

February/March 2023 | Issue 120

Newsletter

From the Acting Secretary General



Earlier this month, IAIS committees, including the Executive Committee (ExCo), met in Basel, where they made decisions on several key projects, notably related to our Holistic Framework for assessing and mitigating risks for the global insurance sector. Since then, the importance of our continuous work

to contribute to financial stability was underscored by the significant turbulence experienced in the banking sector and financial markets – of a level not experienced since the 2007-2008 Global Financial Crisis.

An important tool for assessing key risks and trends in the global insurance sector is our Global Monitoring Exercise (GME). As part of the regular three-year review cycle, the IAIS conducted a review of the GME, including the individual insurer monitoring (IIM) assessment methodology following a public consultation. The IIM assessment methodology was found to deliver robust results over the 2020-2022 period. Nevertheless, in the spirit of continuous improvement and considering stakeholder feedback, at their meeting, the ExCo

approved changes related to the scope of the IIM data collection, the IIM systemic risk indicators and total score calculation. An updated GME document reflecting main changes is planned to be published end-June.

Also, as part of our risk assessment work, we investigate emerging risks facing the global insurance sector. The ExCo approved the next special topic for the Global Insurance Market Report (GIMAR), which will present an analysis of the risks and trends associated with cyber insurance coverage, cyber resilience in the insurance sector and the impact these risks may pose to financial stability. This report will be published next month.

Of course, the consistent implementation of our supervisory material related to the Holistic Framework is also critical to supporting the objective of ensuring the resilience of the global insurance sector. Over the past 18 months, a targeted jurisdictional assessment (TJA) was completed, covering 10 major insurance markets and carrying out in-depth verification of supervisory practices for the implementation of the Holistic Framework standards.

At their meeting, the ExCo reviewed the TJA Public Report, which provides a summary of the assessment outcomes, and agreed to publish it in April to provide transparency on the status of implementation. Overall, the TJA results demonstrate strong and consistent implementation of the Holistic Framework, with good levels of observance across many of its standards.

Milestone decisions were also made regarding the Insurance Capital Standard (ICS), a core element of IAIS standard-setting work. The ICS is being developed as a consolidated group-wide capital standard for internationally active insurance groups (IAIGs). It will create a common language for supervisory discussions of

group solvency and form the quantitative pillar of the Common Framework for the supervision of IAIGs

This year marks an important step for the development of the ICS. A number of changes to define the candidate ICS as a prescribed capital requirement (PCR) were approved by the ExCo and will be consulted upon in Q3 2023. Data collected via the 2023 ICS data collection, as well as stakeholder feedback, will help to finalise the ICS specifications that will be adopted as a group-wide PCR year-end 2024.

Additionally, the ExCo agreed on the [final criteria](#) that will be used to assess whether the Aggregation Method (AM) provides comparable outcomes to the ICS. While the AM is not part of the ICS, the United States is developing an AM to a group capital calculation. If deemed comparable, the AM will be considered an outcome-equivalent approach for implementation of the ICS as a PCR. The finalisation of the criteria is an important step for the comparability assessment and equips the IAIS to begin the assessment in Q3 2023.

Directedly following the ExCo meetings, Vicky Saporta, ExCo Chair, and I had the pleasure to share further details about the ICS at the Geneva Association's PROGRES meeting, and I discussed it further at a recent Peterson Institute for International Economics webinar (see event summaries [below](#)).

The ExCo also provided valuable direction on many other aspects of the [IAIS' work programme](#), such as the first of a three-part consultation aimed at introducing a globally consistent approach to overseeing climate-related risks in the insurance sector, to put us on a sound footing to deliver on our commitments and provide continued value to our members and stakeholders. This month, however, with financial stability again making the front pages of all media, I wanted to take a moment to highlight the Association's efforts to contribute to this important topic.

[Romain Paserot](#), Acting Secretary General*

* Jonathan Dixon, IAIS Secretary General, is on paternity leave until May 2023

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Calendar Notes

Registration is now open for the **2023 IAIS Global Seminar** taking place in Seattle, Washington on 15-16 June 2023. For registration details, see [page 5](#).

In Focus

How the IAIS is addressing climate-related risks

Climate change is a source of financial risk, which impacts the resilience of individual insurers as well as financial stability. This is why climate change, and the associated climate-related risks, is a key strategic theme for the IAIS.

The IAIS has been closely monitoring developments in global climate change mitigation efforts, climate science and how supervisory practices to manage climate-related risks have evolved.

The IAIS' work on climate change spans across many of its activities, ranging from financial stability risk assessment, developing supervisory and supporting material and capacity building. In September 2021, the Climate Risk Steering Group (CRSG) was established and tasked with coordinating the overall IAIS strategy for addressing climate-related risks.

Supervisory practices

In May 2021, the IAIS published an initial [Application Paper on the Supervision of Climate-related risks in the Insurance Sector](#). It provides background and guidance on how IAIS supervisory material can be used to manage the challenges and opportunities arising from climate-related risks.

In 2022, the IAIS performed a gap analysis of IAIS supervisory material to assess how climate risk is already captured and to identify possible further work in terms of standard setting and/or providing further guidance on supervisory practices.

As a result, the IAIS intends to publicly consult on proposed changes to the Introduction of the Insurance Core Principles (ICPs) and to ICP 15 (Investments) and ICP 16 (Enterprise Risk Management for Solvency Purposes), in addition to developing supporting material for various ICPs and topics. While the final scope of the new supporting material is still to be determined, it will possibly cover the following topics, in several consultations over the next 18 months.

Planned IAIS consultations on climate risk

Part 1 16 March 2023-16 May 2023

- Amendments to ICP Introduction; Supporting material for ICPs 7 (Corporate Governance) and 8 (Risk Management and Internal Controls); Questions to seek initial stakeholder feedback on the overall package of climate-related work.

Part 2 Q4 2023

- Supporting material covering market conduct, financial crime and climate scenario considerations.

Part 3 Q1 2024

- Climate-related additions to the guidance in ICP 15 (Investments) 16 (ERM for Solvency Purposes). Supporting material will cover valuation, investments, enterprise risk management (ERM) for solvency purposes, reporting, public disclosure, and macroprudential supervision.

CLIMATE RISK CONSULTATION – PART 1

The [first consultation](#) was published on 16 March. The document provides a comprehensive overview of the IAIS' overall work programme in promoting a globally consistent supervisory response to climate change within the insurance sector.

For consultation, it outlines proposed changes to the ICP Introduction, which positions climate risk within the global framework for insurance supervision. Additionally, the document discusses whether it is necessary to make changes to the existing supporting material related to governance, risk management and internal controls (ICPs 7 and 8). Finally, the consultation includes questions seeking stakeholder feedback on the climate-related work as it relates to supervisory guidance.

Video Replay

On 29 March, the IAIS hosted a virtual background session to present the consultation and answer questions from stakeholders. In case you missed the webinar, the presentation and video replay are available on the [IAIS website](#).

Climate scenario analysis

Climate scenario analysis is a key tool to better understand climate-related risks in the insurance sector. At both domestic and international level, supervisors are making significant leaps forward in this area.

Last year, the IAIS held capacity-building workshops which supported more than 200 insurance supervisors as they look to develop work in this area. Despite the significant advance in this new and emerging area, more work needs to be undertaken to share good practices and to develop more common practices.

To this end, later this year, the IAIS will release for public consultation an Application Paper that describes supervisory considerations and good practices on scenario analysis building on previous work the IAIS has already developed.

The IAIS is also working closely on these issues with the Network for Greening the Financial System (NGFS) and the Financial Stability Board (FSB). With the NGFS, we are providing feedback on updates to their scenarios to reflect risks in the insurance sector. With the FSB, the IAIS contributes to the various aspects of their [Roadmap](#) for Addressing Financial Risks from Climate Change, including by supporting the FSB's work on climate risk metrics and scenario analysis.

Together with the Financial Stability Institute (FSI), the IAIS recently launched a new training module on the Climate Training Alliance (CTA) portal, which builds on the capacity building session provided last year.

