



September 2023 | Issue 125

Newsletter

From the Secretary General



Amidst the growing frequency and intensity of natural disasters, the economic losses and societal hardship caused by climate change are intensifying. The impact is felt across the IAIS membership.

Despite the fact that insurance can substantially contribute to managing the financial impact of natural disasters, incentivise risk prevention and bolster macroeconomic and societal resilience, the natural catastrophe (NatCat) protection gap – or the uninsured portion of economic losses caused by climate-related natural disaster – are expected to grow, as the impacts of climate change escalate.

Addressing insurance protection gaps in the face of catastrophic events is a complex societal challenge. Addressing this challenge will require a multi-stakeholder approach, including governments, the insurance industry and consumers. Alongside these parties, insurance supervisors can also play a crucial role in helping to mitigate the damaging effects of insurance protection gaps.

This year, the IAIS has issued a call for action for

insurance supervisors to be part of the solution to NatCat protection gaps. In April, we issued a [statement](#) outlining our commitment to further supporting insurance supervisors in addressing protection gaps. In November, we will publish a report on the range of supervisory actions that can be taken to address challenges related to affordability, availability, and take-up of insurance coverage against NatCat events, underpinned by examples from IAIS member jurisdictions.

These activities could include contributing to the assessment of protection gaps, enhancing consumer financial literacy and risk awareness, incentivising risk prevention, fostering an enabling regulatory and supervisory environment to support insurance availability and coverage uptake, and advising government and industry on financial inclusion and societal resilience.

Whilst approaches to narrowing protection gaps may differ, the supervisory mandates to preserve financial stability and enhance policyholder protection already provide a robust basis for acting on protection gaps. For those supervisors with mandates to promote financial inclusion and market development, actions to address protection gaps are even more mission-critical.

We hope that the forthcoming report on the role of supervisors in addressing NatCat protection gaps will provide a basis for engagement amongst insurance supervisors, the insurance industry, policymakers and other relevant stakeholders on a concerted and coordinated approach. This will also be a key topic at our upcoming Annual Conference in Tokyo on 9-10 November. We look forward to the opportunity to progress the conversations with our members and stakeholders on this critical topic.

Jonathan Dixon, Secretary General

In this Issue

From the Secretary General.....	1
News.....	3
Event Spotlight	3
Forum Updates.....	6
Capacity Building.....	7
Meet our Staff	8
Committee and Subcommittee Activities.....	9
Calendar of Meetings and Events	12
Financial Stability Institute (FSI) Report.....	14
Access to Insurance Initiative (A2ii) Report	14

Calendar Notes

Please note the **17 October** registration deadline for the IAIS Annual Conference, taking place in Tokyo this November.

[Stakeholder registration link](#)

[Member registration link](#)

News

AUDITING AND ACCOUNTING

IAIS publishes comment letter on the IASB consultation

The IAIS recently submitted its feedback to the International Accounting Standards Board (IASB) in response to their request for information regarding the post-implementation review (PIR) of IFRS 9 – *Financial Instruments* – Impairment. IFRS 9 became effective for the insurance industry on 1 January 2023.

The IAIS' comment letter provides feedback on areas for consideration by the IASB, including considerations in the areas of impairment requirements in IFRS 9, general approach in recognising expected credit losses, determining significant increase in credit risk, transition, and credit disclosures.

To read the comment letter click [here](#).

For more information, [visit our website](#) or contact Lydia Kimumwe at lydia.kimumwe@bis.org.

Member resources

In an effort to welcome and acquaint new IAIS members, backbenchers of IAIS (sub)committees and representatives of jurisdictions who are interested in following the work of the IAIS, we have developed a new members-only webpage. It shares useful information and links to familiarise members with the activities and resources of the IAIS. In addition, we host virtual information sessions throughout the year to introduce new members to the work of the IAIS and meet Secretariat staff. The info session replay is available for people that miss the live sessions.

Please visit the [IAIS Member's Extranet](#) for additional information.



Event Spotlight

EIOPA Global Insurance Conference | Frankfurt | 6-7 September

Secretary General Jonathan Dixon joined a panel at the EIOPA Global Insurance Conference in Frankfurt focussing on the theme of "New paradigm: the global shift to risk-based supervision". The panel delved into the ongoing developments in risk-based supervision and explored how supervisors can make this transition.

Jonathan noted that the IAIS' Insurance Core Principles (ICPs) are inherently risk-based, and emphasised that the concept of proportionality is deeply ingrained in these principles. Also, ComFrame has been designed to dedicate greater supervisory focus to internationally active insurance groups (IAIGs)

to reflect the complexity from their cross-border operations. Additionally, the Holistic Framework allows supervisors and the IAIS to consider the emergence of risks stemming from specific activities within the global insurance sector.

