe and stable insurance markets.

As part of its mission, the IAIS works to identify, assess and mitigate systemic risk in the global insurance sector and provides an international forum for discussing and addressing the challenges and opportunities faced by the insurance sector and insurance supervisors. The Association works closely with standard setters to support global financial stability while also bringing the insurance supervisory perspective to cross-sectoral issues in alignment with key international bodies.

The IAIS also has a forward-looking role in identifying key trends and developments that could reshape the business of insurance. This supports IAIS members in addressing emerging risks and challenges in insurance supervision. Currently, the areas of climate change, cyber and operational resilience, digital innovation, financial inclusion, diversity equity and inclusion (DEI) and conduct and culture are the strategic themes on which the IAIS is focused.

Established in 1994, the IAIS is hosted by the Bank for International Settlements (BIS) and operates with the support of a Secretariat located in Basel, Switzerland, under the direction of a Secretary General.

## IAIS mission

The IAIS' mission is to promote effective and globally consistent supervision of the insurance industry to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders and to contribute to the maintenance of global financial stability.

## Structure

The IAIS delivers on its mission through a committee system made up of its members. The committee system is led by an Executive Committee (ExCo) whose 38 member representatives stem from all regions of the world, including advanced as well as developing economies. The ExCo is responsible for providing strategic direction and managing IAIS affairs as specified in its by-laws. It appoints the Secretary General and takes all decisions necessary to pursue the IAIS mission in accordance with the resolutions of the General Meeting of Members (which includes all IAIS members).

The ExCo is supported by the following five committees established under the by-laws:

- Audit and Risk Committee
- Budget Committee
- Implementation and Assessment Committee
- Macprudential Committee
- Policy Development Committee

See pages 16-17 for more information on IAIS committees.

IAIS ExCo June 2022



# Strategy

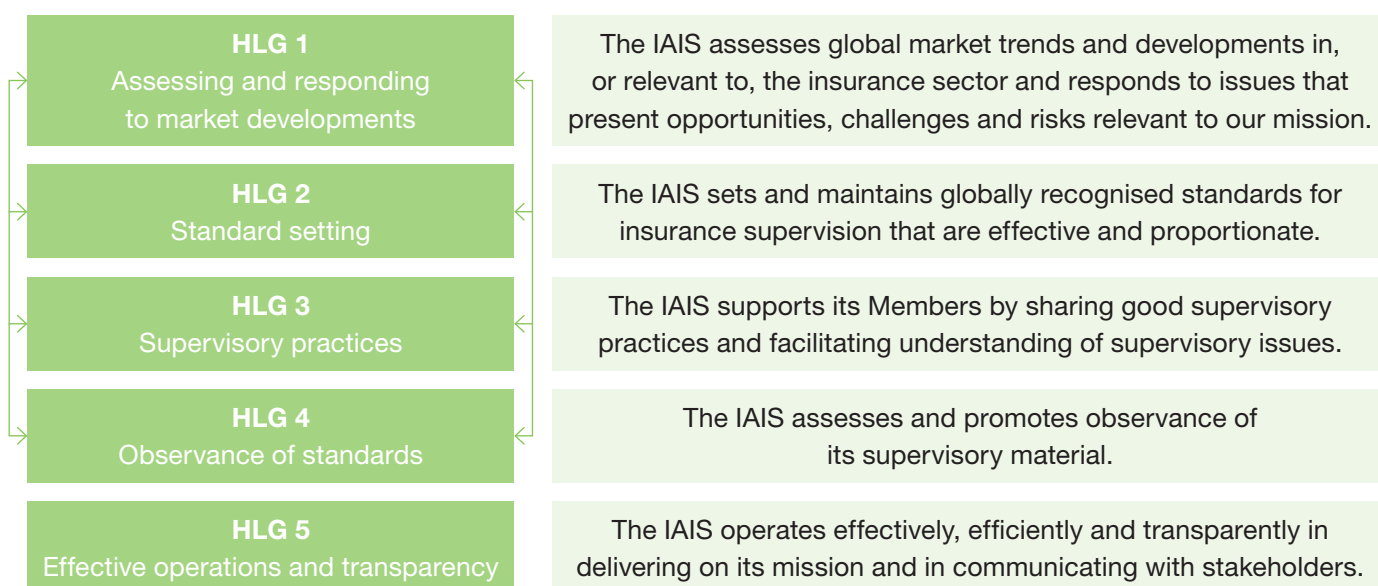
The IAIS is guided by its [2020-2024 Strategic Plan](#). Integral to the strategy are the High-Level Goals (HLGs) which specify areas of focus for the Association's work and leverage the potential for effective collaboration with partner organisations, other standard-setting bodies and industry stakeholders.

The roster of HLG activities focuses on specific themes driven by the trends and developments in insurance markets and supervisory organisations. Specific areas of focus are the finalisation and implementation of post-crisis reforms, ongoing

monitoring and assessment of key risks, addressing accelerating global trends that have the potential to reshape the business of insurance in the coming years, and implementation assessment and capacity-building activities.

The IAIS links the strategy with its key initiatives through its work programme – or [Roadmap](#). The Roadmap prioritises IAIS projects and activities over two years but is adapted yearly to align with newly identified risks or trends.

## High-Level Goals from the IAIS Strategic Plan 2020-2024



The IAIS' work on international standards for insurance supervision contributes to more advanced risk management and greater resilience in the insurance sector.

## Assessing global trends and risks

To support its mission, the IAIS assesses market trends and developments in, or relevant to, the global insurance sector and responds to issues that present opportunities, challenges and risks. As a key element of the Holistic Framework, the Global Monitoring Exercise (GME) is designed to assess global insurance market trends and developments. This includes, at an individual insurer and sector-wide level, a collective discussion at the IAIS on the assessment of potential systemic risks and appropriate supervisory responses. The outcomes are reported to the FSB. The IAIS also shares the results of the GME each year with the public in its Global Insurance Market Report (GIMAR).

## Standard setting

The IAIS develops supervisory principles, standards and guidance for effective supervision of insurance-related activities. Notably, the IAIS has developed the Insurance Core Principles (ICPs) and the Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame).

As part of ComFrame, the IAIS is developing an Insurance Capital Standard (ICS), which aims to provide a globally comparable risk-based measure of the capital adequacy of Internationally Active Insurance Groups (IAIGs).

Integrated into the ICPs and ComFrame is the Holistic Framework-related supervisory material. This includes an enhanced set of supervisory policy measures for macroprudential purposes, designed to increase the overall resilience of the insurance sector and help prevent insurance sector vulnerabilities and exposures from developing into systemic risk.

## Implementation assessment and capacity building

The IAIS actively assesses and promotes the observance of its supervisory material by providing a tool for self-assessments, conducting thematic peer reviews and undertaking comprehensive member assessments.

Working closely with implementation partners such as the [A2ii](#), [FSI](#), United Nations-convened [Sustainable Insurance Forum](#) (SIF) and [Toronto Centre](#), as well as international organisations and regional associations of supervisors, the IAIS also supports the organisation of training seminars and conferences, as well as initiatives to support financial inclusion, enable peer exchange amongst supervisors and facilitate supervisory cooperation.

## Supervisory practices

As the global standard setter for insurance supervision, the IAIS also has an essential role in supporting insurance supervisors in putting its standards into practice. This is achieved by sharing good supervisory practices and facilitating understanding of supervisory issues through information exchange.

To this end, the IAIS develops various supporting materials, such as application papers, issues papers and notes. These materials are developed based on feedback from implementation assessment activities or may relate to emerging insurance market trends and developments, including our six strategic themes, highlighted in the following section.

The IAIS also set up a multilateral memorandum of understanding and various forums to facilitate sharing of experiences and practices amongst supervisors, helping them to better understand emerging supervisory issues and proactively tackle supervisory challenges.

# Key strategic themes

As the global community of insurance supervisors, IAIS members need to remain keenly aware of the main trends and developments affecting the insurance sector and the broader financial system, and respond to them with agility and insight. Accordingly, the IAIS has identified key themes that affect the sector and has increased its efforts to be forward-looking and collaborative in supporting members to adopt effective supervisory responses to these themes.

These themes are global in nature and cut across all the IAIS HLGs. The IAIS examines them through its monitoring and assessment activities and by promoting strong supervisory practices on how to respond proactively to developments in these areas. Recognising the cross-sectoral nature of these themes, the IAIS coordinates and collaborates with other standard-setting bodies and stakeholders while providing an insurance sector perspective.



## Climate risk

Climate change impacts the resilience of individual insurers, as well as financial stability. Insurers are exposed to both transition and physical risks through their underwriting and investment activities. Insurers can also be important agents in identifying, mitigating and managing climate risk.



## Conduct and culture

A holistic approach to market conduct and prudential supervision is called for, recognising that conduct and culture issues could lead to financial soundness and stability concerns. Additionally, technological changes to the insurance business model present new conduct challenges, such as supervising the use of advanced data analytics.



## Cyber risk

Cyber risk has been increasing for several years, due to greater digitalisation and interconnectedness, greater use of remote working and the growth in global cyber threats. Insurers are not only exposed to cyber risks in their operations but are also active takers of cyber risk through their cyber underwriting activities.



## Digital innovation

Rapidly increasing digital innovation, including advanced data analytics, will have far-reaching effects on the insurance sector. It presents significant opportunities for financial inclusion and policyholder value yet also poses conduct and operational risks.



## Diversity, equity and inclusion

Advancing DEI within insurers' organisations and business models supports sound prudential and consumer outcomes and plays a role in achieving broader sustainability objectives. DEI can positively impact insurers' corporate governance and risk management, facilitate innovation, prevent discriminatory practices that lead to negative consumer outcomes, and create more accessible markets supporting financial inclusion.



## Financial inclusion

Insurance supervision plays a vital role in insurance market development and, more broadly, sustainable economic growth. Policyholder protection and financial stability are fundamental to ensuring the sustainable involvement of the insurance sector in closing the protection gap, increasing resilience, supporting inclusive insurance markets and promoting sustainable long-term investments.

# IAIS framework of supervisory standards and practices

The IAIS' work on enhanced international standards and practices for the supervision of the global insurance sector has contributed to more advanced risk management and greater resilience in the insurance sector. The IAIS' framework includes three key elements that provide the global benchmark for effective insurance supervision and support the IAIS' mission of policyholder protection and contributing to the maintenance of global financial stability: the ICPs, ComFrame (including the ICS) and the Holistic Framework for the assessment and mitigation of systemic risk in the insurance sector.

## Insurance Core Principles

The ICPs provide the globally accepted foundation of standards for the supervision of the insurance sector. They are periodically revised to capture relevant experiences and learnings from trends and developments in the insurance sector as well as the financial regulatory environment. ICPs are comprised of principle statements, standards and guidance and seek to encourage the maintenance of consistently high supervisory standards in IAIS member jurisdictions.

## ComFrame

ComFrame builds on the ICPs and establishes supervisory standards and guidance focusing on the effective group-wide supervision of IAIGs. ComFrame is a comprehensive and outcome-focused framework aimed at facilitating effective group-wide supervision of IAIGs by providing qualitative and (in a future phase) quantitative supervisory minimum requirements tailored to the international activity and size of IAIGs. By providing supervisors with a common language for the supervision of IAIGs, ComFrame supports strengthened coordination and helps supervisors address group-wide risks and avoid supervisory gaps.

## Insurance Capital Standard

The ICS is the quantitative element of ComFrame. The purpose of the ICS is to create a common language for supervisory discussions of group solvency to enhance global convergence amongst group capital standards. It aims to provide a globally comparable risk-based measure of capital adequacy of IAIGs. The ultimate goal is a single ICS that includes a common methodology by which one ICS achieves comparable, ie substantially the same, outcomes across jurisdictions. The ICS is currently being used during a five-year monitoring period (2020-2024) for confidential reporting to group-wide supervisors and discussion in supervisory colleges. During this period, the ICS results are not used as a basis to trigger supervisory action. The ICS as a prescribed capital requirement for IAIGs will be finalised in 2024, after a public consultation in 2023.



## Holistic Framework

The Holistic Framework aims to assess and mitigate the potential build-up of systemic risk in the global insurance sector.

The Holistic Framework consists of three key pillars, which span across HLGs 1-4:

- The GME, including a collective discussion on the assessment of risk and supervisory responses;
- An enhanced set of macroprudential supervisory policy measures and powers of intervention, integrated into the ICPs and ComFrame; and
- Assessment of the implementation of the Holistic Framework supervisory material.

In December 2022, following a review after three years of implementation of the Holistic Framework, the FSB decided to discontinue the annual identification of Global Systemically Important Insurers (G-SIIs) in favour of using the Holistic Framework as a more effective basis for assessing and mitigating systemic risk in the insurance sector.

The Holistic Framework  
has proven robust and  
is a better approach to  
assessing and mitigating  
systemic risk  
in insurance than the  
previous annual G-SII  
identification.

## Three pillars of the Holistic Framework

### Global Monitoring Exercise

- Individual insurer monitoring covering ~60 of the largest international insurance groups.
- Sector-wide monitoring covering ~45 of the largest insurance markets.
- Collective discussion of identified insurance groups, as well as specific themes identified through the monitoring process.
- Findings are reported to the FSB as well as to the public in the GIMAR.

### Enhanced macroprudential supervisory policy measures

- ComFrame standards are applied to a pool of ~ 50 IAIGs, and other insurers as necessary, instead of just the previously-identified nine G-SIIs.
  - Includes requirements related to liquidity risk management as well as to recovery and resolution, in line with the FSB Key Attributes.

### Robust implementation assessment

- Baseline assessment: self-assessment by 26 jurisdictions, including all FSB jurisdictions.
- Targeted jurisdictional assessments: onsite assessment of 10 major insurance market jurisdictions.

# Committees

## Executive Committee

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Chair  
**Victoria Saporta**  
(UK, PRA)

Vice Chair  
**David Altmaier**  
(USA, Florida)

Vice Chair  
**Shigeru Ariizumi**  
(Japan, FSA)

Vice Chair  
(until October 2022)  
**Suzette Vogelsang**  
(South Africa, PA)

The Executive Committee is responsible for providing overall strategic direction and managing IAIS activities in a manner consistent with the specific duties set forth in the Association's by-laws. More generally, the Executive Committee is charged with doing all things necessary to ensure the sound functioning and furtherance of the mission of the Association. The Executive Committee is supported by the Audit and Risk, Budget, Macroprudential, Policy Development and Implementation and Assessment Committees.

