



IAIS

INTERNATIONAL ASSOCIATION OF
INSURANCE SUPERVISORS

Public

Compiled Comments on Revised Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders

Organisation	Jurisd.	Conf.	Comments	Resolution of comments
General comments and comments on Glossary of Terms				
Independent Member		No	Comments by the Financial Stability Oversight Council's Independent Insurance Member to the IAIS's "Second Notice of Request for Comment on Draft Procedures on Meeting Participation, Development of Supervisory and Supporting Material and Consultation of Stakeholders" of November 17, 2014 The IAIS describes its mission as being: "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." The objectives of the stated mission of the IAIS are laudable and merit public support, which is why I must note with regret that the changes being finalized regarding meeting participation, and the development of supervisory and supporting material and consultation with stakeholders, will harm those objectives. I observe that as the IAIS has moved from a body focused exclusively on the regulation and supervision of the insurance industry to a body that now encompasses those objectives but also has the goal of making a contribution to global financial stability, the IAIS and its policies have not been modernized to incorporate that additional objective of financial stability.	

			These latest draft procedures represent a step backwards in the wrong direction. It is generally accepted that the furtherance of global financial stability, to be maximally effective, requires a combination of three elements: - sound, well-reasoned research regarding financial markets, including insurance markets and their interconnectedness; - seasoned expertise regarding the insurance sector, insurance market participants and insurance regulatory mechanisms; and, - commitment by policymakers with the legal authority to act on financial stability matters. It is the ability, willingness, and commitment of policymakers to act, by making judgments informed by a deep understanding and thoughtful analysis of financial markets, the insurance sector and insurance regulation, that contribute toward the goal of ensuring financial stability. In the context of the United States, there exists only one entity - the Financial Stability Oversight Council - charged with authority and responsibility to take actions to promote financial stability. I currently serve as the sole voting financial stability policymaker in the United States with expertise and	
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			responsibility for the insurance sector who serves on the U.S. Financial Stability Oversight Council, having been appointed to this senior position of authority by the President of the United States. In exercising my authorities and in recognition of the significant role of the IAIS, I provisionally joined the IAIS at the beginning of 2014 as an "Observer" in order to better and more directly monitor international insurance developments and to regularly consult with international insurance supervisors within this forum. Through engagement with the IAIS and its members, I am able to be better informed when I act as a member of the U.S. Financial Stability Oversight Council, given the centrality of systemic risk to U.S. Financial Stability Oversight Council's responsibilities. I acted to join as an "Observer" after a proposed IAIS bylaw amendment that would have permitted systemic risk policymakers to join as non-voting members was tabled by the IAIS Executive Committee. In the role of an "Observer" I benefit from the perspective of other observers by better understanding the implications for industry and consumers of matters under consideration by the IAIS. As such, I am sympathetic to the goal of ensuring that the IAIS not become wholly detached from those who may be able to provide such important perspectives. Because Observer-level status will cease on January 1, 2015, the changes contemplated will have the effect of excluding policymakers with legal authorities and responsibilities for financial stability regarding the insurance sector and who may not themselves be supervisors. Therefore, this change will impede the very objectives of the IAIS more broadly.	
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			Expertise regarding insurance markets, insurance market participants and insurance regulatory systems by themselves are necessary, but must be combined with the ability to take actions to achieve the goals of financial stability through the direct linkages to systemic risk policymakers. The IAIS, in representing a body of informed and expert pertaining to all aspects of insurance, has acknowledged that it must communicate its views, ideas and experience to third parties. I believe that communication and interaction with systemic risk policymakers should not be unnecessarily limited solely to public consultations, meetings and published documents. Informal and internal meetings and discussions can at times be just as valuable. The draft procedures and policy entail only public consultations on the development of supervisory materials, special public sessions with the IAIS Executive Committee, public dialogues and hearings at IAIS Committees and the provision of public information. The opportunities for engagement with financial stability policymakers, however, should be at a level of confidentiality and sensitivity commensurate with the financial stability matters under consideration. Relegating systemic risk policymakers to only those opportunities afforded to the general public would reduce the likelihood of effective attainment of the IAIS goal of providing a meaningful contribution towards global financial stability. Moreover, meetings in which financial stability policymakers are not	
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		afforded more robust access than that provided to the general public may negatively influence decisions to attend important IAIS meetings; and, as a result, opportunities to build vitally important relationships and consultations may be lost. A way to ensure such engagement would be to consider a motion currently laid upon the table at the IAIS Executive Committee that would provide for participation by systemic risk policymakers as non-voting members. The IAIS has similarly recognized the need for engagement by critical participants in other areas and has welcomed the participation of organizations like the World Bank, the Asian Development Bank and others as non-voting members. Such a bylaw amendment and non-voting membership category could be cast as follows: "A financial stability council made up of governmental bodies and officials, or those bodies and officials, that the Executive Committee may recommend to be eligible for membership for the purpose of furthering the objectives of the Association." The future is likely to include a larger role for financial stability policymaking, and I believe that it is critically important that the IAIS be a body that welcomes all such policymakers wherever they may be situated. The IAIS's objectives, as set forth in its bylaws, are "to promote effective and globally consistent insurance supervision in order to develop and maintain fair, safe, and stable insurance markets for the benefit of policyholders, and to contribute to global financial stability."	Outside of scope of current project; to be discussed separately by the Executive Committee.
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			In order for the IAIS to optimally contribute to global financial stability and its own worthy goals, it is of utmost important that opportunities for engagement with systemic risk policymakers be maintained and encouraged to thrive. A question likely to be posed by many is why the IAIS believes that the exclusion and elimination of internal discussions by and with national policymakers responsible for financial stability decisions affecting insurance regulation in any way benefits the IAIS goal of making a positive contribution to global financial stability. Any unintentional hindrance should be removed as a new framework for policymakers to benefit from the work of the IAIS is undertaken.	
World Federation of Insurance Intermediaries	Belgium	No	The World Federation of Insurance Intermediaries notes that, compared to the first draft, there are some changes made to the Draft Procedures on Meeting Participation, Development of Supervisory and Supporting Material and Consultation of Stakeholders. However, WFII, as a stakeholder, regrets very much that these changes are not sufficient enough as the drafting process of supervisory and supporting material continues to be far from transparent for stakeholders. Our input as experts will thus become less efficient and effective. We therefore continue to object to the proposed procedures. WFII believes that in order to ensure that the IAIS operates in a truly open and transparent manner, the industry and the federations which are recognised representatives of their sector should continue to be able to follow closely and	

			comment on the work of the drafting teams. This means that stakeholders, like WFII, should continue to have access to the subsequent drafts (and thus not only the draft in its final stage). This also means that WFII should have the possibility to continue to participate in the Committee meetings in order to follow the discussions, deliberations and decisions associated with the development of IAIS supervisory and supporting material. If the IAIS really means that it "has benefitted greatly from the contributions of Observers and other stakeholders to its work in standard setting, standard implementation and financial stability" and it wants "substantive and high quality input from all stakeholders", then it has to offer to the stakeholders, at the very least, the following: - Access to the subsequent drafts during the drafting process (and thus not only access to the draft when it has reached its final stage after several months of drafting). Only by having access to the subsequent drafts, the stakeholders can see for themselves if there is a specifically identifiable need to deliver input. According to the draft as it stands now, it is only the Committee or Subcommittee that can identify this need for input. - Access to hearing discussions, deliberations and decisions associated with the development of IAIS supervisory and supporting material, at the very least via webinars.	A Committee or Subcommittee need not wait until a final draft is prepared before it seeks technical input. The procedures state that stakeholders should be appropriately informed at several points in the development of material while allowing Members the ability to engage in discussions
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			- Access to the agenda of the meetings of the Committees and Subcommittees, a reasonable time before the meetings, as well as to the minutes of these meetings. - A consultation period of at least 60 days for the consultation of both supervisory and supporting material. We understand that these periods can be longer if necessary and if time allows, but this should not be decided on a case-by-case basis, leaving stakeholders in uncertainty. In an international context, where the northern and southern hemispheres are covered by many stakeholders/associations, it is unavoidable that at the time of a consultation period there will always be regions that are in holiday session. It is therefore important to offer a consultation period of at least two months for supervisory and supporting material in order to be able to consult all stakeholders' members. In addition, this two month period is also justified because of the very extensive material that is often consulted by the IAIS and is seen for the first time by the stakeholders at the time of the public consultation. - A second Public Consultation . Considering that the first consultation may lead to changes in the first draft which may trigger consequences that may not be obvious at the time of the first consultation, we believe that it is absolutely necessary that there is a second consultation each time where these changes can be commented. For example, as a result of the first consultation, a definition is changed in the text of the consulted supervisory or supporting material, and this new definition has an impact on the scope of the text. This change	among themselves See responses below. As stated in responses to first consultation, 30 and 60 day terms are the minimum required and can be longer as necessary and as time allows. See response below.
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			should be subject to a second consultation. Particularly, we have the following comments /questions re the text of the new draft: Section B. ii.f. (...) Identify to whom stakeholder feedback may be submitted. What does this mean? iii. (...)While developing the material, the responsible Subcommittee(s) should inform stakeholders as appropriate. What does this mean "inform as appropriate"? This term is not specific enough. We believe that stakeholders are only appropriately informed if they have access to the subsequent drafts made by the drafting team during the several months of developing. We urge the IAIS to adapt this paragraph in this sense. v.d. Receive feedback from stakeholders. How can stakeholders deliver high quality feedback on extensive material in a public background session if this material only becomes available at the start of a public consultation?	The public background note should identify who feedback should be sent, such as a specific member of the Secretariat This means that appropriate means should be used to keep stakeholders informed during the drafting of material, such as through the monthly Newsletter, public sessions, public memos or specific invitations for comment. This session is meant to inform stakeholders at the launch of a public consultation and to receive initial feedback. More detailed or high quality feedback would be expected as part of the written consultation process which would continue for some time after this session.
Association of	Bermuda	No	We welcome the opportunity to comment on the IAIS Second	

Bermuda Insurers and Reinsurers (ABIR)			Notice of Request for Comment on Draft Procedures on Meeting Participation, Development of Supervisory and Supporting Material and Consultation of Stakeholders. As indicated in our September 2, 2014 response to the IAIS First Notice of Request for Comment, we support a transparent consultation process inclusive of notification, consultation and participation that can be practically accessed and practiced by all stakeholders. We think of stakeholder as: any regulated entity or other public party. The creation of a single-tiered stakeholder group by the proposed elimination of observer fees may on the face of the proposal seem fair. However, it strikes us that this is a logical moment to broaden rather than diminish stakeholder participation in the IAIS. We therefore welcome the IAIS clarification of 'stakeholder' to be defined 'as broadly as possible' and inclusive of 'all groups and individuals' with interest in or who are affected by insurance supervision and regulation.	
AMICE	Europe	No	AMICE, the Association of Mutual Insurers and Insurance Cooperatives in Europe, has over the past years been an engaged observer of the IAIS work. We have appreciated the opportunities provided until now for fruitful dialogue and exchange of views between the global regulatory community and its stakeholders and do indeed hope the future processes will continue to allow such an exchange between the IAIS and its Committees and sub-Committees and the stakeholders. We appreciate that the IAIS has, after the first round of consultation on its new procedures/policy, undertaken to	

			publish and respond to all the comments received and is now presenting a second Consultative Document which has taken in several of our and other stakeholders' comments. This shows us that the IAIS is taking this exercise serious and gives us hope for a further good discussion basis and working relationship. As members of GFIA, we endorse their comments and use this opportunity only to submit a few complementary arguments.	
German Insurance Association	Germany	No	The German Insurance Association (GDV) is pleased to comment on the revised IAIS' draft procedures on meeting participation, development of supervisory and supporting material and consultation of stakeholders. We very much appreciate the apparent efforts of the IAIS to take account of the concerns articulated by the insurance industry during the first consultation of the reorganized governance structure. In particular, the envisaged revision of the attendance of committee/working group meetings responds to doubts that only selected stakeholders' input could be solicited. Moreover, we basically welcome the idea to establish stakeholder groups and encourage the IAIS to further explore this concept. However, despite the acknowledged progress displayed in the revised draft procedures, we still fail to see a compelling reason to restructure the process of stakeholders' involvement which has proven to be beneficial both for members and stakeholders in the past. The notion that the current participation of Observers and stakeholders in meetings of	