The panel went on to discuss the efforts of the IAIS' Risk-Based Solvency Implementation Forum. This forum is developing practical guidance aimed at aiding insurance supervisors in emerging markets and developing economies (EMDEs) as they work to establish risk-based solvency frameworks. Notably, the forum provides a valuable platform for supervisors in EMDE regions to share examples of good practices and to learn from their peers who have successfully navigated this transition.

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

ABIR International Regulatory Dialogue | Brussels | 7-8 September

Jonathan Dixon participated in the Association of Bermuda Insurers and Reinsurers (ABIR) annual meeting in Brussels for its International Regulatory Dialogue on 7-8 September. The meeting covered various regulatory topics relevant to the (re)insurance sector, in particular, how to address insurance protection gaps and international regulatory developments.

Jonathan contributed to a discussion on diversity, equity and inclusion (DEI) in the insurance sector alongside Chlora Lindley-Myers, President of the US National Association of Insurance Commissioners, which was moderated by Shannon Lowry Bender, Executive Vice President, Group General Counsel and Corporate Secretary at RenaissanceRe.

Jonathan highlighted the integration of DEI principles into the work of the IAIS and noted that the IAIS Governance Working Group is exploring the link between DEI within insurers' workforce and leadership, as well as their governance, risk management and corporate culture. Additionally, the Market Conduct Working Group is examining how the incorporation of DEI considerations into insurers' conduct of business and in its supervision may result in fairer treatment of consumers, recognising diversity in the customer base.

Jonathan also spoke on the importance of the IAIS "walking the talk" and emphasised that DEI considerations are central to the Association's actions and operation.

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

Consumer engagement dialogue | Virtual | 7 September

Members of the IAIS Executive Committee (ExCo) engaged in a constructive dialogue with over a dozen consumer advocates as part of a deliberate effort this year to enhance the consumer voice within the IAIS' work. The meeting was timed to be in advance of the ExCo Retreat to ensure that emerging consumer risks were carefully considered in the development of the IAIS' next Strategic Plan.

Throughout the discussion, the IAIS sought feedback regarding key priorities for the next five-year Strategic Plan, including how consumer protection risks are likely to evolve by the end of the decade. Additionally, consumer advocates received an update on the IAIS' work on addressing natural catastrophe protection gaps and were provided the opportunity to share their views on the focus for the IAIS' future endeavours in this area.

Presenters and participants agreed on the need for supervisors to focus on the impact that the application of artificial intelligence will have in the insurance sector so as to ensure good consumer outcomes. It will be important to continue to engage on these issues through 2024.

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

Eurofi | Santiago de Compostela | 13-15 September



Vicky Saporta, IAIS ExCo Chair, and Romain Paserot, Deputy Secretary General, joined stakeholders at the Eurofi meeting held in Santiago de Compostela. Between them, they took part in three panel discussions to provide updates on the IAIS' ongoing initiatives.

Vicky took part in a panel focussed on global solvency frameworks, where she gave an update on the development of the Insurance Capital Standard (ICS). She noted that the ICS is moving ahead at full speed, with the publication of the candidate ICS as a prescribed capital requirement (PCR) in June. Given our focus on evidence-based policy, the candidate ICS as a PCR forms part of this year's ICS data collection, along with the continued collection of ICS version 2.0 to assess the impact of the changes made. The IAIS

will also perform one more year of analysis before finalising the ICS is in December 2024.

Vicky underscored that, collectively, the economic impact assessment, the ICS public consultation and the additional data gathered this year as part of the monitoring period will provide a significant body of evidence to inform the IAIS' final adoption next year on the ICS.

On implementation of the ICS, slated for 2025, Vicky noted that there will be a structured and robust approach to assessing implementation of the ICS across jurisdictions. The exact timing of implementation assessment has not been determined, as transitional periods for implementation are customary, during which requisite laws and/or regulations need to be adopted. Based on the input received through public consultation, the IAIS will consider transitional arrangements, including qualifying capital resources.

Romain participated in two climate-related panels to provide updates on the IAIS' efforts in this area. In the first panel, Romain spoke of the work the IAIS is conducting to measure the impact of climate change on the insurance sector and help supervisors in their own assessment. Regarding the increased appetite of policyholders for sustainable products, he mentioned the risk of "greenwashing" and the development of an application paper which will consider the measures supervisors can take to prevent such risks. He also noted that, following the publication of the final climate disclosure standard from the International Sustainability Standards Board in June, the IAIS is now considering what further work may need to be undertaken in this area.

