



May 2024 | Issue 132

Newsletter

From the Secretary General



Effective stakeholder engagement is integral to the IAIS successfully fulfilling its role as the global standard setter for the insurance sector.

In this context, in recent years we have been striving to enhance our engagement with

stakeholders who bring a “consumer voice” to our work. This includes consumer advocacy organisations, certain think tanks and academics.

We recognise the importance of receiving views and inputs from a diverse range of stakeholders and understand that consumer-representing stakeholders often have fewer financial and time resources at their disposal to expend on IAIS engagement than the insurance industry.

These considerations led us to design a structured consumer voice engagement programme, involving approximately 15 consumer groups from around the world. They participate in three dedicated sessions per year, meeting virtually with members of the IAIS Secretariat, members of IAIS subcommittees working

on relevant topics and the leadership of the IAIS in the form of a selection of IAIS Chairs, Vice Chairs and strategic theme Champions.

Insight into the consumer perspective is of inherent importance to the IAIS’ work. It is crucial not only for our members with supervisory mandates for market conduct, consumer protection, market development and financial inclusion, but also for all supervisors because consumer trust is central to the continued relevance and financial stability of the insurance sector.

Now in its second year, the consumer voice engagement programme has launched successfully and already demonstrates its benefits in drawing prominence within the IAIS to market conduct and consumer issues. The insights gained have helped to inform recent and in-progress reports and application papers, development of the IAIS’ next Strategic Plan, and discussions on jurisdictional observations and supervisory responses amongst supervisors at subcommittee level.

Through the engagements, we have canvassed consumer groups’ insights on the implications for consumers from insurers’ use of artificial intelligence, consumer behaviours and experiences related to natural catastrophe protection gaps, the needs of consumers with diverse characteristics or experiencing vulnerability, and the limitations of sales disclosure to consumers.

Our commitment to the consumer voice coalesces with our increasing focus on whether insurance products and services are truly meeting societal needs, and the role insurance supervisors can play in this regard. I thank all the consumer group participants who provide significant value to us through their involvement.

I also encourage consumer groups to join the discussions at our Annual Conference (your registration fees are waived) and respond to our [public consultations](#). These forums provide a platform to publicly emphasise and elevate the consumer perspective.

Jonathan Dixon, Secretary General

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Calendar Notes

- Registration is now open for the virtual 2024 IAIS Global Seminar 9-11 July, 13:00-15:00 CEST. *More information and registration details are listed [below](#).*
- Register [here](#) for the upcoming Insurance Capital Standard (ICS) webinar on 27 June (13:00-14:30 CEST)
- Closing dates for current IAIS consultations:
 - 14 June: [Public consultation of Application Paper on supervising diversity, equity and inclusion – the governance, risk management and culture perspective](#)
 - 19 June: [Public consultation on climate risk supervisory guidance – ICP guidance and supporting material](#)
 - 27 June: [Public consultation on draft revisions to supervisory material related to the Holistic Framework](#)

In Focus

Insurance Core Principles – the pillars of global insurance supervision

The IAIS has a clear aim: to promote effective and globally consistent supervision of the insurance industry. This aim is underpinned by the Insurance Core Principles (ICPs) which serve as the global standard for insurance supervision.

This article provides insights into the ICPs, including how they are developed, maintained and assessed, and how they are instrumental to promoting consistency in supervisory practices across the globe.

Overview of ICPs

The ICPs provide a framework for the supervision of the insurance sector, embodying the minimum requirements for insurance regulation and supervision. The ICPs apply to all types of insurers. By setting a globally accepted standard, the ICPs contribute to the IAIS' goal of promoting consistent supervision across different jurisdictions, thereby fostering global financial stability and ensuring that policyholders' interests are protected.

The ICPs are composed of 25 principles and are comprised of Principle Statements, Standards and Guidance. These principles cover a broad range of areas, including governance, risk management,

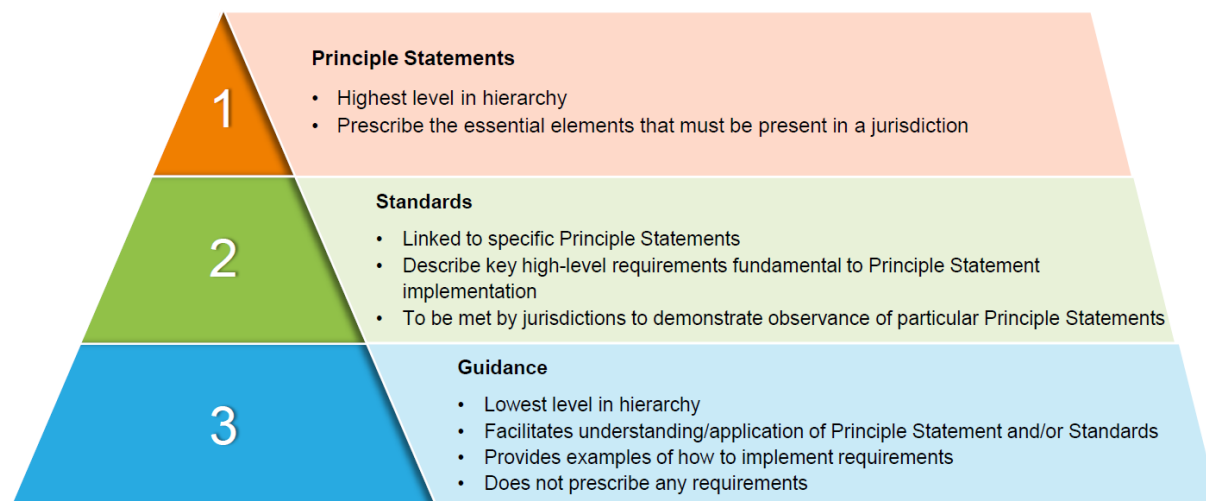
solvency, conduct of business and macroprudential supervision. The ICPs aim to promote consistently high supervisory standards in all IAIS member jurisdictions.