The training, which is available on the [CTA portal](#) for [registered users](#), is open to all IAIS members and provides a grounding in climate scenario analysis for insurance supervisors. Building on the experience of a wide range of supervisors, it provides practical tips on how to run scenario analysis exercises.

Climate risk data collection and analysis

The IAIS also uses its macroprudential tools to assess risks from climate change. The Global Monitoring Exercise (GME), which collects data from ~60 of the largest international insurance groups and aggregate sector-wide data from supervisors cover 90% of global written premiums, allows the IAIS to monitor and assess global insurance market trends and developments, such as climate change, and their potential impact on insurance markets and global financial stability.

Climate scenario analysis is a key tool to better understand climate-related risks in the insurance sector.

In September 2021 the IAIS published a special topic edition of the [Global Insurance Market Report \(GIMAR\)](#) on the insurance sector's investment exposures to climate-related risks. This report provided the first quantitative global study on the impact of climate change on the insurance sector.

Since then, climate data elements have become a regular feature of the IAIS' GME and provide a global baseline of climate risk data for the insurance sector. The outcomes of the analysis from 2022 were published as part of the [GIMAR](#) at the end of 2022. The 2023 GME data collection was launched in March and again includes both qualitative and quantitative data elements related to climate risk.

Climate change will be a significant risk driver for insurers in the coming years. As the insurance standard setter, the IAIS is playing its role to ensure a global response to addressing the growing risks from climate change.

To find out more about IAIS work on climate risk, click [here](#).

A graphical representation of the [IAIS climate focus](#) is available in the Year in Review 2021.

For more information, contact Miroslav Petkov at miroslav.petkov@bis.org or Joe Perry at joe.perry@bis.org.

News

STANDARD SETTING

Final Aggregation Method comparability assessment criteria

In November 2017, the IAIS set out an agreement on the implementation of Insurance Capital Standard (ICS) Version 2.0, including a unified path to convergence of group capital standards for internationally active insurance groups in furtherance of its ultimate goal of a single ICS that achieves comparable outcomes across jurisdictions. The agreement acknowledges the development by the United States of the Aggregation Method (AM) to a group capital calculation.

While the AM is not part of the ICS, the IAIS aims to be in a position by the end of 2024 (the five-year ICS monitoring period) to assess whether the AM provides comparable (ie substantially the same) outcomes to the ICS. If so, it will be considered an outcome-equivalent approach for implementation of ICS as a prescribed capital requirement (PCR). At the same time, the IAIS agreed to help collect data from the US and interested jurisdictions that will aid in the development of the AM.

The IAIS has made significant progress in preparing for the comparability assessment agreement since November 2017:

- In November 2019, the IAIS agreed on a process and timeline for developing criteria to assess whether the AM provides comparable outcomes to the ICS;
- In March 2021, following public consultation, the IAIS agreed on a definition of comparable outcomes and six high-level principles (HLPs) to guide the development of the comparability criteria;
- In April 2021, the IAIS began developing the draft comparability criteria; and
- In June 2022, detailed criteria were developed for each HLP and released for public consultation.

And earlier this month, the IAIS agreed on the final criteria through a robust and transparent process. The comparability assessment is scheduled to begin in Q3 2023.

Documents related to the comparability assessment have been published on the IAIS website [here](#).

For more information contact Becky Easland at becky.easland@bis.org.

EVENTS

Registration open for 2023 IAIS Global Seminar



The [2023 IAIS Global Seminar](#) will take place in person in Seattle, USA on 15-16 June.

The Global Seminar will cover a range of topical issues, including InsurTech, climate risk, natural catastrophe protection gaps and the finalisation of the Insurance Capital Standard.

The Global Seminar will be preceded by committee meetings for IAIS members on 12-14 June.

A special thank you to the US National Association of Insurance Commissioners (NAIC) for hosting the event.

To register, please visit our webpage [2023 IAIS Global Seminar](#). This page also provides information on the programme, speakers and practical details.

For more information contact Joe Perry and Malou Lenoir at IAIS.Events@bis.org.

SECRETARIAT

Two new IAIS Task Forces launched in 2023

The past two months saw two new IAIS Task Forces kick into gear.

The **Protection Gaps Task Force** (PGTF), led by Shigeru Ariizumi (JFSA, Japan), embarked on its ambitious work programme. By the end of 2023, the PGTF will issue a report that identifies challenges and opportunities for supervisors in addressing protection gaps, and considers how supervisors can respond, including through multi-stakeholder approaches.

The PGTF will also facilitate information exchange at the global level to discuss the role of supervisors when it comes to protection gaps. Discussions will be held with both IAIS members and stakeholders, including at the 2023 IAIS Global Seminar and Annual Conference.

The **Strategic Plan and Financial Outlook Task Force** (SPFOTF) also got off to a strong start with two meetings in February and March. The SPFOTF, led by Vicky Saporta (BoE, United Kingdom), is comprised of a subset of IAIS ExCo members, as well as the Chairs of the IAIS parent committees. The SPFOTF has good geographical representation, with members from all IAIS regions.

At its first meetings, the SPFOTF had the opportunity to consider progress against the current (2020-2024) SPFO and provide initial feedback on the approach to developing the 2025-2029 SPFO.

Throughout 2023, a key element of the SPFO development process will be to gather input from members and stakeholders; the views of both are fundamental to the development of the IAIS' next SPFO.

For more information contact Alistair Gough at alistair.gough@bis.org.

PUBLICATIONS

Aggregate Report of PRP on ICPs 9 and 10

In 2018, the IAIS ExCo approved proposals to enhance the IAIS' assessment programme, including the Peer Review Process (PRP), which builds on and enhances the previous Self-Assessment and Peer Review (SAPR) process.

Since then, the IAIS has undertaken and published various PRPs, in line with its strategic pivot towards supporting implementation. These PRPs related to:

- Insurance Core Principles (ICPs) 1 and 2 (Mandate of Supervisors and Supervisory Powers);
- ICPs 4, 5, 7 and 8 (Licensing, Suitability of Persons, Corporate Governance and Risk Management); and
- ICP 19 (Conduct of Business).

In 2022, the IAIS started to undertake a PRP of two other key ICPs: ICPs 9 (Supervisory Review and Reporting) and 10 (Preventive Measures, Corrective Measures and Sanctions).

The PRP of ICPs 9 and 10 achieved a record-high level of participation, with 86 IAIS members taking part. Draft individual reports were shared with participating jurisdictions in September 2022. The Aggregate Report was reviewed by the Implementation and Assessment Committee (IAC) and approved for publication by the ExCo at the March 2023 committee meetings in Basel.

This report provides the aggregate results and observations from the assessments. Overall, the observance rate for ICPs 9 and 10 has increased since the last assessment of these ICPs in 2014 -- 100% and 99%, respectively, scored either "observed" or "largely observed".

The report has been published on the IAIS website [here](#).

For more information contact Selina Keng at selina.keng@bis.org and Miho Chen at miho.chen@bis.org.

STANDARD SETTING

Updated register of IAIGs

The public register of Internationally Active Insurance Groups (IAIGs) has been updated to include three new IAIGs:

- FWD Group Holdings Limited (China, Hong Kong);
- M&G plc (United Kingdom); and
- Phoenix Group Holdings plc (United Kingdom).

In line with ComFrame, which establishes supervisory standards and guidance focusing on the effective group-wide supervision of IAIGs, group-wide supervisors are responsible for the identification of IAIGs, in cooperation with other involved supervisors after considering whether a group meets a certain size and international activity criteria.

The IAIS monitors the identification and disclosure of IAIGs by the relevant group-wide supervisors. There are now 52 IAIGs listed in the public register.

To access the public register, please click [here](#).

FINANCIAL STABILITY

Insurance companies' holdings of sovereign debt

The March 2023 edition of the [BIS Quarterly Review](#) contains a section on [Insurance companies' holdings of sovereign debt](#).

Based on data from the IAIS Global Monitoring Exercise (GME) and complemented with other publicly available data, the article highlights links between the insurance sector and sovereign debt instruments and gives insight into the developments of these links in advanced and emerging economies.