In the second climate panel, Romain provided an update on the IAIS' work to develop an application paper focussed on climate risk scenario analysis. The draft paper will be published in November, for consultation. He also discussed the IAIS' upcoming



report on the role of insurance supervisors in helping to address natural catastrophe protection gaps. The report will be published in November.

Vicky and Romain also had the opportunity in Spain to meet with a diverse group of stakeholders to exchange views on topics affecting the global insurance sector, including ICS development, climate risk and consumer engagement.

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

Eurofi magazine

To read further on the topics discussed in Santiago de Compostela, please have a look at the following articles published in the September 2023 issue of the Eurofi magazine:

- [Finalising the ICS global capital standard for international insurance groups](#), by Vicky Saporta
- [Embedding climate risk into supervisory practices](#), by Romain Paserot

China-ASEAN Insurance Supervision Workshop | Virtual | 21 September

Jonathan Dixon delivered virtual introductory remarks at the "China-ASEAN Insurance Supervision Workshop", hosted by China's National Financial Regulatory Administration in Nanning City on 21 September.

During his presentation, Jonathan provided an update on the themes outlined in the recently published [Global Insurance Market Report mid-year update](#) and, in particular, thanked members in the region for their participation in the exercise.

Jonathan offered an update on the IAIS' strategic themes and welcomed the support from members across the region who are looking to implement the ICS. He closed by highlighting the shared challenges faced by supervisors across the region and globally, particularly in relation to issues such as climate and cyber risks.

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.

FinTech Forum | Virtual | 11 September

The FinTech Forum (FF) held a virtual meeting on 11 September to discuss the following key points:

- Jurisdictional updates on crypto asset-related and environmental, social and governance (ESG)-related FinTech developments in the insurance sector;
- Progress made on the FF's 2023 workplan, including the next steps for the thematic review of artificial intelligence/machine learning (AI/ML) model risk management, the assessment of decentralised finance (DeFi) use cases in the insurance sector and the monitoring of application programming interface (API) and open data developments; and
- Ideas and perspectives regarding the feedback received from the IAIS Strategic Plan 2025-2029 member and stakeholder surveys, in relation to the strategic theme of digital innovation.

The next FF meeting is scheduled to be held virtually on 8 December.

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

Financial Inclusion Forum | Ljubljana | 12-13 September

The Insurance Supervision Agency of Slovenia (AZN) hosted the annual in-person meeting of the Financial Inclusion Forum (FIF) in Ljubljana on 12 and 13 September. During the first day, FIF members engaged in discussions covering the following topics:

- Digital innovation in inclusive insurance, featuring a presentation by the United Nations Capital Development Fund;
- AML/CFT risks and inclusive financial integrity, with insights from Chris Brown, Chair of the Financial

Crime Forum (FCF) and a roundtable on FIF members experiences; and

- Conduct of business considerations, including Slovakia's "mystery shopping" country experience.

On the second day, the forum discussed:

- Insurance solutions for micro, small and medium enterprises (MSMEs), with presentations from EIOPA, the Insurance Regulatory and Development Authority of India (IRDAI) and the Centre for Financial Regulation and Inclusion (CENFRI); and
- A progress update on work of the IAIS Protection Gaps Task Force (PGTF).

The meeting concluded with FIF members providing initial input for the development of their 2024 workplan.

More details on this meeting are available in the A2ii section [below](#).

The next FIF meeting is scheduled to be held virtually on 16 November.

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

Retirement Income and Pensions Forum | Virtual | 28-29 September

The Retirement Income and Pensions Forum (RIPF) held two days of virtual meetings to discuss a range of issues concerning insurance supervision in the context of pensions and retirement income products. The meeting, which saw participation from a wide range of members beyond the RIPF, covered the following themes on the first day:

- Strategies to address pension protection gaps;
- The changing investment landscape for pensions; and
- Consumer protection challenges faced by policyholders, especially as individuals are taking on more responsibility for their retirement needs.

On the second day, the meeting focussed on:

- Innovations in the sale of retirement products, including in the area of robo-advice;
- Demographic trends and their impact;
- The financial impact of long-term care in retirement; and
- Liquidity and investment risks, particularly as pensions look to increase investments in private markets.

Throughout the event, the RIPF benefited from valuable updates from stakeholders, including experts in demographics, innovation and the changing investment landscape.

For more information, including from members who would like to view the presentations, please contact Joe Perry at joe.perry@bis.org.

Capacity Building

UPCOMING

EIOPA-FSI-IAIS Webinar on AI | Virtual | 6 October

On 6 October, 13.00-14.30 CEST, a joint webinar hosted by EIOPA, FSI, and IAIS titled “Harnessing Artificial Intelligence’s (AI) Potential in Insurance: Exploring Use Cases, Risks and Challenges” will take place. The webinar is open to supervisors within the EIOPA-FSI-IAIS member community.