The Insurance Core Principles are not just guidelines; they are the backbone of a robust and effective insurance supervisory system.

Development and maintenance of ICPs

The ICPs were first adopted in 2011 and last updated in 2019, coinciding with the adoption of ComFrame (see box below). The ICPs undergo regular updates to reflect evolving insurance market trends, updates related to standards and guidance developed by other standing-setting bodies, outcomes of IAIS implementation assessment activities, recommendations from the G20, as well as other developments in the global financial system that are relevant to the supervision of the insurance sector.

Structure and scope of the Insurance Core Principles



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Comments and suggestions are always welcome. ©International Association of Insurance Supervisors 2024

During 2023 and 2024, the IAIS is consulting on revisions to certain ICPs related to valuation, capital adequacy, climate risk and the Holistic Framework. An updated set of ICPs incorporating these changes is slated for adoption by the end of 2024:

- **Valuation and capital adequacy**

- In June 2023, the IAIS launched a [consultation](#) on the draft revised ICP 14 (Valuation) and ICP 17 (Capital Adequacy), simultaneously with the consultation on the Insurance Capital Standard (ICS). These principles establish the foundational framework for all quantitative, risk-based insurance solvency requirements.

- **Climate risk**

- The IAIS is developing a comprehensive set of supervisory and supporting materials to promote a globally consistent approach to the supervision of climate-related risks. This initiative includes a series of four public consultations on proposed changes to some of the ICPs and on new supporting material.
- Proposed changes to the ICPs were included in the [first consultation](#) which proposed references to climate risk in the ICP Introduction, and in the ongoing [third consultation](#), which proposes changes to guidance in ICP 15 (Investments) and ICP 16 (Enterprise Risk Management for Solvency Purposes).

- **Holistic Framework**

- Following the Financial Stability Board's endorsement of the Holistic Framework in December 2022, the IAIS committed to considering lessons learnt from its implementation. Accordingly, the IAIS has reviewed certain ICPs and related ComFrame standards that form part of the Holistic Framework supervisory material.
- In March 2024, the IAIS launched a [consultation](#) on draft revisions to the Holistic Framework supervisory material, proposing changes to ICP 16 (Enterprise Risk Management for Solvency Purposes) and ICP 12 (Exit from the Market and Resolution), related to liquidity risk, counterparty risk management, and recovery and resolution plans and powers.

Explanation of ComFrame and Holistic Framework

Building upon the ICPs, the IAIS adopted in 2019 the [Common Framework for the Supervision of Internationally Active Insurance Groups](#) (ComFrame), which establishes supervisory standards and guidance dedicated to the effective group-wide supervision of IAIGs. By providing supervisors with a common language for the supervision of IAIGs, ComFrame enhances coordination and helps supervisors address groupwide risks and avoid supervisory gaps. ComFrame standards are integrated in the ICPs, and appear in blue boxes in the text.

Also in 2019, the IAIS adopted the [Holistic Framework for the assessment and mitigation of systemic risk in the insurance sector](#), comprising three pillars: data collection and analysis, supervisory policy measures for macroprudential purposes and implementation assessment. The supervisory policy measures are integrated into the ICPs and ComFrame and include an enhanced set of supervisory policy measures for macroprudential purposes, designed to increase the overall resilience of the insurance sector and help prevent vulnerabilities and exposures developing into systemic risk.

Implementation and assessment of the ICPs

Supporting insurance supervisors in putting the ICPs into practice is central to the IAIS' implementation strategy. To do so, the IAIS facilitates the sharing of good supervisory practices for consistent implementation of the ICPs and develops practical guidance materials on implementing the ICPs. This includes examples and case studies that explore supervisory issues and challenges. Notably, [application papers](#) provide additional guidance and support to supervisors in implementing ICPs and ComFrame. These papers are typically issued in case the practical application of principles and standards may vary, or where their interpretation and implementation may present challenges.

Assessing the effective implementation of the ICPs is another key objective of the IAIS. A variety of tools are available:

- The [Peer Review Process](#) (PRP), which all IAIS members are encouraged to join and which focus on one or a few ICPs on a thematic basis;
- The [Member Assessment Programmes](#) (MAP) where the implementation of the ICPs in their entirety are assessed for one country. Four MAPs have been completed so far; and
- The [Targeted Jurisdictional Assessments](#) (TJA), which combine desk reviews with on-site assessments and is being used to assess the implementation of Holistic Framework-related standards.

Additionally, the ICPs form the basis for the assessments performed by the International Monetary Fund (IMF) and World Bank Financial Sector Assessment Program (FSAP).