			Committees or Subcommittees limits the efficiency of the IAIS work lacks a comprehensive explanation and contradicts the praise of the valuable cooperation with stakeholders repeatedly confirmed by the IAIS itself. Therefore, the German insurance industry worries that the new governance structure won't ensure the required balance and thus the same quality of the IAIS' work results. In particular, we regret that other measures of efficiency improvement have not been taken into consideration and weighed in terms of proportionality. We strongly believe that there are a number of other, less drastic options available, such as reserving certain parts of the meeting for confidential discussions among IAIS members, instead of simply excluding stakeholders from meeting attendance by default. Therefore, we strongly urge the IAIS to reconsider the approach taken in the revised draft procedures. There is no obvious reason to push through a fundamental change of the governance structure in an accelerated mode and without proper reflection of the impact on the IAIS' work. We remain to be committed to elaborate ways to further improve the interaction between IAIS' members and stakeholders and are ready to discuss possible ways to achieve this in a due process which is appropriate to the magnitude of the issue.	
International Cooperative & Mutual Insurance Federation	Global	No	According to our recent figures, the mutual and cooperative insurance sector worldwide represents 27% of the global insurance market share by premium. The mutual sector is the fastest growing part of the insurance market having grown by 28% since 2007 against 12% growth of the industry. The sector's assets of USD 8 trillion are 30% of global insurance	

		assets and have grown by 29% since 2007. Employment in the sector has grown by 20% since 2007 and accounts for more than one million jobs. In short the mutual sector is significantly contributing to global GDP growth and job creation. ICMIF is the only global body that represents cooperatives and mutual insurers. It holds several years' of exclusive data about the mutual sector at global, regional and national levels. With its headquarters in the United Kingdom and regional offices in Washington DC, USA; Tokyo, Japan, and Brussels, Belgium, today ICMIF represents 225 values-based insurers in 72 countries with USD 270 billion premium income. ICMIF has been an observer to the IAIS since 2002 and has mainly been active in the area of financial inclusion, having contributed significantly to the output of this group over the years. Since 2013 we have actively participated in the work of the Market Conduct sub-committee. We were present in Amsterdam and would like to congratulate the IAIS for the excellent event. As far as the organisational procedures of the IAIS we would like to submit the following high level remarks. We understand the insurance landscape is very different since the global financial crisis and have witnessed the high expectations placed on the IAIS by the G20 and the Financial Stability Board, and indeed the international financial services community, in the last few years. We also note the wider remit of the work of the IAIS and	
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		believe that it is all the more important that it ensures an effective and transparent stakeholder input throughout its policy development process. In our opinion, for any regulation to be fit and proper and relevant a supervisory group must be transparent and work with the supervised. Given the vote that took place in Amsterdam we believe a creative solution must be found to engage the sector albeit under different terms to those previously. Should no solution be found, we run the risk that regulation may not be fit for purpose, and possibly not in the interest of the consumer. We believe the danger of being disconnected from the market is significant. In addition the reputational damage to IAIS of not engaging with the industry on global regulatory issues could be severely damaging, not a position we wish for the global regulatory body in our industry. A good regulatory policy needs indeed to be consumer-centric and the financial crisis teaches us that market conduct is equally as important as prudential oversight. We suggest a high level industry plus supervisors' body whose task is to give strategic directions and point to the areas which need better regulation would be appropriate and would show the insurance sector that there is a consultative process in place. We understand that the sheer volume of observers has made it difficult to progress regulatory process, hence our suggestion that relevant globally significant organisations represent the views of the sector in this high level industry and supervisor body. We would of course be happy to participate in such a group should you decide to go this path.	The IAIS intends to continue to inform and solicit feedback from all interested stakeholders, not just "globally significant organisations," in a structured and transparent manner and will discuss whether it would benefit from the creation of one or more formal, specific stakeholder groups as contemplated in the draft
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				procedures.
Global Federation of Insurance Associations	International	No	The Global Federation of Insurance Associations (GFIA), through its 38 member associations, represents the interests of insurers and reinsurers in 56 countries. These companies account for approximately 87% of total insurance premiums worldwide. We very much appreciate the opportunity to comment on the IAIS Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders ("Draft Procedures"). We overall welcome the IAIS efforts in this new draft to identify channels of communication with stakeholders. However, given the decision to close all meetings by default and to exclude stakeholders from the IAIS annual conference, GFIA members remain concerned about the lack of face-to-face communication between the IAIS and stakeholders. We believe this will harm stakeholders' understanding of the IAIS' ongoing work and will also negatively impact the ability of stakeholders to provide valuable input as measures affecting the industry are developed. We are also sensitive that this change comes at a time when the IAIS will intensify the development of major global initiatives such as the global Insurance Capital Standards (ICS), the compressed timelines for which should heighten the need for timely and quality stakeholder input. Against this background, we highlight below a number of improvements needed to better address industry's concerns	

		over future interaction between the IAIS and stakeholders. 1) Clarify the "standard procedure" for stakeholder interaction While we have had verbal assurances that there will be appropriate levels of interaction and opportunities for major stakeholders, such as the GFIA, to provide input into the IAIS work, the current draft remains vague over what will happen in practice going forward. We believe the IAIS should issue a "standard development procedure" as guidance for its project groups and IAIS staff. We believe this "standard procedure" should make clear that stakeholder consultations should be undertaken i) at the beginning of a project (eg project description and planning), ii) during the development of initial policy proposals/options and iii) at the end of a project, when draft final proposals should be reviewed. In addition to this three-stage development process, there should be stakeholder meetings/workshops during the development phase, and clear ongoing communications to ensure a transparent and informed process. 2) Give chairs the necessary scope for inviting guests to meetings We request that the IAIS give its chairs the necessary scope for inviting guests to meetings. Under section I, "Principles for invited guests", the drafting could be interpreted in a very restrictive way, strongly discouraging chairs from inviting stakeholders. We believe that such meetings are a good opportunity for dialogue between the IAIS and stakeholders so	The procedure on the development and approval of supervisory material will be the "standard procedure" for all groups and staff to follow. The IAIS plans to hold workshops/training for all Chairs and Vice Chairs once the new procedures are in place to ensure common understanding and consistent treatment of all new policies and procedures.
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		we request the IAIS to encourage its chairs to invite guests when they would add value to discussions, as long as they do so in a transparent manner. We would also stress the need for meeting material to be available publically and on a timely basis to allow review prior to meetings, and for stakeholders to have access to agendas, presentations, detailed minutes, and advanced drafts of material. Having the ability to monitor ongoing discussions through a webcast would also aid this objective. Unless these sources are available on a timely basis, stakeholders will have impaired understanding of the work taking place. 3) Allow more time for consultation Given the importance of public consultations under the draft process, we request that the IAIS consistently give longer consultation times, eg 90 days for supervisory materials and 60 days for supporting materials. This would ease the burden on those countries whose working language is not English, and allow time to give meaningful input to the consultation. 4) Optimise the use of stakeholder groups as a tool to streamline communication with stakeholders We recognise the potentially beneficial role that stakeholder groups can play in enhancing stakeholder understanding and input. However, the details of how stakeholder groups will function are vague in the draft and we request elaboration on the IAIS vision for stakeholder groups. We provide more extensive input in section III.7. Once implemented, the changes in IAIS procedures should, we	All materials that will be made available publicly (see other discussions) will be done so in a timely manner. See prior answer. See responses below. The IAIS plans to evaluate the
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			believe, be evaluated by the IAIS in order to determine effectiveness and impact on transparency and stakeholder input. Stakeholders, as well as IAIS members, should be included in this assessment process.	effectiveness of the new policies and procedures after one year and then on an ongoing basis.
The General Insurance Association of Japan	Japan	No	- We, the General Insurance Association of Japan sincerely appreciate that the IAIS has again provided observers with the opportunity to express their opinions on Draft Procedures on Meeting Participation, Development of Supervisory and Supporting Material and Consultation of Stakeholders. - We are appreciative of the IAIS's efforts to review each of the observers' opinions on the 1st Draft Procedures. As the result, we believe that the 2nd Draft Procedures are more preferable for stakeholders than the 1st draft. - The IAIS prescribes in the "Resolution of substantive comments" on page 8 of the "Compiled Comments" that "the IAIS will take time zones into account when planning sessions so that attendance can be as broad as possible (e.g. by scheduling two sessions at different times)". We appreciate such consideration of the IAIS to provide stakeholders with more opportunities to attend sessions. We also would like the IAIS to explicitly state that "the IAIS will take time zones into account when planning sessions so that attendance can be as broad as possible (e.g. by scheduling at least two sessions (in-person meetings and conference calls) at different times)" in the Procedures to ensure steady implementation. - The GIAJ is grateful for the IAIS's commitments on advance notice of meetings, advance provision of meeting documents	The procedures already state that each dialogue and/or hearing should be timed in such a manner as to ensure, as best as possible, that the IAIS can impart and receive substantive information.

			and other materials, and substantial improvements in public records of proceedings, etc. What is most important is to ensure steady implementation of the commitments, and we would like to reiterate this point. Concerning the substantial improvements in public records of proceedings, we would like the IAIS to explicitly state in the Procedures that "Appropriate public records of proceedings will be made available", as prescribed in the "Resolution of substantive comments" on page 57 of the "Compiled Comments". - It would be appreciated if the IAIS could provide an annual table which covers schedules of Committee/Subcommittee meetings, Public background sessions, Public discussions of comments and resolution, conference calls, and plans for public comments, as early as possible. Also, when the schedule is changed, the table should be updated as early as possible. - Development of capital standards such as the ICS and the HLA involves highly technical considerations. In order to develop better standards, differences of regulation and business practices among jurisdictions and between life and non-life insurance businesses should be well taken into account. Therefore, when the IAIS seeks stakeholder input, it is important for the IAIS to allow various stakeholders to raise their opinions individually rather than through the Joint Presentation format.	See responses below. Agreed and plan to add appropriate calendar to IAIS website. Stakeholders are able to submit comments confidentially during public consultations and can individually submit input at any time. Public dialogues/hearings will be arranged in the most appropriate manner depending on the topic and interest expressed.
The Life Insurance Association of Japan	Japan	No	We, The Life Insurance Association of Japan (LIAJ), would like to extend our gratitude to the IAIS for providing us again with an opportunity to submit our comments on the revised	

			document. While it was agreed at the IAIS General Meeting to discontinue Observer status as of 1 January 2015, we request that the IAIS ensure transparency in its overall processes as much as possible for the IAIS works on international insurance regulations.	
Lloyd's of London	UK	No	Lloyd's welcomes the opportunity to respond to the consultation on the "Updated IAIS draft procedures on meeting participation and the development of supervisory and supporting material and draft policy for consultation of stakeholders". Lloyd's is a society of members incorporated under the Lloyd's Acts 1871 - 1982, which operates as an insurance and reinsurance market in London. Its aggregate premium income in 2013 was EUR 30.8bn (GBP 26.1bn). We acknowledge that the IAIS plays a valuable role in facilitating dialogue between insurers and supervisors, which is desirable to achieve a joined-up approach to change in a global industry. However, limiting scope for industry participation in IAIS activities might prove detrimental to achieve effective financial stability and supervision of the global insurance markets. We fully support the IAIS's commitment to stakeholder consultation and engagement, in line with its statutory obligation to operate in an open and transparent manner, setting an appropriate example of transparency, administrative due process and governance. Nevertheless, some aspects of its proposals remain vague. For example, it is unclear on what	The procedures set out the principles for inviting guests and the IAIS plans to hold workshops/training for all Chairs and Vice Chairs once the new procedures are in place to ensure common understanding and consistent treatment of all new policies and procedures. The number of consultations and their timing will be determined at the time a project is launched (but can be revisited during a project

		basis guests will be invited to attend Committee, Sub-Committee and Task Force meetings and how the IAIS will avoid any appearance of prioritising some voices over others. It is also unclear on what grounds the number and timing of public consultations will be determined. Developments in global financial regulation in recent years have significantly enhanced the IAIS's role as an international standard setter and its power to shape the nature and form of insurance regulation worldwide. It must therefore move from operating as a private association to a quasi-legislative body, accepting the scrutiny and accountability that its enhanced role entails. It is therefore important that it pays more than lip service to concepts of transparency and openness and ensures that these values are properly embedded in all its processes. We believe that the latest draft incorporates material improvements on its earlier version. This Notice for Comment sets out material in three areas: - Draft procedures for meeting participation - Draft procedures for the development of supervisory, supporting and other material. - Policy for consultation of stakeholders. It is unclear what the process is for the finalisation of this material, what its status will be once it is finalised and agreed, whether and to what extent the IAIS and its committees will be bound by them and what the processes will be for ensuring that they are observed.	as necessary). The final policies and procedures will be made public and communicated to all Members. The IAIS also plans to hold workshops/training for all Chairs and Vice Chairs once the new procedures are in place to ensure common understanding and consistent treatment of all new policies and procedures. All Committees and Subcommittees will be bound by the new policies and procedures and the Executive Committee is ultimately responsible for ensuring compliance.
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National Conference of Insurance Legislators (NCOIL)	United States	No	The National Conference of Insurance Legislators (NCOIL), which represents state legislators who develop and enact the insurance laws throughout the U.S., welcomes the opportunity to comment on the Revised Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders. We believe the new proposal contains certain changes that could possibly instil more transparency into the proposed IAIS system, a tenet that we urged you to follow in our September 2 comments. As the IAIS takes an increasingly significant role in international insurance discussions, NCOIL believes that transparency and inclusiveness—which are foundations of the U.S. state legislative process—are essential to IAIS decision-making. Proposed changes in the draft procedures that may be potential steps forward include provisions to make more public the process for selecting which stakeholders can weigh in during IAIS deliberations and to allow parties to register for committee/subcommittee "interested stakeholder" lists that IAIS officials might consult when seeking outside comments. It also may be helpful to recognize that consumer representatives have a perspective to share. We believe, though, that the draft procedures could go further in order to give confidence that IAIS materials have benefited from a broad range of technical and other expertise. We are concerned, in line with our previous comments, that the revised draft procedures still could allow only a select group of interested parties to comment during IAIS discussions and that broad public input would be limited to commenting at the	The procedures expressly require a Committee/Subcommittee to avoid the perception that any one group or individual is favoured. The procedures allow early and on-going engagement with
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			beginning and at the end of IAIS decision-making. We again caution that the integrity of regulators active in the IAIS could be called into question by closing the doors on IAIS debates and that a limited approach to public input could cause inadvertent harm to segments of the industry that lack the resources needed to participate in international insurance dialogues. NCOIL respects the IAIS effort to increase efficiency but maintains strong reservations regarding the IAIS proposal to do so.	stakeholders as appropriate.
The Northwestern Mutual Life Insurance Co.	US	No	Northwestern Mutual appreciates the opportunity to comment on the IAIS's "Second Notice of Request for Comment on Draft Procedures on Meeting Participation, Development of Supervisory and Supporting Material and Consultation of Stakeholders." Our company, headquartered in Milwaukee, Wisconsin, was founded in 1857 and today is among the largest writers of individual life insurance in the United States. We offer our policy owners a wide array of life insurance products, including whole, term and universal life. In addition, we offer annuities, disability income and long-term care insurance, and, through subsidiaries, brokerage and advisory services for individuals and businesses. Northwestern Mutual has been an IAIS Observer for several years. As an Observer, we have actively contributed our practical insights to IAIS workstreams both by submitting comments in formal consultation processes and by participating in meetings of IAIS subcommittees. The worldwide use of IAIS standards as global benchmarks for	

		insurance regulation through Financial Sector Assessment Program examinations brings an increasing responsibility to IAIS members and the secretariat to involve all stakeholders and to do so in a predictable, meaningful, and transparent manner. We remain concerned that the reorganization under consideration would reduce the flow of input and concentrate it among those members of industry with which IAIS members and the secretariat are most familiar. Even if all stakeholder are ultimately given the opportunity to comment, that opportunity might be coming too late in the process to have a meaningful impact on the standards. We have already seen concerns expressed by consumer groups, industry, regulators, and elected officials in the United States that standards coming out of the IAIS might not be legitimate due to lack of transparency. To help address these concerns, we suggest the following: 1. That the following bullet point on page 4 regarding invited guests be revised to read in its entirety as follows: "Avoid favoring, or the perception of favoring, any individual or group by utilizing a transparent process, which shall include the use of an open invitation for appropriate technical experts willing to provide targeted input." The key suggestion is using the term "shall" rather than "could" as the open invitation will enhance the transparency of the consultation process. 2. On page 6, adding a statement making clear that Issue Papers and Application Papers must include consideration of major product types around the world in order to provide regulators and stakeholders with an understanding of the	It may not be appropriate or necessary in every instance to use an open invitation process. This would be addressed within each Issue or Application Paper where relevant and need not be added to the procedures.
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			practical impact of rulemaking on local products. 3. On page 8, adding language that requires that the IAIS publicly and fully respond substantively to all comments received to ensure that the public understands the rationale for the resolution. 4. On page 12, state that the IAIS will review existing lists of Observers and other interested parties to create initial lists of stakeholders, assuming that those individuals will want to remain involved in the process until they inform the IAIS otherwise.	The procedures already require the IAIS to publicly respond to substantive comments submitted during a consultation. Once the final procedures are adopted, the IAIS plans to announce how interested stakeholder lists will be created and to invite all Observers to join those lists as they wish.
ACLI	USA	No	The American Council of Life Insurers represents approximately 300 life insurers that operate within the United States and in over 120 international jurisdictions. We appreciate the opportunity to comment on the proposed IAIS procedures and welcome an ongoing dialogue to refine IAIS procedures. Our comments are intended to represent constructive suggestions for consideration by the Executive Committee. We recognize the importance of the IAIS's reconsideration of its operational process and policy consultation process and governance in light of the directions given by the G20 member governments, the Financial Stability Board, and other national policymakers to whom IAIS members are responsible. However, we continue to have significant concerns about what we perceive to be reduced opportunities for stakeholder involvement and input.	