The first session of the webinar will showcase real life examples of AI applications in the insurance industry. These examples will illustrate how AI impacts the insurance value chain and analyse the challenges of adopting AI in this context.

The second session will discuss the unique risks associated with AI adoption in the insurance sector, as well as the regulatory considerations that supervisors need to be aware of. By examining case studies and discussing emerging trends, this webinar aims to provide supervisors with valuable insights to navigate this rapidly evolving landscape.

Confirmed speakers include Petra Hielkema (EIOPA Chair and IAIS FinTech Champion), Kathleen Birrane, (Commissioner from Maryland, US and Chair of the NAIC’s Innovation, Cybersecurity, and Technology Committee), Dennis Noordhoek (Director Public Policy & Regulation, Geneva Association), Christian Westermann (Head of Artificial Intelligence, Zurich Insurance Group) and Deirdre Mullally (Prudential Policy Manager, Central Bank of Ireland). The webinar will be moderated by the two IAIS FinTech Forum AI/ML workstream co-leads Julian Arevalo (Senior Expert on Financial Innovation, EIOPA) and Stefan Claus (Technical Head of Division, Insurance, Bank of England).

The deadline to register for the webinar is 2 October. The programme and registration link can be found on the [IAIS Members Extranet](#) (login required).

For more information contact Zafira Adrus at zafira.adrus@bis.org.

Inclusive Insurance Training Programme | Virtual | 24 October - 16 November

The next edition of the Inclusive Insurance training, offered in partnership with the A2ii, Toronto Centre and AITRI, will take place from 24 October to 16 November 2023. The training is designed for supervisors from the Asia-Pacific region.

The curriculum is based on the [IAIS Application Paper on Regulation and Supervision Supporting Inclusive Insurance Markets](#). It covers various topics, ranging from prudential aspects in inclusive insurance and the role of inclusive insurance in supporting market development to cross-cutting themes, such as climate and environmental risks and sustainable development goals.

Registration closes on 3 October.

For more information, see the A2ii update [below](#) or contact Carlos Lopez Moreira at carlos.lopezmoreira@bis.org.

Leveraging actuarial skills Training | Virtual | 21- 30 November

The Leveraging Actuarial Skills Training Programme offered under the IAIS-A2ii-IAA Partnership Agreement to support supervisory capacity building in actuarial services, will take place virtually from 21 to 30 November.

Registrations closes on 11 October.

For more information, see the A2ii update [below](#) or contact Carlos Lopez Moreira at carlos.lopezmoreira@bis.org.

Meet our Staff

Each month get to know one IAIS staffer and the projects they are working on.

Welcome to the IAIS Secretariat



Name: Suhui Wang

Current role: Senior Policy Advisor

Time with the IAIS: Since September 2023

Last employer: FWD Group

Favourite pastimes: Hiking, cycling, swimming and playing piano

Suhui joined the IAIS Secretariat on 14 September as a Senior Policy Advisor. In her role, Suhui will be a part

of the capital and solvency team. Her primary responsibilities will involve providing support for IAIS policy development activities, including contributing to the Insurance Capital Standard (ICS) project and Aggregation Method (AM) comparability assessment. Furthermore, she will contribute her expertise to various IAIS working groups, including the Capital, Solvency and Field Testing Working Group (CSFWG), the Policy Development Committee (PDC) and the Insurance Capital Standard and Comparability Assessment Task Force (ICSTF).

Before joining the IAIS, Suhui was at FWD Group, a Pan-Asian insurer headquartered in Hong Kong, working within the group capital management team. She is a Fellow of the Institute and Faculty of Actuaries, United Kingdom.

Committee and Subcommittee Activities

Committee Activities

EXECUTIVE COMMITTEE

The Executive Committee (ExCo) met in Basel, Switzerland on 21-22 September 2023. During this meeting, ExCo:

- Considered the outcomes of the Collective Discussion of the Global Monitoring Exercise (GME);
- Received updates on the recent activities of the Protection Gaps Task Force (PGTF);
- Received updates on the Implementation Assessment of the Holistic Framework supervisory material; and

After addressing the agenda items above, ExCo conducted its annual Strategic Retreat. This year the Retreat centred on shaping the IAIS' forthcoming five-year Strategic Plan 2025-2029.

Members provided their insights into the significant trends and challenges that will face the insurance sector and supervision over the next five years.

These discussions were complemented by considerations regarding the core objectives that the IAIS intends to pursue in the coming period. Additionally, the key strategies to achieve these objectives were discussed.