By encouraging consistently high supervisory standards, the ICPs support policyholder protection, contribute to the maintenance of fair, safe, and stable insurance markets, and bolster financial stability.

Capacity building

When implemented and applied proportionally, the ICPs can also foster insurance market development objectives, such as financial inclusion. This is particularly relevant for emerging market and developing economy (EMDE) jurisdictions, where members are making significant efforts to strengthen their regulatory regimes, promote access and use of insurance and address emerging risks and trends.

The IAIS, in close cooperation with its implementation partners, notably the Financial Stability Institute (FSI) and the Access to Insurance Initiative (A2ii), promotes the observance of the ICPs through an ambitious capacity-building programme. This programme includes regional seminars and high-level meetings, e-

learning platforms such as the FSI Connect and Connect.A2ii, as well as training programmes and dedicated meetings to discuss EMDE needs and priorities.

How to access the ICPs

The ICP material and related tools are available on the IAIS website:

- [ICPs and ComFrame](#) (in PDF)
- [ICP and ComFrame Online Tool](#): This tool allows you to browse through the ICPs and ComFrame material.



To learn more, view the [video](#) overview of the ICPs by Jonathan Dixon, IAIS Secretary General.



By guiding the work of insurance supervisors, the ICPs play a crucial role in ensuring the global insurance sector is stable, fair and beneficial for all.

For more information contact Ayana Ishii at ayana.ishii@bis.org, Guillaume Scheffler at guillaume.scheffler@bis.org and Carlos Lopez Moreira at carlos.lopezmoreira@bis.org.

News

FINANCIAL POLICY

IAIS contributes to G7 Framework on public-private insurance programmes against natural hazards

In 2024, under the Italian Presidency, the G7 continued to identify disaster risk finance as a priority topic – consistent with earlier Presidencies including that of Japan in 2023. The G7 Finance Track, through its Climate Change Mitigation Working Group (CCMWG), has advanced this focus, particularly emphasising the role of public private insurance programmes (PPIPs).

Following last year's publication of the IAIS report, [A call to action: the role of supervisors in addressing natural catastrophe protection gaps](#), which emphasises the key role that supervisors can play in addressing natural catastrophe protection gaps by advising government and industry, including on the design and implementation of insurance schemes (such as PPIPs), the G7 CCMWG sought technical input from the IAIS to support their work on disaster risk finance, together with the OECD. This culminated in the G7 [High-Level Framework for Public-Private Insurance Programmes against Natural Hazards](#), published alongside the G7 Finance Ministers and Central Bank Governors [communiqué](#) on 25 May.

About the G7

The [Group of Seven](#) (G7) is an informal forum that brings together Italy, Canada, France, Germany, Japan, the United Kingdom, and the United States of America. The European Union also participates in the Group and is represented at the summits by the President of the European Council and the President of the European Commission.

Consistent with the IAIS' 2023 "Call to action" report, the G7 Framework underscores that narrowing the protection gap requires a collaborative effort between multiple parties, including governments, insurance supervisors and the insurance sector. Multi-stakeholder collaboration could include several approaches to increase insurance coverage, such as improving risk awareness and financial literacy, investing in risk prevention and reduction, promoting the availability and uptake of private insurance, as well as establishing PPIPs.

It further sets out considerations for developing a high-level framework for PPIPs against natural hazards, particularly targeting policy makers, insurance regulators and supervisors who are considering the development of PPIPs. The framework serves as a step-by-step guide, illustrating the different phases of PPIP development for disaster risk finance. The framework has been developed based on contributions from the IAIS and OECD.

As the global standard setter for insurance supervision, the IAIS is committed to continue to share its expertise and work together with partners to enhance resilience against natural catastrophe risks.

"The collaboration with the OECD in providing expert input to the G7 High-Level Framework for PPIPs demonstrates the value, from a key policymaking perspective, of the IAIS' work on addressing the pressing issue of natural catastrophe protection gaps."

**- Shigeru Ariizumi,
Chair, IAIS Executive Committee**

For more information contact Hanne van Voorden at hanne.vanvoorden@bis.org.

MILESTONE EVENTS

Registration opens for IAIS Global Seminar 2024



The IAIS is set to host its Global Seminar in a new virtual format this year on 9-11 July, from 13:00-15:00 CEST each day.

The seminar will serve as a platform for members and stakeholders to engage with IAIS leadership on its priorities, progress on the annual work programme, and hear from expert panellists on topics of priority for the insurance sector.

9 July – Attendees will have the opportunity to engage in dialogue with the IAIS Executive Committee, chaired by Shigeru Ariizumi, to discuss the 2024 work programme and the development of the 2025-2029 Strategic Plan.

10 July – Two panels will explore how supervisory tools can address emerging risks and what these changes mean for insurers' business models and policyholders on key topics of:

- Artificial intelligence in the insurance sector; and
- Insurers' asset management in a changing interest rate environment.

11 July – The final day of the Seminar will feature an interactive session allowing for engagement with the chairs of the Macprudential, Policy Development and Implementation and Assessment Committees.

More detailed information on the agenda and speakers is available on the [Global Seminar](#) webpage.

Click [here](#) to register.

For more information contact IAIS.Events@bis.org

INSURANCE CAPITAL STANDARD

ICS public background session | Virtual | 27 June

On 27 June from 13:00-14:30 CEST, the IAIS will hold a public background session to share the 2024 ICS technical specifications and details about the changes made since the 2023 data collection.