Highlights include:

- Sovereign debt is one of the main asset assets held in portfolios of insurance companies (accounting for ~24% of all general account total assets in the insurance sector). Moreover, insurers hold material portions of debt in certain countries;
- While sovereign borrowing needs remain large, advanced economy central banks have been reducing their sovereign bond purchases or shedding existing holdings. This puts the spotlight on traditional providers of sovereigns' financing from the private sector – banks, pension funds and insurance companies (ICs);
- There is close alignment between the geographic distribution of major life and composite ICs' sovereign holdings and that of the location of their life insurance liabilities. This provides a natural hedge against exchange rate risk but is also consistent with duration-matching, as the valuation approach for assets and liabilities is usually location-specific; and
- Abrupt increases in sovereign bond yields can boost ICs' demand for liquidity, with broader financial stability implications.

To read the full article and view associated graphs visit the [BIS website](#).

For more information contact Tomas Stastny at tomas.stastny@bis.org.

CONSULTATIONS

Public consultation on Issues Paper on roles and functioning of Policyholder Protection Schemes

The IAIS' Resolution Working Group (ReWG) published for consultation its Issues Paper on roles and functioning of Policyholder Protection Schemes (PPSs) on 13 February.

PPSs are often established as a “last-resort” mechanism to provide protections to policyholders in the event of an insurer's failure. When an insurer is failing and has inadequate capacity to fulfil its obligations to its policyholders, a PPS can provide a certain level of protection for the policyholders through mobilising its fund, which may be set up on either an ex ante or ex post basis. In some jurisdictions, such schemes have varying names such as “Insurance Guarantee Schemes (IGS)”, “Guaranty Associations” or “Guaranty Funds”.

The Issues Paper was developed as a follow-up to the “Issues Paper on Policyholder Protection Schemes” from October 2013 and provides an updated overview of global practices regarding PPSs and their roles in insurance resolution and a variety of related activities.

Comments are invited by 14 April 2023 at 24.00 (CEST). Visit our [website](#) for more details and to respond to the consultation.

For more information contact Yasuaki Ohara at yasuaki.ohara@bis.org.

Video replay

On 1 March, the IAIS organised a public background session to present the Issues Paper on roles and functioning of PPSs and answer questions from stakeholders. The presentation and recording are available [here](#).

DIVERSITY, EQUITY AND INCLUSION

International Women's Day

On 8 March, the IAIS posted a series of videos celebrating International Women's Day on LinkedIn. The IAIS recognises and celebrates women working in insurance supervision, in advocacy of insurance customers and in the insurance industry.

We encourage ongoing progress on diversity, equity and inclusion (DEI) just as we are doing ourselves through our commitment to further embed DEI within our operations as a global membership association.

As the IAIS held committee meetings in Basel that same week, we were also able to take a photo of some of the exceptional women leaders who were on-site and sit on our Executive Committee (ExCo), namely (left to right):

- Petra Hielkema: EIOPA
- Elizabeth Dwyer: Rhode Island, USA
- Siham Ramli: ACAPS, Morocco
- Lara Lylozian: FRB, USA
- Vicky Saporta: Bank of England, UK
- Birgit Rutishauser: FINMA, Switzerland
- Jacqueline Friedland: OSFI, Canada
- Helen Rowell: APRA, Australia



Learn more about DEI at the IAIS [on our website](#).

Click to view the LinkedIn videos: [Helen Rowell](#), [Petra Hielkema](#), [Vicky Saporta](#).

For more information contact Lauren Eckermann at lauren.eckermann@bis.org.

DIVERSITY, EQUITY AND INCLUSION

IAIS' work on DEI on the insurance industry

On 9 February, the IAIS held a virtual stakeholder session to provide an overview of the IAIS' work on DEI in the insurance sector and to receive input from stakeholders to inform the IAIS' next projects on DEI.

During the informational portion of the session, the IAIS gave an overview of the [DEI stocktake report](#) (published in December 2022) and the IAIS' planned next DEI projects:

- One will examine the link between DEI within an insurers' institution and its governance, risk management and corporate culture.
- The other will examine how DEI considerations in insurers' conduct of business, and in their supervision, may result in fairer treatment of consumers who are vulnerable, under-served or have different needs in comparison with a normative or majority consumer profile.

Video replay

A recording of the stakeholder session on the IAIS' work on diversity, equity and inclusion (DEI) that took place on 9 February, is available [here](#).

The webinar concluded with an interactive exchange where stakeholders were invited to raise ideas and feedback to help the IAIS take forward these projects (not recorded).

ANNUAL REPORT

Year in Review 2022 shares highlights from the past year



The IAIS Year in Review 2022 was published on 27 March.

The report highlights the progress made over the past year to support the IAIS' dual mission of policyholder protection and doing our part to maintain global financial stability.

Spanning 57 pages, the report provides an overview of the IAIS' role and strategy, then delves into the progress and key achievements of the IAIS committees, working groups, task forces and forums in the areas of:

- Assessing and responding to global market trends;
- Standard setting;
- Supervisory practices and information exchange; and
- Assessing and promoting observance of IAIS supervisory material.

The report also provides a consolidated overview of the work delivered and ambitious agenda related to our key strategic themes, namely:



Climate risk



Conduct and culture



Digital transformation



Diversity, equity and inclusion

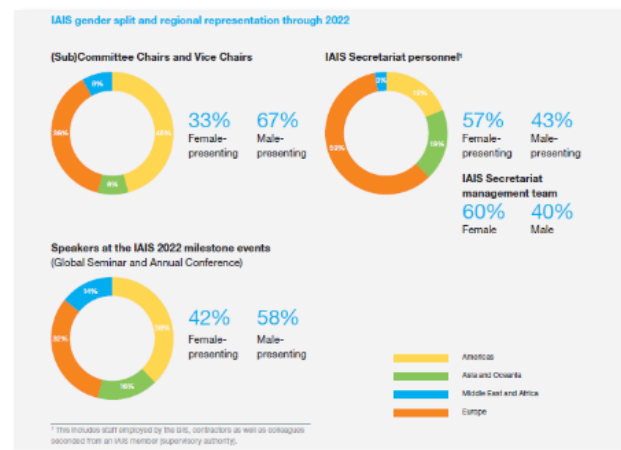


Financial inclusion

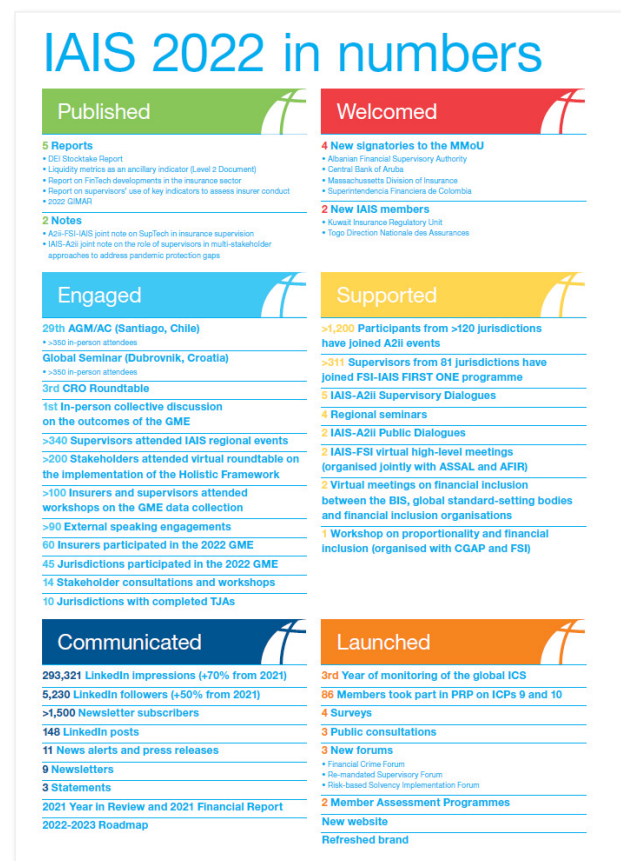


Operational resilience and cyber risk

This year's edition has a new section on social responsibility, which highlights the IAIS' efforts in progressing its own DEI and measuring its impact against the Environmental Policy.