			We therefore urge the IAIS membership to do the following: - avoid developing regulatory standards in isolation from the industry you supervise, the markets they serve and the customers you are protecting. - work with industry by explaining the problems you are trying to fix and analyzing the costs and benefits of the options at hand, and agree on a consensus course. - maintain your relativity to national policy makers who must vet, legislate and implement any standards into the national regulatory framework. Industry is a key constituency in the process for national approval and implementation of standards. An industry which has been excluded from standards development should not be expected to support implementation. Detailed concerns are as follows: -The importance of IAIS's work requires more stakeholder input, not less. The IAIS is engaged in the development of critical standards that have the potential to impact all of our member companies. Elimination of the Observer status will remove a fundamental check on the development of those standards. If industry concerns remain unaddressed by the IAIS, they will need to be addressed in national legislatures and by supervisory authorities, thereby placing the success of these IAIS initiatives at risk. - Potential for selective input. The proposed new procedures generally exclude stakeholders (Observers) from IAIS	
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		meetings, while giving committee chairs significant discretion to invite selected stakeholders to provide "targeted, technical input." We continue to be concerned that this broad discretion will produce distorted input and unbalanced outcomes. We suggest that meetings involving any selected stakeholders should be open, at least for observation, to all stakeholders. We suggest that when inviting a guest and expert that the IAIS do so in a transparent manner. We also strongly urge the IAIS that meeting materials be made available publicly and for stakeholders to have access to agendas, presentations, detailed minutes, and advanced drafts of supervisory material. - Minimal level of required consultation. The consultation document indicates that stakeholders would be consulted at least once prior to final adoption, with broad discretion given to working group chairs regarding additional consultation. We are concerned that this minimal level of required consultation will make it difficult for industry to analyze and react to proposals. For instance, if the single consultation occurs at the end of a long development process, the window to provide difference-making input would be largely closed. We suggest that the IAIS develop procedures such that the stated minimum consultation is the exception, not the norm. In addition, stakeholders should have the opportunity to provide input early in the development process. - Optimize use of stakeholder groups for effective work with stakeholders. We recognize the potentially important and beneficial role that stakeholder groups can play in enhancing stakeholder understanding and input and in developing targeted groups for critical informed discussion to aid in	The procedures are meant to promote transparency in inviting guests. See responses below. The procedures allow early and on-going engagement with stakeholders as appropriate. As is current practice, it is expected that major projects such as ComFrame and capital standard development will continue to have multiple public consultations. One the final procedures are adopted the Executive Committee will discuss whether to create one or more formal, specific stakeholder groups as
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		informed development of projects. However, the details of how stakeholder groups will function are vague. We would suggest more extensive elaboration on what stakeholder groups will look like and how they can be optimized, and we hope that IAIS will review their benefits as IAIS process evolves. We also have a number of operational questions and suggestions: - Will any conference call dial in be free from around the world and will they work on improving the teleconferencing system so that everyone can hear well? - Will all materials continue to be on the website and easily accessible? Will the website be changed? If so, there should be a tutorial for members and stakeholders. - There should be a 24 hour turnaround for IAIS staff completing and posting summaries of meetings. - There should be a clear process for IAIS stakeholders to engage with IAIS members at a conference similar to the IAIS Annual Conference, even if needs to be organized by industry. - Minutes of all meetings should be available and, if there is a vote on an issue, individual members voting and the subject of the vote should be clearly stated in the minutes. - All agendas should be made public.	contemplated in the draft procedures and, if created, how exactly it would operate. Feasibility of toll-free calls to be explored. The website will continue to remain the primary tool to make documents available and any necessary training will be provided. Numerous stakeholder meetings have already been organised by the IAIS in 2015 – at least six related solely to ComFrame and capital development and a full day of hearings in conjunction with the Global Seminar. See website for details. See responses below. See responses below.
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			In summary, the changes proposed in the consultation document are profound and will fundamentally change the way in which the IAIS conducts its business. With this in mind we would suggest that any proposed bylaw changes include a sunset clause and transition period of one year to provide an opportunity to refine the proposed processes and procedures before the changes are permanently adopted in the bylaws on an ongoing basis. In July 2015, the IAIS would survey Members and stakeholders, with a written report and recommendations presented to Members in time for the 2015 Annual General Meeting. This transition period would give the IAIS an opportunity to create processes that best achieve its aim to be a global standard setter.	The By-Law revisions did not include a sunset provision but the IAIS plans to evaluate the effectiveness of the new policies and procedures after one year and then on an ongoing basis.
American Insurance Association	USA	No	The American Insurance Association (AIA) appreciates the opportunity to submit comments in response to the International Association of Insurance Supervisors (IAIS) November 17, 2014 "Second Notice of Request for Comment on Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders" ("Draft"). AIA represents approximately 300 major U.S. insurance companies that provide all lines of property-casualty insurance to consumers and businesses in the United States and around the world. AIA members write more than \$117 billion annually in U.S. property-casualty premiums and approximately \$225 billion annually in worldwide property-casualty premiums. AIA's membership includes U.S. insurers that write insurance only within the U.S., U.S. insurers that write insurance inside and outside the U.S., and insurers that are U.S. subsidiaries of	

			multinational insurers. This membership diversity enables AIA to analyze issues from many perspectives and enables us to draw on the global experience and expertise of our companies. As we noted previously, AIA welcomes the Draft's commitment to democratizing the consultation process by eliminating the need for organizations to contribute financially to the IAIS in order to take part in its consultations. However, we continue to be concerned that the elimination of regular non-Member attendance at IAIS meetings will significantly reduce transparency if adequate procedures for stakeholder participation are not established. While we appreciate the IAIS's stated commitments to transparency and need for stakeholder participation, we are concerned that the new procedures as outlined in the Draft will not provide the necessary level of transparency and stakeholder participation. Transparency has deep roots in the law and regulation formation processes in the United States and many other IAIS jurisdictions, and is viewed as essential to making those who govern accountable to the governed. It is possible that the Draft is inconsistent with the obligations imposed on IAIS members by their local transparency requirements. U.S. public officials, including insurance commissioners, must follow various "open meeting" laws (also known as "sunshine" laws) that require that meetings at which official decisions are made be open to the public, with very few exceptions for meetings on personnel matters, administrative issues, etc. However, whether or not the legal requirements of open meeting laws technically apply to supervisors when they engage in IAIS business, we believe that the spirit of open meeting laws -	
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			transparency and accountability - unquestionably should continue to apply. We request that IAIS hold a public session to review the impact of the new procedures on transparency and the ability stakeholders to contribute to the work of the IAIS meaningfully one year from the implementation of the procedures.	A public session on the effectiveness of the new policies and procedures (e.g. during full day of stakeholder hearings in June) will be explored.
National Association of Mutual Insurance Companies	USA	No	The National Association of Mutual Insurance Companies (NAMIC) appreciates the opportunity to comment on the second consultation on Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders ("Draft Policy and Procedures"). NAMIC is the largest property/casualty insurance trade association in the U.S.A., serving regional and local mutual insurance companies on main streets across America as well as many of the country's largest national insurers. NAMIC's 1,400 member companies serve more than 135 million auto, home and business policyholders, and write more than \$196 billion in annual premiums. With such a large member base, NAMIC speaks for many companies that cannot be active on international issues, and, for this reason, already consolidates the messaging from numerous large, medium-sized and small companies in the U.S. and Canada. NAMIC also represents the interests of the "mutual" insurance industry and its unique organizational structure. It is for these and many other reasons our members engage NAMIC to gather information, represent mutual interests and share member views as needed in international policy-making.	

		NAMIC believes, as the IAIS has stated in its own bylaws, that the IAIS should continue to be "an example of transparency, administrative due process and governance," and that the IAIS should "consult widely amongst its members and observers and make its consultation procedures transparent." IAIS Bylaws, Article 2, section 3. An appropriate IAIS process including full and fair stakeholder engagement is of critical importance to the development of insurance standards that are meaningful, consistent in their effect globally, and adopted/implemented world-wide. For these reasons, we want to join you in efforts to improve the process -- to make it more transparent, more effective and more efficient. We believe that efficiency and transparency are two different concepts. Certainly we support a more efficient IAIS process, but not at the expense of transparency. We start from the premise that the process will be transparent and then support efforts to streamline the procedural elements needed to adopt policy. The first consultation on the IAIS Draft Policies and Procedures provided some strong steps forward that NAMIC supported in its first comment letter including: 1) the decision to open the process to all interested stakeholders; 2) the elimination of the observer fees; 3) the decision to make public all materials, consultations, meeting summaries, etc.; and 4) the creation of a more defined set of procedures for the development of ICPs, Standards, Guidance, Issue Papers and Application Papers. This second consultation further improves transparency to some degree by: 1) assuring that all stakeholders will be	
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		notified about any invited guests on the agendas for the meetings; 2) providing a possible opportunity for stakeholder comments at the time of the initial public note; and 3) creating interested stakeholder lists for each committee/subcommittee. However, these proposed revisions do not solve all of the issues we previously raised and most of the added language is permissive and not mandatory for the chairs of the IAIS groups to implement. For this reason, we remain concerned that the second consultation Draft Policies and Procedures will continue to constrain efficiency, will result in less transparency and could create an appearance of impropriety even where none exists. More specifically, there remain concerns related to the general closure of committee and working group meetings, the focus on technical experts in invitations to stakeholders and the impact all of this will have on trade associations representing many members. To address these significant concerns we remind the IAIS of the additional procedural steps we recommended in our first comment letter to assure a full, fair and open process for global standard setting: - Minimum of Two Consultations - In the response to previous comments the IAIS is considering additional consultations. We emphasize that there should be a minimum of two consultations on any proposed creation or revision of an existing ICP, standard or guidance. Sharing a draft with stakeholders and then substantively revising it to create a final version without an opportunity for comment on the final draft promotes inadequate comment quality and uncertainty in the	See response below.
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		final product. - Meeting Webcasts/Archives - In the response to the comments on the first draft there is indication that a webcast delivery of meetings is being considered. We emphasize that in the absence of stakeholder participation in meetings, the only way to provide transparency in the policy process is to provide live webcasts of all public meetings. To address differences in time zones, webcast meetings should also be archived on the IAIS for no less than 30 days for viewing by any stakeholder. This does not completely resolve the lost opportunities to interact with counterparts around the world to find solutions, but at least it will provide the information about the discussions that all stakeholders should be able to access. - Minimum 30-day Notice for Meetings or Teleconferences -We previously suggested a mandatory thirty-day advance notice of all meetings and materials to be discussed. We appreciate the addition in the second consultation of a requirement that invited guests be listed on the agenda, but that still does not address the timing. Perhaps a compromise would be a 30-day notice of the proposed agenda with final agendas out 14 days in advance. This would provide more time for stakeholders to review the sometimes voluminous materials and determine if they want to be invited to make relevant points at the meeting. - Minimum 60 Day Comment Periods - There should be a minimum of 60 days for public consultations not just a goal of 60 days. Providing for the permissive application of longer time periods, as indicated in the response to this comment does not address the stakeholders' need for more time to review the	Feasibility of live/recorded webcast of public sessions/hearings is being explored. As stated in responses to first consultation, adequate notice is important but needs to be practical. 14 days is the minimum goal but can be longer as necessary and if time allows. See prior response.
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			work product. Any process that just permits transparency and does not require it is not truly transparent. The issues under consideration are of great importance to the industry and the global economy. They deserve thorough and adequate review by stakeholders. Less than 60 days is just not adequate. - Objection/ Request for Equal Time - If IAIS proceeds with the selective invitations for stakeholder participation in meetings, we still recommend the addition of procedural mechanisms that will provide more balance and at least a semblance of fairness. One way to move toward this goal would be to give stakeholders that were not invited to participate, the right to request equal time with the committee or working group to share differing views, and/or the right to object to an invitation to a particular stakeholder. - Full Meeting Minutes - While the response to this suggestion was that the IAIS would provide appropriate information about meetings, the current practice of providing the public with meeting summaries and not full minutes has limited the flow of information. The summaries contain very limited information about the discussions and the reasons for the decisions. We recommend that in an effort to improve the process, the IAIS should add a required public dissemination of the full minutes that include a detailed description of the discussions. Without attendance at the meetings, and limited opportunities for engagement with committee members, the minutes may be the only source of information that stakeholders will have to understand the discussions and possible misinterpretations of stakeholder comments that need to be addressed.	Stakeholders are always welcome to request time with a Committee or Subcommittee or to submit written comments. A formal grievance/ objection procedure is not contemplated as part of the process. See response below.
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			In summary, there are many process issues that have arisen directly related to closure of the IAIS meetings. Clearly, the easiest approach would be to keep meetings open. The decision to close the meetings has resulted in this detailed discussion about a fair and full approach to the IAIS decision-making. For this reason, we recommend that these Draft Policies and Procedures automatically expire (also known as a "sunset clause") on 1-1-2016. Thereafter the IAIS can assess their experience with the new procedures, and make an informed decision about whether the closure of the meetings improved the efficiency of the process and should be continued in 2016.	The procedures will not contain a sunset provision but the IAIS plans to evaluate the effectiveness of the new policies and procedures after one year and then on an ongoing basis.
Property Casualty Insurers Association of America	USA	No	The Property Casualty Insurers Association of America (PCI) represents more than 1000 insurers and reinsurers that provide all kinds of property and casualty coverage in the U.S. and throughout the world. PCI's mission is to "promote and protect the viability of a competitive private insurance market for the benefit of consumers and insurers." Accordingly, PCI has a long term commitment to the IAIS and to the highest quality international insurance regulatory standards. The proposed procedures maintain the most serious mistake from the earlier version--closing meetings to stakeholders that had previously been open to observers--specifically committee, subcommittee, working group and task force meetings. Under the proposal, these meetings are now closed--a fatal flaw in the proposed procedures that will inevitably result in worse standards, less useful consultations and preventable problems in implementation.	