The IAIS will also provide an update on the final stages of development of the ICS ahead of its planned adoption at the end of the year, as well as the items under discussion on the implementation of the ICS from 2025 onwards.

To register for the session, click [here](#).

To read more about the ICS, visit our [website](#).

For more information contact Lazhare Bouldi at lazhare.bouldi@bis.org

ACCOUNTING AND AUDITING

Webinar recording on potential changes to IFRS accounting standards

On 22 May, the Accounting and Auditing Working Group of the IAIS held a stakeholder webinar to provide updates on the working group's activities and gather feedback on key matters of interest on potential significant changes to IFRS accounting standards and international auditing standards impacting the insurance industry.



To view the recording of the session, click [here](#).

To read more about the IAIS' work on accounting and auditing, visit our [website](#).

For more information contact Lydia Kimumwe at lydia.kimumwe@bis.org

Event Spotlight

ASSAL-FSI-IAIS High-level meeting on Insurance Supervision | Montevideo, Uruguay | 7 May



The eighth ASSAL-FSI-IAIS high-level meeting on insurance supervision, held in Montevideo, Uruguay on 7 May brought together more than 30 senior insurance supervisors from 16 countries. The meeting covered insurance regulatory reforms and implementation in Latin America, the role of supervisors in the face of natural catastrophe challenges and climate-related risks, and addressing operational resilience challenges in a tech-driven insurance sector. IAIS Secretary General Jonathan Dixon gave a special address, presenting the IAIS Roadmap for this year and sharing highlights of the draft IAIS Strategic Plan 2025-2029.

“It is inspiring to hear about the energy with which supervisors in Latin America are tackling issues like climate change, protection gaps, digital innovation and cyber risk – and the strong collaboration that is taking place through the regional supervisory body, ASSAL.”

**- Jonathan Dixon
Secretary General, IAIS**

The meeting was co-organised by the IAIS, the Association of Insurance Supervisors of Latin America (ASSAL) and the Financial Stability Institute (FSI) of the Bank for International Settlements (BIS) and hosted by the Central Bank of Uruguay.

ASSAL-IAIS Annual Conference | Montevideo, Uruguay | 8-9 May



The following two days, the conversation continued at the 22nd Conference on Insurance Regulation and Supervision in Latin America – which brought together more than 300 leaders and experts from the insurance sector to exchange ideas and experiences.

Insurance supervisors, insurers and other stakeholders participated in panels and roundtables addressing emerging trends and risks, including risk-based solvency implementation, InsurTech, market conduct and innovation. Discussions also covered climate risks, consumer protection and inclusive insurance.

Conor Donaldson, IAIS Head of Implementation and Assessment, delivered a presentation on priority projects and activities in the context of the 2024 Roadmap, and led discussions on the use of innovative technologies by insurance supervisors (SupTech) and protection gaps.

To read further on these ASSAL events, see the FSI and A2ii articles [below](#).

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

IIF Insurance Colloquium | Washington DC, USA | 15 May

IAIS Secretary General, Jonathan Dixon, delivered opening remarks and held a fireside chat together with over 80 stakeholders at the Institute of International Finance (IIF) Insurance Colloquium. Jonathan provided an update on the IAIS' work programme and set out the final steps on the road to the adoption of the Insurance Capital Standard. As part of the discussion, Jonathan provided an update on the IAIS' work on natural catastrophe protection gaps, noting the broad support across the supervisory community that has emerged for tackling protection gaps.

Jonathan also joined Alex Hart, Chair of the IAIS Resolution Working Group, on a panel to discuss the IAIS' work on recovery and resolution. He spoke of the work that the IAIS and Financial Stability Board (FSB) have been undertaking in recent years to monitor implementation of the IAIS and FSB standards on resolution. He also highlighted that the IAIS is [currently consulting](#) on a limited number of changes to its standards to take account of lessons learnt when the IAIS undertook its Targeted Jurisdictional Assessment.

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

NAIC International Insurance Forum | Washington DC, USA | 16-17 May



The NAIC 2024 International Insurance Forum was held in Washington DC on 16-17 May, with a line-up of international speakers and participants, including representatives from the IAIS.

On day one, Shigeru Ariizumi, IAIS Executive Committee Chair, delivered a keynote address

outlining his key goals for the IAIS and reflecting on the IAIS' Strategic Plan for 2025-2029.

Shigeru elaborated that the IAIS Strategic Plan will build upon the significant achievements of the IAIS over the previous five-year period and talked through the key elements of the plan.

Noting that the period ahead would be both challenging and rewarding, Shigeru welcomed ongoing collaboration from IAIS members and stakeholders in achieving the future vision for the IAIS.

On the second day, IAIS Secretary General Jonathan Dixon and IAIS Executive Committee Vice Chair Siham Ramli joined a panel on the IAIS' ambitious next five-year Strategic Plan.

Jonathan picked up on Shigeru's overview of the Strategic Plan, and provided some further context on the core objectives, operational priorities and the three strategic themes that will be the focus of IAIS in the next period. These being:

- Strengthening supervisory response to climate change;
- Adapting to digital innovation and cyber risks; and
- Supporting insurance to serve its societal purpose of building resilience.