Take a look at the one-pager "IAIS 2022 in numbers", which highlights many of the Association's quantifiable deliverables in an easy-to-digest overview. And, to share what is coming up next for the IAIS, there is a graphical representation of the 2023-2024 Roadmap.



To read the full report, click [here](#) or visit our [website](#).

For more information contact Melanie Clowes-Haug at melanie.clowes-haug@bis.org.

Event Spotlight

Geneva Association PROGRES Seminar | Zurich | 9-10 March



Executive Committee (ExCo) Chair Vicky Saporta delivered a [keynote speech](#) at the Geneva Association PROGRES Seminar in which she set out the steps to finalise the Insurance Capital Standard (ICS) by the end of 2024.

In her remarks Vicky highlighted the robust and empirical work undertaken to develop the standard and the high level of consensus across the IAIS membership to agree this new global standard, which is the quantitative element of the IAIS' ComFrame. She called on senior leaders at IAIGs to understand the impact of the standard given the relevance for their business.

“The ICS is one of the most observed, empirically driven and consulted-upon international financial standards.”

- Vicky Saporta, IAIS ExCo Chair

Acting Secretary General Romain Paserot also took part in a panel discussion on the ICS and highlighted the key next steps in the finalisation of the ICS and how the IAIS will work beyond 2024 to support its implementation.

For more information contact Aurelien Cosma at aurelien.cosma@bis.org.

Peterson Institute webinar | Virtual | 21 March

Romain Paserot took part in a [webinar](#) hosted by the Peterson Institute for International Economics (PIIE) on the quest for global insurance standards. In discussion with Nicolas Véron from PIIE and Kawai Yoshihiro, Adviser to the Commissioner, Japan Financial Services Agency, Romain set out the steps towards finalising the ICS and the key decisions that will be made this year. Mr Kawai set out the support for the ICS in Japan and steps being taken by authorities to implement the ICS.

For more information contact Joe Perry at joe.perry@bis.org.



NAIC Spring Meetings | Louisville, KY | 22-25 March

Acting Secretary General Romain Paserot provided an update on the IAIS' work, including introducing the next steps in IAIS work regarding climate risk, at the NAIC Spring Meetings and answered questions from stakeholders.

Discussion focused on the publication of the criteria which will be used to assess the comparability of the Aggregation Method, the IAIS' work on DEI, governance around artificial intelligence and the upcoming consultations for ICPs 14 (Valuation) and 17 (Capital Adequacy).

For more information contact Joe Perry at joe.perry@bis.org.

Forum Updates

Forums provide an ongoing and flexible platform for technical experts to share insights and discuss developments in a specific area relevant for insurance supervision and regulation, including but not limited to supervisory practices, cross-cutting topics and emerging trends.

Financial Inclusion Forum | Virtual | 9 February

The Financial Inclusion Forum (FIF) met virtually to discuss the role of insurance supervisors in addressing natural catastrophe protection gaps. The session consisted of two one-hour panel discussions moderated by Tomas Soley, Chair of the FIF.

The first panel addressed the role of supervisors in developing insurance-based responses to address natural catastrophes protection gaps, touching on the supervisory objectives, the role of microinsurance and consumer protection considerations. Speakers for this panel included:

- Alma Gomez, Supervisor of Insurance, Office of the Supervisors of Insurance & Private Pension of Belize
- Carlos Izaguirre, Deputy Superintendent of Insurance, Superintendencia de Banca Seguros y AFP of Peru
- Sibongile Siwela, Director of Insurance and Microinsurance, Insurance and Pensions Commission of Zimbabwe

The second panel explored practical cases of insurance responses and measures to increase resilience, including data collection and analysis, reinsurance and other risk transfer solutions, and supervisory initiatives aimed at embedding risk reduction or prevention in natural catastrophe coverages. Speakers for this panel included:

- Ralf Kuerzdoerfer, Deputy Director, Supervision (Insurance), Bermuda Monetary Authority (BMA);
- Charles Ansong Dankyi, Senior Manager, Supervision Department, National Insurance Commission of Ghana; and
- Jennifer Gardner, Catastrophe Risk and Resilience Research Manager, National Association of Insurance Commissioners, USA

Members of the Protection Gaps Task Force (PGTF) also participated in the session and the learnings and examples shared will be taken into account by the PGTF as it carries forward its work in the remainder of 2023.

The next meeting of the FIF is scheduled for 27 April to address the theme of Insurtech and Inclusive Insurance.

For more information contact Carlos Lopez Moreira at carlos.lopezmoreira@bis.org.

FinTech Forum | Virtual | 2 March

The FinTech Forum (FF) met virtually on 2 March to:

- Introduce the new co-leads for the FF workstream on artificial intelligence/machine learning (AI/ML) – Stefan Claus from the Bank of England and Julian Arevalo from the European Insurance and Occupational Pensions Authority (EIOPA);
- Discuss jurisdictional updates on recent FinTech developments affecting the insurance sector and insurance supervisors, including the impact of using AI-powered search fields (eg ChatGPT) and potential priority topics for future FF discussions (eg interlinkages with environmental, social and governance (ESG) and crypto);
- Discuss the Global Federation of Insurance Associations' (GFIA) paper on the dos and don'ts of open insurance that was published in January 2023. This session was led by Geeke Feiter, Chair of the GFIA Disruptive Technology Working Group and Jochem van Stiphout from GFIA; and
- Discuss the 2023 workplan and key focus areas for the three FF workstreams, where: (i) the AI/ML sub-group will conduct a thematic review to assess the need for further guidance on AI/ML and identify good practices, with a focus on model risk management as a priority area; while the (ii) application programming interfaces (APIs) and open data sub-group; and (iii) the distributed ledger technologies (DLTs) and blockchain sub-

group will continue to monitor market developments and their possible impact on the insurance sector and insurance supervisory objectives.

The next FF meeting is scheduled for 6 June.

For more information, contact Zafirah Adrus at zafirah.adrus@bis.org.

Risk-Based Solvency Implementation Forum | Basel | 9 March

The Risk-based Solvency Implementation Forum (RBSIF) met in person for the first time on 9 March in Basel to:

- Introduce Suzette Vogelsang, Senior Financial Sector Expert at the IMF, as the new Vice-Chair of the Forum;
- Receive an update from the Chair of the Forum;
- Prioritise topics for the 2023 Workplan of the Forum;
- Provide a jurisdictional update on the status of the development and/or implementation of risk-based solvency regimes (RBS);
- Exchange on the preconditions for implementing risk-based capital (RBC) in Peru, including major milestones in and critical elements of the development of the RBC, as well as issues, challenges and solutions. The topic was moderated by Renato Ravina, Head of Research Department, Superintendencia de Banca Seguros y AFP – Peru;
- Exchange on the journey to implementing the Swiss Solvency Test (SST) addressing the rationale for transitioning to RBS, preconditions to the transition and practical aspects of the implementation. The discussion was moderated by Francois-Xavier de Rossi, Senior Risk Management Specialist - Insurance Division, Swiss Financial Market Supervisory Authority (FINMA); and
- Discuss the development of the guidance document on transitioning to RBS regimes.

The next meeting of the RBSIF is scheduled for 19 May to address the topic “Considerations for selecting the type of regime”.

For more information contact Carlos Lopez Moreira at carlos.lopezmoreira@bis.org.

Supervisory Forum | Basel | 9 March

The Supervisory Forum (SF) had its first in-person meeting on 9 March to:

- Introduce Jeremy Quick, Director of the Banking and Insurance Division, Guernsey Financial Services Commission (GFSC) as the new Vice-Chair of the SF;
- Discuss the supervisory response to deteriorating macroeconomic conditions, particularly as inflation results in greater tensions between prudential risks, market conduct and financial inclusion;
- Share practices regarding cooperation of group-wide supervisors and host supervisors;
- Discuss supervisory challenges related to climate-related risks including transition and physical risks; and
- Identify topics for future SF discussions, such as proportionality, data collection and digitalisation.

For more information contact Guillaume Scheffler at guillaume.scheffler@bis.org.