			Closing the meetings as proposed was the subject of almost universal observer opposition as well as opposition from U.S. regulators and legislators. It has also attracted critical actions by the U.S. Congress, including resolutions, letters and at least one hearing. Increased importance of IAIS, effectiveness and efficiency do not justify closing meetings. In fact, they justify opening them even more. We note as that other organizations are pushing for more transparency even as the IAIS provides less. We also note that the NAIC has a workable model for open meetings that the IAIS should adopt in place of its proposal. In brief, the NAIC rule is that all meetings are open with certain specific exceptions and interested parties, or stakeholders, have the right to attend and in most cases comment. At the least, the NAIC procedures should be adopted in place of the proposed, less transparent procedures. Finally, not only does this version not correct the fatal error of the earlier version, but it compounds it by making clear than chairpersons have no latitude to correct the error on their own. See Section I, Principles for Invited Guests, on page 4. Further, several of the chairpersons of the most productive working groups have said they had no problem with observer participation at the meetings and felt indeed that the participation added to the quality of their work and did not delay it.	
Reinsurance	USA	No	The Reinsurance Association of America (RAA) appreciates	

Association of America		the opportunity to comment on the IAIS Second Notice of Request for Comment on Draft Procedures on Meeting Participation, Development of Supervisory and Supporting Material and Consultation of Stakeholders (Draft Procedures). The RAA also supports the comments submitted by the National Association of Insurance Commissioners (NAIC) and the Global Federation of Insurance Associations (GFIA). The RAA is a national trade association representing reinsurance companies doing business in the United States. RAA membership is diverse, including reinsurance underwriters and intermediaries licensed in the U.S. and those that conduct business on a cross border basis. The RAA also has life reinsurance company affiliates. The Draft Procedures reflect the elimination of Observer status as of January 2015, which removes stakeholder participation from deliberations and meetings of the IAIS, except by express invitation of a committee chair to provide technical input. The Draft Procedures expressly state that stakeholder participation by invitation is only "when there is a specifically identifiable need for input but not simply to keep stakeholders informed of work in progress." The Draft Procedures state that these changes are being made to increase the effectiveness and efficiency of stakeholder input. While increasing efficiency is a laudable goal, it will be done at the expense of meaningful stakeholder input into the policy development process. We continue to believe that greater transparency and interested party participation would not only enhance the final work product and better avoid unintended consequences, but it would also improve the time for acceptance and	
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		implementation of these global standards in home jurisdictions. Where interested parties have participated in the process, understood the background, options and issues and played a role in shaping the final product, they are less likely to object to the adoption of these standards in their jurisdictions. While the revised draft includes several amendments that increase the level of communication between stakeholders and the IAIS, the Draft Procedures need further revision to fully address the critical need for full and fair participation by stakeholders in IAIS policy development and other activities. The combination of closed meetings and the chair's discretion to admit selected "guests" to participate in these closed meetings may result in a work product that does not adequately reflect the full spectrum of stakeholder views on a particular issue. It also creates the appearance of favored status if only certain participants are invited to participate, thereby undercutting the credibility of the standard setting development. Further, selective industry inclusion may cause unintentional consequences (e.g., the policies create unlevel playing fields). Accordingly, all interested stakeholders should have the opportunity to participate in the discussion to avoid these results. We appreciate the modifications to the Draft Procedures that increase transparency regarding the process for inviting guests, and for including the guests and topics to be addressed on meeting agendas. The IAIS should publish on the website the list of individuals who are asked to participate as "guests" and that all people/organizations that have provided any input be listed. This would include posting of all comment letters received, and not just a synthesis or summary	The procedures expressly require a Committee/Subcommittee to avoid the fact or perception that any one group or individual is favoured and are instead designed to ensure that relevant technical input can be obtained when necessary.
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		of comments. We also urge the IAIS to also implement measures to require the provision of sufficiently detailed public reports of those meetings (including documents discussed at the meeting). The Draft Procedures should also include a mandate that all appropriate views of relevant stakeholders are adequately represented in the drafting processes. The inclusion of the suggestion that an "open invitation for appropriate technical experts" may be utilized is helpful in this regard, but does not fully address this issue. We recommend that the IAIS implement a standard procedure that would be applicable to all IAIS working groups and staff to maintain consistency. This standard procedure should require that policy development projects require consultation at the beginning (project description and planning stage), middle (initial policy proposals/options) and end (draft final proposals), with at least one stakeholder workshop/hearing during the development phase. Openness and communication throughout the process improves the ultimate work product, increases industry support and enhances the likelihood of implementation. Finally, considering the substantial changes contemplated by the Draft Procedures, we urge the IAIS to take the necessary time to evaluate whether the Draft Procedures, as implemented, have achieved the desired effect and to make amendments as necessary.	See response below. The procedures require at least one public consultation which will allow any interested stakeholder to provide its views during the drafting process. These procedures are designed to be the "standard procedure" applicable to all Committees and Subcommittees and the IAIS plans to hold workshops/training for all Chairs and Vice Chairs once the new procedures are in place to ensure common understanding and consistent treatment of all new policies and procedures. The IAIS plans to evaluate the effectiveness of the new policies and procedures after one year and then on an ongoing basis.
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NAIC Consumer Representatives		No	We appreciate the opportunity to submit comments in response to the International Association of Insurance Supervisors (IAIS) November 17, 2014 "Second Notice of Request for Comment on Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Materials on Draft Policy for Consultation of Stakeholders" (Second Draft). The undersigned are IAIS NAIC Consumer Representative Observers who have participated in various IAIS meetings, including the Annual Meetings, the Global Summit in Quebec City, and various market conduct sessions. Consumer and other stakeholder involvement in insurance regulatory activities is deeply rooted in US law and at the National Association of Insurance Commissioners. Federal and state "open meeting" laws exist to allow public observation, if not participation, in the creation of standards, regulations and laws that will affect them. We suggest that there are many ways that the IAIS could address the need for transparency and full stakeholder participation through the use of technology. The Draft Procedures already call for greater use of conference calls to enhance accessibility; IAIS committees and subcommittees should allow stakeholders to participate in the "listen only" mode throughout the development process, unless confidential information is being discussed. We filed comments on September 2, 2014 on IAIS' first "Draft Procedures on Meeting Participation" and include that letter below. Though we fully support the elimination of Observer fees, we are concerned with the elimination of the regular non-member observer status and ability to actively engage and	Feasibility of live/recorded webcast of public sessions/hearings is being explored. [also include a specific reference to the bullets on p. 43, Sec. 3 specifically mentioning consumer perspectives as an example? To get some credit with them, and to emphasize they're still in our
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		attend IAIS committee meetings. The proposed changes will significantly reduce the transparency of IAIS activities and negatively impact consumers' (stakeholders) ability to provide comments and address concerns during critical stages of discussions. For brevity's sake we will not repeat these concerns in our comments to this Second Draft. Signed: Sonja Larkin-Thorne, Peter Kochenburger, Brenda Cude and Brendan Bridgeland September 2, 2014 Four IAIS NAIC Consumer Observers submit these comments on IAIS' "Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders "(Draft Procedures). Preliminary, we do agree with several proposals. For example, eliminating the substantial Observer fee will reduce the appearance of "pay to play," and could lead to greater involvement by a larger and more diverse group of stakeholders who otherwise could not afford or were unwilling to participate (as will the greater focus on conference calls). Theoretically, this could particularly benefit consumer groups, who typically have minimal travel budgets and could not participate in person. Second, the IAIS commitment to a minimum of two public consultations - at the beginning and near the end of the development of a new supervisory draft - at least formalizes several opportunities for stakeholder participation. However, if the IAIS adopts the Draft Procedures, the primary result would be to make the IAIS less transparent and	minds.]
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			accountable, and therefore less effective. Limiting public participation to the start and near conclusion of a project creates a black hole throughout most of the development stage, where stakeholder involvement generally is not contemplated. Allowing stakeholders access to this period would reduce drafting errors and provide perspectives on potential problems and solutions before months or years are spent on a project section. "Efficiency," when defined by quickness of deliberation, is not an appropriate goal if it detracts from "effective and globally consistent supervision" (IAIS Mission Statement). Efficient procedures should encompass greater stakeholder involvement so that committee work does not have to be substantially revised due to problems that could have been addressed earlier in the drafting process. Related, and perhaps most concerning, is the presumption that IAIS meeting will be closed to non-members (Section I., Attendance at Committee and Subcommittee Meetings). This presumption should be reversed and meetings considered open absent a specific statement in advance as to why they will be closed. The IAIS consistently references "transparency" as an important goal, as do most public and quasi-public agencies in the United States. Transparency does not mean coming to agreement with stakeholders, or even the willingness to schedule a public comment period at a particular session, but it should mean access and visibility - put simply, to allow the public to listen to deliberations. Efficiency is not compromised by public observation, but often enhanced as it leads to greater stakeholder understanding of potential regulatory standards and possibly greater acceptance. These sections of the Draft Procedures are contrary to the principles	
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			of open government and shared responsibility; perhaps best illustrated by noting that if the IAIS was considered a public agency, then these Draft Procedures may violate the Open Meetings and Freedom of Information laws of most jurisdictions in the United States. These Draft Procedures could particularly disadvantage consumer stakeholders, even though that would not be IAIS' intent. Consumer advocates do not have the power and resources of insurers and other stakeholders. Our influence, if any, is not because of our market share in a country, but the quality of ideas, and commitment and experience in consumer (policyholder) protection. Our credibility and therefore our effectiveness often depend on speaking publicly at hearings and committees and being able to communicate directly with supervisors. Much of this will be lost, along with the opportunity to meet consumer observers from other countries, who will now have equally minimal opportunities to meet in person. Just as insurance regulators benefit from collaboration with their fellow supervisors, consumer observers can learn from our counterparts throughout the world, which would increase the value and inclusiveness of our advocacy. If these Draft Procedures are adopted, we ask that the IAIS: (1) schedule a session for consumer observers at the annual meeting each year, (2) identify and invite consumer observers from more regions and countries (including academics) to play a role in IAIS work, and (3) when stakeholders are invited to participate in a particular working group or session, to offer consumer observers a similar role in the proceedings. We ask the IAIS to reconsider the Draft Procedures. The IAIS has a crucial role in developing effective and fair insurance	
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			regulation worldwide. To do so effectively and fairly, the IAIS should consider transparency, stakeholder involvement and enhanced consumer participation as vital components of standard setting and financial supervision, and not obstacles to its development. Thank you for considering these comments. Signed: Brendan Bridgeland Sonja Larkin-Thorne Peter Kochenburger Brenda Cude	
Comments on Section I				
Association of Bermuda Insurers and Reinsurers (ABIR)	Bermuda	No	However, we remain concerned by the IAIS decision to close all meetings to stakeholders but for the discretion of Sub/Committee Chairs to "invite and admit guests." Further, we are surprised that the IAIS has taken this decision at a time when the IAIS will intensify the development of major global initiatives such as the global Insurance Capital Standard (ICS). Active stakeholder input has been crucial for the development of past on ongoing work for the Basic Capital Requirement (BCR) and Common Framework. We are sensitive to the likelihood that the compressed timelines for the ICS will heighten and certainly not lessen the need for timely and quality stakeholder input. We appreciate that transparency is given greater attention in Section I. Principles for invited guests. We anticipate that the IAIS will work to ensure the identified processes function in a	The final policies and procedures will be made public and communicated to all Members.

			transparent manner but it is not yet shown how transparency will be achieved. The stated use "of an open invitation" for engaging stakeholders in meetings for the avoidance of favoritism, for example, might be indicative of transparency but will require open procedures and careful implementation to operate in a transparent manner. We hope the IAIS will publish procedures to help regulate and build confidence in processes such as these where unbiased stakeholder access to the development of supervisory and supporting material is at stake.	The IAIS also plans to hold workshops/training for all Chairs and Vice Chairs once the new procedures are in place to ensure common understanding and consistent treatment of all new policies and procedures.
AMICE	Europe	No	In the "Principles for invited guests" sections (which might rather be called "Principles for inviting guests"), - we welcome the suggestion to Chairs that they should "consider offers or requests to attend" from, among others, stakeholders; - we also note with approval that the IAIS considers "open invitation(s) for appropriate technical experts willing to provide targeted input"; - we regret, however, that the language in the introductory paragraph has become much more restrictive. We believe that also "simply ... keep(ing) stakeholders informed of work in progress" can be in the legitimate interest of the IAIS, of its Committees and Subcommittees and of their Chairs as it is the basis for an informed dialogue and can add considerably to the quality and the focus of stakeholders' later input. Chairs should be freer in their assessment to what extent and up to which point stakeholder presence (as silent observers or interactive discussion partners) can be of value to the work of their (Sub-)Committee.	Changed to "inviting." The IAIS will utilise measures other than attendance at meetings to keep stakeholders informed of work in progress.