Siham offered a unique perspective on the IAIS' future work, particularly from the standpoint of emerging markets and developing economy countries, sharing how the future agenda balances the needs of the IAIS' diverse membership.

Separately, Gerry Cross, the IAIS Diversity, Equity and Inclusion (DEI) Champion also spoke on a panel about DEI in the insurance industry, contributing views arising from the IAIS' ongoing work on the topic as well as his Central Bank of Ireland perspectives.



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

CRO Roundtable | Virtual | 23 May

The IAIS hosted its annual Chief Risk Officer (CRO) Roundtable discussion on 23 May. The engagement provides a valuable input to the IAIS' annual Global Monitoring Exercise (GME). Under Chatham House rules, members of the IAIS Executive Committee and more than a dozen CROs discussed how insurers are responding to the current macroeconomic outlook and the top risks CROs are focused on. They also discussed steps that can be taken by insurers and supervisors to address growing protection gaps.

The roundtable provided an opportunity to discuss changes in the life insurance sector, a theme that is a focus for the GME. Participants discussed the reasons for the material shift to alternative investments by some life insurers and the use of asset-intensive reinsurance. These trends emerged in the low yield environment but have continued in the current interest rate environment and, therefore, participants provided their views on why these trends persist.

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

Insurance Europe | Helsinki, Finland | 30 May



IAIS Executive Committee Chair [Shigeru Ariizumi](#) delivered a virtual keynote address at the Insurance Europe International Conference. At this occasion, Shigeru talked about the essential role that insurance plays as a foundation of economic life and financial markets.

With his vantage point as IAIS Chair, as well as Vice Chair of IOSCO and a member of FSB, Shigeru highlighted trends across the broader financial system, including liquidity risks and the increasing importance of private markets, which are also issues relevant for the insurance sector.

In his remarks, Shigeru highlighted the role that the insurance sector must play in helping to address societal challenges, including issues related to climate change, protection gaps and diversity, equity and inclusion.

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 | 16 May

The Financial Inclusion Forum (FIF) held its second meeting this year on 16 May to discuss the topic of ethical considerations in product design and conduct of business. The session provided a multistakeholder perspective on the topics by bringing together insurance supervisors and industry representatives.

FIF members also discussed progress on the update of the Application Paper on regulation and supervision supporting inclusive insurance markets.

The FIF will next meet in Frankfurt from 22 to 23 July to exchange on protection gaps.

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

Financial Crime Forum | Virtual | 29 May

The Financial Crime Forum (FCF) met virtually on 29 May to discuss:

- Jurisdictional updates relevant to financial crime (money laundering/terrorist financing/proliferation financing, sanctions and fraud in insurance);

- Recent relevant activities of the Financial Action Task Force (FATF); and
- Issues related to beneficial ownership, including relevant practices in members' jurisdictions.

The next FCF meeting will take place virtually on 4 September.

For more information contact Ayana Ishii at ayana.ishii@bis.org.

Capacity Building

Sub-Saharan Africa Regional Seminar | Windhoek, Namibia | 27-31 May



The Sub-Saharan Africa Regional Seminar, with the theme: "Addressing the Gaps for a Sustainable, Inclusive, and Resilient Insurance Industry", was hosted by Namibian Financial Institutions Supervisory Authority (NAMFISA), in collaboration with the IAIS, the FSI and A2ii. This event, held from 27 to 31 May in Windhoek, Namibia, was a platform for supervisors, industry experts and policymakers to exchange regional insights and experiences on a wide range of topics, including protection gaps, climate resilience,

financial inclusion, digital innovation, capacity building and market conduct.

The first three days featured closed-door sessions for supervisors, focusing on in-depth discussions and regional supervisory priorities. The final two days were open to the industry and other relevant stakeholders, allowing for broader participation and engagement.

The seminar, which was translated into English, French and Portuguese, included panel discussions, interactive workshops and case studies. More than 60 supervisors and 40 stakeholders, participated in the event.



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

"This seminar is a significant event for NAMFISA and the country, and a testament to our collective commitment to advancing the financial regulatory landscape across our region – Sub-Saharan Africa."

- Kenneth S. Matomola, CEO, NAMFISA

Meet our Staff

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

Secretariat profile



Name: Linta Kakkattu

Current role: Technical Administrator

Time with the IAIS: Since September 2022

Last employer: Global Indian Public School

Favourite pastimes: Cooking, jewellery making, travelling and dancing.

Linta joined the Secretariat as a Technical Administrator in September 2022, assuming responsibility for IT systems at the IAIS.

In her role she maintains the public website and the members extranet, builds the IT infrastructure for IAIS surveys and consultations, is responsible for procurement and supports IAIS members in their use of the members extranet. Linta is also leading the transition to Microsoft Teams for the Secretariat in the Secretariat's recent change from WebEx.

Prior to joining the IAIS, Linta worked as a software developer and tester in India, where she specialised in designing user interfaces, implementing software modules and conducting testing. She also gained experience as a technical administrator in an international school in India.

Linta holds a bachelor's degree in computer science engineering from Viswajyothi College, India.

Visit Linta's LinkedIn page [here](#).