Finally, members shared their input on how the IAIS would like to operate in the 2025-2029 period, including internal governance considerations and the approach to engagement with its members and stakeholders.

The next virtual ExCo meeting will take place on 18 October 2023.

Secretariat support: alistair.gough@bis.org, ruby.garg@bis.org and gemma.schneider@bis.org

IMPLEMENTATION AND ASSESSMENT COMMITTEE

The Implementation and Assessment Committee (IAC) met virtually on 13 September to discuss:

- Implementation assessment of the Holistic Framework supervisory material;
- Initial strategic considerations on implementation support activities; and
- Progress update on the work of the Protection Gaps Task Force.

The next meeting of the IAC will be held on 7 November 2023 in Tokyo, Japan.

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

MACROPRUDENTIAL COMMITTEE

The Macprudential Committee (MPC) met in Basel, Switzerland on 20 September 2023 to:

- Discuss the Risk Dashboard of Financial Markets;
- Hold the Collective Discussion on the 2023 Global Monitoring Exercise (GME);
- Discuss the ongoing work on the level 3 assets indicator and the development of ancillary indicators on credit risk, derivatives and reinsurance;
- Discuss an update on sector-wide developments and the draft outline of the 2023 Global Insurance Market Report (GIMAR); and
- Receive updates from the Macprudential Supervision Working Group and Climate Risk Steering Group.

The next MPC meeting will take place 7 November 2023 in Tokyo, Japan.

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

Subcommittees Activities

ACCOUNTING AND AUDITING WORKING GROUP

The Accounting and Auditing Working Group (AAWG) met in person in Cape Town (hybrid) on 26-

28 September to discuss and receive updates on the following:

- Jurisdictional supervisory activities;
- Activities of the International Forum of Independent Audit Regulators;
- FSB and BCBS activities relevant to the AAWG;
- IMF IFRS 17 implementation activities; and
- The Climate Risk Steering Group's upcoming Application Paper on ICP 14 (Valuation).

In addition, the AAWG held a hybrid roundtable on IFRS 17 implementation that was open to IAIS members from emerging market and developing economy (EMDE) jurisdictions. Topics of discussion included:

- Insurers' IFRS 17 implementation experiences;
- IFRS 17 implementation audit considerations; and
- Supervisor/Regulator IFRS 17 implementation experience.

Secretariat support: lydia.kimumwe@bis.org

CAPITAL, SOLVENCY AND FIELD TESTING WORKING GROUP

In September, the analysis team began the analysis of data submissions relating to the fourth year of the Insurance Capital Standard (ICS) monitoring period. The focus of the first week of data analysis was to verify the data and undertake initial analysis.

The Capital, Solvency and Field Testing Working Group (CSFWG) met on 21-22 September in Basel to discuss:

- The outcomes of the first week of data analysis;
- The structure of ICS dashboards and questionnaires to supervisory colleges;
- The ICS calibration document; and
- Climate risk-related adjustments and supporting material to ICP 14, 15 and 16.

CSFWG will next meet on 16-18 October in Basel.

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

GOVERNANCE WORKING GROUP

The Governance Working Group (GWG) met virtually on 5 September to:

- Agree the finalisation of a member-only document on the relevance of diversity, equity

and inclusion (DEI) to governance (ICP 7), risk management (ICP 8) and corporate culture, following comments from the Policy Development Committee, as an interim deliverable of the GWG's DEI project;

- Discuss next steps on the GWG's DEI project, which involves writing an application paper (with public consultation anticipated Q2 2024);
- Reflect on the virtual workshop held jointly with the Supervisory Forum in July on supervising remuneration and finalise a post-workshop summary note that will be made available to members;
- Confirm the remuneration-related topics that will be examined in three short member-only notes to be prepared over the next few months; and
- Discuss ideas and perspectives regarding topics relevant to the GWG mandate for the IAIS' 2025-2029 Strategic Plan.

Secretariat support: lauren.eckermann@bis.org

MACROPRUDENTIAL MONITORING WORKING GROUP

The Macroprudential Monitoring Working Group (MMWG) met virtually on 5 September to discuss:

- The GME timeline for 2023;
- An update on the work on the level 3 assets indicator and the development of ancillary indicators on credit risk, derivatives and reinsurance;
- The analysis for the GME 2023 collective discussion; and
- An update on sector-wide developments in preparation of GIMAR 2023.

The next MMWG virtual meeting is scheduled to take place 24 October 2023.

Secretariat support: nicolas.colpaert@bis.org

MACROPRUDENTIAL SUPERVISION WORKING GROUP

The Macroprudential Supervision Working Group (MSWG) met virtually on 6 September to:

- Discuss supporting material from the MSWG for the collective discussion on the structural shifts in the life sector (Cross-border asset intensive reinsurance and greater allocation to alternative assets); and

- Receive an update from the MSWG supervisory material review workstream.