## Audit and Risk Committee

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Chair  
**Clement Cheung**  
(China, Hong Kong, HKIA)

The Audit and Risk Committee is responsible for reviewing the internal controls of the Association and monitoring that its activities achieve their objectives through effective and efficient operations and are compliant with applicable procedures and resolutions.

## Budget Committee

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Chair  
**Ryan Workman**  
(USA, NAIC)

The Budget Committee is responsible for overseeing the financial position and financial management of the IAIS, monitoring the IAIS' financial situation on a regular basis, making recommendations on annual fee and expenditure levels, recommending and reviewing the IAIS' policies on investment and reserves, and reviewing proposals for significant unbudgeted expenditures.

# Implementation and Assessment Committee



Chair  
**Peter Braumüller**  
(Austria, FMA)

Vice Chair  
Tony Chan  
(China, Hong Kong, HKIA)

Vice Chair  
Rashmi Sutton  
(USA, NAIC)

Implementation activities support our standard-setting mandate and are critical to achieving effective and globally consistent supervision. The Implementation and Assessment Committee (IAC) supports members in implementing IAIS supervisory material by assessing observance of IAIS standards, providing guidance on supervisory practices, promoting information exchange and supervisory cooperation, and facilitating supervisory capacity building and promoting financial inclusion, in particular for EMDE jurisdictions. The IAC is supported by eight groups:

- Financial Crime Forum
- Financial Inclusion Forum
- FinTech Forum
- Retirement Income and Pension Forum
- Risk-based Solvency Implementation Forum
- Standards Assessment Working Group
- Supervisory Forum
- Signatories Working Group

# Macroprudential Committee



Chair  
**Dieter Hendrickx**  
(Belgium, NBB)

Vice Chair  
Marcelo Ramella  
(Bermuda, BMA)

Vice Chair  
Steven Seitz  
(USA, Treasury/FIO)

The Macroprudential Committee (MPC) is responsible for steering and overseeing the financial stability work of the IAIS.

The implementation of the Holistic Framework is one of the committee's key projects, including the Global Monitoring Exercise as well as work aimed at supporting IAIS members in implementing the Holistic Framework. In carrying out its mandate, the MPC is supported by two subcommittees:

- Macroprudential Monitoring Working Group
- Macroprudential Supervision Working Group

# Policy Development Committee



Chair  
**Gary Anderson**  
(USA, Massachusetts)

Vice Chair  
Paolo Cadoni  
(UK, PRA)

Vice Chair  
Ricardo Garcia  
(Bermuda, BMA)

The Policy Development Committee (PDC) oversees the development and review of supervisory and supporting material in collaboration with the other relevant committees. In carrying out its mandate, the PDC is supported by nine subcommittees, discussing and resolving complex technical and policy issues:

- Accounting and Auditing Working Group
- Capital, Solvency and Field Testing Working Group
- Governance Working Group
- Infrastructure Task Force\*
- Insurance Groups Working Group\*
- Market Conduct Working Group
- Operational Resilience Task Force
- Resolution Working Group
- Supervisory Material Review Task Force

\* These working groups were disbanded during 2022.

# Assessing and responding to global market trends

Assessing and responding to global market risks and trends is central to the IAIS' mission to protect policyholders and contribute to global financial stability.

The IAIS' risk assessment framework, the Global Monitoring Exercise (GME), is at the core of this work. The GME builds on two data collections: the individual insurer monitoring (IIM) from approximately 60 of the largest international insurance groups; and the sector-wide monitoring (SWM), using aggregate sector-wide data from supervisors across the globe covering over 90% of global written premiums. The GME helps ensure that the international coordination of supervisory measures to mitigate systemic risk is grounded in evidence.

In 2022 the IAIS held its first in-person collective discussion on the outcomes of the GME. The discussion provided a platform for supervisors to examine the build-up of risks and coordinate appropriate supervisory responses across the globe, an activity more relevant than ever in the context of worsening macroeconomic outlook and increasing credit and liquidity risks.

2022 marked a milestone year for the IAIS' financial stability work, with the endorsement of the Holistic Framework by the FSB. This endorsement comes after three years of robust implementation of the framework. With this endorsement, the FSB decided to discontinue the annual identification of Global Systemically Important Insurers (G-SIIs), recognising that the Holistic Framework provides an enhanced basis for assessing and mitigating systemic risk in the global insurance sector.

In 2022 the IAIS also finalised the development of liquidity metrics for the insurance sector and launched a public consultation on the review of the IIM assessment methodology. The IAIS continues to conduct deep-dive analyses of emerging risks, as illustrated by the forthcoming publication of the Global Insurance Market Report (GIMAR) 2023 special topic edition on cyber risk.

Geopolitical conflicts, inflation, tightening monetary policy and the deteriorating economic outlook have increased market, credit and liquidity risks.

# FSB endorses Holistic Framework, discontinues G-SII identification

At its December 2022 plenary meeting, the FSB endorsed the Holistic Framework and decided in consultation with the IAIS to discontinue the annual identification of G-SIIs. Going forward, the FSB will utilise assessments available through the Holistic Framework to inform its considerations of systemic risk in the insurance sector.

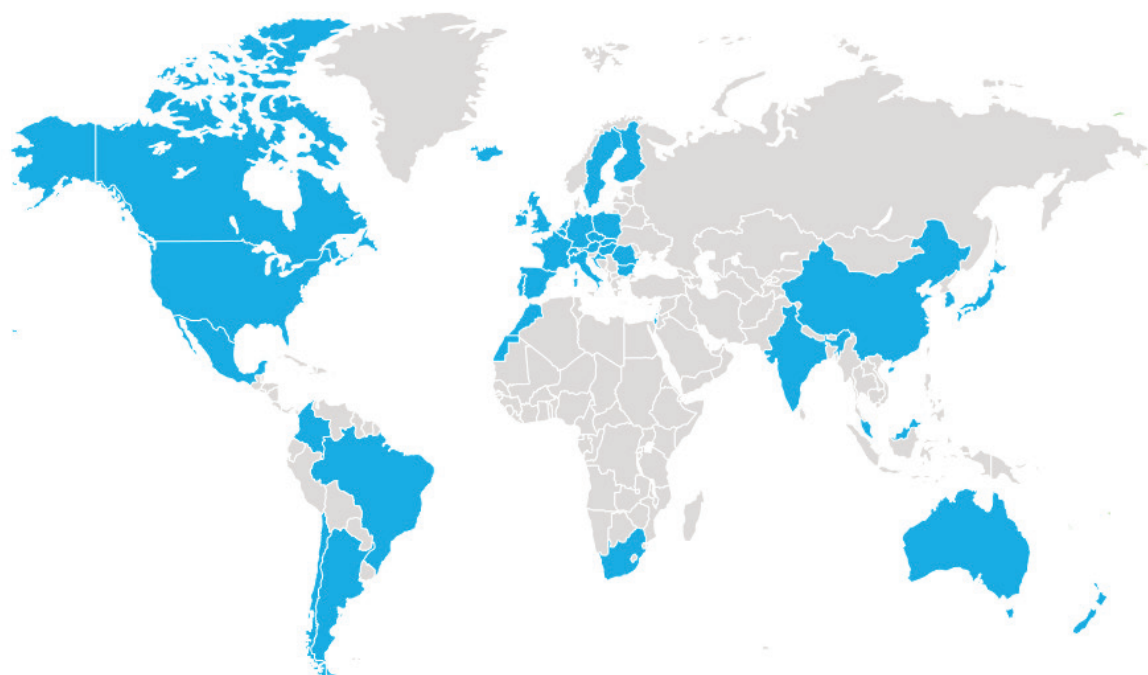
Significant benefits of the Holistic Framework compared to the annual G-SII identification include:

- The systemic risk assessment through the GME has proven more comprehensive, forward-looking and versatile in times of crises;
- The Holistic Framework supports a more robust collective discussion amongst supervisors on the potential build-up of systemic risk and appropriate supervisory responses;
- Enhanced supervisory measures for macroprudential purposes are applied to a much broader set of insurers than those formerly identified as G-SIIs; and
- Comprehensive implementation assessment of the Holistic Framework supervisory measures helps ensure that they are implemented in a comprehensive and consistent manner across jurisdictions.

The IAIS will continue to provide the FSB with annual updates on the outcomes of the GME, including the IAIS assessment of systemic risk in the global insurance sector, possible concentration of systemic risks at an individual insurer level, and supervisory responses to identified risks. To this end, the IAIS will continue its annual IIM and SWM data collections, as well as its annual reporting to the public on the outcomes of its assessment and progress in implementation of the Holistic Framework supervisory policy measures. The FSB will continue its active role relating to the insurance sector, in particular in monitoring the application of the Key Attributes of effective resolution regimes for financial institutions.

To ensure stakeholder involvement, the IAIS held multiple stakeholder engagement sessions, including annual workshops with the insurance groups participating in the GME, Chief Risk Officer (CRO) Roundtables and Global Seminar panels, designed to provide additional qualitative input into the IAIS' collective discussion of global insurance market risks and trends.

### Jurisdictions that participated in the sector-wide monitoring data collection



# Key outcomes of 2022 GME

Through the GME, the IAIS monitors global insurance market trends and developments, detects the possible build-up of systemic risk and facilitates a collective discussion on the appropriate supervisory response at the sectoral and individual insurer levels. The 2022 GME builds on 2021 data collected from approximately 60 of the largest international insurance groups and aggregate sector-wide data from supervisors across the globe, covering over 90% of global written premiums. The key outcomes of the 2022 GME are outlined in the [2022 GIMAR](#).

Analysis concluded that systemic risk in the insurance sector is moderate on aggregate; however, insurers' total systemic risk scores are trending upward. Insurers' solvency and profitability positions improved in 2021, supported by strong performance of financial markets. Since 2022, however, geopolitical conflicts, inflation, tightening monetary policy and the deteriorating economic outlook have increased market, credit and liquidity risks going forward.

The 2022 GME also includes three macroprudential themes identified as supervisory areas of priority.

## Lower macroeconomic outlook, high inflation and rising interest rates

The first theme focused on the impact of higher inflation and tightening monetary policy, in addition

to the downturn in the global economy and increased risks in financial markets.

For life insurers, the primary factor is the level of interest rates. Higher interest rates generally have a positive impact on capital resources and on the profitability of certain life products, with the potential to reduce the risk of reserve deficiencies. They are positive for longer-term earnings due to higher fixed income, although this effect builds slowly over time as life insurers' portfolios roll over. However, in many jurisdictions, rising interest rates also expose life insurers to a repricing of fixed-income securities and a rebalancing of interest rate hedges, as well as increased hedging costs due to higher volatility levels.

For non-life insurers, the main impact has come from higher inflation, in the form of increased expenses and claims severity, in addition to the revaluation of reserves. On the asset side, fixed-income portfolios have lost value due to higher interest rates, especially for longer-dated securities. However, non-life insurers, on average, have short duration fixed income portfolios, which limit the negative impact of higher interest rates on the value of their asset holdings and allow for more immediate increases in income from higher interest rates.



### **Structural shifts in the life insurance sector, including the involvement of private equity**

The second theme looked at emerging trends in the life insurance sector related to certain activities, often but not exclusively associated with growing private equity (PE) ownership of insurers. PE firms' involvement in the insurance sector through investing, acquisitions, partnerships, reinsurance and other arrangements is a continuing trend that is generally consistent with the transformation of the life insurance sector. In certain jurisdictions, insurers associated with PE firms have been more involved in activities such as cross-border reinsurance, asset allocation to complex and illiquid assets, and complex, less transparent, business practices. Analysis of this theme has, however, found that these activities are neither new nor exclusive to PE-involved insurers. The IAIS will refine the GME to enhance the monitoring of alternative investments, private placements and transfers of life insurance portfolios, including through reinsurance.

### **Climate-related risks**

The third theme covered climate-related risks in the insurance sector. The lack of progress in reducing global fossil fuel emissions may lead to delayed and divergent transition across countries. It is critical for insurance supervisors to strengthen their understanding of the type and magnitude of climate-related exposures in the insurance industry in order to inform effective supervisory responses.

Given the improvement in data collected, both in terms of coverage and quality, the 2022 analysis provides a better indication of the industry's investment exposure to climate-relevant assets. From an insurance product perspective, gaps in protection against climate-related risks are, in many cases, significant, and supervisors anticipate that they will continue to increase. Hence this will be a continued area of focus for the IAIS going forward. Supervisors expect the impact of climate change to widen and materially affect insurers' assets, risk management and product development. Going forward, the IAIS will consider refinements to the asset and liability data collected to improve the monitoring of climate-related risks.

### **Aggregate results from the 2022 IIM**

The 2022 GME provided indications that, at a global level, insurers' solvency and profitability improved over the course of 2021, supported by strong performance

in financial markets. The overall credit quality of insurers' assets is high; however, the exposure to non-investment grade assets has increased. In terms of solvency measures, several insurers continued to buy back shares and/or redeem subordinated debt, while others issued capital and/or subordinated debt to strengthen capital and liquidity positions. Measures taken by insurers to preserve or improve profitability included optimising capital allocation and asset-liability management, realising gains on investments, digital transformation, diversifying product offerings and revenue sources, and optimising underwriting and pricing policies.

Cross-sectoral analysis shows that total systemic risk scores for insurers are still significantly lower than those for banks. However, insurers' scores trended upwards from year-end 2016 to year-end 2021, whereas banks' scores trended slightly downwards. The increase in insurance sector systemic risk scores is primarily driven by the interconnectedness and asset liquidation categories. This accounts for most of the total systemic risk score. At the level of individual systemic risk indicators, the largest growth was in the indicators for level 3 assets (illiquid, difficult-to-value assets), intra-financial assets and liabilities, derivatives and short-term funding.

### **Global reinsurance market**

The solvency position of reinsurers has improved compared to year-end 2020, with increases in paid-up capital being the main driver of the increase. On the asset side, reinsurers hold a slightly higher relative share of equities than insurers and a lower relative share of sovereign debt and mortgage loans. Combined ratios remain below 100%, indicating profitable underwriting.

Regarding the impact of natural catastrophes, the largest losses in 2021 were attributed to Hurricane Ida in North America in August and Storm Bernd in Europe in July.

The size of the global reinsurance market (in terms of gross written premiums) covered by the SWM is approximately USD 588 billion in 2021, with approximately 55% located in the Americas. Non-life premiums accounted for more than 60% of this total. The share of life reinsurance premiums based on the SWM has been stable over the last three years.