Appointments

The Executive Committee (ExCo) and the Selection Group have recently made the following appointments:

- Andrew Mais, Insurance Commissioner of Connecticut and President of the National Association of Insurance Commissioners (NAIC) as a Vice Chair of the ExCo;
- Chlora Lindley-Myers (USA, Missouri) as North America regional ExCo member to replace Gary Anderson;
- Suzanne Smith (APRA, Australia) and Abdulaziz Albeshri (IA, Kingdom of Saudi Arabia) as members of the Audit and Risk Committee;
- Suzanne Smith (APRA, Australia) as a member of the Selection Group; and
- Yann Marin (ACPR, France) as the Vice Chair of the Climate Risk Steering Group.

Committee and Subcommittee Activities

Committee Activities

BUDGET COMMITTEE

The Budget Committee (BC) held a virtual meeting on 13 May to discuss the draft 2025-2029 Financial Outlook (FO), including a review of assumptions used in developing the FO.

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

EXECUTIVE COMMITTEE

The Executive Committee (ExCo) met virtually on 7 May to elect a new ExCo Vice Chair and make other membership appointments (see Appointments section [above](#)).

Secretariat support: jo-ann.ferreira@bis.org and zoe.smoke@bis.org

Subcommittees Activities

ACCOUNTING AND AUDITING WORKING GROUP

The Accounting and Auditing Working Group (AAWG) held a meeting in Washington, DC on 21 and 22 May to discuss the following:

- Jurisdictional supervisory activities;
- Update from the Global Public Policy Committee Auditors on the status of global IFRS 17 implementation;
- Impact of IFRS 17 implementation on IMF Financial Soundness Indicators;
- Impact of IFRS 17 implementation on the IAIS Global Monitoring Exercise; and
- Update from the International Forum of Independent Audit Regulators (IFIAR) on their activities.

AAWG also held a [stakeholder webinar](#) on 22 May to provide updates on the working group's activities and gather feedback on key matters of interest on potential significant changes to IFRS accounting

standards and international auditing standards impacting the insurance industry.

Secretariat support: lydia.kimumwe@bis.org

CAPITAL, SOLVENCY AND FIELD TESTING WORKING GROUP

The Capital, Solvency and Field Testing Working Group (CSFWG) met in Hong Kong, China, on 29 and 30 May, to discuss the following topics:

- Responses to the 2023 public consultation on the Insurance Capital Standard (ICS);
- Work related to ICS implementation; and
- The ICS calibration document.

The meeting will be followed by a regional ICS event on 31 May, providing the opportunity for engagement between CSFWG members and volunteer groups from the Asia/Oceania region.

CSFWG will next meet on 27-29 August in Basel.

Secretariat support: aurelien.cosma@bis.org and can.zhou@bis.org

CLIMATE RISK STEERING GROUP

The Climate Risk Steering Group (CRSG) met virtually on 14 May to:

- Discuss the materials for the fourth climate risk consultation package, planned to be published in July. The package 4 consultation material will cover issues related to supervisory review and reporting, public disclosure, macroprudential supervision and supervisory cooperation;
- Receive an update on the consultation responses received on the second climate risk consultation package; and
- Receive an update on the planned activities of the disclosure workstream.

Additionally, the CRSG scenario analysis workstream received updates from stakeholders at Finance Watch and the UK Institute and Faculty of Actuaries on reports they have published on climate-risk scenario analysis, with a particular focus on fat tail risks.

Secretariat support: miroslav.petkov@bis.org

MARKET CONDUCT WORKING GROUP

The Market Conduct Working Group (MCWG) met virtually on 29 and 30 May to discuss and receive updates on the following:

- Preparing the draft Application Paper on fair treatment of diverse consumers in anticipation of Q3 public consultation;
- The public consultation feedback received on the draft application paper on climate risk market conduct issues;
- Reflections on 2 May meeting with consumer representatives; and
- The FSCA South Africa's consumer sentiment and behaviour study in 2023.

Secretariat support: lauren.eckermann@bis.org

MACROPRUDENTIAL SUPERVISION WORKING GROUP

The Macroprudential Supervision Working Group (MSWG) met virtually on 15 May to receive an update on the work of the CRSG on revisions and additions to supporting material on macroprudential supervision related to climate risk.

The next MSWG meeting will take place virtually on 6 June.

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

STANDARDS ASSESSMENT WORKING GROUP

The Standards Assessment Working Group (SAWG) met virtually on 21 May to discuss the following items:

- Options for operationalising the IAIS Strategic Plan 2025-2029, specifically for implementation assessment activities;
- The forthcoming Peer Review Process (PRP) and Member Assessment Programme (MAP);
- Progress update on current assessments, including the second phase of the Holistic Framework Implementation Assessment, the ongoing PRP on Insurance Core Principle 16 and the MAP in Oman, as well as current work on the Self-Assessment Tool.

Secretariat support: guillaume.scheffler@bis.org

Calendar of meetings and events

The following groups are scheduled to meet between June and July 2024.