			We suggest to the IAIS with emphasis to introduce modern, state-of-the art communication technology for its meetings with the aim of allowing active participation from the distance. Travelling to meetings in other time zones requires considerable financial and time input from participants. This is true for stakeholders as it is for IAIS Members. Making no efforts in this direction may result in the attendance by (almost) only local/regional (IAIS members and) stakeholders which would undermine the IAIS' commitment to engage with a broad range and geographically diverse group of stakeholders. A mere webcast (video and audio stream) would in our view not be sufficient, and even less so a simple (mono-directional, i.e. listening only) telephone conference. Particularly in smaller meetings (e.g. Subcommittees), the technology should provide - for visual and audio streaming, - for the joint visibility of documents (not only by filming the screen in the meeting room, but by having them appear on the distant participant's screen) and - for a possibility of the distant participant to comment (either by a written chat function or, better, by a "flag the desire to intervene" button or note). Such software is on the market; it requires a sufficiently powerful internet connection, (notably for the video part), but (at least for smaller meetings) no expensive hardware beyond a simple webcam and a microphone / sound system. The IAIS may see an investment in such technology also as a tool for more easily engaging with its Members.	Feasibility of live/recorded webcast of public sessions/hearings is being explored.
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German Insurance Association	Germany	No	As stated above, we would welcome if Committee meetings and especially Working Group meetings were in principle open to stakeholders as well. Parts of the meetings could be reserved for confidential discussions between Members. Apart from that, other measures to improve meeting efficiency could be taken into consideration. The principles for invited guests give discretion to the chair of a Committee or Subcommittee only. Given the revised organization of the IAIS' working level, it needs be clarified that the chair of a Working Group is granted the same degree of discretion. An open invitation for technical experts to participate in meetings is a welcomed step to improve transparency. However, the current drafting indicates this is an option ("could"). We request to make the open invitation a mandatory part of the framework ("shall").	"Subcommittee" is a general term and includes both "Working Groups" and "Task Forces" It may not be appropriate or necessary in every instance to use an open invitation process.
AIA Company Limited	Hong Kong	No	Further to our submission on 1 September 2014, we appreciate the opportunity to write and provide further comments. Our main concern with the revised procedures are the principles for invited guests. Specifically, the principle provides the Chair of a Committee or Subcommittee with the discretion to invite and admit guests. It is our considered view that this discretion is worded too broadly by only recommending that the Chair invite guests. We recommend instead that there be an affirmative obligation on the Chair to consider and include such guests as are likely to be able to contribute meaningfully	See amended text, which is designed to allow sufficient input when needed while avoiding the

			to dialogue on any issues with a particular emphasis on those parties likely to be affected by any proposal. We are particularly concerned that the proposed process is self-selected and does not provide any assurance that the voice of all relevant stakeholders will be heard. As well, since stakeholders might not know what matters are being discussed, the process will become opaque. Accordingly, we would suggest that except in respect of highly confidential matters there be a positive obligation to keep stakeholders informed, including advance notice of meetings, and that all relevant stakeholders be invited to attend meetings so that they may participate constructively. Moreover, on highly confidential matters, if there is specific input from stakeholders that might benefit the process, it might be useful to incorporate a mechanism for stakeholder input so long as the stakeholder agrees to keep the discussions confidential until expressly released from such an obligation (i.e. when the matter becomes appropriate for public dissemination as determined by the IAIS). We believe that adopting the above changes would improve the process of obtaining high quality input from relevant stakeholders and ensure that such processes are transparent. We believe that this is likely to lead to better and more broadly accepted outcomes. We welcome the opportunity for continuing discussion and dialogue.	appearance of or actual favouritism.
Global Federation of Insurance Associations	International	No	We welcome the commitment of the chair to "Consider requests or offers to attend from stakeholders". For stakeholders to identify on which issues they would be able to	

		provide meaningful perspectives, we encourage the IAIS to share agendas and draft background documents with stakeholders on a timely basis. As noted in the general comments, we believe that the IAIS should give its chairs the necessary scope for inviting guests. Under "Principles for invited guests", the drafting could be interpreted in a very restrictive way, strongly discouraging chairs from inviting stakeholders, even when they believe stakeholders would add valuable perspective. We request that the IAIS encourage its chairs to invite guests when they believe they would add value, as long as they do so in a transparent manner. When inviting guests, Committee/Subcommittee chairs should have regard to the breadth of representation achieved, eg in terms of geographical and business model representation. We welcome the attention given to transparent processes when it comes to inviting stakeholders and anticipate that the IAIS will work to ensure the identified processes function in a transparent manner. For example, the use of an "open invitation" for engaging stakeholders in meetings might be indicative of transparency, but will require open procedures and careful implementation to operate transparently. To increase transparency and stakeholder understanding, we request that stakeholders have access to a webcast of the Committee/Subcommittee meetings. We note that attendance at IAIS meetings often requires	The principle is not meant to restrict Chairs from inviting guests when they believe so doing would add valuable technical perspective. The IAIS also plans to hold workshops/training for all Chairs and Vice Chairs once the new procedures are in place to ensure common understanding and consistent treatment of all new policies and procedures. Agreed and reflected in procedures. Feasibility of live/recorded webcast of public sessions/hearings is being explored.
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			attendees to incur significant time and costs. We therefore propose that the IAIS hold stakeholders' events (eg dialogue meetings) back-to-back with the IAIS meetings, to optimise cost effectiveness for stakeholders. Without such coordination, there is a risk that some stakeholders would find it difficult to justify attending because of cost reasons. This could result in attendance only by regional stakeholders, which could undermine the IAIS' commitment to engage with a broad range and geographically diverse group of stakeholders.	In 2015 the IAIS will be holding a full day of stakeholder meetings in conjunction with the Global Seminar in order to maximise effectiveness for stakeholders and Members. Similar coordination will be planned going forward.
The Life Insurance Association of Japan	Japan	No	We appreciate the amendment to principles for invited guests, which requires the Chairs to "consider requests or offers to attend from Committee/Subcommittee members, non-members of the Committee/Subcommittee, the Secretariat and stakeholders" in inviting guests rather than invitation only at the discretion of the Chairs. We also welcome the IAIS' commitment to ensure a transparent process in inviting guests, including the use of an "open invitation" for appropriate technical experts willing to provide targeted input. Regarding a request for opportunities to submit our input during the drafting process before formal consultations, the IAIS resolution to our previous comment states that "the procedures allow early and on-going engagement of stakeholders as appropriate." In this regard, in order to ensure the effectiveness of stakeholders' engagement while limiting the attendance of stakeholders, we believe it is necessary for the IAIS to disclose the draft documents being discussed in meetings in advance of formal consultation, as we proposed in the first consultation. It is stated in the IAIS resolution that our comments on this matter will be discussed further, and we are	The procedures allow multiple formal public consultations and would also allow a Committee or Subcommittee to request feedback on matters being developed at any time.

			hoping that this proposal will be accepted. At the same time, for better understanding on the IAIS' works and its intention, we would like to note once again that it would be worth considering publicly disclosing meeting materials and its detailed summary record. To increase stakeholders' understanding, the IAIS should consider allowing stakeholders to have access to a webcast for meetings, in a similar way that other international organizations (e.g. IASB) currently do. Besides, we note that attendance at Committee/Subcommittee meetings requires attendees to incur significant time and costs. We therefore would like to propose that the IAIS hold additional stakeholders' events (e.g. dialogue meetings) back-to-back with the meetings, rather than inviting the guests to just one part of the meeting in order to optimise cost effectiveness for stakeholders. Otherwise, there is a risk that some stakeholders would find it difficult to justify attending and give up nominating themselves as a guest because of cost reasons. This could result in attendance only by regional stakeholders, which could undermine the IAIS' commitment to engage with a broad range and geographically diverse group of stakeholders.	See responses below. Feasibility of live/recorded webcast of public sessions/hearings is being explored. In 2015 the IAIS will be holding a full day of stakeholder meetings in conjunction with the Global Seminar in order to maximise effectiveness for stakeholders and Members. Similar coordination will be planned going forward.
Lloyd's of London	UK	No	We appreciate the admission of "invited guests" to certain Committee, Sub-Committee and Task Force meetings for the purpose of adding value and providing a different perspective into matters under development. This would benefit both the industry and Members. We suggest that: - invitations are sent with sufficient notice in order to allow the invited guests to plan and to avoid overlapping events;	Agreed

			- guests receive the agenda of the meeting beforehand; - industry representatives be invited to Task Force meetings on a regular basis (i.e. monthly); - the IAIS provide stakeholders with regular updates about the progress of its ongoing activities. The IAIS should also consider how it will ensure that Committees, Sub-Committees and Task Forces will receive a reasonable range of views on matters being developed and not restrict opportunities to attend meetings to a small section of those with views on the subject matter. As most meetings will be closed to most stakeholders, the IAIS should develop formal rules or internal protocols under which it will make public meeting agendas before meetings take place and publish approved minutes of each meeting within a specified period from the date of the meeting.	Guests will be sufficiently informed of the topic(s) for which they are invited to provide input . Guests will be invited as needed. Agreed and already part of commitment to provide public information. The procedures expressly require a Committee/Subcommittee to avoid the perception that any one group or individual is favoured. See responses below.
The Northwestern Mutual Life Insurance Co.	US	No	That the following bullet point on page 4 regarding invited guests be revised to read in its entirety has follows: "Avoid favoring, or the perception of favoring, any individual or group by utilizing a transparent process, which shall include the use of an open invitation for appropriate technical experts willing to provide targeted input." The key suggestion is using the term "shall" rather than "could" as the open invitation will enhance the transparency of the consultation process.	See prior response.
ACLI	USA	No	Comments: Modifications Suggested We support the concept of including stakeholders whenever	

		possible to provide "additional perspective or input into matters being developed at the Committee/Subcommittee and to further ensure that all relevant substantive views are being considered." We suggest the following change in the text: "In inviting guests, the Chair should: Avoid favoring the perception that any one individual or group is favoured over another by utilizing a transparent process, such as the use of by using and an open invitation for appropriate technical experts stakeholders willing to provide targeted input whenever confidential information is not discussed." While we understand there may be situations where confidential or highly sensitive information may necessitate the closure of meetings, we cannot see why meetings should otherwise be closed. Additionally, this provision would seem to create a conflict for IAIS Members who are subject to jurisdictional oversight by legislative bodies. When the Chair of a committee invites an interested party to a meeting in order to provide expert input, the meeting should, by default, be open to all interested parties. A written rationale should be provided for any closure of such meetings. In the absence of such procedures, the IAIS will create perceptions that certain groups, organizations, or jurisdictions are favored. Eventually, this could impact the credibility and viability of the IAIS.	See memo that accompanied first request for public comment for background and reasons for shift from Observer status, which is what this suggestion equates.
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			We also suggest that stakeholder access to a webcast of Committee/Subcommittee meetings would be an extremely valuable tool that could aid in providing timely information in a transparent manner. We also note that attendance at Committee/Subcommittee meetings often requires significant effort from attendees, in terms of cost and time. We would therefore like to propose that the IAIS hold additional stakeholders' events (e.g., dialogue meetings) back-to-back with the Committee/Subcommittee meetings, to optimize cost effectiveness for all. Otherwise, there is a risk that some stakeholders and members would be unable to attend because of cost or resource constraints or other reasons. This could also result in attendance of only regional stakeholders, which could undermine the IAIS' s commitment to engage with a broad range of stakeholders, with a wide geographical coverage.	Feasibility of live/recorded webcast of public sessions/hearings is being explored. See prior response.
American Insurance Association	USA	No	The inclusion of experts from outside of the IAIS membership in meetings as "invited guests" should be an important aspect of ensuring that stakeholder input is permitted and considered by the IAIS. However, we note that the goal of the IAIS in inviting guests is not intended to increase transparency (guests may not be invited "simply to keep stakeholders informed of work in progress"). In addition to the procedures for consultation being developed by the IAIS, we believe that attendance at meetings is important to ensure transparency. We also note that the second Draft limits the scope of the	Consultation as such is not meant