Supervisory Forum and the Risk-Based Solvency Implementation Forum joint session | Basel | 10 March

The SF and the RBSIF held a joint session on 10 March. Jooste Steynberg, Chair of the RBSIF and Jon Godfreed, Chair of the SF, opened the session by highlighting the opportunities for cooperation between the two forums.

During the first part of the session, members discussed the design, implementation and supervision in the practice of an RBS regime based on the experience from Bermuda. The session was moderated by George Petropoulos, Assistant Director of Supervision, Bermuda Monetary Authority.

This was followed by a peer exchange based on the Aggregate Report for the PRP on ICPs 9 (Supervisory Review and Reporting) and 10 (Preventive Measures, Corrective Measures and Sanctions).

For more information contact Guillaume Scheffler at guillaume.scheffler@bis.org or Carlos Lopez Moreira at carlos.lopezmoreira@bis.org.

Financial Crime Forum | Virtual | 15 March

The Financial Crime Forum (FCF) met virtually on 15 March. During the meeting, the FCF exchanged jurisdictional updates on financial crime topics and were updated on recent activities of the Financial Action Task Force (FATF).

For more information contact Yasuaki Ohara at yasuaki.ohara@bis.org.

Retirement income and pensions forum | Virtual | 21 March

The RIPF held a virtual meeting on 21 March during which it received a presentation from McKinsey on a recent publication on the global trends on the global life insurance market. The group discussed the performance of the sector, the role of private credit, shifting sources of value, likely changes in distribution models and wider economic impacts relevant for the sector.

The RIPF also received updates from three members on the supervisory considerations for emerging life insurance distribution models. They considered the steps taken to ensure good consumer outcomes with different life insurance distribution models.

For more information contact Joe Perry at joe.perry@bis.org.

Capacity Building

UPCOMING

BCBS-FSI-IAIS meeting on the use of innovative technology in financial supervision | Basel | 5-6 June

The Basel Committee on Banking Supervision (BCBS), the Financial Stability Institute (FSI) of the Bank for International Settlements (BIS), and the IAIS will host a meeting on the use of innovative technology in financial supervision (SupTech) on 5 and 6 June 2023 in Basel, Switzerland.

The meeting is open to supervisors only and brings together both banking and insurance supervisors. The first day of the meeting will explore the common pain points in supervisory processes, the appropriate role of technology in addressing these and whether there are remaining issues that have not been addressed by existing SupTech use cases. The second day will discuss how the international supervisory community can help address the remaining pain points and tackle SupTech implementation challenges, including the skills challenge.

For more information contact Zafirah Adrus at zafirah.adrus@bis.org.

RECENT

IAIS-A2ii Public Dialogue on index insurance | Virtual | 28 February

On 28 February, the IAIS and the Access to Insurance Initiative (A2ii) held a public dialogue on index insurance best practices, based on the A2ii-UNCDF paper on [Index insurance best practices for insurance regulators and practitioners in the Pacific Islands countries](#).

Peter Okongo, Insurance Regulatory Authority of Uganda (IRA) and Lepani Uluinaviti and Lanieta Lomalagi from the Reserve Bank of Fiji (RBF) shared highlights of the progress made in implementing index insurance regulations, as well as the challenges faced in their jurisdictions.

The IAIS-A2ii public dialogues provide a platform to share experiences and understanding of inclusive insurance markets and engage with stakeholders.

The recording is available [here](#).

For more information contact Carlos Lopez Moreira at carlos.lopezmoreira@bis.org.

Meet our Staff

Each month get to know one (or more) IAIS staffers and the projects they are working on.

Welcome to the IAIS Secretariat



Name: Zafirah Adrus

Current role: Visiting Associate

Time with the IAIS: Since March 2023

Seconding Authority: Bank Negara Malaysia (BNM)

Favourite pastimes: Cooking, sightseeing

Zafirah joined the IAIS Secretariat in March 2023 as a Visiting Associate, on a one-year secondment from BNM. She will support the IAIS' strategic work programme on digital innovation and the FinTech Forum, including performing analyses on items related to digital innovation in the insurance sector. She will also participate in the Financial Stability Board's Financial Innovation Network.

Before joining the IAIS, Zafirah had been with the BNM for more than 10 years as a Senior Policy Analyst in the Prudential Financial Policy Department, specialising in the development of microprudential regulations for financial institutions. Most recently, she was involved in the development of the Licensing and Regulatory Framework for Digital Insurers and Takaful Operators, which was launched by BNM for public consultation in 2022.

Zafirah holds a bachelor's degree in Economics from the University of Warwick, United Kingdom, and a certificate in Islamic Finance from the International Centre for Education in Islamic Finance, Malaysia.



Name: Guillaume Scheffler

Current role: Senior Policy Adviser

Time with the IAIS: Since March 2023

Last employer: Autorité de Contrôle Prudentiel et de Résolution (ACPR)

Favourite pastimes: Sailing, running and movie-making.

Guillaume joined the Implementation and Assessment team of the IAIS as a Senior Policy Adviser, where he will support the Supervisory Forum and the Standards Assessment Working Group (SAWG). He will also be responsible for key assessment projects such as monitoring the implementation of supervisory policy measures of the Holistic Framework and the Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame).

Prior to joining the IAIS, Guillaume worked as a civil servant in France, including seven years at the ACPR. During this time, he held several positions, including Personal Policy Adviser to the ACPR General Secretary on conglomerates and the evaluation of Basel III reforms, Head of on-site inspection missions and Group-wide Lead Supervisor of a major IAIG. In this last capacity, he had a key role in the implementation of the French recovery resolution regime for insurers.

Guillaume holds a bachelor's degree in Public Administration from Sciences Po, France.

Appointments

At its meeting on 8 March in Basel, the Executive Committee (ExCo):

- Elected **Gary Anderson (USA, Massachusetts)** as an ExCo Vice Chair; and
- Appointed **Marcelo Ramella (Bermuda)** as a Vice Chair of the Macprudential Committee.

At its virtual meeting on 2 March, the Selection Group made the following appointments:

- **Júlia Čillíková (Slovakia)** as Chair of the RIPP;
- **Raphael Gorrard (France)** as Vice Chair of the MMWG;
- **Suzette Vogelsang (International Monetary Fund)** as Vice-Chair of the Risk-based Solvency Implementation Forum (RBSIF); and
- **Jeremy Quick (Guernsey)** as Vice-Chair of the Supervisory Forum.

Committee and Subcommittee Activities

Committee Activities

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee (ARC) met in Basel on 6 March to:

- Agree its 2023 workplan, which will focus on evaluating its Risk Management Framework (RMF) against those of peer organisations;
- Discuss the Secretariat management team's assessment of the key risks impacting the Association's ability to achieve its objectives;
- Discuss the outcomes of periodic risk assessments conducted on risks associated with meeting Roadmap project milestones (a fundamental component of the IAIS' RMF); and
- Meet with the Association's external auditors to discuss their 2022 external audit plan.

The next meeting of the ARC will be on 12 June in Seattle, USA.

Secretariat support: ruby.garg@bis.org

BUDGET COMMITTEE

The Budget Committee met in Basel on 6 March to discuss the following:

- Update on 2023 Global Seminar to be held in Seattle, USA;

- Update on 2023 Annual Conference and Annual General Meeting to be held in Tokyo;
- Update on the 2023 Budget and member fees; and
- Secretariat's report on staff and member changes as well as other operational issues.

The next meeting will be held in Seattle, USA on 12 June 2023.