The MSWG will next meet in Bern, Switzerland 17-19 October.

Secretariat support: fabian.garavito@bis.org and inwook.hwang@bis.org

MARKET CONDUCT WORKING GROUP

The Market Conduct Working Group (MCWG) met in Toronto, Canada on 27-28 September to:

- Discuss next steps on the MCWG's DEI project focused on the fair treatment of diverse consumers, including to discuss the key messages to be incorporated in an application paper (with public consultation anticipated Q2 2024);
- Exchange information and experiences with respect to the development of SupTech tools or initiatives by some MCWG members;
- Discuss pricing issues (such as "price-walking" or "loyalty penalties") and supervisory responses;
- Discuss the notion of "consumer centricity" in insurance and in supervision;
- Plan a virtual webinar for IAIS members to share key insights from the member-only report on the use of conduct indicators that was prepared by the MCWG and released on the [Members Extranet](#) in June 2023;
- Share relevant domestic developments within member jurisdictions;
- Report back on the 7 September ExCo Leadership dialogue with consumer groups, which was attended by the MCWG Chair; and
- Receive updates on the progress of other IAIS projects of most interest to the MCWG, such as those of the Protection Gaps Task Force and the Financial Inclusion Forum.

The meeting also included interactive discussions with guest speakers from the Canadian Life and Health Insurance Association, the Canadian Property and Casualty Industry Association and a consumer advocate.

The MCWG will next meet virtually on 20 November

Secretariat support: lauren.eckermann@bis.org

OPERATIONAL RESILIENCE TASK FORCE

The Operational Resilience Task Force (ORTF) met in Quebec City, Canada on 18-19 September to:

- Share updates relevant to operational resilience amongst member jurisdictions;
- Develop a draft mandate governing future IAIS work on insurance sector operational resilience; and
- Agree on a draft project plan proposing concrete next steps that could be taken to advance this work and in consideration of feedback received during the public consultation of the IAIS [Issues paper on insurance sector operational resilience](#).

Secretariat support: ruby.garg@bis.org

RESOLUTION WORKING GROUP

The Resolution Working Group (ReWG) met in Basel on 27-28 September to:

- Discuss possible revisions to certain recovery and resolution related ICP/ComFrame standards, where issues were identified with respect to clarity, interpretation or unintended consequences of supervisory material as part of the Targeted Jurisdictional Assessments of the implementation of the Holistic Framework;
- Discuss the draft Issues Paper on roles and functioning of policyholder protection schemes (PPSs) and the resolution of public consultation comments on the paper;
- Share relevant domestic developments within members' jurisdictions;
- Receive updates on the 2023 GME and collective discussion and the progress monitoring of implementation of the Holistic Framework supervisory material; and
- Receive an update on activities of the FSB insurance Cross-Border Crisis Management Group.

Secretariat support: ayana.ishii@bis.org

Calendar of meetings and events

The following groups are scheduled to meet between October and November 2023.

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

Date	Group	Location
October 2023		
5	Budget Committee	Virtual
5-6	Standards Assessment Working Group	London, UK
6	EIOPA-FSI-IAIS Webinar "Harnessing AI's Potential in Insurance: Exploring Use Cases, Risks and Challenges" (supervisors only)	Virtual
6	Strategic Plan and Financial Outlook Task Force	Virtual
10	Risk-based Solvency Implementation Forum	Virtual
10	Governance Working Group	Virtual
10-12	Bootcamp for Assessors	Basel
12	Policy Development Committee	Virtual
16-18	Capital, Solvency and Field Testing Working Group	Basel
17	Climate Risk Steering Group	Virtual
17-19	Macroprudential Supervision Working Group	Bern, Switzerland
18	Executive Committee	Virtual
20	Risk-based Solvency Implementation Forum	Virtual
24	Macroprudential Monitoring Working Group	Virtual
November 2023		
6	Audit and Risk Committee	Tokyo, Japan
6	Protection Gaps Task Force	Tokyo, Japan
6	Policy Development Committee	Tokyo, Japan
7	Implementation and Assessment Committee	Tokyo, Japan
7	Insurance Capital Standard and Comparability Task Force	Tokyo, Japan

For more information or to subscribe or unsubscribe to the newsletter and e-mail alerts, please visit www.iaisweb.org.