		Chair's discretion to invite guests by requiring consultation with the Vice Chair, Secretariat and Committee/Subcommittee members. We are concerned that such a limitation could be used to discourage the participation of stakeholders in meetings. We are encouraged that the Draft directs the Chair to consider requests or offers to attend from stakeholders (among others) and we encourage the IAIS to make participation of stakeholder guests a priority in planning meetings and work streams. We appreciate the new emphasis in the Draft on utilizing a transparent process for inviting guests to participate in meetings, and support the "use of an open invitation for appropriate technical experts willing to provide targeted input." How such processes are structured will be important for ensuring that they are, in fact, transparent, and we encourage the IAIS to provide details on such processes. We appreciate that the Draft includes a directive that guests who accept invitations shall be identified on the agenda, and believe that such information should be made public thirty days prior to the meeting. We believe it is essential that the agendas for meetings and supporting documents are made public thirty days prior to the meeting. Any presentations from guests should be made public and reports on discussions about those presentations should be included in detailed, public minutes of the meetings.	to limit the scope of the Chair's discretion but avoid the situation where all decisions on invited guests are made solely by the Chair, i.e. to allow for input from the rest of a Committee or Subcommittee. Details on how such a procedure would work will be provided after the procedures are finalised. See responses below.
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National Association of Mutual Insurance Companies	USA	No	The second consultation includes additional language about the invited guests at meetings that attempts to improve the transparency of the process. The addition of notices about invited guests on the agenda and the permissive language that chairs could make an open invitation will help, but these changes only permit and do not guarantee the transparent process that the IAIS should have regarding the discussion of these issues. The chairs can still selectively include "guests" to participate in committee meetings on technical issues, such that isolated views may be represented while others will not be heard by members attempting to make decisions on the direction of global standards. Any process that just permits transparency and does not require it is not truly transparent. We assert that unless all stakeholders are free to participate there will be no way to, "Avoid the perception that any one individual or group is favoured over another." Regardless of the intention and even the actuality of the situation, an appearance of impropriety will damage the credibility of the organization. We propose that this is a critical reason meetings should remain open to stakeholders. The proposed discretion around stakeholder participation will constrain efficiency, will result in less transparency and could create an appearance of impropriety even where none exists. For instance, we anticipate that the selected guests will often be from large companies. Small and mid-sized companies who do not have the resources to participate directly in IAIS projects will lose their voice at IAIS if the trade associations representing them are not invited to engage in the process. The selective inclusion of "guests" to participate in committee	The procedures expressly require a Committee/Subcommittee to avoid the perception that any one group, such as representative of large companies, or individual is favoured.
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		meetings on technical issues will necessarily mean that isolated views will be represented while others will not be heard by members attempting to make decisions on the direction of global standards. Regardless of the intention and even the actuality of the situation, an appearance of impropriety will damage the credibility of the organization. Putting so much discretion in the hands of a committee or subcommittee will only create problems. The differences between stakeholder access to the committees/subcommittees whether real or perceived could result in challenges to the process and could well create problems for regulators in their home countries. The core process needs to provide full and fair opportunity for comment and needs to be open to all stakeholders. We propose that in the absence of full stakeholder participation in meetings, the only way to provide transparency in the policy making process is to provide live webcasts of all meetings other than those closed meetings set forth in Section I of this Draft Procedure. Making the meetings available through webcast worldwide may not be the same as in-person attendance, but it would provide the next best option. Live webcasting and archiving is the technique used by FASB, IASB and the U.S. House and Senate for all committee hearings even when the meetings are open to small audiences. To address differences in time zones, webcast meetings should also be archived on the IAIS for no less than 30 days for viewing by any stakeholder. Using this method the IAIS can	Feasibility of live/recorded webcast of public sessions/hearings is being explored.
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			illustrate that the content of the meetings will be open to stakeholders. While this does not provide the potential for stakeholder interaction, at least it provides opportunity to access the committee discussions. This access to meeting content is especially critical if the committee has invited select stakeholders to attend the meetings. In such situations there is no other way to provide other stakeholders with a chance to address information shared that may not be consistent with the state of affairs in another jurisdiction. Webcasting may be the only way to partially mitigate the sense of favoritism or selective information-gathering if some stakeholders but not all stakeholders are engaged.	
Property Casualty Insurers Association of America	USA	No	The general comments apply to this section and the entire proposal. Specifically, we oppose closing the types of meetings that had been open to observers. In addition, we oppose the added language on page 4, referenced above, that strips away from chairpersons the ability to open their meetings. At least this flexibility should be included in the procedures. While we note that provisions relating to invited guests do improve the transparency, the extreme danger of favoritism is inevitably presented when meetings are closed and handpicked guests are invited in. The new language helps but does not eliminate that danger. Indeed, the simplest, most direct and effective way to eliminate that danger is to open the meetings. For this and other reasons, that should be done.	
Reinsurance	USA	No	With reduced channels of communication and participation, it	See responses below.

Association of America			will be critical to establish procedures for the timely provision of detailed minutes of Committee Meetings and Working Group/Task Force meetings, including the identity of speakers and making available any documents or supporting materials discussed. Furthermore, if the concern is about the efficiency of having industry in the room, we would request that the IAIS allow industry stakeholders to watch and listen to meetings through webcasts, so that they can understand the direction and thinking of a particular Working Group or Task Force on a real time basis. While we appreciate that the revised Draft Procedures provide some additional structure and clarity with respect to the discretion of a Chair of a Committee or Subcommittee to invite "guests" to participate, which aim to increase transparency, additional guidance is needed to ensure that appropriate representation of all relevant viewpoints is achieved on specific points to ensure the best work product and to avoid the appearance of favoritism or an unlevel playing field. In addition to transparency regarding the process for inviting guests and what those guests will be discussing, the Draft Procedures should establish that all meetings require a sufficiently detailed public report of the meeting (including documents discussed at the meeting). The Draft Procedures should also include a mandate - rather than simply a suggestion - that all appropriate views of relevant stakeholders are adequately represented in the drafting processes. The inclusion of the suggestion that an "open invitation for appropriate technical experts" may be utilized is helpful in this regard, as is the commitment that the chair will "[c]onsider requests or offers to attend from stakeholders", but neither revision fully addresses this issue.	Feasibility of live/recorded webcast of public sessions/hearings is being explored. The IAIS plans to hold workshops/training for all Chairs and Vice Chairs once the new procedures are in place to ensure common understanding and consistent treatment of all new policies and procedures. See prior response.
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NAIC Consumer Representatives		No	While the first draft procedures already excluded stakeholders, this addition to working groups appears to reduce transparency within the IAIS membership. Working Group meetings are where much of the substantive drafting is accomplished and greater participation or at least access to deliberations (for stakeholders) would contribute to better results and acceptance by stakeholders. The additional guidance in "Principles for invited guests" provides greater clarity, though likely reducing the discretion Committee and Subcommittee Chairs have in inviting guest. We have one request and one additional comment: 1. A "transparent process" is particularly important, given that invited guests may have the only opportunity among stakeholders to interact with IAIS Members on a face to face basis. Therefore we suggest the "use of an open invitation for appropriate technical experts" should be required (absent compelling circumstances) and, that IAIS Committees and Subcommittees make public on the IAIS website which technical experts have been invited to specific meetings or consultations. 2. The addition of "consumer groups" within the list of examples for when guests would be invited is welcomed. Any discussion seeking industry perspectives should include policyholders and consumers, who are the second (and often missing in considerations), party to insurance transactions and the primary focus of insurance regulation. Whenever stakeholder participation is invited, we suggest the appropriate question is "why shouldn't policyholders and consumers be asked to participate," rather than "should they be asked."	See prior response. See responses below.
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Comments on Section II				
German Insurance Association	Germany	No	The revised framework now includes a caveat for making IAIS-material public. We request the IAIS to provide more clarity to what might constitute a "compelling reason" to abstain from publication. The public background note is supposed to identify "any specific type or group of stakeholder from which input may be particularly useful". We request the IAIS to avoid the impression that certain feedback gets preferential attention. Instead, comments should be solicited without bias and deserve equal treatment.	The text includes an example of when the material includes confidential information and it is expected that supervisory and supporting material shall be made publicly available in all but the rarest circumstances. The referenced text is not meant to imply that any feedback will receive preferential treatment but simply to help identify any type of stakeholder from whom input would be particularly useful, e.g. a project to develop a paper on microtakaful might state that input from stakeholders with experience in that product would be particularly useful.
Global Federation of Insurance Associations	International	No	We welcome the specification that "Once adopted, all supervisory and supporting material shall be made public unless a compelling reason exists for it to remain accessible to Members only (eg the material contains confidential information)". To further enhance transparency, we request that the IAIS specify the precise reasons under which material would be withheld.	Text amended to specify that the Executive Committee must determine that a compelling reason exists.
Lloyd's of London	UK	No	Contributions from informed stakeholders are essential elements in the process of drafting policy measures and	

			standards. Observers, in their capacity of industry active participants, have a wealth of technical insurance knowledge and expertise. The IAIS aims to maximise the opportunity for timely, substantive and high quality input from all stakeholders. Limiting opportunities for direct contact between IAIS and stakeholders will be detrimental to the development of fair and appropriate standards for insurers.	
ACLI	USA	No	Comments: Modifications Suggested Because IAIS Supervisory, Supporting and Other materials are intended by G20 leaders to inform jurisdictional statute, regulation and supervision, the development and approval of all IAIS materials demand and are of great interest to a wide variety of stake holders, both those with international interests and those focused on specific jurisdictions. Importantly, as the IAIS is composed of jurisdictional supervisors acting in an official representative capacity, we believe further consideration should be given to the respective IAIS Members' jurisdictional statutory transparency and public consultation requirements to ensure the new proposed "Draft Procedures on Meeting Participation and the Development of Supervisory and Supporting Material and Draft Policy for Consultation of Stakeholders" does not violate any of their jurisdictional obligations and subject them to criticism and prosecution which would, in turn, negatively impact the international standing of the IAIS. Our experience has shown that because of the large volume of IAIS work, staff resource limitations, and the need for many	See prior response.

			member drafters to work in English instead of their first language, draft supervisory material, application guidance and issues papers have benefited greatly from Observer review and factual correction. Likewise, we believe that issue papers providing examples and representing circumstances in national and other jurisdictions as well as demonstrating the effects of practical application of principles and standards deserve stakeholder review and independent factual confirmation. Other material, as indicated in the consultation document such as reports, surveys, letters and responses to other international organizations, can also be tremendously influential in subsequent standard and issue papers, and we would urge due consideration of the following: Principles of material development: Any IAIS material should include the following: - A clear scope of the project; - A clear expectation of the outcome desired from the project; - A clear explanation of any limitations or qualifications on the project; and - A clear statement of the scope of the drafters or the bodies consulted in the development of the paper and its method of approval.	All of these elements are generally or specifically included in the written project plans required of each project to develop supervisory and supporting material, the internal project management methodology being developed and/or the annual Roadmap development process.
American Insurance Association	USA	No	We support the inclusion of an explicit requirement that supervisory, supporting, and other material be made public. This section provides that supervisory, supporting, and other	See prior responses.

			material shall be made public unless a "compelling reason" exists for it to remain accessible to Members only (e.g. the material contains confidential information). Without further amendment, this guidance will provide insufficient transparency, as justifications for withholding this type of material from the public must be both specified and limited. We recommend creating an exhaustive list, as with the "Principles for closing a meeting" in Section I. If, as may well be the case, the presence of confidential information in the material is the only reason for making it accessible to Members only, that should be made clear in order to avoid wrongfully withholding important information from the public. Additionally, thought should be given to redacting confidential information, where possible, to ensure the greatest level of transparency for the public aspects of the document.	
Comments on Section II.A				
Global Federation of Insurance Associations	International	No	(no comment)	
Lloyd's of London	UK	No	No comments	
Comments on Section II.A.1				
Global Federation of Insurance Associations	International	No	(no comment)	
Lloyd's of London	UK	No	No comments	

ACLI	USA	No	Comments: Agree	
Comments on Section II.A.2				
Global Federation of Insurance Associations	International	No	(no comment)	
Lloyd's of London	UK	No	No comments	
The Northwestern Mutual Life Insurance Co.	US	No	On page 6, adding a statement making clear that Issue Papers and Application Papers must include consideration of major product types around the world in order to provide regulators and stakeholders with an understanding of the practical impact of rulemaking on local products.	See prior responses.
ACLI	USA	No	Comments: Agree	
American Insurance Association	USA	No	See Section II above	
NAIC Consumer Representatives		No	We agree with the presumption that all supervisory and supporting material should be made public. In the event there are compelling reasons for maintaining confidentially, that fact should be publicly disclosed, along with a brief description of the document topic.	See prior response.
Comments on Section II.A.3				
Global Federation	International	No	(no comment)	

of Insurance Associations				
Lloyd's of London	UK	No	No comments	
The Northwestern Mutual Life Insurance Co.	US	No	On page 8, adding language that requires that the IAIS publicly and fully respond substantively to all comments received to ensure that the public understands the rationale for the resolution.	The text requires public response to all substantive comments.
ACLI	USA	No	Comments: Agree	
American Insurance Association	USA	No	See Section II above	
Comments on Section II.B				
World Federation of Insurance Intermediaries	Belgium	No	Section B. ii.f. (...) Identify to whom stakeholder feedback may be submitted. What does this mean? iii. (...)While developing the material, the responsible Subcommittee(s) should inform stakeholders as appropriate. What does this mean "inform as appropriate"? This term is not specific enough. We believe that stakeholders are only appropriately informed if they have access to the subsequent drafts made by the drafting team during the several months of developing. We urge the IAIS to adapt this paragraph in this sense. v.d. Receive feedback from stakeholders. How can	See prior response. See prior response. See prior response.

			stakeholders deliver high quality feedback on extensive material in a public background session if this material only becomes available at the start of a public consultation?	
German Insurance Association	Germany	No	We believe that the most efficient way to provide and obtain feedback in from public background sessions is to conduct them as face-to-face meetings. Therefore, conference calls should not be envisaged as the default mode and only taken into consideration under exceptional circumstances.	Due to the likely length of these sessions it would not be efficient to organise them by default as in-person meetings; in-person meetings will likely occur when they can be organised in conjunction with other activities.
Global Federation of Insurance Associations	International	No	We strongly believe there is a compelling need to keep stakeholders informed during the process of development and approval of supervisory material and we welcome the steps taken in this new draft to identify channels of communication between the IAIS and stakeholders. We appreciate the move towards asking for stakeholder input at the outset of a project when the public background note is published. We also appreciate under point iii) the addition of "While developing the material, the responsible Subcommittee(s) should inform stakeholders as appropriate." This is certainly a step in the right direction, though we would suggest that it specify that it is appropriate that stakeholders are involved at various points in the development of draft material, well in advance of the final public consultation. When stakeholders' involvement is very limited prior to a public	See prior response.