Secretariat support: lydia.kimumwe@bis.org and tekla.ashton@bis.org

EXECUTIVE COMMITTEE

The Executive Committee (ExCo) met in Basel on 8 March. During this meeting, the ExCo:

- Discussed the 2024-2025 Committee meetings and milestone events planning;
- Received a progress report on the implementation of the IAIS Environmental Policy;
- Approved the Aggregate Report for the Peer Review Process (PRP) on Insurance Core Principles (ICPs) 9 (Supervisory Review and Reporting) and 10 (Preventive Measures, Corrective Measures and Sanctions);
- Discussed the draft Targeted Jurisdictional Assessment (TJA) Public Report;
- Agreed on the design elements for the continued assessment of the implementation of the Holistic Framework (HF) supervisory material.
- Approved the project plan for revisions to IAIS supervisory material;

- Approved PDC recommended revisions for the candidate Insurance Capital Standard (ICS) as a PCR;
- Approved the criteria that will be used to assess whether the Aggregation Method (AM) provides comparable outcomes to the ICS;
- Discussed work underway to progress the IAIS' commitment to diversity, equity and inclusion;
- Approved the first climate risk consultation document;
- Approved the publication of the Global Insurance Market Report (GIMAR) 2023 special topic edition on cyber;
- Approved the changes to the Individual Insurer Monitoring (IIM) assessment methodology for 2023-2025;
- Received an update on the recent activities of the Strategic Plan and Financial Outlook Task Force (SPFOTF) and approved the SPFOTF's mandate;
- Discussed the findings and conclusions taken from the 2022 self-assessment of ExCo membership principles surveys; and
- Elected Gary Anderson (USA, Massachusetts) as ExCo Vice Chair.

Secretariat support: malene.duncan@bis.org and gemma.schneider@bis.org

MACROPRUDENTIAL COMMITTEE

The Macprudential Committee (MPC) met in Basel on 7 March to:

- Hold a tour de table on the current macroeconomic outlook
- Approve the launch of the 2023 Global Monitoring Exercise (GME) data collection;
- Approve the changes to the IIM assessment methodology for 2023-2025, following the public consultation;
- Approve the substance of the GIMAR 2023 special topic edition on cyber;
- Receive updates from the Macprudential Supervision Working Group and Climate Risk Steering Group; and
- Discuss the project plan for revisions to IAIS supervisory material.

The next MPC meeting will take place 13 June in Seattle, USA.

Secretariat support: nicolas.colpaert@bis.org and sylvie.ellet@bis.org

IMPLEMENTATION AND ASSESSMENT COMMITTEE

The Implementation and Assessment Committee (IAC) met in Basel on 7 March, to:

- Receive updates on the activities and projects of the Standard Assessment Working Group;
- Approve the draft Aggregate Report for the Peer Review Process (PRP) on Insurance Core Principles (ICPs) 9 (Supervisory Review and Reporting) and 10 (Preventive Measures, Corrective Measures and Sanctions);
- Discuss lessons learned and next steps in the implementation assessment of the Holistic Framework;
- Provide steer on the design elements of the ComFrame Implementation Assessment;
- Receive a progress update from the Risk-Based Solvency Implementation Forum;
- Approve the mandate and receive an update on activities of the Protection Gaps Task Force; and
- Receive an update on the 2023 Capacity Building Calendar.

Secretariat support: carlos.lopezmoreira@bis.org and miho.chen@bis.org.

POLICY DEVELOPMENT COMMITTEE

The Policy Development Committee (PDC) met virtually on 1 February and in Basel on 6 March. During these meetings, the PDC:

- Discussed revisions for the candidate ICS as a PCR;
- Agreed on the project plan for revisions to IAIS supervisory material;
- Agreed on the first climate risk consultation document; and
- Received updates on various other ongoing projects relevant to the PDC, including on operational resilience, market conduct and accounting and auditing.

The next PDC virtual meeting will take place on 2 May.

Secretariat support: yasuaki.ohara@bis.org and alka.sharma@bis.org

Subcommittees Activities

ACCOUNTING AND AUDITING WORKING GROUP

The Accounting and Auditing Working Group (AAWG) met virtually on 22 and 24 February to discuss the following:

- Review of consultation paper on the International Auditing and Assurance Standards Board's (IAASB) proposed strategy and work plan for 2024-2027;
- Review of IAASB's exposure draft on ISA 500 (Revised) Audit Evidence; and
- Update on preparation of the IFRS 17 Round table to be held in Cape Town.

The next meeting will be held on 11 and 12 May in Basel to continue planning for the IFRS 17 Roundtable in Cape Town, receive an update on implementation status of IFRS 17 across jurisdictions, as well holding a stakeholders call (invitation to be issued soon).

Secretariat support: lydia.kimumwe@bis.org

CAPITAL, SOLVENCY AND FIELD TESTING WORKING GROUP

The Capital, Solvency and Field Testing Working Group (CSFWG) met on 14-16 February in Basel and 28-29 March virtually to discuss:

- Results of the 2022 AM data collection and additional data needed to assess whether the AM provides comparable outcomes to the ICS;
- Updates for the 2023 ICS and AM data collection packages; and
- The public consultation on the candidate ICS as a PCR.

The next meeting of CSFWG will be on 18-20 April in Singapore to finalise the 2023 ICS and AM data collection packages and continue preparing the public consultation on the candidate ICS as a PCR that is planned to be released in third quarter 2023.

Secretariat support: romain.paserot@bis.org and aurelien.cosma@bis.org

CLIMATE RISK STEERING GROUP

The Climate Risk Steering Group (CRSG) met virtually on 2 February to:

- Discuss and approve the first of three climate risk consultation documents;
- Receive an update on the overall supervisory guidance project plan;
- Approve the climate risk related data requirements in the GME data package; and
- Update on progress with climate scenario consultation material.

Secretariat support: miroslav.petkov@bis.org

GOVERNANCE WORKING GROUP

The Governance Working Group (GWG) met in Mauritius on 15 and 16 March to discuss:

- The approach to taking forward the GWG's new project on diversity, equity and inclusion (DEI) within insurers and the progress made to date;
- The approach to conducting a workshop jointly with the Supervisory Forum on practical approaches to effective supervision of insurer remuneration, and the selection of other remuneration-related topics that will be further explored by the GWG in 2023;
- Relevant domestic developments within members' jurisdictions;
- Work by the FSB on climate-related financial risk factors in compensation frameworks; and
- An update from the IAIS' Operational Resilience Taskforce.

The meeting also featured two guest presentations by representatives of the National Committee on Corporate Governance of Mauritius covering the Corporate Governance Code, Scorecard and the 2021 Scorecard assessment, and the topic of DEI.

Secretariat support: lauren.eckermann@bis.org

MACROPRUDENTIAL MONITORING WORKING GROUP

The Macroprudential Monitoring Working Group (MMWG) met virtually on 21 February. The main agenda items were:

- GME timeline for 2023;
- IAIS monitoring of liquidity risks in insurance;
- Launch of the 2023 GME data collection;
- Review of the IIM assessment methodology for 2023-2025; and
- Global Insurance Market Report (GIMAR) 2023 special topic edition on cyber.

Secretariat support: nicolas.colpaert@bis.org

MACROPRUDENTIAL SUPERVISION WORKING GROUP

The Macroprudential Supervision Working Group (MSWG) met virtually on 27 February and 16 March. The main agenda items were:

- Member presentations and updates on the first and second-round effects of changes in inflation and interest rates on the insurance sector and the supervisory response;
- Discussion of the 2023 MSWG workplan on cross-border reinsurance and changes in asset allocation towards more complex, illiquid investments;
- Discussion of follow-on actions related to Holistic Framework supervisory and supporting materials and Climate Risk Steering Group-related work.
- Readout from the March 2022 Macroprudential Committee (MPC) meeting;
- The Chair of the MSWG presented an update on the supervisory response to changes in inflation and interest rates and a follow-up plan for the next quarterly update to be delivered in the next MPC meeting.

Secretariat support: fabian.garavito@bis.org.

MARKET CONDUCT WORKING GROUP

The Market Conduct Working Group (MCWG) met virtually on 14 February to discuss:

- Steps towards finalisation of the implementation guide for IAIS members on using conduct indicators; and
- The approach to taking forward the MCWG's new DEI project on fair treatment of consumers.

The meeting also covered updates on:

- The programme of engagement between IAIS and consumer organisations across 2023;
- The development of supporting material on ICP 19 (Conduct of Business) and climate risk; and
- The IAIS' work on natural catastrophe protection gaps.

Secretariat support: lauren.eckermann@bis.org

OPERATIONAL RESILIENCE TASK FORCE

The Operational Resilience Task Force (ORTF) met on 28 February to 1 March in Basel to discuss and agree on the way forward in response to comments received on its Issues Paper on Insurance Sector

Operational Resilience. The Issues Paper was released for public consultation on 13 October, with the comment period closing on 13 January 2023. The ORTF expects to finalise the Issues Paper in the coming months. The ORTF also discussed potential next steps for the task force in view of suggestions received via the public consultation.