## Public consultation on review of IIM assessment methodology

To ensure the Holistic Framework remains fit for purpose, the IAIS carries out a triennial review of its assessment methodology. In support of this effort, in December 2022, the IAIS launched a [public consultation](#) that seeks input on the IIM assessment methodology used to calculate individual insurers' systemic risk scores.

The objective of this public consultation is to obtain stakeholder input for the IAIS review of the IIM assessment methodology for the next three-year cycle of application. Input received will be considered in the finalisation of a revised IIM assessment methodology and will be reflected in an updated GME document, which will be published in the first half of 2023.

Stakeholder feedback is sought on how to fine-tune the monitoring of increased exposures, such as level 3 assets, over-the-counter derivatives, short-term funding and intra-financial assets, as well as on other technical aspects of the methodology and the reporting to participating insurers and the public.

Going forward, it will be important to continue refining the global risk assessment and ensuring robust implementation of supervisory measures, with strong engagement of insurers and supervisors.

## Finalisation of liquidity metrics

In 2022, the IAIS finalised the development of [liquidity metrics](#), which will serve as a tool to facilitate the IAIS' monitoring of the global insurance sector's liquidity risk and the assessment of insurers' liquidity exposure from a macroprudential perspective. The metrics were developed as part of a multi-year project, which benefited from two [public consultations](#) and intensive testing through the IIM data collections.

The liquidity metrics bring together two approaches. The first is an exposure approach, which calculates an "Insurance Liquidity Ratio" – the ratio of liquidity sources and liquidity needs to which haircuts are applied depending on their liquidity. The second is a company projection approach, which calculates a "Cash Flow Liquidity Ratio" by dividing cash inflows by cash outflows under a baseline assumption and a liquidity stress scenario.

## Continued progress on emerging risks, including cyber

Through 2022 the IAIS continued monitoring emerging risks. The next GIMAR special topic is expected to be published in the first half of 2023 and will focus on the cyber insurance market and the cyber resilience of the insurance sector. The report will also focus on whether operational and underwriting risks borne by the insurance sector could mitigate or amplify financial stability vulnerabilities and how these risks could be monitored more structurally in the GME.

The IAIS will continue to provide the FSB with annual updates on the outcomes of the GME, including the IAIS assessment of systemic risk in the global insurance sector and supervisory responses to identified risks.

# Standard setting

Effective and coordinated global supervision is fundamental to insurance sector resilience.

A common language and coordinated approach to the supervision of Internationally Active Insurance Groups (IAIGs) is a crucial building block of a stable and efficient global insurance market. To this end, the IAIS adopted the Common Framework for the Supervision of IAIGs (ComFrame) in 2019. The Insurance Capital Standard (ICS) is being developed as the group-wide prescribed capital requirement (PCR) for IAIGs. Once adopted, the ICS will form the quantitative element of ComFrame.

IAIS standard-setting activities in 2022 primarily focused on the ICS and its associated initiatives, including the review of Insurance Core Principles (ICPs) 14 (Valuation) and 17 (Capital Adequacy).

## ComFrame

ComFrame was adopted in November 2019, establishing supervisory standards and guidance focusing on the effective group-wide supervision of IAIGs. It provides qualitative and (in a future phase, through the ICS) quantitative supervisory minimum requirements tailored to the international activity and size of IAIGs.

According to ComFrame standards in ICP 23 (Group-wide Supervision), group-wide supervisors (GWSs) are responsible for identifying IAIGs, in cooperation with other involved supervisors, after considering whether a group meets certain size and international activity criteria. The IAIS monitors the identification and disclosure of IAIGs by the relevant GWSs. IAIGs publicly identified by their GWS are listed in the public register available on the IAIS website, which is updated at least annually. At year-end 2022, there were 49 publicly disclosed IAIGs.

## Insurance Capital Standard

As part of ComFrame, the ICS aims to provide a globally comparable risk-based measure of capital adequacy of IAIGs, as well as a common language to facilitate effective discussions about group solvency within supervisory colleges. During the five-year monitoring period (2020-2024), the IAIS is monitoring the performance of the ICS version 2.0 and identifying the need for potential adjustments before it becomes a PCR. During this period, the ICS is being used for confidential reporting to GWSs and discussions in supervisory colleges in order to collect feedback on the performance of the ICS. ICS results during the monitoring period do not trigger any supervisory action.

2022 marked the third year of the five-year monitoring period. The analysis of the annual ICS data collection, as well as feedback from GWSs and supervisory colleges about ICS performance, have contributed to clarifications of the specifications of the ICS. This analysis and feedback will inform future IAIS discussions on potential adjustments to the ICS as a PCR. To facilitate ICS discussions within supervisory colleges during the monitoring period, the IAIS provides relevant GWSs with an annual package of documents that includes a report (or dashboard) of ICS results for their volunteer groups (those groups

The IAIS encourages participation across jurisdictions and business models to ensure that the ICS captures risk appropriately for all IAIGs.

participating in ICS confidential reporting – they may be IAIGs or other interested groups), guidance material to understand the report and questionnaires to solicit feedback on the performance of the ICS and challenges with applying the specifications.

Participation and engagement from volunteer groups remained strong during 2022. The IAIS continues to encourage participation across jurisdictions and business models to ensure that the ICS captures risk appropriately for all IAIGs. In 2023, the IAIS will issue a public consultation on the draft ICS as a PCR, which is scheduled for adoption at the end of 2024.

### Economic impact assessment

The IAIS is committed to producing an economic impact assessment of the ICS ahead of its implementation as a PCR in 2025. The purpose of the assessment is to develop an understanding of any potential significant economic effects, positive or negative, of the implementation of the ICS. The assessment will consider issues across different regions on a variety of aspects such as market operations of insurers, the financial markets and the availability of insurance products.

During 2022, the IAIS undertook initial steps to determine the scope of this exercise, including the key areas of focus (for agreement in 2023) and reached out to stakeholders to gather input relevant to the scope of the exercise.

### Assessment of comparable outcomes

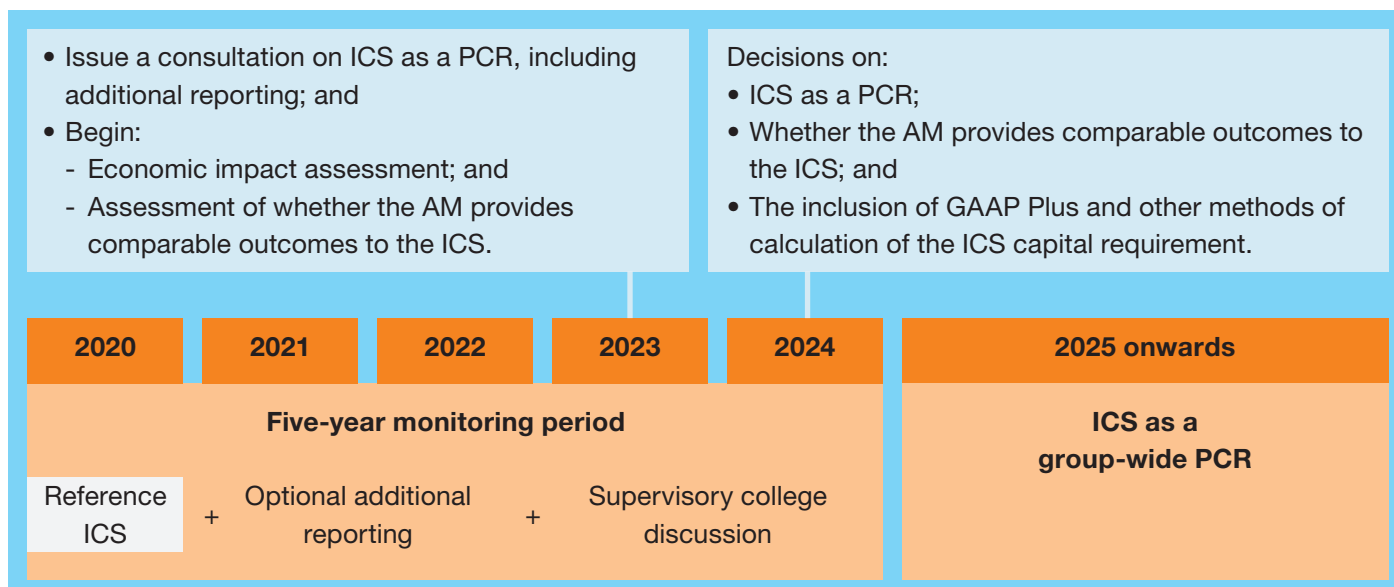
In parallel to the monitoring of the ICS, the IAIS is developing criteria to assess whether the Aggregation Method (AM), being developed by the United States, provides comparable outcomes to the ICS. If deemed comparable, the AM will be considered an outcome-equivalent approach for the implementation of the ICS as a PCR. The IAIS aims to be in a position by the end of the monitoring period to assess whether the AM provides comparable outcomes to the ICS.

In 2021, the definition of comparable outcomes and six high-level principles to inform the development of comparability criteria were agreed upon after a public consultation. The draft criteria were publicly consulted upon in 2022. A common theme emerging from the public consultation feedback was that stakeholders would like to engage further with the IAIS on certain technical aspects. In response, the IAIS is carrying out additional engagement with both volunteer groups and stakeholders. Final approval of the criteria is planned for early 2023.

### Review of ICPs 14 and 17

In November 2019, the IAIS finalised a comprehensive review and update of the ICPs and ComFrame. The review of ICPs 14 (Valuation) and 17 (Capital Adequacy) was postponed while ICS version 2.0 for the monitoring period was being developed. The review of ICPs 14 and 17 commenced in 2022, and the draft revised ICPs will be released for public consultation in mid-2023.

## The ICS five-year monitoring period



# Supervisory practices and information exchange

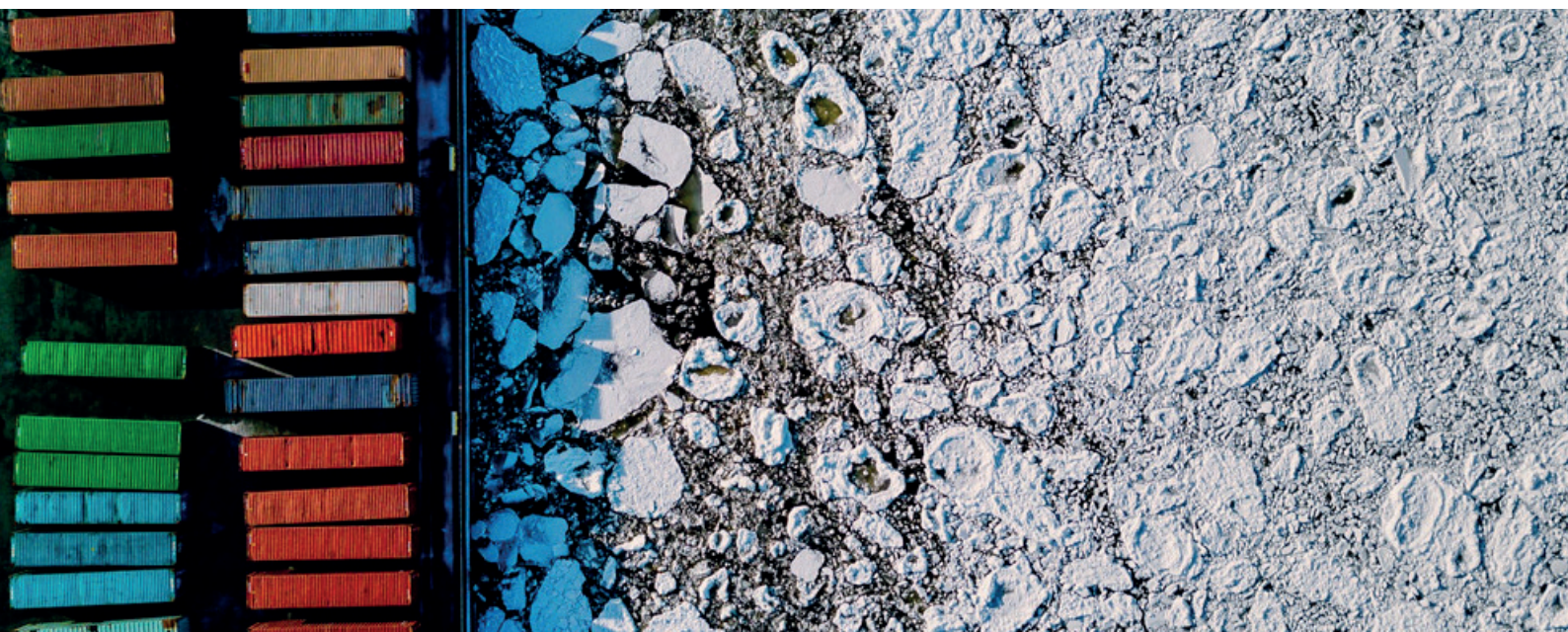
Recent global social and economic events have amplified many of the trends that the IAIS had identified as relevant to the global insurance sector. In response, the IAIS strengthened its consideration of these accelerating trends from a supervisory perspective.

To aid its members, during 2022, the IAIS made progress on several supporting materials addressing the interests and demands of insurance supervisors. This work relates not only to addressing and responding to our six strategic themes, but also addresses other topics relevant to insurance supervisors.

The IAIS also continued its efforts to enable cooperation amongst insurance supervisors and the exchange of supervisory information, for instance, by providing a platform to share practical insight and experience through its forums.

## IAIS' work on strategic themes

The IAIS 2020-2024 Strategic Plan focuses on specific themes driven by trends and developments in insurance markets and insurance supervision. The IAIS monitors these trends through its risk assessment activities (see chapter on *assessing and responding to global market trends*) and promotes proactive supervisory responses to developments in these areas.



## Climate risk

In their role both as underwriters and investors, insurers' business models are particularly impacted by climate change. Given the risks posed by climate change, in 2022, the IAIS continued to commit significant resources to this topic.

In March 2022, following a gap analysis, the IAIS concluded that the Insurance Core Principles (ICPs) are sufficiently principles-based to cover climate-related risks. However, the IAIS identified a few necessary changes that should be made to the ICP guidance and supporting material to reflect climate-related risks better. Consultations on the new material will take place in 2023.

In August 2022, the IAIS published a response to the International Sustainability Standards Board's (ISSB) consultation on its exposure draft on climate disclosure, welcoming the ISSB's work on a global baseline for climate-related financial disclosures. A globally consistent baseline climate reporting standard is important for insurers, both as users and preparers of climate-related disclosure.

