

Policy Development Committee (PDC)

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Chair, IAIS Policy Development Committee



Insurance Capital Standard (ICS)

- ICS was adopted in December 2024:
 - IAIS members **adopted the ICS at the 2024 Annual General Meeting**
 - Pivotal moment for the IAIS and the global insurance sector
 - The ICS provides a consistent and transparent framework for supervisors to evaluate the capital adequacy of IAIGs.
 - Marking the end of more than 10 years of standard-setting
- Ongoing development of new material:
 - ICS-related standards for **supervisory reporting and public disclosure** (public consultation planned for Q4 2025)
 - Application Paper on **availability of capital** (public consultation planned in 2026)

ICS implementation assessment methodology

- The recently agreed **High-Level Principles (HLPs) for the ICS implementation assessment methodology** represent an important step towards the effective implementation of the ICS.
- These principles will primarily serve as a guidance to develop the full ICS implementation assessment methodology.
- The HLPs cover the following aspects:
 1. The scope of the ICS implementation assessment methodology
 2. The list of ICS components that will be subject to a rating
 3. The identification of deviations and recognition of offsets within components
 4. The scope of the assessment
 5. The determination of an overall assessment and recognition of offsets between components
 6. The assessment of the US Aggregation Method

Supporting materials to assist supervisors' effective implementation of the standards

Recently finalised

New Application Papers on:

- Supervision of **climate-related risks** in the insurance sector
- Supervision of **artificial intelligence**
- **Fair treatment** of a wide range of **consumers**

Public consultation

Draft Application Paper on **operational resilience** objectives and toolkit

Background session: 17 July

Consultation closes: 29 September

In-progress

Updating the existing Application Papers on **resolution** powers and planning, and **recovery** planning. Public consultation anticipated Q4 2025.

↓ **Read the papers** ↓





Other ongoing work

- Accounting and auditing, including **IFRS 17**
- Continued engagement with consumer groups throughout the year
- Beginning new projects on:
 - **Market conduct**: value for customers
 - **Governance**: material for supervisors (member-only) to support supervisory engagements at board and senior-management level