Comments and suggestions are always welcome. ©International Association of Insurance Supervisors 2023

7	Macprudential Committee	Tokyo, Japan
8	Strategic Plan and Financial Outlook Task Force	Tokyo, Japan
8	Executive Committee	Tokyo, Japan
9	Annual General Meeting (AGM)	Tokyo, Japan
9	Post-AGM ExCo	Tokyo, Japan
9-10	Annual Conference	Tokyo, Japan
16	Financial Inclusion Forum	Virtual
20	Market Conduct Working Group	Virtual
22	Financial Crime Forum	Virtual
28-29	Governance Working Group	Basel

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.

New FSI Connect on operational resilience

The FSI recently published a new FSI Connect tutorial suite on operational resilience in insurance, based on the IAIS Issues Paper on Insurance Sector Operational Resilience.

A video preview is available [online](#).

For more information on how to access FSI Connect, please contact IAIS.FSIconnect@bis.org.

From clicks to claims: emerging trends and risks of big techs' foray into insurance

FSI Insights no 51, "From clicks to claims: emerging trends and risks of big techs' foray into insurance", was published in August. This paper provides an overview of big techs' involvement in insurance in 14 jurisdictions. It analyses their involvement from three main perspectives according to type of insurance activity: risk carriers, intermediaries or service providers. Currently, big techs' regulated insurance activities as risk carriers or insurance intermediaries are limited. Nonetheless, similar to their presence in other financial sectors, big techs have a large footprint in the insurance sector as technology service providers (eg, cloud computing). The publication is available on the [FSI website](#).

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](#)

iii-lab

SECOND INCLUSIVE INSURANCE INNOVATION LAB 2020-2021 - FINAL REPORT PUBLISHED

The second Inclusive Insurance Innovation Lab (iii-lab) took place from March 2020 to November 2021, bringing together a broad range of stakeholders of the inclusive insurance sector from four participating countries: **Argentina, India, Morocco, and Rwanda**. Over 50 participants engaged in dialogue and mutual learning and developed innovative solutions to increase uptake of insurance amongst vulnerable people and businesses by addressing the question: **how can we develop our insurance markets?**

The second iii-lab had been planned as a face-to-face process with three national and three international workshops spread over 18 months. However, the programme had to be adapted due to the outbreak of the Covid-19 pandemic, leading to most of the programme being conducted online and extended to 20 months. Still, the country team's flexibility and patience allowed them to develop multiple prototypes, create lasting relationships, and carry on as leaders, advocates, and innovators for inclusive insurance within their jurisdiction.

This report looks back at the results and long-term impact of the second iii-lab one-and-a-half years after its closing. It is based on insights from interviews with iii-lab participants at regular intervals after the programme ended.

[Download the report](#) to learn more about second iii-lab's results. For more information, see the [iii-lab 2](#) site.



2nd Inclusive Insurance Innovation Lab
2020–21

Final Report



Recent Events

DIALOGUE WITH ASIAN SUPERVISORS | 5 SEPTEMBER

A2ii recently conducted an online “Dialogue with Asian Supervisors” for the Nepal Insurance Authority (NIA) on 5 September 2023. The dialogue was aimed at providing the NIA and Nepalese insurance companies with fresh perspectives and insights on how other Asian insurance supervisors were able to develop their microinsurance sectors through more enabling regulatory measures, particularly in the areas of product and market development. On site, to share their respective microinsurance journeys and experiences, were Ms. **Shazia Rehman**, Joint Director of the Insurance Policy Regulation and Development Department of the Securities and

Exchange Commission of Pakistan (SECP) and Mr. **Adrian Irshadi Siregar**, Division Head of Development for Insurance, Guarantee, and Pension Fund of the Indonesia Financial Services Authority (OJK).

More than 40 participants took part in the Dialogue, the second activity under A2ii’s “Follow-up In-country Collaboration with the NIA on Product Development for Microinsurance Products”.

FINANCIAL INCLUSION FORUM (FIF) | LJUBLJANA, SLOVENIA | 12-13 SEPTEMBER



The A2ii and IAIS held this year's in-person Financial Inclusion Forum (FIF) meeting in Ljubljana, Slovenia, hosted by AZN, the Insurance Supervision Agency of Slovenia.

The first day of the meeting began with welcome remarks from **Tomás Soley**, chair of the FIF and General Superintendent of SUGESE, **Gorazd Čibej**, Managing Director at the Insurance Supervision Agency of Slovenia, and **Hanne van Voorden**, IAIS Head of Supervisory Practices and Operations.

Krishnan Narasimhan from UNCDF gave a presentation on [digital innovation in inclusive insurance in Pacific Small island developing states](#), followed by **Christopher Brown** from Bermuda Monetary Authority on proportionate approaches to anti-money laundering and counter financing of terrorism in inclusive insurance. After this, members shared learnings on AML/CDT in a tour de table.