To inform effective supervisory responses, it is critical for supervisors to strengthen their understanding of the type and magnitude of climate-related exposures in the insurance industry. Therefore, elements of climate-related risks were integrated into the 2022 Global Monitoring Exercise (GME) data collection (see chapter on *assessing and responding to global market trends*).

The IAIS also continued to provide a platform for information exchange on climate scenario analysis for members. Workshops aiming to share practical information on conducting climate scenario analysis attracted more than 200 participants. Workshop materials will be made available online via the Climate Training Alliance (CTA) platform.

## Digital innovation

The IAIS' work on digital innovation is carried out through its FinTech Forum (FF). In 2022, the FF conducted a member survey to gain insight into digital innovation challenges faced by IAIS members and learn how supervisors address those challenges. This information helped refine the workplan for 2023. The member survey also provided insight into the use of supervisory technology (SupTech), which was used

## Partnership with SIF and CTA

The IAIS works closely with the United Nations Development Programme SIF, a global network of insurance supervisors and regulators who work together on sustainability challenges facing the insurance sector. Throughout the year, the IAIS and SIF collaborated to advance their joint agenda. In particular, the SIF contributed to the IAIS' work on capacity building for climate risk scenario analysis and the IAIS facilitated a number of SIF meetings.

In November 2022, the IAIS celebrated the one-year anniversary of the CTA. The CTA is an online portal dedicated to climate risk training for central banks and supervisors. This tool is the result of a collaboration between the IAIS and FSI, Central Banks, the Network for Greening the Financial System (NGFS) and SIF. In its first year, over 700 supervisors and central bankers from more than 90 jurisdictions benefited from climate and environmental risk trainings. The CTA includes live interactive training and recorded sessions on climate-related issues for both banking and insurance supervisors.

to develop a joint public note with the A2ii and FSI. Finally, the FF continued its targeted surveillance on the deployment of certain technologies across the insurance sector and shared the detailed outcomes with members via member-only reports and a webinar.

The work on digital innovation culminated in the publication of two papers in December 2022:

- An IAIS Report on FinTech developments in the insurance sector. This report presents the outcomes of exploratory, deep-dive assessments into three topics: Use of application programming interfaces (APIs) and open data; distributed ledger technologies (DLTs) and blockchain; and safe, fair and ethical adoption of artificial intelligence (AI) and machine learning (ML) and the use and governance of data; and
- A joint note with the A2ii and FSI on the role of SupTech in insurance supervision, describing how SupTech can aid supervisors in their work, including concrete examples of how SupTech tools are currently being used by insurance supervisors.

### Cyber risk and operational resilience

During 2022, the Operational Resilience Task Force developed and published for consultation an Issues Paper on Insurance Sector Operational Resilience. Recognising that operational resilience is a broad and evolving area, the paper addresses three specific operational resilience subtopics: cyber resilience, third-party outsourcing and business continuity management. The paper also highlights the importance of governance and board accountability, as well as effective information sharing on these topics amongst insurance supervisors and across the insurance sector more broadly. Finally, the paper provides a summary of key observations and outlines various topics that may benefit from future consideration by the IAIS and insurance supervisors. The public consultation extends into early 2023, after which time the paper will be revised for final publication.

Work also continued in 2022 on the GIMAR special topic on cyber risk (see chapter on *assessing and responding to global market trends*).

### Conduct and culture

The IAIS supports a holistic approach to market conduct and prudential supervision, recognising that conduct and culture issues could lead to financial soundness and stability concerns. During 2022, topics that invoked conduct and culture considerations included fair treatment of customers in connection with extreme weather events and natural catastrophes, as well as in relation to the adoption of FinTech (including the expansion of the use of alternative data sources and advanced data analytics by insurers).

In June 2022, the IAIS published a Report on Supervisors' use of key indicators to assess insurer conduct, presenting key findings from an IAIS member survey on data-gathering techniques and related supervisory challenges. This is one product of the IAIS' ongoing work to support insurance supervisors to be forward-looking and data-informed in their monitoring of conduct risks, with the goal of best directing supervisory resources and achieving more timely responses to emerging conduct trends and risks. The next product, planned for mid-2023, will be a member-only resource featuring examples and case studies shared by members.

### Financial inclusion

The role of financial inclusion in protecting vulnerable and underserved population segments and supporting recovery was made more evident in the outbreak and aftermath of the Covid-19 pandemic. More recently, the increase in frequency and intensity of climate-related events reinforced the need to close protection gaps through insurance coverage that is innovative, affordable, accessible, sustainable and protects consumers according to their needs. Due to its risk-sharing nature, insurance contributes to financial sustainability, supports the economy and strengthens society.

The IAIS' work on financial inclusion is carried out through its Financial Inclusion Forum (FIF), in close cooperation with its implementation and capacity-building partners. In 2022, the FIF continued to support supervisory exchange, as well as to advocate for financial inclusion within the IAIS membership and at the policymaker level.

The IAIS and A2ii participate in activities under the enhanced cooperation arrangements on financial inclusion between the BIS, global standard-setting bodies and financial inclusion organisations such as the Office of the United Nations Secretary General's Special Advocate for Inclusive Finance for Development (UNSGSA), the Global Partnership for Financial Inclusion (GPFI) and the Consultative Group to Assist the Poor (CGAP).

### Financial inclusion and SDGs

Financial inclusion, particularly inclusive insurance, is an essential enabler in achieving the Sustainable Development Goals (SDGs). Supervisors can also act as a bridge between different stakeholders to address cross-cutting challenges in a coordinated way. In 2022, the IAIS, through its FIF, brought supervisors from various regions together with government, industry and academia representatives to exchange different stakeholders' perspectives on climate risk, closing the protection gap and disaster preparedness.

## Other areas of supervisory practice

### Diversity, equity and inclusion

The IAIS recognises the importance of diversity, equity, and inclusion (DEI) considerations to the objectives of insurance supervision and consequently to the IAIS' mission. DEI in the insurance sector is particularly relevant to governance, culture and conduct, but also to financial inclusion and sustainable economic development, as well as innovation and social responsibility.

In 2022, the IAIS Governance Working Group and Market Conduct Working Group conducted a stocktake of activity on DEI in the insurance industry. This stocktake was addressed to insurance supervisors, the insurance industry and relevant international organisations, with a view to identifying areas of further work for the IAIS. The results were published in a Stocktake Report in December 2022. The report reflects insurance supervisors' perception of their supervisory mandate regarding DEI, the priority they attribute to it, the activities they are undertaking and their thoughts on the challenges and opportunities that arise. It also presents insights from engagement with a small sample of insurance industry stakeholders on why they see DEI as important to insurers, the most significant challenges they face in embedding DEI and what they think supervisors can do. Finally, it points to a growing interest in DEI from several influential international organisations and then describes the IAIS' plans to initiate two new projects on DEI in 2023.

In addition to the work on the strategic themes, the IAIS also developed public and members-only reports pertaining to other topics relevant to the insurance sector. The IAIS also made progress on several supporting materials, which are envisioned to be finalised in 2023.

### Protection gaps

As part of a broader set of lessons learnt from Covid-19, the IAIS and A2ii published a joint note in September 2022 examining the role supervisors could play in the design, development and implementation of insurance-based programmes for pandemic risk. The note contends that supervisors can potentially play an important role in helping to ensure that a balance of policyholder protection and market development considerations are built into the design and implementation of future multi-stakeholder insurance-based programmes aimed at addressing pandemic risk protection gaps.

During 2023, the IAIS will increase its efforts on this topic and will focus, in particular, on considering the role supervisors can play in addressing natural catastrophe and disaster risk protection gaps. A task force will be established in 2023 to drive this work.



## Remuneration practices

Remuneration principles and policies should be designed to promote sound risk management, eliminate incentives towards excessive risk-taking and align employee incentives with the longer-term interests of the business. In 2022 the IAIS completed a review of existing IAIS and FSB material, together with inputs from IAIS members, to identify issues for future IAIS work. A member-only report presenting the outcome of this work was released in July 2022. Further member-only resources on remuneration are anticipated in 2023.

## Resolution

Recovery and resolution frameworks help reduce the likelihood of a disorderly failure of insurers, as well as the potential adverse impacts of such a failure on policyholders and financial stability. ICP 12 (Exit from the Market and Resolution) and the ComFrame material integrated therein set out the relevant requirements for resolution.

Where established, policyholder protection mechanisms such as policyholder protection schemes (PPS) could contribute to these supervisory objectives. In 2022, the IAIS began work on developing an Issues Paper on the roles and functioning of PPSs, which provides an updated overview of global practices around PPS, their roles in insurance resolution and a variety of related activities. The paper will be published for consultation in early 2023.

Through its forums, the IAIS provides a platform to share practical insight and experience.

## Supervisory practices:

### Papers, consultations and surveys in 2022

#### The IAIS published 7 papers, reports and notes in 2022:

2022 Global Insurance Market Report (GIMAR)

A2ii-FSI-IAIS joint note on SupTech in insurance supervision

DEI stocktake report

IAIS-A2ii joint note on the role of supervisors in multi-stakeholder approaches to address pandemic protection gaps

Liquidity metrics as an ancillary indicator (Level 2 Document)

Report on FinTech developments in the insurance sector

Report on supervisors' use of key indicators to assess insurer conduct

#### The IAIS initiated 3 consultations in 2022:

Draft criteria that will be used to assess whether the AM provides comparable outcomes to the ICS

Issues Paper on insurance sector operational resilience

Review of the IIM assessment methodology

#### The IAIS conducted 4 targeted surveys in 2022:

CRSG scenario analysis survey

FinTech member survey

Member survey on DEI initiatives

Member survey on remuneration issues in the insurance sector

# Sharing supervisory practices through IAIS Forums

IAIS Forums provide an ongoing and flexible platform for technical experts to share insights and discuss developments in specific areas relevant to insurance supervision and regulation, including but not limited to, supervisory practices, cross-cutting topics and emerging trends. Forums are semi-permanent in nature and offer innovative methods for members to engage in IAIS work. Three new forums were set up in 2022 – the Financial Crime Forum (FCF), the re-mandated Supervisory Forum (SF) and the Risk-based Solvency Implementation Forum (RBSIF).

## Financial Crime Forum

The FCF was established in the first half of 2022, building on work undertaken by the Financial Crime Task Force (FCTF), which completed its mandate with the publication of a revised Application Paper on combating money laundering and terrorist financing in November 2021. The FCF provides an ongoing and flexible platform for subject matter experts to share insights and discuss developments in the areas of countering money laundering, terrorist financing, proliferation financing and fraud in insurance, with the goal of enabling greater understanding and insight into the impact on insurance supervision. During 2022, the FCF held three virtual meetings to discuss selected topics related to these areas, such as greenwashing and crypto assets and jurisdictional updates, as well as to follow activities of the Financial Action Task Force (FATF).

## Financial Inclusion Forum

In 2022, the FIF held three virtual meetings and its first in-person meeting to discuss issues, trends and opportunities impacting financial inclusion. Members exchanged perspectives and experiences on financial inclusion and approaches to the distribution of accessible and affordable need-based products, the role of inclusive insurance key performance indicators (KPIs) in the development of responsible and inclusive insurance markets, and tools for reviewing inclusive insurance regulatory frameworks.

The FIF met in Costa Rica to discuss the role of insurance supervisors in addressing climate-related risks and rising protection gaps and disaster

preparedness from a multistakeholder perspective, including government, industry and academia representatives.

## FinTech Forum

The FF advances selected topics related to FinTech developments that impact insurance and insurance supervision, including issues around crypto assets.

In 2022, the FF met three times to discuss selected topics related to FinTech developments, conducted a member survey, continued targeted surveillance on the deployment of certain technologies across the insurance sector, and developed a member-only report and two public reports (see section on digital innovation above).

## Re-mandated Supervisory Forum

The re-mandated SF was established in the first half of 2022. The SF provides an ongoing and flexible platform for sharing insights and discussing insurance supervision from a practical perspective. The discussions of the SF support supervisory capacity building and implementation of IAIS supervisory material. They seek to foster consistent and effective supervision by supporting peer learning and facilitating exchanges on developments in supervisory practices. The membership of the SF was expanded in its re-mandated form. The SF met twice virtually in the second half of 2022. Discussions included the evolution of supervisory practices and operations in the post-Covid world.

## Retirement Income and Pension Forum

The Retirement Income and Pension Forum (RIPF) provides a platform for insurance supervisors to share practices on the regulation and supervision of pension and retirement income products. Working closely with the International Organisation of Pension Supervisors (IOPS), the RIPF held in 2022 three virtual sessions to discuss:

- The changing economic landscape, in particular monetary policy, and the impact on pension funds of supervisory approaches to financial literacy in the pension sector;

# Supervisory cooperation and information exchange

- Longevity risks and the climate resilience of pension assets; and
- Lessons learnt from market instability in the UK and its impact on the investment and liquidity strategies of pension funds as gilt yields increased.

## Risk-based Solvency Implementation Forum

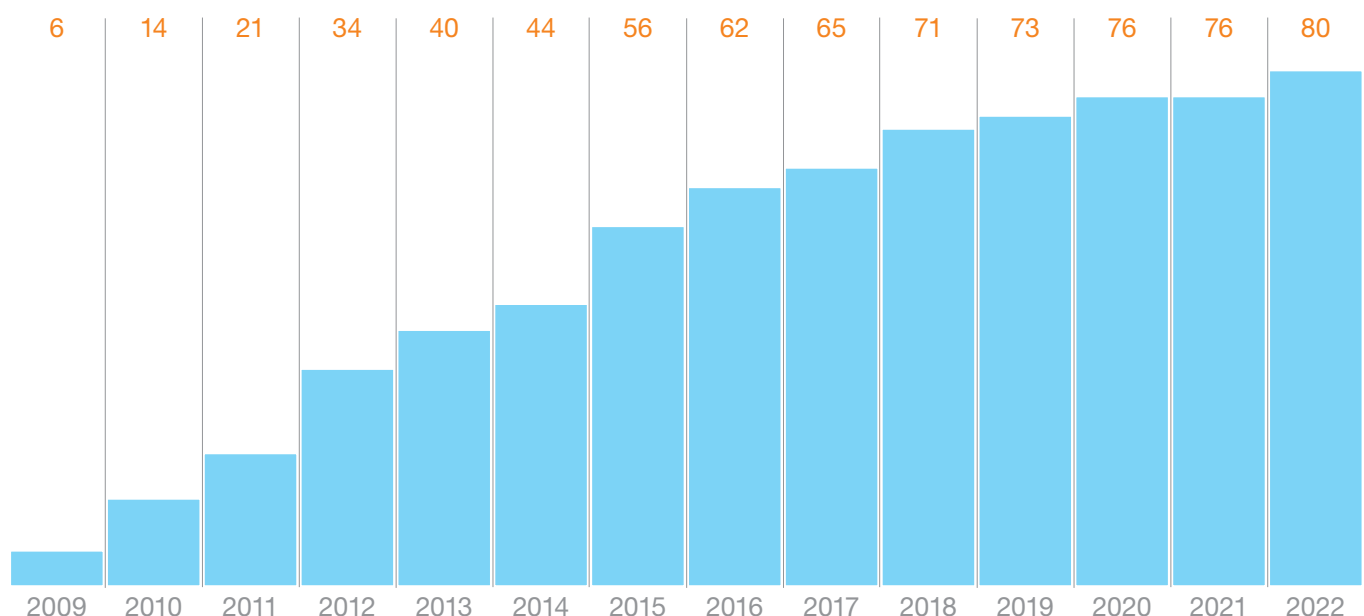
The RBSIF was established in the first half of 2022. It provides a platform for insurance supervisors to share experiences on issues and challenges as well as on technical topics for implementing Risk-based Solvency (RBS) regimes. The RBSIF aims to support members from emerging markets and developing economies (EMDE) in their observance of IAIS standards and to foster members' transition towards RBS regimes. In addition to facilitating peer exchange, the RBSIF will develop practical guidance on implementing an RBS regime, covering quantitative, qualitative and disclosure components of RBS as well as procedural aspects of the transition.