			consultation, the challenges inherent to providing high quality input are exacerbated. Given the importance of public consultations under the new process, we request that the IAIS consistently give longer consultation times, for example at least 90 days for supervisory materials and 60 days for supporting materials. This would ease the burden on those countries whose working language is not English, and allow all stakeholders time to give meaningful input to the consultation. We welcome that a public background session would be convened when commencing a new project. In order to be most helpful for members and stakeholders, it should be clarified that these public background sessions are scheduled at the very beginning of a consultation process. Moreover, we believe that the most efficient way to provide and obtain feedback from public background sessions is to conduct them as face-to-face meetings. Therefore, conference calls should not be envisaged as the default mode and only be considered under exceptional circumstances. For most supervisory material, the GFIA believes that more than one consultation would be appropriate. We elaborate on this concern in the IAIS' specific question below.	The procedure states that such sessions should be held at the time a consultation commences. See prior response. See response below.
The General Insurance Association of Japan	Japan	No	With regard to Public background sessions and Public discussion of comments and resolution, the IAIS prescribes in the "Resolution of substantive comments" on page 57 of the "Compiled Comments" that "Complex issues, such as capital standard and ComFrame development, will likely continue to be addressed through in-person meetings". We appreciate that the IAIS is taking this point into account. It is preferable to hold	

			in-person meetings especially when important or complex issues will be discussed, as time differences or the difficulty of clearly understanding what is being said over the phone could be a barrier when participating in conference calls. On page 8 of the 2nd Draft procedures, it is prescribed that "In all but exceptional circumstances, the session should be conducted as a conference call". We would like the IAIS to either insert the above "complex issues" sentence into this part of the procedures as an example of "exceptional circumstances", or note in Section II. B. v. and vii, that the IAIS will hold an in-person meeting when addressing important or complex issues.	The "complex issues" as described would be one of the "exceptional circumstances" but a list of such need not be specifically created.
The Life Insurance Association of Japan	Japan	No	Regarding a request for opportunities to submit our input during the drafting process before formal consultations, the IAIS resolution to our previous comment states that "the procedures allow early and on-going engagement of stakeholders as appropriate." In this regard, in order to ensure the effectiveness of stakeholders' engagement while limiting the attendance of stakeholders, we believe it is necessary for the IAIS to disclose the draft documents being discussed in meetings in advance of formal consultation, as we proposed in the first consultation. It is stated in the IAIS resolution that our comments on this matter will be discussed further, and we are hoping that this proposal will be accepted. On public consultation of supervisory material and supporting material, the IAIS resolution explains that "the procedures allow early and on-going engagement of stakeholders as appropriate." Under the existing procedure, Observers can obtain and review draft documents being discussed in the meetings open to Observers, and therefore, we are able to	Meeting documents will not be circulated in general but a Committee or Subcommittee may seek feedback from stakeholders at any time, including prior to a formal consultation.

			deepen our understanding on those materials prior to formal public consultation. However, in case where those draft documents will be unavailable for stakeholders in advance under the proposed procedure, it will be surely hard to fully understand the material and provide meaningful inputs within the limited timeframe, such as only 30 days for supporting materials. For this reason, we would like again to suggest that draft documents be disclosed in advance of formal public consultation. If it is not feasible to disclose draft materials in some cases, we request that the IAIS give longer consultation period, at least 60 days for both of supervisory materials and supporting materials. This would ease the burden on those countries whose working language is not English, and enable the IAIS to reflect various inputs from a wider range of jurisdictions into the IAIS' works.	See prior response. See prior response.
Lloyd's of London	UK	No	The IAIS is developing supervisory and supporting material as well as supervisory standards and principles. Some of its most substantial material is endorsed by the FSB and, ultimately, by G20 leaders before it is issued and implemented. Despite the importance of this material, the process by which this is communicated is not always effective. We saw this recently, following the G20's endorsement of the IAIS proposal of a Basic Capital Requirement (BCR) for Global Systemically Important Insurers (G-SIIs). The outcome of the G20 Summit and therefore the endorsement of the proposal were untraceable on the G20 website as well as in any of the statements issued following the Brisbane Summit.	The G20's November decision to

		Furthermore, the IAIS did not issue a public statement to inform about the outcome of this summit and the approval of the BCR. We believe that the parties involved have a duty to ensure that stakeholders are informed of these important decisions and stakeholders should be able to keep track of the implementation timelines of IAIS standards and principles. The IAIS should make all the necessary adjustments to improve communication with stakeholders and the public in general. The paper proposes consultation periods of at least 60 days for supervisory material and 30 days for supporting material. 30 days is a very short period in which to assess a proposal in detail and to provide considered feedback. As the IAIS stresses the importance of "high quality input", the minimum consultation period for supporting material should be at least 60 days. Consultation periods should take account of the size and complexity of the proposal subject to consultation. Public background sessions and public discussion of comments and resolution will "in all but exceptional circumstances" be conducted as conference calls. These sessions will be of some help, but the IAIS should recognise conference calls' limitations. Conference calls are predominantly a means by which an entity can provide information to others. They are less useful as ways of receiving feedback or of allowing engagement between participants. If the IAIS wishes to encourage discussion or active engagement by stakeholders in the development of supervisory and supporting material, it should recognise the importance of face-	endorse the BCR was announced in the IAIS' December Newsletter. Agreed and commitment made in Policy for Consultation with Stakeholders. See prior response. See prior response.
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		to-face meetings. IAIS' proposals have impacts worldwide and stakeholders are located in different time zones. The IAIS should consider how it will ensure opportunities for all stakeholders to be fully briefed, which could entail holding more than one conference call at different times. Paragraphs (vi) and (vii) on the resolution of comments received would benefit from clarification. Paragraph (vi) says that the responsible sub-committee will prepare and make publicly available a summary of comments received and proposed responses thereto together with a compilation of all comments received. The subsequent conference call will be concerned with the summary of comments and the proposed responses. It is not clear what the relationship is between the summary and the compilation of comments received and whether the IAIS aims to respond to all comments or only the summary of comments. If the latter, it is unclear how the IAIS will decide which comments do or do not appear in the summary and therefore receive a response. The significance of inserting "proposed" before "responses" is also unclear. Paragraph III A 5 says that the IAIS will hold public dialogues and hearings "when needed". There is no reference to these in section II B. As noted below, it is not clear how sections II and III of this document fit together. As they stand, section II B should set out how public dialogues and hearings will contribute towards the development and approval of	Agreed. See revised text. The intent is to respond to all substantive comments received either through: (i) a response to each substantive comment in a table, e.g. as is being done here or (ii) a response to substantive comments on a thematic basis, e.g. as has been done for ComFrame. In either case all comments received will be made public except for those that are requested not to be made public. The insertion of "(proposed)" is to indicate that in some instances a resolution is not final, e.g. more information may be needed before a decision can be reached. Section IIB includes the minimum elements included in the development of every piece of supervisory and supporting
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			supervisory and supporting material.	material. Section III is a more general policy for consulting with stakeholders, which includes the process to develop supervisory and supporting material (IIIA2) as well as other elements, such as the public dialogues. As it is not envisioned that a public dialogue will be necessary for every piece of supervisory or supporting material (e.g. during development of an Application Paper) the public hearings are not included in the list of minimum required elements in Section IIB.
ACLI	USA	No	Comments: Modifications Suggested Regarding the first bullet point beginning with "Supervisory material," we believe this description is unclear and open to potential misunderstanding. We believe that the proposal being made is to change the Bylaws of the IAIS, to amend the approval of Supporting and Other material, so as to remove the current procedure consistent with the voting procedures outlined in the October 2013 IAIS Bylaws. If we understand correctly, the current General Assembly vote would be replaced, providing the authority of the Executive Committee to commit the IAIS to authorize and adopt Supporting and Other materials without the opportunity for 10% of the of the IAIS Members to call for a General Assembly vote.	The By-Laws only address the process for approval of "principles, standards and guidance" which is defined in the procedures as "supervisory material." The process for approval of supervisory material in the procedures is the same as provided in the By-Laws (see Article 11(1)(c) and Article 14(6)(f)). The process for approval of supporting material is the same as it is currently done. In short,

		We recognize this may be intended to streamline the process for a standard-setting so as not to require that action be delayed until the time of the annual general meeting, and that this may be an attempt to increase the efficiency of the IAIS policy and standard-setting. However, we believe that this is a fundamental change in the policy and standard-setting mechanisms of the IAIS and a fundamental change in IAIS Bylaws, the gravity of which is not expressed in this consultation document. As stakeholders and as participants in national and jurisdictional legislative and regulatory development in our respective jurisdictions, we are concerned that this proposal will create a concentration of authority amongst a "supervisory elite, " which is inconsistent with the inclusive and representational mandate which the IAIS has historically represented. The decision to remove the General Assembly's affirmative power and replace it with a negative opt-in trigger to vote at the General Assembly level has the potential to create an unbalanced organization, where smaller or less well-funded jurisdictions will simply not be consulted but be bound by the decisions of the few. This process also raises procedural questions about how non-Executive Committee members can discuss proposals and build a consensus to vote to require a General Assembly review. As an organizational process, this would introduce the risk of manipulation of information to bypass the consent of the membership. Additionally, while we recognize that the Executive Committee	there is no change in how supervisory and supporting material is approved.
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		is meant to be representative of the full IAIS membership, we are concerned that the geographic allocations are not current in the scope of representation based on market premium. Regarding the second bullet in this section beginning with "Supporting material," we believe removing any requirement or safeguard for General Assembly approval and approval resting totally with the Executive Committee creates the same fatal flaws as outlined in the previous bullet point. The paragraph beginning with "A Committee or Subcommittee may" does not mention any mechanisms where stakeholders can propose the need to develop or amend supervisory or supporting material and references an Annex 2, which is not described or contained in the consultation document. We believe this omission could be interpreted to mean that stakeholders cannot directly propose initiatives or changes to the IAIS, which would appear to contradict the earlier statements about the past contributions of Observers and the openness of the Executive Committee to hear from and meet with stakeholders. Regarding the points and sub-points beginning with "The process for developing supervisory and supporting material is as follows," we applaud the IAIS for drafting and seeking consultation on a procedure of formalizing the process for developing standards and other supervisory material.	As discussed above, the process for approval for supporting material is the same as it is currently done, and approval of such material is not addressed in the By-Laws. The document in the Annex is a template project approval form for a Committee or Subcommittee to use in seeking approval to pursue the project from the Executive Committee. It is an internal project management-focused document meant to provide the information essential for a proper decision to be made. While only a Committee or Subcommittee can propose a detailed project plan to the Executive Committee for approval, the text following subsection xi specifically states that a Committee or Subcommittee may seek input from stakeholders prior to submission of a project plan, and stakeholders are always
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			The procedures outlined in paragraph (i) appear sound; however paragraph (ii) should be more definitive regarding the logistics of the background note. Specifically, what will be the timeframe for developing and posting the background, and what will be the mechanism for receiving and responding to stakeholder comments or questions comments? Paragraphs (iii) to (viii) lack necessary inclusion of any consultation process with stakeholders at the Subcommittee drafting level. Once a document is at the near final stage, inertia and human nature take over and it is very difficult for drafting groups to accept any material changes, much less fundamental changes to approach, etc. Accordingly, we view the ability to review early drafts as essential to ensuring a meaningful opportunity to comment. Public comment on near final drafts, while not completely useless, is inadequate to ensure a meaningful opportunity to comment. In Paragraph (iii) we suggest revising the language to read: "While developing the material, the responsible Subcommittee(s) should inform and solicit input from stakeholders as appropriate regularly." Paragraph x. We refer to our previous comments regarding the Bylaws change transferring approval authority from the	welcome to propose matters to the IAIS at any time. The background note, a draft of which must be in the project approval request, should be published as soon after the Executive Committee approves the project as practicable. The note will explain the mechanism for receiving stakeholder comments at that stage. The procedures allow early and on-going engagement with stakeholders as appropriate. "Soliciting input" is addressed in other sections and need not be added here. See prior response.
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			General Assembly to the Executive Committee. Concluding section of II-B starting with "The process set forth above does not limit or prohibit a Committee/Subcommittee from": we urge that this section be amended and expanded to make firm statements and replace sections (iii) through (xiii), stating that a holistic, open, and transparent consultation process should be available for all IAIS Supervisory Standards, Supporting or Other Materials.	The steps described in the referenced text are meant to supplement the minimum required elements in sections (iii) through (xi). It is unclear how removing those sections would help achieve the goal of implementing a formal, structured process.
American Insurance Association	USA	No	Regarding the development and approval of supervisory and supporting material, we believe that is essential that stakeholders be informed of the status of the material at every stage of the process. We appreciate the new directive in the Draft that the public background note (II.B.ii) "[R]aise any specific questions or topics for stakeholder comment and identify any specific type of group of stakeholder from which input may be particularly useful." We believe that it is essential that this process permit broad stakeholder input early in the process of developing such material and that there be an opportunity for general comments in response to the public background note prior to the development of the material (II.B.iii) in addition to the public consultation (II.B.iv). We appreciate that there is a new directive in the Draft that the Subcommittee "inform stakeholders as appropriate," but we believe that there should also be an opportunity for stakeholders to respond at this point in the process.	The procedures allow early and on-going engagement with stakeholders as appropriate.