This was followed by a well-received session on mystery shopping, with the Slovakia country experience presented by **Julia Čillíková** from the National Bank of Slovakia, then a members' roundtable on complaints handling and conduct of business in inclusive insurance.

The second day began with three presentations on Insurance for MSMEs, from **Marco Traversa**,

EIOPA, **Thomas Devasia**, IRDAI, and **Jeremy Gray**, CENFRI, with Q&A. FIF members then gave updates on the status of insurance for MSMEs in their jurisdictions. Next, **Mojca Rome**, Insurance Supervision Agency of Slovenia, presented on ESG in insurance supervision.

See the IAIS update [above](#).

A2II-IAIS PUBLIC DIALOGUE ON CLIMATE CHANGE AND CATASTROPHE RISK MODELLING | 14 SEPTEMBER

The last A2ii-IAIS Public Dialogue took place on 14 September virtually. During this session, **Hanne van Voorden**, Head of Supervisory Practices and Operations at the IAIS, started by presenting the work that the IAIS has been doing on climate risk, particularly undertaking analysis to understand how climate change impacts the insurance sector and financial stability, promoting a global supervisory response to climate change and assisting in capacity building initiatives with partners. Hanne also touched on the IAIS approach to data and the outcomes of the IAIS' Global Monitoring Exercise.

Following Hanne's presentation was a panel discussion moderated by **Miroslav Petkov**, Senior Policy Advisor at the IAIS. This discussion focused on the latest developments and applications of climate data, the limitations and challenges of using this data and the ways in which collaboration between stakeholders can improve the modelling of natural catastrophes and address protection gaps. The panellists were **Nick Moody**, Coordinator of the Insurance Development Forum (IDF) Risk Modelling Steering Group and Private Sector co-lead of the Global Risk Modelling Alliance at the IDF, **Jerry Skees**, Founder and Executive Director of Global Parametrics, **Kara Voss**, Climate Finance Specialist at the California Department of Insurance, **Erickson H. Balmes**, Deputy Commissioner at the Insurance Commission of Philippines and **Pujan Dhumel**, Director of Microinsurance at the NIA.

The recording of this dialogue is available on [the A2ii website](#).

Upcoming events

INCLUSIVE INSURANCE TRAINING PROGRAMME | 24 OCTOBER - 16 NOVEMBER



The Inclusive Insurance Training programme is offered in partnership with the A2ii, Toronto Centre, AITRI, and IAIS. It will take place over five days - an on-boarding session on **24 October** and Tuesdays and Thursdays from **7 - 16 November 2023**.

The training programme is aimed at **entry- to mid-level insurance supervisors** from the **Asia-Pacific** region.

The training is offered at no cost to insurance supervisors; however, places will be limited. We will accept approximately 2 supervisors per jurisdiction.

[Click here](#) for more information and to register your interest.

CAPACITY BUILDING FOR INSURANCE SUPERVISORS: LEVERAGING ACTUARIAL SKILLS | 21 - 30 NOVEMBER



The virtual training "Capacity building for insurance supervisors: leveraging actuarial skills",

organised by the International Actuarial Association (IAA), the IAIS and the A2ii, targets supervisors from Sub-Saharan Africa and Caribbean. It aims at strengthening the understanding and implementation of the actuarial concepts and tools necessary to support effective insurance supervision and regulation.

The approach of this training will be on learning principles, while being as simple and practical as possible. After an onboarding on 31 October, the training takes place from 21 to 30 November 2023, with a combination of online self-paced modules and live sessions, which include a range of lecture-based sessions, case studies, breakout sessions and quizzes. [Click here for more information and to register.](#)

18TH CONSULTATIVE FORUM| ACCRA, GHANA
| 23 OCTOBER



The devastating impact of climate change has already become a reality for many, and sadly even more so for the most vulnerable societies and households. Addressing the widening protection gaps requires close collaboration between

the public and private sector. Thus, bringing

together key stakeholders to share their knowledge and experience in addressing climate change-related risks is more important than ever.

The Consultative Forum 2023 will gather representatives of international initiatives, the insurance industry, as well as policymakers and supervisors to jointly identify best practices, challenges and opportunities for developing and implementing insurance solutions that can promote financial resilience in the face of climate change and natural disaster.

It will take place in the afternoon of Monday, 23 October, with a follow-up virtual workshop on risk modelling in November. For the agenda and more information, visit our [website](#).

View full [newsletters](#) on the A2ii website and [subscribe](#) to the A2ii mailing list.

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



For news in real-time, follow us on [LinkedIn](#)

The publication is available free of charge on the [IAIS website](#)

©International Association of Insurance Supervisors 2023.

All rights reserved. Brief excerpts may be reproduced or translated provided the source is stated.