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

Date	Group	Location
June 2024		
3	Protection Gaps Task Force	Virtual
4	Climate Risk Steering Group	Virtual
4	Macroprudential Supervision Working Group	Virtual
5	FinTech Forum	Virtual
5	Macroprudential Monitoring Working Group	Virtual
5	Strategic Plan and Financial Outlook Task Force	Virtual
18	Audit and Risk Committee	Basel
18	Budget Committee	Basel
18	Macroprudential Committee	Basel
19	Policy Development Committee	Basel
19	Implementation and Assessment Committee	Basel
19	Insurance Capital Standard and Comparability Task Force	Basel
20	Executive Committee	Basel
21	Risk Based Solvency Implementation Forum	Basel
21	Supervisory Forum	Basel
27	Public ICS webinar	Virtual
July 2024		
1	Standards Assessment Working Group	Virtual
9-11	2024 IAIS Global Seminar	Virtual
16	Macroprudential Monitoring Working Group	Virtual
22-23	Financial Inclusion Forum/Inclusive insurance innovation Lab	Frankfurt, Germany

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.

ASSAL-FSI-IAIS high-level meeting on insurance supervision | 7 May

Senior insurance supervisors from Latin America met in Montevideo on 7 May for the eighth high-level meeting on insurance supervision. The meeting covered three key topics:

- Insurance regulatory reforms and implementation in Latin America;
- The role of supervisors in the face of natural catastrophe challenges and climate-related risks; and
- Addressing operational resilience challenges in a tech-driven insurance sector.

The meeting was hosted by the Central Bank of Uruguay and co-organised by the Latin American Association of Insurance Supervisors (ASSAL), the FSI of the Bank for International Settlements and the IAIS. It brought together heads of supervisory authorities and high-level officials representing 12 jurisdictions from Latin America, as well as senior private sector officials.

Central Bank of Uruguay President Diego Labat delivered the welcoming address. Jonathan Dixon,

Secretary General of the IAIS, then gave a special address which presented the IAIS Roadmap for this year and shared highlights of the draft IAIS Strategic Plan 2025-2029.

Tomas Soley, Chair of ASSAL and Superintendent of Costa Rica's General Insurance Superintendency (SUGESE), and Juan Carlos Crisanto, Deputy Chair of the FSI, highlighted the need for closer supervisory collaboration and active exchange of practices to support effective implementation of insurance international standards in Latin America.

To read further, see the IAIS article [above](#).

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](#)

Public trainings

- [Supervision of climate-related risks in the insurance sector](#)
- [Applying a gender lens to inclusive insurance](#)
- [How to conduct a rapid gender diversity assessment](#)
- [Index Insurance Training for All Stakeholders](#)

For supervisors: join Connect.A2ii – our learning platform restricted to supervisors, offering free and certified courses and an opportunity to learn from peers.

iii-lab 4 update



The international cohort of the fourth A2ii Inclusive Insurance Innovation Lab (iii-lab) has successfully concluded the discovery phrase, the first of three phases in the lab process.

Building on the momentum generated by national workshops held in February, each of the country teams from **Armenia**, **Nepal**, and **Senegal** engaged in extensive interviews with their target groups in the agricultural sector, mostly farmers and fishers, to identify the main challenges these groups are facing in light of climate change.

These interviews were the basis for discussion during the international calls. Each country presented a creative Pecha-Kucha presentation, not only providing some insight on their rich cultural heritage but also diving into the state of insurance and climate risk within their respective jurisdictions. As they presented their findings, similarities and unique nuances amongst stakeholder perspectives emerged.

The interviews underscored a pervasive lack of trust in and understanding of insurance benefits amongst agricultural communities. Furthermore, there was an awareness of the immediate impacts of climate change on livelihoods across all regions, as encapsulated by an interviewee from Nepal: “As per my estimation, climate change has decreased my production by roughly 20%”.

However, distinct differences also surfaced: Senegal emphasised the importance of in-person distribution channels, while Nepal identified significant potential in digital distribution platforms. Armenia highlighted opportunities in leveraging smart farming appliances for data collection and greater resilience.

The interviews catalysed a shift in perceptions and prompted new inquiries, such as:

- How to ensure the livelihoods of rural populations beyond traditional farming or fishing occupations,

- How to deliver innovation effectively, and
- How to address the specific needs of vulnerable groups.

As teams transition into the innovation phase, each country team will leverage the insights gained from this collaborative exchange to propel their respective initiatives forward. The stage is set for further collaboration and refinement as teams will convene in-person at the end of July.

The [4th iii-lab](#) is a 12-month journey where teams from Armenia, Nepal and Senegal, consisting of key stakeholders from the insurance sector, are collaborating on innovative insurance solutions to increase resilience against the impact of climate change. For more information on the iii-lab, [click here](#).

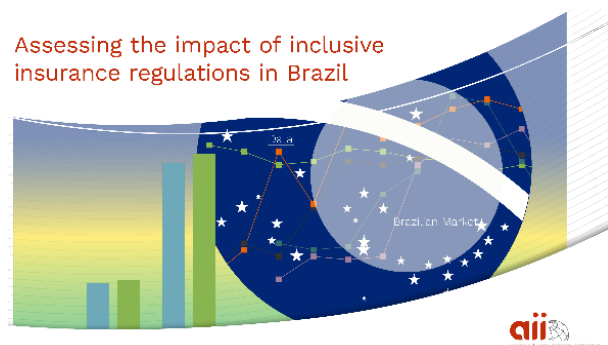
Recent Events

A2II-IAIS PUBLIC DIALOGUE | 30 APRIL



The recording, both in English and Spanish, of the A2ii-IAIS Public Dialogue launch event of the paper *Assessing the impact of inclusive insurance regulations in Brazil* is available on [our website](#).