The RBSIF met twice in 2022 to discuss the workplan and the draft outline of a guidance document on transitioning to RBS regimes. This work is carried out in close cooperation with the International Monetary Fund (IMF).

The IAIS [Multilateral Memorandum of Understanding \(MMoU\)](#) provides a global framework of compliance and confidentiality to allow for open cooperation and exchange between insurance supervisors. To become a signatory to the MMoU, applicants undergo a rigorous assessment of their professional secrecy regimes conducted by an independent team of IAIS members. The IAIS Signatories Working Group manages the validation and approval process.

The IAIS continuously endeavours to increase the number of signatories to its MMoU. In 2022, the IAIS welcomed four new signatories: the Albanian Financial Supervisory Authority, Centrale Bank van Aruba, Massachusetts Division of Insurance (USA, Massachusetts) and Superintendencia Financiera de Colombia. By the end of 2022, 80 members were signatories to the IAIS MMoU, representing more than three-quarters of global gross written premiums, spread across all IAIS member regions.

## Growth of IAIS MMOU signatories by year



# Assessing and promoting observance of IAIS supervisory material

Globally consistent and effective implementation of the IAIS' supervisory material is core to the IAIS' strategic objectives.

In addition to IAIS guidance on supervisory practices and the promotion of supervisory cooperation (see chapter on *supervisory practices and information exchange*), the IAIS supports its members' efforts to implement IAIS supervisory material through its assessment of observance of IAIS standards and by facilitating supervisory capacity building delivered with the IAIS' key implementation partners: the A2ii, FSI, IAA and Toronto Centre.

## Implementation assessment activities

In 2022, the IAIS made significant progress in helping members assess their compliance with the Insurance Core Principles (ICPs) and ComFrame standards. This task involved the well-established Peer Review Process (PRP), the Member Assessment Programme (MAP) and the A2ii-supported Self-Assessment Tool (SAT). Building on that experience, the IAIS conducted in 2021 and 2022 an implementation assessment of the Holistic Framework supervisory material with the Targeted Jurisdictional Assessments (TJAs), a robust exercise including on-site assessments and in-depth verification of supervisory practices.

The IAIS also initiated in 2022 an evaluation of the effectiveness of its assessment toolkit. As a result, the IAIS Assessment Handbook will be revised to reflect the outcome of this evaluation as well as lessons learnt from past assessment activities. The revision of the Assessment Handbook will be finalised in 2023.

### Peer Review Process

The PRP helps members identify the nature and extent of any gaps in their jurisdiction's supervisory and regulatory frameworks. It also promotes the general understanding and observance of the IAIS' supervisory material and fosters peer exchange. The IAIS conducts PRPs on a thematic basis covering a defined set of ICPs. Individual jurisdictional reports are prepared, as is a public aggregate report. The latter includes examples of useful practices, which provide valuable insights on effective implementation of the assessed standards and may help members enhance implementation.

A PRP on the thematic topic "Supervisory Review and Measures" relative to the standards set out in ICPs 9 (Supervisory Review and Reporting) and 10 (Preventive Measures, Corrective Measures and Sanctions), touching on the core of supervision, was launched at the end of 2021. In September 2022, the IAIS finalised individual jurisdictional reports for each of the 86 participating jurisdictions (of which 20 are FSB members and 21 are Organisation for Economic Co-operation and Development (OECD) jurisdictions). This represents a record-high participation rate since the launch of PRPs in 2018. The aggregate report of the PRP on ICPs 9 and 10, including identified useful practices on supervisory review and practices, will be published in Q1 2023.

The next PRP on ICP 16 (Enterprise Risk Management for Solvency Purposes) will begin in 2023.

### Member Assessment Programme

The MAP provides IAIS members with in-depth feedback on their implementation of the entire set of ICPs and consists of both off-site and on-site assessments. The output of a MAP is a comprehensive report that contains recommendations on improving the observance of supervisory standards, similar to the IMF and World Bank's Report on the Observance of the Standards and Codes (ROSC) initiative and Financial Sector Assessment Program (FSAP). In 2022, the IAIS finalised the MAP on Mexico. [Assessment reports](#) are available on the IAIS website. The IAIS also initiated a MAP on Albania, which will be completed in 2023.

### Assessment of implementation of the Holistic Framework

An integral component of the Holistic Framework is the robust assessment of the implementation of the Holistic Framework supervisory material.

To establish a baseline, in June 2021, the IAIS published an [Aggregate Report on the Results of the Holistic Framework Baseline Assessment](#), determining the extent to which supervisors of 26 jurisdictions had implemented the Holistic Framework supervisory material.

Over the course of 2021 and 2022, the IAIS undertook intensive TJAs in 10 participating jurisdictions, covering major insurance markets. The TJAs included on-site assessments aimed at in-depth verification of supervisory practices. The 10 individual reports and

the aggregate report on the TJA outcomes, including lessons learnt and identified areas for further IAIS implementation monitoring activities, were adopted in November 2022. A high-level public report on the outcomes of the TJAs will be published in the first half of 2023.

Overall, the TJAs results demonstrated strong implementation of the Holistic Framework standards, with good levels of observance across many of the standards, suggesting that implementation of the Holistic Framework has improved the supervision of financial stability risks in the insurance sector. Participating jurisdictions were highly engaged in the process and generally gave positive feedback on the TJAs as a valuable tool for the review of their supervisory frameworks and practices.

In December 2022, after consideration of the IAIS report on the review of the implementation of the Holistic Framework, including outcomes of the Global Monitoring Exercise (GME) and the TJAs, the FSB decided to discontinue the annual identification of Global Systemically Important Insurers (G-SIIs), recognising that the Holistic Framework provides an enhanced basis for assessing and mitigating systemic risk in the global insurance sector (see chapter on *assessing and responding to global market trends*).

### TJA jurisdictions

Canada; China; China, Hong Kong; France; Germany; Japan; the Netherlands; Switzerland; the United Kingdom; the United States



# Capacity building

The IAIS promotes supervisory capacity-building initiatives to address gaps and challenges in the implementation of IAIS standards and to encourage good supervisory practices.

Implementation partners, such as the A2ii, FSI, IAA and Toronto Centre, as well as international organisations and regional groups (such as associations of supervisors), support the IAIS in delivering capacity-building programmes for its diverse and global membership.

## Regional seminars and high-level meetings

In 2022, the IAIS Secretariat, together with the IAIS' implementation partners, reached more than 500 insurance supervisors across the globe with its implementation activities, including supporting four regional seminars and two high-level meetings.

### Regional seminars

Through regional seminars in Sub-Saharan Africa, Latin America, and the Middle East and North Africa (MENA) region, the IAIS supported members – particularly those from emerging markets and developing economies (EMDE) – in addressing implementation gaps. Seminars focused on

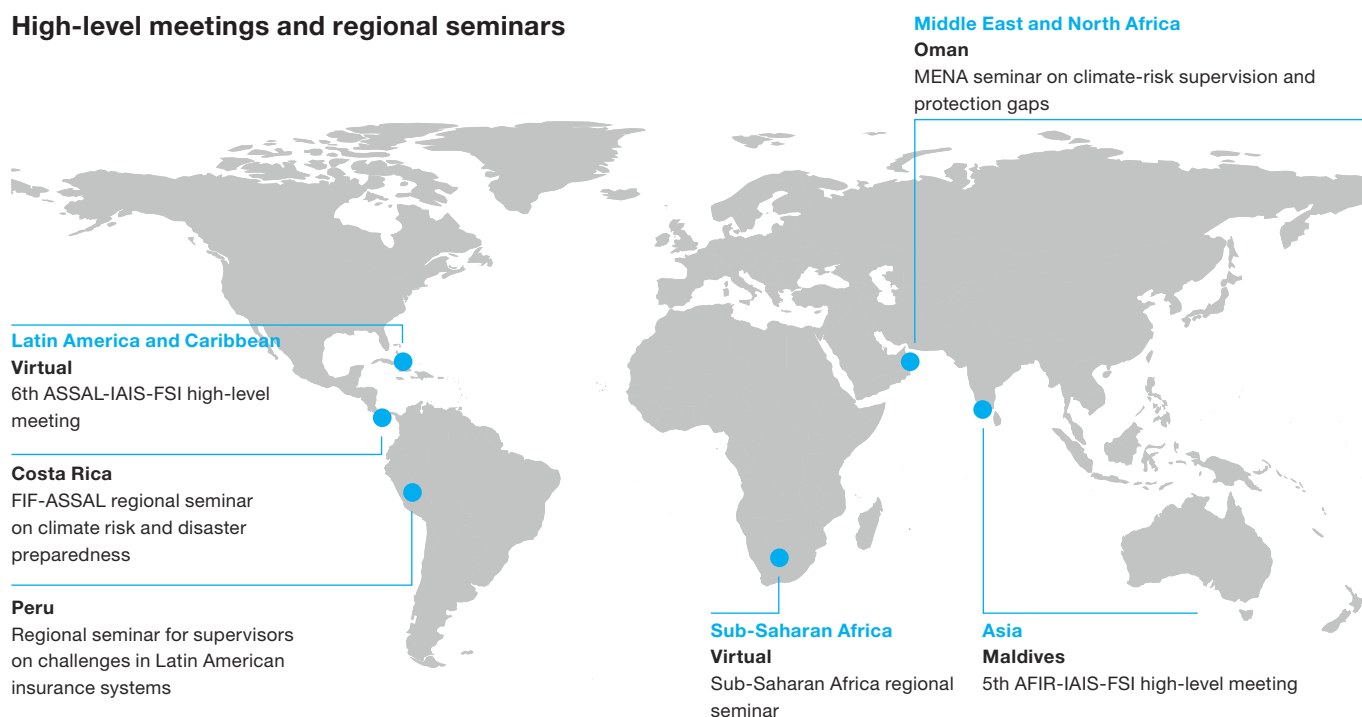
insurance supervision after Covid-19, practical steps to implement risk-based solvency regimes, the challenges posed by an increased frequency and intensity of climate-related events and the need to close the natural catastrophe protection gaps.

An additional regional seminar for supervisors in Latin America and the Caribbean was organised jointly by the Asociación de Supervisores de Seguros de América Latina (ASSAL) and the Financial Inclusion Forum. Supervisors, various stakeholders and representatives from the OECD and World Bank met in Costa Rica to exchange on different jurisdictional perspectives on climate-related risks, rising protection gaps and disaster preparedness.

### High-level meetings

In cooperation with the FSI, the IAIS organised two high-level meetings in 2022: in Latin America, in coordination with ASSAL, and in Asia, in coordination with the Asian Forum of Insurance Regulators (AFIR). The high-level meetings facilitate a discussion amongst senior supervisors on regional regulatory and supervisory priorities, including macroeconomic and geopolitical developments, climate change and other emerging risks and trends.

## High-level meetings and regional seminars



### Supporting emerging markets and developing economies

Supporting members from EMDE jurisdictions is central to IAIS capacity-building efforts. In 2022, this support materialised through the enhanced e-learning platforms of IAIS implementation partners, including IAIS-sponsored licences for the FSI Connect platform, tutorials on climate-related risk through the Climate Training Alliance (CTA) portal, and training modules on emerging and rising trends on Connect.A2ii. IAIS implementation partners also supported the Association in delivering training programmes of relevance to EMDE members, such as the FSI-IAIS Regulatory and Supervisory Online

Programme (FIRST ONE), the Leveraging Actuarial Skills Training Programme held in partnership with the A2ii and IAA, and the Inclusive Insurance Training (IIT) Programme organised jointly with the A2ii and Toronto Centre.

Furthermore, the IAIS hosted a series of workshops in 2022 on:

- Climate scenario analysis;
- Climate-related risks and disaster preparedness;
- International Financial Reporting Standard (IFRS) 17 implementation issues targeted to EMDEs; and
- Risk-based solvency implementation.

Implementation partners as well as international organisations and regional groups support the IAIS in delivering capacity-building programmes for its diverse and global membership.



# Partnership with the Access to Insurance Initiative



The Access to Insurance Initiative (A2ii) is a multi-stakeholder partnership between the IAIS, international development agencies and donor organisations, including the international development branches of the German (BMZ) and Dutch (DGIS) governments. It acts as the IAIS' key implementation partner on inclusive insurance, working directly with supervisors to deepen their understanding of the role they have in supporting access to and usage of insurance for low-income and other excluded populations while meeting IAIS standards.

The A2ii works with the IAIS to support capacity-building initiatives for its members and promote the observance of the IAIS supervisory material. By developing new supervisory tools and training programmes and facilitating virtual dialogues and workshops, the A2ii plays a vital role in responding to supervisory needs and addressing emerging and increasing risks and trends.

## Extension of the IAIS-A2ii-IAA partnership agreement

The A2ii, IAIS and IAA renewed their partnership to deliver actuarial skills capacity building for insurance supervisors for an additional five years. Nearly 200 supervisors have participated in the five English and Spanish language regional training courses since 2019, and demand from the supervisory community keeps growing.