Secretariat support: ruby.garg@bis.org

PROTECTION GAPS TASK FORCE

The Protection Gaps Task Force (PGTF) met in February. For more information, see news article [above](#).

Secretariat support: alistair.gough@bis.org

RESOLUTION WORKING GROUP

The Resolution Working Group (ReWG) met virtually on 22 March and discussed the review of certain recovery- and resolution-related ICP and ComFrame standards, which forms part of the follow-up work to the Holistic Framework endorsed by the Executive Committee during its meeting on 8 March.

Secretariat support: yasuaki.ohara@bis.org

STANDARDS ASSESSMENT WORKING GROUP

The Standards Assessment Working Group (SAWG) met in Basel on 14 and 15 February to discuss progress on the following items:

- PRP on ICP 9 (Supervisory Review and Reporting) and ICP 10 (Preventive Measures, Corrective Measures and Sanctions);
- Revisions to the Assessment Handbook;
- Targeted Jurisdictional Assessments of the implementation of the Holistic Framework supervisory material;
- Training for assessors of the IAIS' supervisory material; and
- Member Assessment Programme (MAP) activities.

Secretariat support: guillaume.scheffler@bis.org and miho.chen@bis.org

STRATEGIC PLAN AND FINANCIAL OUTLOOK TASK FORCE

The SPFO Task Force met twice in February and March. For more information, see news article [above](#).

Secretariat support: alistair.gough@bis.org

Calendar of meetings and events

The following groups are scheduled to meet between April and May 2023.

For the full IAIS calendar, visit our [website](#).

Date	Group	Location
April 2023		
3	Protection Gaps Task Force	Virtual
17-19	Macroprudential Monitoring Working Group	Cape Town, South Africa
19-21	Macroprudential Supervision Working Group	Cape Town, South Africa
18-20	Capital, Solvency and Field Testing Working Group	Singapore
27	Financial Inclusion Forum	Virtual
May 2023		
2	Policy Development Committee	Virtual
11	Accounting and Auditing Working Group stakeholder session	Virtual
11	Governance Working Group	Virtual
11	Supervisory Forum (TBC)	Virtual
11-12	Accounting and Auditing Working Group	Basel
15-16	Market Conduct Working Group	Basel
15-17	Capital, Solvency and Field Testing Working Group	Basel
19	Risk-based Solvency Implementation Forum	Virtual
22	Insurance Capital Standard and Comparability Task Force	Virtual
23	Strategic Plan and Financial Outlook Task Force	Virtual
24	Climate Risk Steering Group	Virtual
24	Financial Crime Forum	Virtual
30	Protection Gaps Task Force	Virtual
30-31	Resolution Working Group	Johannesburg, South Africa
31	Macroprudential Monitoring Working Group	Virtual

Financial Stability Institute (FSI) Report

Financial Stability Institute |  BIS

The Financial Stability Institute (FSI) was jointly created in 1998 by the Bank for International Settlements and the Basel Committee on Banking Supervision to assist supervisors around the world in improving and strengthening their financial systems.

FSI in Review 2022

The *FSI in Review 2022* provides a summary of the FSI's activities in 2022 covering publications, outreach events and FSI Connect, as well as other special projects pursued.

Click [here](#) to access the document.



New FSI Connect tutorials

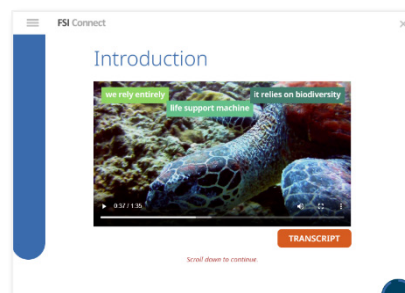
CLIMATE SCENARIO ANALYSIS IN INSURANCE



[Climate scenario analysis](#) is an important supervisory tool for identifying the potential financial impact

of climate change on insurers. To help insurance supervisors undertake climate scenario analysis, the IAIS has collected practical examples of the implementation of such exercises from selected insurance supervisory authorities. This suite of FSI Connect tutorials provides information based on the experience of those supervisory authorities.

BIODIVERSITY LOSS



This suite of tutorials is based on the report on [Central banking and supervision in the biosphere: An agenda for](#)

[action on biodiversity loss, financial risk and system stability](#) by the Network for Greening the Financial System (NGFS) and the International Network for Sustainable Financial Policy Insights, Research and Exchange (INSPIRE) joint study group. This suite of tutorials describes the relevance of biodiversity loss for central banks and financial supervisors.

Both tutorial suites will be available on the [Climate Training Alliance \(CTA\) portal](#), a resource available to all IAIS members.

Access to Insurance Initiative (A2ii) Report



The Access to Insurance Initiative (A2ii) is a unique global partnership which inspires and supports insurance supervisors in promoting access to insurance for underserved and low-income populations. It is the IAIS implementation partner on financial inclusion.

Useful tools on the A2ii website

- The [Insurance and the SDGs](#) pages
- The [Supervisory KPIs Lexicon](#)
- The [Inclusive Insurance Regulations map](#)
- The [ICP Self-assessment Tool](#)

Connect.A2ii

NEW LEARNING RESOURCE AVAILABLE ON CONDUCT AND CULTURE



For financial inclusion and inclusive insurance, good conduct and culture have far-reaching implications because the alternative is financial exclusion.

Vulnerable and underserved communities must trust their insurance products and the financial institutions that serve them.

The [IAIS](#) defines corporate culture as ‘the set of norms, values, attitudes and behaviours of an

insurer that characterises how the insurer conducts its activities. But how does culture shape firm behaviour in treating vulnerable customers fairly? And how can firms see the purpose and benefits of inclusive insurance approaches?

These and other questions were addressed last year during the A2ii-IAIS Supervisory Dialogue on the topic of Conduct and Culture. This dialogue is now available on [Connect.A2ii](#) in English, French and Spanish as a learning module for all supervisors.

If you are already a member of Connect A2ii, you will find this learning resource in your catalogue.

Otherwise, we encourage supervisors to [create an account](#).

Recent Events

A2II AND UNCDF SIGN AN AGREEMENT OF COLLABORATION

The **United Nations Capital Development Fund** (UNCDF) and the **Access to Insurance Initiative** have signed an agreement to drive access to insurance and pensions for migrants, including climate disaster risk insurance. The UNCDF-A2ii collaboration will revolve around research and analysis, stakeholder consultations and networking, and learning and knowledge dissemination.

View the press release [here](#).

PRESENTATION OF THE A2II SEX-DISAGGREGATED DATA TOOLKIT AT THE ASSAL DIVERSITY, EQUITY, AND INCLUSION WEBINAR | 7 MARCH

A2ii presented its toolkit for sex-disaggregated data at the ASSAL webinar on “Diversity, Equity and Inclusion (DE&I) as a topic for Insurance Supervisors.” The tool measures key indicators across two categories: insurance access and usage, and organisational diversity. The toolkit is designed to be used by insurance companies, insurance regulators, supervisors and policymakers. A2ii plans to launch a beta-testing phase with insurance supervisors – if you are interested, please contact secretariat@a2ii.org.

SUPERVISORY WORKSHOP ORGANISED BY THE FINANCE MINISTRY AND THE INSURANCE AUTHORITY OF TOGO | 6 MARCH

On 6 March the A2ii gave a presentation at a supervisory workshop organised by the Finance Ministry and the Insurance Authority of Togo. The workshop focused on the benefits of microinsurance as a tool in managing the risks faced by low-income households and, in general, those excluded or underserved by conventional insurance. This one-day training session was held in French and led by experts in microinsurance from various backgrounds, including industry and InsurTechs.

A2II-AITRI WEBINAR ON DIGITALISATION IN INCLUSIVE INSURANCE - THE ROLE OF SUPERVISORS IN MEETING THE DIGITAL CHALLENGE | 1 MARCH

The [ASEAN Insurance Training and Research Institute](#) (AITRI) and A2ii jointly conducted the “Digitalisation in Inclusive Insurance: The Role of Supervisors in Meeting the Digital Challenge” webinar. There were 53 participants from various insurance regulators mainly from the ASEAN region.