The paper



[Download the paper here](#). In 2021–2022, A2ii conducted an impact assessment in Brazil. The regulator introduced three significant sets of regulations on microinsurance and other inclusive

insurance lines, the first being a dedicated microinsurance regulatory framework in 2011-2012. Subsequently, two further sets of regulations seeking to broaden insurance distribution and facilitate take-up were also issued.

This study aims to:

1. Share insights from regulatory impact assessment conducted in Brazil, including its challenges, and
2. Provide a framework for supervisors wanting to assess the impact of their regulatory frameworks in the future.

CENTRE OF EXCELLENCE LIVE TALK | 7 MAY



The A2ii's FeMa-Meter Toolkit was presented at the webinar "[Confronting Challenges in Gender-Smart Climate and Disaster Risk Finance: Resources and Toolkits](#)" hosted by **FARM-D**, **PARM**, and the **Centre of Excellence on Gender-smart Solutions** on 7 May.

This [toolkit](#) collects and reviews sex-disaggregated data to analyse gender differences in insurance indicators. Piloted in Argentina, Lesotho, Pakistan, and Zambia, it has proven to be an effective tool for collecting sex-disaggregated data.

With an intuitive interface, users can input data and generate insights swiftly. To access the FeMa-Meter, visit its dedicated website and its accompanying training module. Join us in advancing gender equality and improving insurance access through data-driven approaches.

THE 22ND CONFERENCE ON INSURANCE REGULATION AND SUPERVISION IN LATIN AMERICA | 8-9 MAY | MONTEVIDEO, URUGUAY

The 22nd Conference on Insurance Regulation and Supervision in Latin America took place in Montevideo, Uruguay, on May 8-9. It was jointly organized by the **Latin American Association of Insurance Supervisors (ASSAL)**, the **International Association of Insurance Supervisors (IAIS)**, and the **Central Bank of Uruguay (BCU)**.

A2ii organised a session on "Insurance market development: inclusive insurance or microinsurance", moderated by the A2ii Regional Coordinator **Regina Simões**, where the new A2ii Executive Director **Matthias Range** presented about the inclusive insurance case. Also on the panel were **Maria Elisa Alonso**, Head of the Technical and Annuities Division at the Financial Market Commission (CMF), who presented on the new index insurance regulation of Chile, and **Alejandro Veiroj**, Executive Director of the Uruguayan Association of Insurance Companies (AUDEA), presenting about the industry's initiative to promote access to life insurance in Uruguay.

Blog

UNLOCKING RESILIENCE: THE ROLE OF CLIMATE-RELATED DATA IN INSURANCE SUPERVISION - A2II-IAIS PUBLIC DIALOGUE REPORT



This blog explores the growing recognition within the insurance industry and regulatory bodies regarding the importance of climate-related data for assessing and managing risks associated with climate change. The use of climate-related data is gaining significance as it assists insurance companies and regulatory authorities in understanding the potential impacts of climate change on insured assets,

liabilities, and the industry's stability. The blog also highlights recent initiatives to promote climate data use and strengthen supervision related to climate risks by the IAIS. Additionally, it emphasizes



technological advancements like artificial intelligence and machine learning, as well as the importance of global data and the need for collaboration amongst various stakeholders to improve catastrophe risk modelling and reduce the protection gap, featuring examples from both industry and insurance supervisors from California, Nepal and the Philippines.

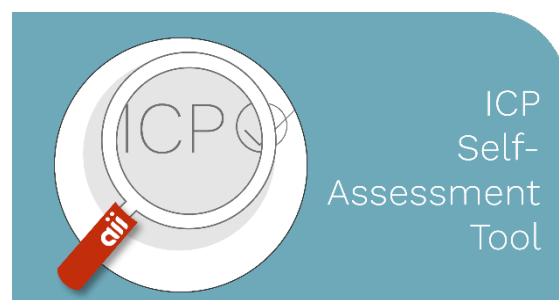
[Click here](#) to read the blog.

INDEX INSURANCE TRAINING

Learn about index insurance in our free training and obtain the A2ii-UNCDF Certificate on Index Insurance for Supervisors. Exclusively designed for insurance supervisors, this certification offers comprehensive insights into index insurance mechanisms. Ready to take the next step? Enrol now on A2ii's learning platform, [Connect.A2ii](#).

For all other stakeholders not in supervisory roles, access our open version of the training [on our website](#).

INSURANCE CORE PRINCIPLES SELF-ASSESSMENT TOOL



Have you tried the SAT tool yet? The Insurance Core Principles Self-Assessment Tool is a joint

initiative of the IAIS and the A2ii designed to assess the level of observance of the ICPs. Leveraging the analytical framework of the Peer Review Process, it empowers supervisors to evaluate adherence to the ICPs.

How it works:

1. Supervisors can access the tool through its [dedicated platform](#). Once on the platform, they can navigate through a series of questionnaires tailored to each ICP.
2. The questionnaires are crafted to cover various aspects of each principle. Supervisors can respond to these questions based on their assessment of their jurisdiction's practices and policies.
3. Upon completing a questionnaire, supervisors receive immediate feedback. These results offer

insights into the level of observance of the assessed ICP, enabling supervisors to identify strengths, weaknesses, and areas for improvement.

We encourage all supervisors to explore this resource.

To read more about the ICPs, see the In Focus article [above](#).

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.

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