## Publications

### KPI Handbooks

The A2ii published four Key Performance Indicators (KPI) Handbooks and an interactive Supervisory KPIs Lexicon covering four key pillars: prudential, market conduct, market development, and sustainable development, as part of the A2ii KPI Reporting Toolkit project. The Lexicon Tool and the Handbooks support supervisors in identifying, obtaining and analysing the indicators necessary to carry out their mandates in line with ICP 9 (Supervisory Review and Reporting).

## Research publications

The A2ii contributed to three research publications in 2022:

- A2ii-IAIS-FSI Paper on SupTech in Insurance Supervision
- IAIS-A2ii joint note on the role of supervisors in multi-stakeholder approaches to address pandemic protection gaps
- United Nations Capital Development Fund (UNCDF) and A2ii Index insurance best practices for insurance regulators and practitioners in the Pacific Islands countries

Two reports were translated into French:

- Index insurance: 2020 status and regulatory challenges
- The role of insurance supervisors in boosting women's access to insurance

## Inclusive Insurance Innovation Lab 2022 International Dialogue



### Training and supervisory peer exchange

#### Inclusive Insurance Innovation Lab: Climate and Disaster Risk Resilience

The A2ii launched the third Inclusive Insurance Innovation Lab (iii-lab) on climate in October 2021.

The climate lab is the first with a topical focus.

Throughout 2022, the selected country teams of Costa Rica, Grenada, Zambia and Zimbabwe worked on developing innovative solutions to improve the resilience of their communities to climate and disaster risk.

At the 2022 International Dialogue in Frankfurt, Germany, the third cohort presented the results of their work to alumni of the first and the second labs from Albania, Argentina, Ghana, Kenya, Mongolia, Morocco and Rwanda. The initiatives presented were:

Costa Rica:

- A web-based platform for small hoteliers to increase their resilience through risk assessments and sustainable solutions.

Grenada:

- A mutual risk pool providing direct relief to farmers and fisherfolk after a climate-related disaster.

Zambia:

- An awareness-raising campaign for agriculture stakeholders by engaging community champions to disseminate information on insurance.

Zimbabwe:

- A bundled product – the “Farmers Basket” – offering affordable Area Yield Index Insurance (AYII) with inputs like pesticides, fertilisers and irrigation equipment.

### A2ii inclusive insurance innovation labs



### Diversity, equity and inclusion

The A2ii launched two DEI-focused self-directed online trainings for supervisors on its Connect.A2ii learning platform:

- Applying a gender lens to inclusive insurance; and
- How to conduct a rapid gender diversity assessment.

The two training modules provide regulators, supervisors and policymakers with practical tools and assessments that lead to actionable insights that can

improve women's access to insurance and advance gender equality.

### Inclusive Insurance Training Programme

The 2022 IIT Programme, organised by the A2ii, IAIS and Toronto Centre, held its first global edition over four weeks in August and September 2022. Delivered through the Connect.A2ii platform, the IIT Programme included 34 participants from 23 jurisdictions representing Asia, the Caribbean, Latin America, the MENA region and Sub-Saharan Africa.

### Self-directed training on leveraging actuarial skills

Developed in response to the high demand from insurance supervisors, and hosted on Connect.A2ii, this self-directed set of training modules has benefitted over 100 supervisors since its launch in July 2022. The teaching focus is set on principles, while the training is designed to be as practical and straightforward as possible through knowledge checks and case studies.

### Leveraging actuarial skills training

Organised by the IAA, IAIS and A2ii, this training aimed to strengthen the understanding and application of actuarial concepts and tools needed to support effective insurance supervision and regulation. The four-week course built on the self-directed [actuarial skills training](#), and included interactive live sessions with IAA trainers, case study exercises and action planning. Two trainings took place in 2022, one in Spanish and the other in English.

### A2ii Supervisory Specials

In 2022, the A2ii launched this new platform for supervisors to share specific case studies and gauge peer input in an hour-long live session. The first Supervisory Special was held in Spanish and focused on a case study presented by the National Banking Commission of Honduras.

Two other Supervisory Specials took place in 2022:

- A Q&A Special with the IAA on “Leveraging Actuarial Skills” for supervisors who completed the corresponding self-directed training on the Connect.A2ii learning platform; and
- An IFRS 17 Q&A Supervisory Dialogue follow-up event organised due to continued interest in the 2022 Supervisory Dialogue on the implementation of IFRS 17.

### A2ii-IAIS Dialogues

The A2ii-IAIS Dialogues are bi-monthly thematic webinars for insurance supervisors. The Dialogues are supervisors-only or public, featuring a range of stakeholders. Offered in English, French and Spanish, Dialogue events are scheduled to cater to several time zones. Presentations and recordings are published on the [A2ii website](#).

<b>27 January 2022</b>	Climate-related financial disclosure and implications for supervisors – Supervisory Dialogue
<b>10 February 2022</b>	How to raise insurance awareness for market development? Lessons from the second iii-lab – Public Dialogue
<b>7 April 2022</b>	Artificial intelligence (AI) and emerging regulatory expectations – Supervisory Dialogue
<b>19 May 2022</b>	Reflection on the implementation of IFRS 17 – Supervisory Dialogue
<b>21 July 2022</b>	Conduct and culture – Supervisory Dialogue
<b>29 September 2022</b>	Regulatory challenges and supervisory demands in facilitating remittance-linked insurance (SDG 1) – Public Dialogue
<b>1 December 2022</b>	Risk-based supervision – Supervisory Dialogue

# Partnership with the Financial Stability Institute

The IAIS has a long-standing partnership with the Financial Stability Institute (FSI) of the Bank for International Settlements (BIS) to promote the implementation of insurance standards on a global scale.



5th Asia-Pacific high-level meeting on insurance supervision, Maldives

## FSI Connect

As a partner of the FSI, the IAIS contributes to the development of insurance content on the supervisors-only e-learning platform FSI Connect. In 2022, the FSI released insurance-specific FSI Connect tutorials on climate scenario analysis, macroprudential supervision and liquidity risk management.

## FIRST ONE

Delivered between August and December 2022, the eighth edition of the FIRST ONE Programme, a unique insurance supervisors' training programme designed to provide a core understanding of insurance supervision, was held with 322 participants from 80 jurisdictions. The FIRST ONE Programme uses a combination of FSI Connect online tutorials and webinars to cover foundational topics on insurance supervision. This programme consistently receives positive reviews from IAIS members and is particularly praised for its accessibility and up-to-date content.

## High-level meetings

In 2022, the IAIS and FSI organised two high-level meetings for Latin American and Asian insurance supervisors in April and September, respectively. Those meetings were organised jointly with ASSAL (for Latin America) and AFIR (for Asia).

Key themes covered in the high-level meetings included implications of geopolitical developments on the insurance sector; the economic impact of inflationary pressures and raising interest rates; measures to enhance the resilience of insurers in the current challenging environment; and regulatory approaches to integrating climate-related financial risks in insurance supervisory frameworks.

<b>27 April 2022</b>	6th high-level meeting on global insurance standards and supervisory priorities in the Americas (virtual).
<b>7 September 2022</b>	5th Asia-Pacific high-level meeting on insurance supervision (Maldives).

## Regional training seminars

The IAIS and FSI co-organised two globally focused webinars in 2022.

<b>18 May 2022</b>	Insurance supervision – how to bring a virtual and an in-person environment together? Focused on the supervisory landscape post Covid-19, including challenges posed by remote supervision, supervisory planning and striking the right balance between in-person and remote working arrangements.
<b>15 December 2022</b>	Resolution of Insurers – Challenges and how to confront them Focused on how to prepare for effective insurer resolution with discussion on a practical case study and the work that some jurisdictions are carrying out to ensure all elements for successful resolutions are in place.



### Policy implementation publications

As part of the FSI Insights series, the FSI published three papers with insurance sector relevance:

**No. 42** Diversity and inclusion – embracing the true colours in financial supervision examines emerging regulatory approaches on DEI practices of financial institutions.

**No. 44** Big tech interdependencies – a key policy blind spot outlines the regulatory implications of how big techs provide financial services and the tools available to financial authorities to address related risks.

**No 47** SupTech in insurance supervision examines the use of SupTech tools for prudential and conduct supervision in the insurance sector. This is the first FSI Insights written jointly by authors from the FSI, IAIS Secretariat and A2ii Secretariat. The publication is also available on the [IAIS](#) and [A2ii](#) websites.

In addition, the FSI published one Occasional Paper:

**No. 20** Big tech regulation: in search of a new framework describes possible regulatory approaches for big techs.

Hundreds of supervisors across the globe were able to take part in regulatory, supervisory and special thematic trainings thanks to IAIS' partnership with the Financial Stability Institute.



# Building connections

Building on connections with our stakeholders is essential for the IAIS to deliver on its mandate.

As an international standard setter, the IAIS has a global network of stakeholders. Communications and stakeholder engagement efforts create effective two-way dialogue between IAIS members and stakeholders. This allows the IAIS to have a clear picture of emerging risks and trends in the sector, to share information on its activities and perspectives and provide a platform for international exchange on insurance supervision. It is also imperative in helping the IAIS to develop effective international standards and ensure that agreed standards have been effectively implemented.

IAIS communications and stakeholder engagement efforts take several forms: IAIS-hosted events such as our Global Seminar and Annual Conference (the annual milestone events), regular consultation webinars and bilateral meetings, as well as participation in member- and stakeholder-initiated regional events, international conferences and media interviews. This complements our members' extensive engagement with national and regional stakeholders.

The IAIS also has multiple communication channels for sharing information in a timely and engaging manner on an ongoing basis. These include the IAIS [website](#), [newsletter](#) and [email news alert application](#), as well as [LinkedIn](#) and [YouTube](#). To ensure optimal transparency, engagement and knowledge-sharing, all key IAIS activities are supported by a dedicated communications plan.

## Milestone events

IAIS milestone events are an essential pillar of its member and stakeholder engagement. The Annual Conference and Global Seminar provide a dedicated platform for global engagement amongst members and stakeholders and provide openness and transparency of IAIS work.

In 2022, the IAIS saw a return to in-person meetings for the milestone events. The [Annual Conference](#) in November welcomed over 350 participants from 60 jurisdictions to Santiago de Chile. During this event, generously hosted by CMF, participants engaged in rich conversations, exploring the changing landscape

ExCo Town Hall at the IAIS Global Seminar 2022



and the role of the insurance sector in meeting emerging economic and social challenges. Diversity, equity and inclusion (DEI); changing consumer preferences; macroeconomic risks; climate risk and the Insurance Capital Standard (ICS) were the focus on the main stage. Several satellite meetings were also organised, including a joint IAIS-IMF workshop on risk-based solvency, an A2ii lunch session on the conclusions from its innovation labs and a session showcasing women leaders in insurance and supervision and their experiences.

Earlier in the year, the Global Seminar took place in Dubrovnik with the gracious support of colleagues from HANFA. It was the first in-person IAIS milestone event since the start of the Covid-19 pandemic and welcomed over 350 participants from 70 jurisdictions. Together, panellists and participants engaged and exchanged on the steps needed to strengthen insurance sector resilience following the unprecedented challenges of the pandemic, growing geopolitical tensions and increasing risks in the financial system. Panels discussed inclusive insurance, the implementation of the Holistic Framework, operational and cyber risk, climate scenario analysis and the regular ICS update.

Consistent with the IAIS Environmental Policy, the IAIS will hold fewer in-person meetings going forward: with the Global Seminar transitioning to an entirely virtual format starting in 2024. The Annual Conference, however, will continue to take place in person.



Women in Insurance side event at the 2022 IAIS Annual Conference

## Stakeholder engagement

In addition to the milestone events, the IAIS engages bilaterally with a wide range of stakeholders throughout the year: via trade associations, at IAIS committee meetings and by attending stakeholder- and member-hosted events. This outreach helps shape the Association's agenda and provides valuable input to the risk assessment and policy work. This activity is broadly covered in several ways:

- **ICS/GME** – there is regular engagement with those insurers supporting the ICS monitoring exercise and those contributing data to the Global Monitoring Exercise (GME). For instance, in 2022, the IAIS held a workshop in Florida as a key input for the development of criteria for the comparability assessment for the Aggregation Method (AM). The IAIS also hosts an annual Chief Risk Officer (CRO) roundtable to discuss insurers' assessment of emerging risks as an input to the GME. The efforts of these insurers are much appreciated as the IAIS seeks to develop an effective ICS and understand risks in the insurance sector through the GME.
- **Committee engagement** – insurers, trade associations and other stakeholders regularly share updates and perspectives at (sub)committee meetings. During the last year, the Accounting and Auditing Working Group (AAWG), Climate Risk Steering Group (CRSG), Capital, Solvency and Field Testing Working Group (CSFWG), Governance Working Group (GWG), Macroprudential Supervision Working Group (MSWG), Market Conduct Working Group (MCWG), Operational Resilience Task Force (ORTF), Resolution Working Group (ReWG), Retirement, Income and Pensions Forum (RIPF), FinTech Forum (FF) and Financial Inclusion Forum (FIF) have received updates on issues relevant to their work.
- **Trade Association engagement** – IAIS Chairs and Vice Chairs regularly engage with international insurance trade associations to discuss policy issues. For instance, a high-level meeting with the board members of the Geneva Association is organised annually to discuss key strategic challenges for the sector.
- **Consumer engagement** – the IAIS aims to increase and broaden consumer engagement while respecting the limited resources of consumer groups to engage with international standard setters.

To further embed transparency in IAIS engagement processes, starting in March 2023, all Secretariat and Executive Committee (ExCo) Chair engagement with stakeholders will be publicly reported.

## Promoting supervisory perspectives

During 2022, the ExCo Chair and Secretariat management team shared the work of the IAIS at more than 40 external events. This outreach included events such as regional supervisory forums, the BIS Annual Meeting, National Association of Insurance Commissioners (NAIC) and European Insurance and Occupational Pensions Authority (EIOPA) public meetings, Eurofi and trade association events. Delivering keynote speeches or taking part in panel discussions helps the IAIS understand emerging trends across the global insurance sector and engage on those issues that are on our agenda.

Where possible, recordings of these events are shared publicly to ensure the transparency of IAIS engagement.

## Consultation and dialogue

Consultation is particularly important where the IAIS seeks to develop policy. All supervisory and supporting material is subject to public consultation. During 2022, the following consultations took place:

- A review of the individual insurer monitoring (IIM) assessment methodology as part of the continued enhancement of the Holistic Framework;
- An Issues Paper on Insurance Sector Operational Resilience; and
- Draft criteria that will be used to assess whether the AM provides comparable outcomes to the ICS.