The agenda consisted of the following sessions:

- How Digitalisation is Reshaping the Insurance Landscape
- Regulating Innovation
- Innovative Supervision

The full report will soon be published in A2ii's March [newsletter](#).

INDEX INSURANCE BEST PRACTICES – A2II-IAIS-UNCDF PUBLIC DIALOGUE | 28 FEBRUARY



A2ii
Pascale Lamb
Advisor



IAIS
Manuela
Zweimüller
Head of
Implementation IAIS



UNCDF
Krishnan
Narasimhan
Programme Manager,
PICAP (UNCDF)



IRA Uganda
Peter Okongo
Inspector Officer of
Non-life Insurance



Reserve Bank Fiji
Caroline
Waqabaca
Manager Financial
System
Development Unit

This dialogue was based on the key insights from the joint A2ii-UNCDF paper on '[Index Insurance best practices for insurance regulators and practitioners in the Pacific Island Countries](#)'.

Pascale Lamb, A2ii, opened the call with a presentation on the previous A2ii and IAIS work on the topic, as well as the basic concepts of index insurance. **Krishnan Narasimhan**, Programme Manager of the Pacific Insurance and Climate Adaptation Programme (PICAP), UNCDF, presented the background and workstreams of the PICAP, as well as the relevance of index insurance for the Pacific. He highlighted the vulnerability of Pacific Small Island Developing States to the impacts of climate change and natural hazards, given their exposure and limited capacity to manage such risks and overcome large economic losses. The initial pilot product of parametric insurance in the region was introduced in Fiji, and this initiative became especially relevant after the heavy rains that occurred between December 2022 and January 2023, which has so far [triggered payments for 535 individuals](#).

This was followed by a presentation by **Caroline Waqabaca** from the Reserve Bank of Fiji. Despite Fiji's high exposure to climate risks, the capacity to manage these risks is limited, and the cost of climate financing is high. She explained how parametric insurance was introduced in the jurisdiction in collaboration with various stakeholders, and being the first one of this kind in the region, she also covered the sandboxing process.

Finally, **Peter Okongo**, Inspection Officer of non-life insurance at the Regulatory Authority of Uganda presented Uganda's experience in introducing Index Insurance. Peter shared the progress made since 2011, when the idea was first introduced, and the role that the IRA played in the public-private partnership that implemented agriculture index-based insurance.

The recording is available publicly on [A2ii's website](#).

GPFI PLENARY MEETING | 6-7 MARCH

The A2ii attended the second Plenary meeting of the Global Partnership for Financial Inclusion (GPFI) under the G20 India Presidency.

During the Plenary, the GPFI members discussed and agreed on the way forward for important deliverables for the year including those on Digital Financial Inclusion and SME Finance. A dedicated workshop was also organised for the development of the GPFI Financial Inclusion Action Plan (FIAP) 2023 which will guide the financial inclusion work

under G20 for 2024-26. The GPFI Meeting was preceded by a Knowledge and Experience Exchange Programme for the Emerging Economies of the Global South, with the intention of integrating the priorities for emerging markets on financial into the GPFI's workplan. The third GPFI Plenary will be taking place in July and will be focusing on the key deliverables for the year.

Upcoming events

A2II-IAIS SUPERVISORY DIALOGUE ON DIVERSITY, EQUITY AND INCLUSION | 25 MAY



DEI is particularly relevant to governance, culture and conduct, but also to financial inclusion and sustainable economic development as well as innovation and social responsibility.

To make insurance more inclusive to all population groups, reducing inequalities and bringing awareness to the disparities that still occur is crucial. A2ii's work has focused on making insurance an accessible resource to those excluded from traditional insurance products since the beginning. One example of this has been the work done on making insurance gender aware, such as the gender disaggregated data toolkit currently under development and the [gender series training modules](#). The topic of Diversity, Equity and Inclusion is therefore central to our work.

The IAIS has committed to deepening and strengthening its work on DEI in a number of ways, including exploring the insurance sector's efforts and steps taken by supervisors in support of DEI, incorporating relevant DEI aspects into ongoing IAIS projects and activities, and considering opportunities for cooperation on DEI with other international organisations and partners.

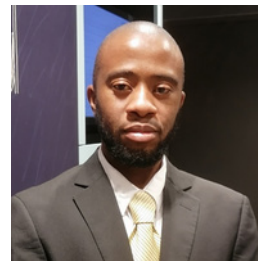
On 25 May, a Supervisory Dialogue on Diversity, Equity and Inclusion will take place. This dialogue

will focus on the key insights from the [IAIS' Stocktake on diversity, equity and inclusion in the insurance sector](#) published in December 2022. It will also feature supervisors from jurisdictions who have been implementing relevant measures in support of DEI.

This webinar will be open to supervisors only. It will take place on 25 May at 14:00 CEST via Webex and will last 1 hour and 15 minutes. The webinar will have simultaneous interpretation to French and Spanish.

Registration is available [here](#). Stay tuned! Soon we will announce the speakers.

Staffing Updates



We welcome **Mubatsiri Mukome**, who joined the A2ii's team on a secondment from the Insurance and Pensions Commission, Zimbabwe.

Mubatsiri's working experience lies within the banking and insurance sectors, where he has experience with credit risk management, actuarial valuations and reporting, insurance capital determination, product review and adjustments, and microinsurance. Mubatsiri has also managed projects within the insurance industry, leading technical teams on areas such as developing risk-based solvency regime for the local insurance market in Zimbabwe. He graduated from the University of Pretoria with a BSc Actuarial and Financial Mathematics and BSc (Hons) Mathematical Statistics, and is currently pursuing the fellowship designation within the actuarial profession.



We are pleased to welcome **Stephanie Campos** to the A2ii team as a Junior Advisor.

Stephanie initially joined the team as an intern in July 2022, and has now taken on a full time role to support A2ii communications and capacity building tasks, including the Inclusive Insurance Innovation Lab (iii-lab) and Connect.A2ii training modules.

Previously, she interned at the Latin American United Nations Office for Project Services (UNOPS) as a Regional Outreach and Communications Intern and worked on Project Development for the Andres Bello Agreement in Panama City, Panama. She holds a dual degree BBA in Marketing and BEc in International Business from Hofstra University and the Dongbei University of Finance and Economics, and a Specialised Master's degree in International Cooperation and Development from the Catholic University of the Sacred Heart in Milan, Italy. Stephanie is fluent in English and Spanish and speaks some French and Italian.



Joscha Sisnowski joined the A2ii secretariat as a Junior Advisor in March 2023. He holds a Bachelor (Hons.) in International Politics and Global Development from Aberystwyth University and

is pursuing a double degree in Public Policy and Human Development at the United Nations University. Prior to joining the A2ii, Joscha worked in Haiti on local capacity development. He speaks German, English and French.

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About the IAIS

The International Association of Insurance Supervisors (IAIS) is a voluntary membership organisation of insurance supervisors and regulators from more than 200 jurisdictions. The mission of the IAIS is to promote effective and globally consistent supervision of the insurance industry in order to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders and to contribute to global financial stability.

Established in 1994, the IAIS is the international standard setting body responsible for developing principles, standards and other supporting material for the supervision of the insurance sector and assisting in their implementation. The IAIS also provides a forum for members to share their experiences and understanding of insurance supervision and insurance markets.

The IAIS coordinates its work with other international financial policymakers and associations of supervisors or regulators and assists in shaping financial systems globally. In particular, the IAIS is a member of the Financial Stability Board (FSB), member of the Standards Advisory Council of the International Accounting Standards Board (IASB) and partner in the Access to Insurance Initiative (A2ii). In recognition of its collective expertise, the IAIS also is routinely called upon by the G20 leaders and other international standard-setting bodies for input on insurance issues as well as on issues related to the regulation and supervision of the global financial sector.

International Association of Insurance Supervisors
c/o Bank for International Settlements
CH-4002 Basel
Switzerland

Tel: +41 61 280 80 90

[iaisweb.org](https://www.iaisweb.org)



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