For all consultations, stakeholder sessions were held to explain IAIS work, answer questions and consider next steps.

Additionally, the IAIS published the final version of the liquidity metrics (as an ancillary indicator for its GME). The metrics were developed as part of a multi-year project, which benefited from two public consultations.

## Brand refresh

In early 2022, a modern look was launched to differentiate the IAIS more effectively and better convey its organisational identity, mission and values.

The new visual identity includes a refreshed logo, updated colour palette, fonts and picture style and unique and recognisable design elements.

In conjunction with this project, a consistent and fully integrated visual identity was applied across all communications platforms and materials, including Microsoft templates, Webex backgrounds, social media, the website and the newsletter.

### The refreshed IAIS brand at a glance



# Communication channels and tools

IAIS communication channels ensure ongoing engagement and keep members and stakeholders informed of current activities.

In 2022, the IAIS focused on modernising the look and feel of these channels, particularly its website, as the most widely used communications channel. Simultaneously, significant efforts were made to share real-time information with interested parties by enhancing the IAIS email news alert application and expanding the IAIS LinkedIn presence, growing its audience and offering increased real-time information for followers.

## Social media

In 2022, the IAIS continued to expand its LinkedIn presence to better engage with its audience and deliver news and updates. Partner events and activities are also frequently highlighted.

In addition to posting more frequently, the IAIS has added additional content formats that are popular on LinkedIn. With the return to in-person milestone events, the IAIS team shared real-time LinkedIn posts providing highlights, photos and videos from all sessions, which proved immensely popular. Posts sharing new recruits and appointments to the various committees and working groups were also appreciated.

A new article series, “From the Desk of the Secretary General”, was launched to provide regular updates on the work of the IAIS and perspectives on current events.

The IAIS audience on LinkedIn increased by 50% over 2022, with over 5,000 followers and overall impressions increased by 70%. Average engagement was very strong, at 11% compared to the general LinkedIn average of 2.5%.

## IAIS website

The website is a key element of the IAIS’ efforts to increase its digital presence and communicate effectively. It showcases the IAIS and its work comprehensively and concisely for public audiences.

In 2022, a new IAIS website was launched to provide multiple improvements:

- A fresh, modern look in line with the new IAIS brand;
- A mobile-friendly design;
- A clear, intuitive menu structure;
- Direct access to frequently used content;
- An improved search function;
- New content to better present the work of the IAIS; and
- Search engine optimisation.

Also, in 2022, initial steps were made to improve the password-protected areas of the website. The IAIS “User Portal” was launched to offer centralised access to the different platforms and applications and simplify password management through increased automation. The launch of the User Portal marks the beginning of a shift from IAIS legacy IT infrastructures to new solutions that better support the Association’s efforts to continuously improve the usability and resilience of its technical infrastructure.

## IAIS email news alerts

In 2022 the IAIS expanded upon its email news alert application, which provides subscribers with the opportunity to receive personalised updates as new content is posted to the website. The new application has additional topic categories, is more mobile-friendly, has an attractive interface and shares more comprehensive email content to keep IAIS stakeholders and members up-to-date through their email inbox.

**The IAIS has put significant effort into sharing real-time information by enhancing email news alerts and expanding the IAIS LinkedIn presence.**

# Social responsibility

The IAIS is committed to operating as a socially responsible organisation.

The Association aims to ensure both a positive working experience for IAIS members and the Secretariat and to understand its effect on the world.

While the primary focus of the Year in Review is on the work of the IAIS as a standard setter, it is equally important for the IAIS to report on how we work. For 2022, this section reports on the IAIS' efforts related to embedding diversity, equity and inclusion (DEI) within the IAIS as an Association and progress made towards the targets set in its Environmental Policy.

Similarly, the IAIS is reporting diversity information related to the Association in the Year in Review for the first time. Reporting on the gender split and the varied regional representation amongst the people contributing to IAIS work is a positive step. Beyond gender and region, the IAIS values differences of all kinds within a group because they create diversity of thought, which results in more successful outcomes for the Association. The IAIS will explore possibilities to evolve this reporting in the coming years in consultation with its members.

## DEI at the IAIS

In addition to having adopted DEI as a key strategic theme of the IAIS' external supervisory work programme (see chapter on *supervisory practices and information exchange*), the IAIS is leading by example, strengthening its own DEI as a global membership association.

2022 marks the first year of being more intentional about DEI at the IAIS. In November 2022, the IAIS published an expression of the value the IAIS places in DEI, why it is essential to the IAIS in being able to accomplish its mission effectively, and the IAIS' plans for continued improvement.

### DEI at the BIS

As the IAIS is hosted by the BIS, the Secretariat staff benefit from the BIS' commitment to welcoming and respecting diversity across all dimensions and the BIS' work to improve people policies and practices to help foster a culture of diversity, inclusion and fairness. To oversee activities related to diversity and inclusion, the BIS has a Diversity Steering Committee on which the IAIS is represented.

Contemporising and prioritising our approach to DEI best enables the IAIS to accomplish its mission successfully.

DEI isn't simply "the right thing to do"; it's a crucial ingredient for being our best as a global standard setter.

## DEI - our vision

The IAIS is committed to DEI and we strive to create an environment where everyone feels a sense of belonging and of being respected and valued.

We believe that difference of all kinds within a group fosters diversity of thought, which is essential in accomplishing our mission to promote effective and globally consistent supervision of the insurance industry for the protection of policyholders, and to contribute to global financial stability.

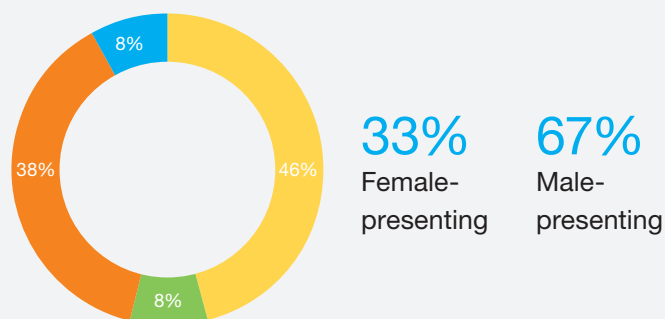
With a membership of more than 200 jurisdictions from across the globe, geographical diversity is an asset inherent to the IAIS, but it is not where our diversity focus ends. We also consider it key that our work is informed by diversity of supervisory approach, socioeconomic development, market size and maturity, experience and perspectives.

We respect and value personal differences in the collection of people making up our membership, forming our committees, participating in our events and activities, occupying our leadership positions and contributing at the Secretariat. That includes differences arising from age, culture, disability, educational background, ethnicity, gender identity, nationality, professional experience, race, religion and beliefs, sexual orientation and socioeconomic background.

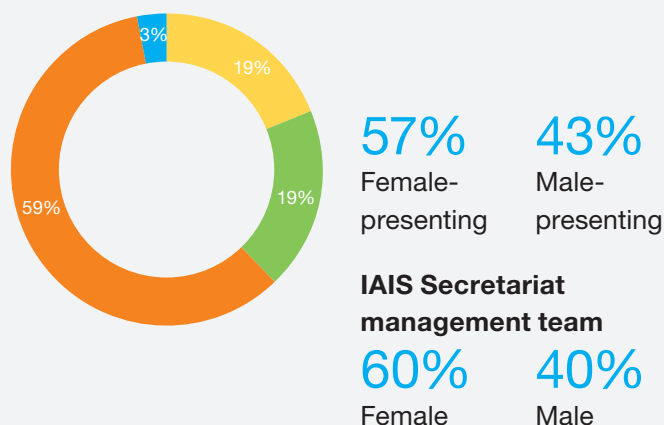
We understand that without inclusion, the full benefits of diversity can be unrealised. That's why we are committed to working on approaches and strategies that enable everyone engaging with the IAIS to do so actively and fully. We also recognise that the same treatment of all does not necessarily lead to the same outcome for all, and we believe in providing equitable opportunity to participate.

### IAIS gender split and regional representation through 2022

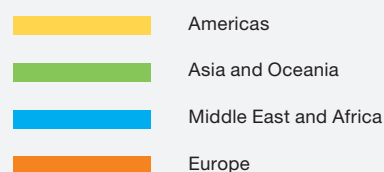
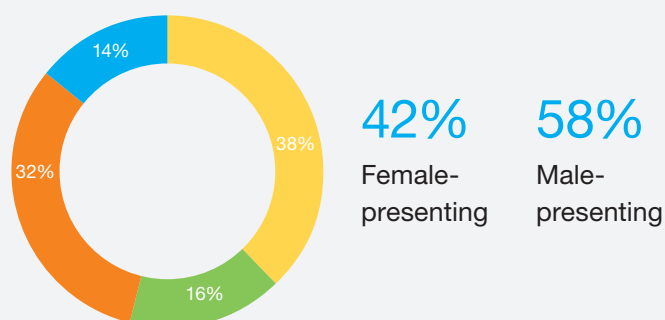
#### (Sub)Committee Chairs and Vice Chairs



#### IAIS Secretariat personnel<sup>1</sup>



#### Speakers at the IAIS 2022 milestone events (Global Seminar and Annual Conference)



<sup>1</sup> This includes staff employed by the BIS, contractors as well as colleagues seconded from an IAIS member (supervisory authority).

# Environmental Policy at the IAIS

In December 2020, the IAIS published an Environmental Policy guiding the IAIS' own performance on environmental issues. The underlying goal is to promote sustainable behaviours and reduce the overall carbon footprint of the Association.

**The Environmental Policy covers the following key commitments:**



**-25%**

## Meetings and events

Reduce the frequency of in-person meetings and events and thereby reduce the overall carbon footprint (measured by CO<sub>2</sub>e emissions) of travel associated with in-person meetings and events of the IAIS by 25% by end-2024 (baseline 2019).



## Secretariat travel

**-25%**

Reduce the annual carbon footprint of Secretariat travel by 25% by end-2024 and offset all of the remaining CO<sub>2</sub>e emissions (baseline 2019).



## Working practices

Promote awareness and improve Secretariat staff behaviour regarding the use of resources, including waste and water management, electricity use, reliance on printed paper, and monitor and actively support BIS-wide sustainability initiatives.

## Meetings and events

The IAIS assesses progress toward the reduction targets related to meetings and events by tracking their frequency. This method is a simplified proxy in the absence of actual data on the carbon footprint associated with travel to IAIS in-person meetings and events of all participants.<sup>2</sup>

- In 2022, there was a significant reduction in the number of in-person subcommittee meetings, with a total of 26, down almost 60% compared to 2019.
- Over the same period, the number of virtual meetings was 65, which is 2.4 times more than those held in-person.
- In addition, parent committees met in person on four occasions, two fewer than in 2019.
- Similarly to 2019, two parent committee meetings coincided with the IAIS milestone events (Annual Conference and Global Seminar).
- The various parent committees also met a total of 12 times virtually.
- Finally, all other stakeholder engagements were held virtually (or, in a few cases, hybrid), thereby further limiting travel associated with IAIS events whilst still allowing for sufficient interaction between members and stakeholders (see chapter on *building connections*).

## Sustainability/Environmental Policy at the BIS

As part of its Environmental Policy, the IAIS cooperates closely with its host organisation, the BIS, to limit the environmental impact of the Association's work. The BIS is committed to environmental sustainability through its work for and with the central banking community and in its drive to operate as a responsible international financial institution. Its internal efforts cover corporate activities and employee behaviour, as well as its investment activities. For example, the environmental footprint of the BIS' Switzerland offices (where the IAIS is based) is tracked on an annual basis, and we continuously strive to reduce our impact further.

<sup>2</sup> The IAIS currently does not have a monitoring system in place to calculate the actual carbon footprint of travel associated with our meetings and events, as this would require collecting detailed information from all participants of such events.

### Secretariat travel

Related to Secretariat travel, the IAIS monitors the actual carbon emissions from air travel. This measurement includes travel to IAIS milestone events, IAIS (sub)committee meetings and travel related to stakeholder and member engagement.

2022 saw a reduction of approximately 50% compared to 2019 in terms of total carbon emissions of Secretariat air travel. This means the target was exceeded in 2022; however, it must be noted that international travel only properly picked up in Q2 2022 due to the previous travel restrictions related to Covid-19.

The carbon emissions were offset via the non-profit organisation myclimate. The IAIS invests in the myclimate portfolio for international climate protection projects to offset its emissions. Myclimate projects aim to avoid or reduce emissions in emerging market and developing economies (EMDEs). Only projects that meet the globally recognised, highest standards can successfully help protect the climate. Also, they contribute to the United Nation's sustainable development goals (SDGs) by helping the social, ecological and economic development in EMDEs.

The underlying goal of the IAIS Environmental Policy is to promote sustainable behaviours and reduce the overall carbon footprint of the Association.



# A look ahead: 2023-2024 Roadmap

The Roadmap outlines the projects and activities that form the IAIS' work programme for the next two years, guided by the IAIS' Strategic Plan 2020-2024. In the 2023-2024 period, the IAIS will finalise key multi-year projects, while also responding to global issues and trends facing the insurance sector.

HLG 1 Assessing and responding to market developments	<p><b>Macroprudential analysis</b> of sector-wide themes identified in the 2022 collective discussion:</p> <ul style="list-style-type: none"> <li>• The impact of high inflation and rapidly-tightening interest rates; and</li> <li>• Structural shifts in the life insurance sector, including private equity involvement.</li> </ul>	<p><b>2023 GIMAR special topic edition</b> on cyber risk, including cyber risk underwriting activities of insurers.</p>	<p>Ongoing monitoring of the possible build-up of systemic risk through the <b>GME</b>, including:</p> <ul style="list-style-type: none"> <li>• Review of IIM assessment methodology;</li> <li>• Incorporate liquidity metrics as an ancillary indicator into the IIM;</li> <li>• Refine data collection on climate-related risks; and</li> <li>• Enhance data collection on cyber risk.</li> </ul>	
HLG 2 Standard setting	<p>Finalising <b>ICS</b> for implementation as a PCR by the end of 2024, including:</p> <ul style="list-style-type: none"> <li>• Annual data collection and monitoring of the ICS;</li> <li>• Public consultation on potential refinements of the ICS and inclusion of other methods of calculation of the ICS capital requirement; and</li> <li>• Economic impact assessment.</li> </ul>	<p>Comparability assessment on whether the <b>Aggregation Method</b> provides comparable outcomes to the ICS.</p>	<p>Consultation on revisions to <b>ICP 14 (Valuation)</b> and <b>ICP 17 (Capital Adequacy)</b>, for adoption by the end of the ICS monitoring period.</p>	<p>Further clarification and/or supporting material to support the consistent and comprehensive implementation of <b>Holistic Framework</b> standards.</p>
HLG 3 Supervisory practices	<p>Initiatives to address <b>climate risk</b>, including updates to certain ICP guidance and the development of further supporting material. A set of consultations will be launched in 2023-2024 on draft materials.</p> <p>Develop a report on the role of supervisors in addressing natural catastrophe <b>protection gaps</b>, in collaboration with other international organisations.</p>	<p>Following the 2022 stocktake on <b>DEI</b>, focus will shift to exploring:</p> <ul style="list-style-type: none"> <li>• The link between DEI within insurers' own governance, risk management and corporate culture; and</li> <li>• How DEI considerations in insurers' conduct of business may result in fairer treatment of more vulnerable customers.</li> </ul>	<p>On <b>digital innovation</b>:</p> <ul style="list-style-type: none"> <li>• Review existing AI/ML guidance from supervisory authorities and explore the need to develop further guidance for the insurance sector; and</li> <li>• Continue to monitor other FinTech-related developments.</li> </ul> <p>Develop guidance on <b>Risk-based solvency (RBS)</b> and practical aspects of how to implement RBS in emerging markets and developing economies.</p>	<p><b>Other areas</b></p> <ul style="list-style-type: none"> <li>• Auditing and accounting;</li> <li>• Financial crime;</li> <li>• Financial inclusion;</li> <li>• MMoU accession;</li> <li>• Operational resilience;</li> <li>• Remuneration;</li> <li>• Resolution;</li> <li>• Retirement income and pensions; and</li> <li>• Supervisory Forum.</li> </ul>
HLG 4 Observance of standards	<p>Building off the TJAs, the IAIS will undertake ongoing <b>monitoring of implementation</b> of the Holistic Framework supervisory material.</p> <p>Continuation of the <b>Member Assessment Programme</b>.</p>	<p>Publication of aggregate report from the <b>Peer Review</b> on ICP 9 (Supervisory Review and Reporting) and ICP 10 (Preventive Measures, Corrective Measures and Sanctions).</p> <p>Commencement of PRP on ICP 16 (Enterprise Risk Management for Solvency Purposes).</p>	<p>Preparation for the <b>assessment of implementation</b> of ComFrame.</p>	<p><b>Other areas</b></p> <ul style="list-style-type: none"> <li>• Training and peer exchange, in conjunction with implementation partners (A2ii, FSI, IAA and Toronto Centre); and</li> <li>• Revision of the Assessment Handbook.</li> </ul>

# Appendices

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Distinguished Fellows 2022

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Executive Committee  
Members

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IAIS Secretariat Staff

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IAIS Organisational  
Structure

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Acronyms



# Distinguished Fellows 2022

The IAIS Distinguished Fellows programme honours former member representatives for their dedication and significant involvement in IAIS activities. It is the IAIS' way of paying tribute to those who have gone above and beyond in contributing their time and expertise to advance the IAIS mission. Honourees are nominated and approved by their peers.



**Eric Cioppa**

Formerly NAIC President and Maine Bureau of Insurance Superintendent (United States)

Eric Cioppa served as a member of the Financial Stability & Technical Committee (FSTC) beginning in 2017. He subsequently and substantially participated on both of the FSTC's successors committees — the Macroprudential Committee and the Policy Development Committee, thereby playing a significant role in the adoption of ComFrame and the Holistic Framework and the development of the reference Insurance Capital Standard. Eric was a highly sought after panellist and moderator at numerous IAIS Annual Conferences and other events.



**Thomas Schmitz-Lippert**

Director-General, International Policy and Financial Stability, BaFin (Germany)

Thomas Schmitz-Lippert is a long-serving member of various IAIS committees, including the Executive Committee, the Policy Development Committee and the Macroprudential Committee (as well as their predecessor committees). From November 2012 to end of 2015, he chaired the Joint Forum (previously comprised of the Basel Committee on Banking Supervision, the International Organization of Securities Commissions and the IAIS). He was involved in IAIS work from 2005-2022. Through his strong relationships, active participation and acute understanding of underlying issues, Thomas significantly contributed to key IAIS projects including the development of ComFrame and the Insurance Capital Standard.

# Executive Committee Members

## Executive Committee Members as of November 2022

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### Victoria (Vicky) Saporta

[United Kingdom](#)

Prudential Regulatory Authority (PRA),  
Bank of England (BoE)  
Chair

---

### David Altmaier

[United States](#)

Florida Office of Insurance Regulation  
Vice Chair

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### Shigeru Ariizumi

[Japan](#)

Financial Services Agency (FSA)  
Vice Chair

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### Suzette Vogelsang

[South Africa](#)

Prudential Authority  
Vice Chair  
(until October 2022)

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### Clement Cheung

[China, Hong Kong](#)

Insurance Authority (IA)  
Chair, ARC

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### Ryan Workman (ex officio)

[United States](#)

National Association of Insurance Commissioners (NAIC)  
Chair, BC

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### Peter Braumüller (ex officio)

[Austria](#)

Financial Market Authority (FMA)  
Chair, IAC

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### Dieter Hendrickx (ex-officio)

[Belgium](#)

National Bank of Belgium (NBB)  
Chair, MPC

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### Gary Anderson

[United States](#)

Massachusetts Division of Insurance  
Chair, PDC

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### Aznan Abdul Aziz

[Malaysia](#)

Bank Negara Malaysia

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### Dean Cameron

[United States](#)

Idaho Department of Insurance

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### Gorazd Čibej

[Slovenia](#)

Insurance Supervision Agency

---

### Michael Consedine

[United States](#)

National Association of Insurance Commissioners (NAIC)

---

### Alberto Corinti

[Italy](#)

Istituto per la Vigilanza sulle Assicurazioni (IVASS)

---

### Kevin Cowan

[Chile](#)

Comisión para el Mercado Financiero (CMF)

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### Gerry Cross

[Ireland](#)

Central Bank of Ireland

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### Jacqueline Friedland

[Canada](#)

Office of the Superintendent of  
Financial Institutions (OSFI)

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### Ricardo Garcia

[Bermuda](#)

Bermuda Monetary Authority (BMA)

---

### Frank Grund

[Germany](#)

Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)

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### Petra Hielkema

European Insurance and Occupational  
Pensions Authority (EIOPA)  
FinTech Champion

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**Jean Hilgers (non-voting)**

[Belgium](#)

National Bank of Belgium (NBB)

---

**Carlos Izaguirre**

[Peru](#)

Superintendencia de Banca, Seguros y Administradoras Privadas de Fondos de Pensiones del Peru

---

**Godfrey Kiptum**

[Kenya](#)

Insurance Regulatory Authority

---

**Marcus Lim**

[Singapore](#)

Monetary Authority of Singapore (MAS)

---

**Andrew Mais**

[United States](#)

Connecticut Department of Insurance

---

**William Mason**

[Guernsey](#)

Financial Services Commission (GFSC)

---

**Didier Millerot (non-voting)**

European Commission

---

**Patrick Montagner**

[France](#)

Autorité de Contrôle Prudentiel et de Résolution (ACPR)  
(Prudential Supervision and Resolution Authority)

---

**Ricardo Ochoa**

[Mexico](#)

Comision Nacional de Seguros y Fianzas

---

**Debasish Panda**

[India](#)

Insurance Regulatory and Development Authority of India (IRDAI)

---

**Siham Ramli**

[Morocco](#)

Autorité de Contrôle des Assurances et de la Prévoyance Sociale (ACAPS)

---

**Helen Rowell**

[Australia](#)

Australian Prudential Regulation Authority (APRA)  
DEI Champion

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**Birgit Rutishauser**

[Switzerland](#)

Swiss Financial Market Supervisory Authority (FINMA)

---

**Steven Seitz (non-voting)**

[United States](#)

Federal Insurance Office of the United States  
Department of Treasury (FIO)

---

**Thomas Sullivan (non-voting)**

[United States](#)

Board of Governors of the Federal Reserve System (FRB)

---

**Hae-Hwan Yang**

[Korea \(Republic of\)](#)

Financial Supervisory Service (FSS) and  
Financial Services Commission (FSC)

---

**Ebrahim Obaid Al Zaabi**

[United Arab Emirates](#)

Insurance Authority

---

**Ante Žigman**

[Croatia \(Republic of\)](#)

Croatian Financial Services Supervisory Agency

# IAIS Secretariat Staff

## Jonathan Dixon

Secretary General

## Tekla Ashton

Finance Officer  
(Date joined: October 2022)

## Joao Carneiro

Finance Officer  
(Date left: September 2022)

## Miho Chen\*

Policy Adviser

## Melanie Clowes-Haug

Senior Policy Adviser (Communications)

## Nicolas Colpaert

Senior Policy Adviser

## Aurélien Cosma

Senior Policy Adviser

## Rogier Derksen

Senior Policy Adviser  
(Date left: May 2022)

## Malene Duncan

Senior Policy Adviser (Legal)

## Becky Easland

Senior Policy Adviser

## Lauren Eckermann

Senior Policy Adviser

## Sylvie Ellet

Administrative Officer

## Ke Feng\*

Policy Adviser  
(Date joined: March 2022)

## Elisa Frost

Project and Change Manager  
(Date left: December 2022)

## Fabian Garavito

Senior Policy Adviser

## Ruby Garg

Senior Policy Adviser (Risk Officer)

## Alistair Gough

Senior Policy Adviser

## Martin Hahn

Senior Policy Adviser

## Inwook Hwang\*

Policy Adviser  
(Date joined: February 2022)

## Linta Kakkattu

Technical Administrator  
(Date joined: September 2022)

## Selina Keng\*

Policy Adviser

## Lydia Kimumwe

Senior Policy Adviser (Accounting and Finance)  
(Date joined: August 2022)

## Grzegorz Komarnicki

Senior Policy Adviser

## Malou Lenoir

Events and Communications Officer

## Carlos Lopez Moreira

Senior Policy Adviser

## Jay Muska

Senior Policy Adviser  
(Date left: February 2022)

## Carine Notter

Technical Administrator / IT Projects

## Yasuaki Ohara\*

Policy Adviser

## Aurelie Landauer Ostermann

Administrative Officer

## Romain Paserot

Deputy Secretary General and  
Head of Capital & Solvency

## Danita Pattemore

Deputy Head of Capital & Solvency

## Joe Perry

Senior Policy Adviser (Stakeholder  
Engagement and Institutional  
Cooperation)

## Miroslav Petkov

Senior Policy Adviser  
(Date joined: July 2022)

## Gemma Schneider

Administrative Officer

## Alka Sharma

Administrative Officer

## Zoe Smoke

Administrative Officer

## Tomas Stastny

Senior Policy Adviser

## Elise Tache\*

Visiting Associate  
(Date joined: April 2022)

## Hanne van Voorden

Head of Supervisory Practices  
and Operations

## Pierre-Jean Vouette

Senior Policy Adviser

## Tom Wicling

Senior Policy Adviser

## Manuela Zweimüller

Head of Implementation  
and Assessment

Staff not financed by the IAIS  
indicated by an asterisk (\*)

# IAIS Organisational Structure



# Acronyms

A2ii	Access to Insurance Initiative	IAA	International Actuarial Association
AAWG	Accounting and Auditing Working Group	IAC	Implementation and Assessment Committee
AFIR	Asian Forum of Insurance Regulators	IAIG	Internationally Active Insurance Group
AGM	Annual General Meeting	IAIS	International Association of Insurance Supervisors
AI	Artificial intelligence	ICP	Insurance Core Principle
AM	Aggregation Method	ICS	Insurance Capital Standard
API	Application programming interfaces	iii-lab	Inclusive Insurance Innovation Lab
ARC	Audit and Risk Committee	IIM	Individual insurer monitoring
ASSAL	Latin American Association of Insurance Supervisors / Asociación de Supervisores de Seguros de América Latina	IIT	A2ii and the Toronto Centre Inclusive Insurance Training Programme
BC	Budget Committee	IMF	International Monetary Fund
BIS	Bank for International Settlements	IOPS	International Organisation of Pension Supervisors
CGAP	Consultative Group to Assist the Poor	ISSB	International Sustainability Standards Board
ComFrame	Common Framework for the Supervision of Internationally Active Insurance Groups	KPI	Key performance indicator
CRO	Chief Risk Officer	MAP	Member Assessment Programme
CRSG	Climate Risk Steering Group	MCWG	Market Conduct Working Group
CSFWG	Capital, Solvency and Field Testing Working Group	MENA	Middle East and North Africa
CTA	Climate Training Alliance	ML	Machine learning
DeFi	Decentralised finance	MMoU	Multilateral Memorandum of Understanding
DEI	Diversity, equity and inclusion	MPC	Macroprudential Committee
DLT	Distributed ledger technologies	MSWG	Macroprudential Supervision Working Group
EMDE	Emerging market and developing economies	NGFS	Network for Greening the Financial System
ExCo	Executive Committee	OECD	Organisation for Economic Co-operation and Development
FATF	Financial Action Task Force	ORTF	Operational Resilience Task Force
FCF	Financial Crime Forum	PCR	Prescribed Capital Requirement
FCTF	Financial Crime Task Force	PDC	Policy Development Committee
FF	FinTech Forum	PE	Private equity
FIF	Financial Inclusion Forum	PPS	Policyholder protection scheme
FIRST ONE	FSI-IAIS Regulatory and Supervisory Online Programme	PRP	Peer Review Process
FinTech	Financial technology	RBS	Risk-based solvency
FSB	Financial Stability Board	RBSIF	Risk-based Solvency Implementation Forum
FSI	Financial Stability Institute	ReWG	Resolution Working Group
GIMAR	Global Insurance Market Report	RIPF	Retirement Income and Pension Forum
GME	Global Monitoring Exercise	SAT	Self-Assessment Tool
GPFI	Global Partnership for Financial Inclusion	SDG	Sustainable Development Goal
G-SII	Global Systemically Important Insurer	SF	Supervisory Forum
GWG	Governance Working Group	SIF	Sustainable Insurance Forum
GWS	Group-wide supervisor	SupTech	Supervisory technology
HLG	High-Level Goal	SWM	Sector-wide monitoring
Holistic Framework	Holistic Framework for the assessment and mitigation of systemic risk in the insurance sector	TJA	Targeted Jurisdictional Assessment
		UNCDF	United Nations Capital Development Fund
		UNSGSA	United Nations Secretary General's Special Advocate for Inclusive Finance for Development



**International Association of Insurance Supervisors**

c/o Bank for International Settlements

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