			The draft provides that the responsible Subcommittee(s) should inform stakeholders "as appropriate" while developing approved supervisory and supporting material (II.B.iii). Since we do not believe there are circumstances in which it would be inappropriate to inform stakeholders of this type of activity, we recommend deleting the term "as appropriate." In the alternative, any such circumstances should be limited and clearly delineated. Regarding the public consultation (II.B.iv), we believe that more than one public consultation for supervisory material and supporting material should be required. It is important that stakeholders be able to comment in a comprehensive way at multiple points in the development of supervisory and supporting material. Arranging responses to sophisticated materials requires substantial coordination among association and company experts, which can take significant periods of time. We appreciate that the consultation period for supervisory material is set at 60 days, and believe that there should be a 60 day consultation period for supporting material as well rather than the 30 days set forth in the Draft. Furthermore, we are concerned that these timeframes are set "in principle" only. We appreciate the requirement that a public background session (II.B.v) be held when a public consultation is begun, and that receiving "feedback from stakeholders" has been added as a purpose of the session in the Draft. Considering that there will undoubtedly be more stakeholders than there	See amended text. See response below. See prior response. Agreed.
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		have been Observers, it will be essential to ensure that enough time is allocated to these sessions to ensure that all stakeholders are able to discuss the material in development comprehensively. How the IAIS responds in the resolution of comments received (II.B.vi) will be a clear indicator of how seriously the Members and Secretariat of the IAIS have considered stakeholder input. Furthermore, responses to comments should be the beginning of a conversation between the IAIS and the stakeholder when necessary if the stakeholder's concern was not adequately addressed. We believe that the public discussion of comments and resolution (II.B.vii) can be the start of such a conversation. We appreciate that there will be "direct engagement between members and stakeholders on relevant topics" during the public discussion. We encourage the IAIS to hold additional subsequent public consultations (II.B.viii). As stated above, we believe that the default standard should be for more than one public consultation to be held. We appreciate that final drafts will be posted publicly on the website (II.B.x), as will the adopted papers (II.B.xi). Drafts and adopted papers should be posted publicly on the website the same day that they are approved. We appreciate that "technical input" and "subject matter" expertise is to be interpreted to include a broad range of topics in the new Draft.	
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NAIC	USA	No	Section II.B.iii: While we appreciate the addition of informing stakeholders as appropriate during the development of material, we suggest that it is also important to seek input during the development as appropriate, which would be in line with the text after Section V.B.xi. Suggest adding: "While developing the material, the responsible Subcommittee(s) should inform stakeholders and seek their input as appropriate." Sections II.B.vi: It should be clarified that resolutions to all comments received should also be posted in order to be informative and transparent to members and stakeholders who provided comments. Suggest revising II.B.vi to "...as well as a compilation of all comments received and resolutions thereto shall be made available..." This would be consistent with the process described in Section III.2.	See prior response. See amended text.
National Association of Mutual Insurance Companies	USA	No	This second consultation improves transparency to some degree by providing an opportunity for stakeholder comments at the time of the initial public note as well as a public stakeholder session to discuss the feedback. This does provide an early opportunity for comment and an opportunity to discuss comments with the Secretariat. If the information provided is utilized by the committees and working groups in the development of consultations this will improve the quality of the IAIS work product. However, we do not think this replaces direct communication with the committees and working groups. More specifically, there remain concerns related to the general closure of committee and working group meetings, the focus on technical experts in invitations to stakeholders and the	

		impact all of this will have on trade associations representing many members. If the IAIS moves forward with the proposal to close meetings to stakeholder participation there are several additional procedural steps that should be taken to assure a full, fair and open process for global standard setting: - Public Consultation -- Minimum of two consultations - As we previously advocated, there should be a minimum of two consultations on any proposed creation or revision of an existing ICP, standard or guidance. Sharing an initial and incomplete draft and then substantively revising it without giving stakeholders an opportunity for comment on the final draft, is an incomplete disclosure for comment and will result in inferior IAIS end products. This has just been illustrated in the second BCR consultation. Without all of the components of the BCR identified, no observer was in a position to provide full comment on the draft. Since the completed version was sent directly to the FSB without public exposure, industry never had an opportunity to provide comment on all aspects of the final end product. Under the U.S. the regulatory process, if there are substantive changes made to a prior consultation version, a proposed regulation is actually considered a different proposal, and a second public comment opportunity is required. When there are unaddressed issues and gaps in the conclusions, stakeholders have not had a full and fair opportunity to comment on a consultation draft. Minor changes to an initial consultation may not rise to the same level, but even in that	See response below.
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		case a fatal flaw or interim final draft review process should be provided. This second consultation gives all interested parties a final review with a short comment period allowing stakeholders to see how comments have been addressed and provides an opportunity for the regulator or standard setter to correct unintended errors before adopting a final version. In any case, a minimum of two consultations are warranted in setting global policy for insurance regulation. - Public Consultation -- Minimum 60 Day Comment Periods - On all Public Background Notes, proposed ICPs, standards or guidance (consultation drafts), and papers (issue or application) there should be a minimum of 60 days for public consultations not just a goal of 60 days. The issues under consideration are of great importance to the industry and the global economy. Time periods shorter than 60 days only provide time for expression of generalized thoughts, and, for trade associations, do not provide adequate time for review with members. Comment periods provided by other international financial standard setters, including IASB and FASB are often 90 to 180 days. If industry is to provide impact analysis or other data that would benefit the IAIS committee efforts, more than 30 days would be required. - Public Background Session -- Minimum 30-day notice for meetings or teleconferences - Notice is another important aspect of a transparent process. We previously requested thirty-day advance notice of all meetings, including the public background session be provided on the IAIS website including the date, time, location, call-in number, planned agenda and names, affiliation and member countries of any non-member	See prior response. See prior response.
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		guests invited to attend. We appreciate the addition in the second consultation of a requirement that invited guests be listed on the agenda, but that still does not address the timing of meeting notice. Perhaps a compromise would be a 30-day notice of the proposed agenda and meeting materials with final agendas out 14 days in advance. This would provide more time for stakeholders to review the sometimes voluminous materials and determine if they want to be invited to make relevant points at the meeting. Regardless of the approach to the timing, more clarity needs to be included in throughout the document regarding the information to be included and the required notice of meetings or teleconferences. We applaud the inclusion of this question in this consultation. - Public Discussion of Comments and Resolution -- Minimum 30-day notice for meetings or teleconferences - Same comment as prior paragraph. - Public Discussion of Comments and Resolution -- In-Person, Webcast, By Conference Call or All Options - Clarification is needed about whether public discussion will be available in person, by webcast, by teleconference or some combination of these options. The Draft Policy and Procedures do not specify this issue. Of course an option to attend in-person meetings is far preferred, but in the absence of stakeholder attendance at meetings, the only way to provide transparency in the policy-making process is to provide live webcasts of all public meetings. Making the meetings available through webcast worldwide may not be the same as in-person attendance, but it would provide the next best option. Live webcasting and archiving is the technique used by FASB, IASB and the U.S.	See prior response. See prior response.
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			House and Senate for all committee hearings even when the meetings are open to small audiences. To address differences in time zones, webcast meetings should also be archived on the IAIS for no less than 30 days for viewing by any stakeholder. Using this method the IAIS can illustrate that the content of the meetings will be open to stakeholders worldwide.	
Property Casualty Insurers Association of America	USA	No	The fundamental problem with these procedures is that they do not guarantee the ability of stakeholders to have meaningful input between the time a work stream begins and it is put out at the end for formal consultation. We have found that numerous interim opportunities for input during the course of drafting helps improve the product, inform the consultation comments and prevent opposition to implementation. Nowhere do these procedures assure that interim input. Yet again, open meetings would provide the opportunities for this interim input. Otherwise, the additions do improve the process. The language of the second bullet under xi. should be maintained.	
Reinsurance Association of America	USA	No	Observer input has been crucial as it has allowed for the identification of weaknesses, areas where proposed measures conflict with market practices, the identification of unintended consequences or other industry implications. We urge the IAIS to continue to allow industry stakeholders to have an opportunity to meaningfully participate in the development of IAIS materials and workstreams at every stage of development, not just at the beginning and end of the process. Industry should have the opportunity to add value as drafts are	

		taking shape, including allowing for the identification of problems or issues in a timely fashion. Stakeholder feedback and interaction regarding interim drafts with the responsible Working Group or Subcommittee is crucial to allow for timely, productive input regarding ongoing workstreams. While we appreciate that the revised Draft Procedures includes a requirement that "the responsible Subcommittee(s) should inform stakeholders as appropriate" about ongoing developments, we recommend that the Draft Procedures formally specify that stakeholders be involved at various stages in the development of draft material, well in advance of the final public consultation. Section II.B.iv and II.B.vi With respect to public consultation, the Draft Procedures call for at least one public consultation for any material before its adoption. For almost any workstream, a single public consultation is likely to be insufficient. If there is only one consultation, it would typically come late in the development process, and as such would be unlikely to allow for substantial change or revision based on industry stakeholder input. We urge the IAIS to allow for public consultation at multiple times throughout the process, based upon the complexity of the issues to allow for stakeholder input throughout the process. The amount of time for public consultation should also be adequate to allow for a full and fair evaluation of materials. Moreover, to the extent that industry will no longer have the opportunity to have a dialogue with supervisors through attendance at meetings, we urge the IAIS to adopt a formal	See response below. The procedures require the IAIS to respond to comments received during a consultation (see
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			procedure for the IAIS to respond in writing to concerns or issues raised by industry stakeholders through public consultation. This should be done under a structured time frame (e.g., 60 days for public consultation, 60 days for IAIS response to public consultation), so that industry can understand and evaluate how the IAIS has responded to industry concerns with respect to ongoing development. This will increase efficiency for the IAIS because it will eliminate the need for industry to reiterate comments because we do not know whether and the extent to which those comments or concerns have been considered or reflected in the work of the IAIS. While the revised Draft Procedures call for "resolution of comments received" on a summary basis, including a "compilation of all comments received", we urge the IAIS to establish a more structured method for addressing industry feedback and input. Moreover, meetings or hearings to which industry is invited or allowed to participate should be scheduled as far in advance as possible to allow for the logistics of attending, particularly given the fact that many people will be traveling internationally. In addition, to the extent that a hearing or workshop is conducted with respect to an ongoing workstream, we strongly encourage the IAIS to move away from focusing on prepared statements from invited participants and towards a dialogue between panelists and regulators. Industry needs regular and substantive feedback from policymakers to provide the most helpful input. Section II.B.xi.	amended text to subsection (vi)).
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			As noted above, the effectiveness of industry input depends upon regular, substantive input at every stage of the development process. The Draft Procedures reflect a standard public consultation process and then notes that this process "does not limit or prohibit" additional enumerated ways (e.g., questionnaires, surveys, technical input) to gain industry stakeholder input. We urge the IAIS to make these additional steps a formal part of the consultation process, rather than a secondary list of options.	
NAIC Consumer Representatives		No	Q-8 [II.B.ii]: We support the inclusion of subsection "e" - "Raise any specific questions or topics for stakeholder comment and identify any specific type or group of stakeholder from which input may be particularly useful. Q-8 [II.B.iii]: The proposed addition - "While developing the material, the responsible Subcommittee(s) should inform stakeholders as appropriate" - is vague. Specific guidelines or presumptions would be helpful, including requiring stakeholder notification whenever any project or plan has "potential or realized material deviations" from the initial project or plan approved by the Executive Committee. Q-8 [II.B.vi]: We recommend the IAIS delete the parenthetical "unless a commenter has requested that its comments be kept confidential." A public consultation process by definition requires public access to all comments filed. If the IAIS believes there might be some situations where a comment filed should be kept confidential, then demonstrated "compelling circumstances" should be required and the party identified within the Consultation tool.	This is one example of when information would be provided but it is not necessary in this instance to provide examples. This text is meant to encourage the submission of as many stakeholder comments as possible and to guarantee that if a stakeholder believes its comments are confidential the IAIS will respect that belief.

			Q-8 [II.B.xi]: The added references to "consumer perspectives" will serve as a useful reminder of the necessity of consumer and policyholder input in regulatory initiatives.	
Comments on Section III				
Global Federation of Insurance Associations	International	No	(no comment)	
Lloyd's of London	UK	No	It is unclear how section III of this document fits in with section II. Section II is headed "Supervisory and Supporting Material; Consultation Process" and section III "Generally Applicable Policies and Procedures", with a single section "Policy for Consultation of Stakeholders". Does this mean that the IAIS either has or is developing a standard document entitled "Generally Applicable Policies and Procedures", and this is a draft section? Is the policy on consultation of stakeholders set out in section II or section III? What is the significance of material appearing in one and not the other? We would support the development, application and publication by IAIS of a set of formal comprehensive policies and procedures to govern its processes.	See prior explanation. The IAIS has several generally applicable internal policies and procedures, e.g. a confidentiality policy, that are in the same section as the Policy for Consultation of Stakeholders that is part of this public consultation.
ACLI	USA	No	Comments: Modifications Suggested This section is largely a restatement of the procedures as outlined in Section II, and we reference our comments for those items.	

American Insurance Association	USA	No	We appreciate that the IAIS "is committed to operating in an open and transparent manner" and believe that the implementation of the suggestions that AIA and other stakeholders have made will demonstrate the degree of that commitment. We believe that regular stakeholder attendance at IAIS meetings has been an important part of "operating in an open and transparent manner," but if that option will no longer be available to stakeholders additional measures must be put in place in order to ensure stakeholder input and IAIS transparency. In addition to the comments made above, we make the following suggestions: - IAIS meetings should be made available for viewing via a webcam, which would restore some transparency without requiring that time in meetings be dedicated to discussion with stakeholders. Recordings of the meeting should also be posted to the IAIS website for public viewing. - All IAIS meetings should continue to be publicly announced, and a calendar of meetings should continue to be made available to stakeholders. - An agenda for each meeting should be published on the IAIS website at least thirty days prior to meetings, and IAIS Members should be available to discuss agenda items with stakeholders prior to the meeting. - All documents that will be discussed at an IAIS meeting should be posted for examination by stakeholders at least thirty days prior to meetings.	Feasibility of live/recorded webcast of public sessions/hearings is being explored. See prior response. See response below. See prior response.
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			- Conference calls between stakeholders and IAIS Members and staff should be held after each set of meetings to discuss the content and conclusions of the meetings. - Minutes (rather than a summary) from each meeting should be posted on the IAIS website for examination by stakeholders within fourteen days after the meeting. - IAIS Members and staff should be made available for industry-hosted meetings and conferences.	The IAIS will keep stakeholders informed of meetings through other means, such as the monthly Newsletter. See response below. Members and staff currently attend such meetings and conferences and can still be invited.
NAIC	USA	No	Given that many of the policies related to stakeholders are new or revised in light of the decision to transition from having Observers, we suggest undertaking a review in one year's time of the relevant policies to assess how they operating and more importantly, whether they are allowing for the flow of information to and from stakeholders in a clear, transparent and equal manner and providing the IAIS with the stakeholder input necessary to achieve high quality end products. We continue to believe there is no substitute for open meetings and believe this issue should also be reassessed in the future as the process of stakeholder interaction continues to evolve and improve.	See prior response.
Property Casualty Insurers Association of America	USA	No	While the new language does add some degree of uniformity, there is no guarantee that stakeholders will be able to have meaningful input into work streams other than at the beginning and end. At the beginning, ideas may not be formed enough to provide maximally effective input, while at the end, ideas may be too embedded to be effectively modified by stakeholder	The procedures allow for early and on-going engaging with stakeholders as appropriate.

			input. Interim input was assured for observers due to the open meetings. Now, the rule is that the meetings are closed. that necessitates still more procedures to assure interim discussion and input that are absent from the proposed procedures.	
Comments on Section III.1				
Global Federation of Insurance Associations	International	No	We appreciate that the IAIS aims to "Ensure that stakeholders are properly consulted in the IAIS' development of policy". We would interpret this as both providing input into the development process at an early stage, discussing issues under development with supervisors and the IAIS secretariat, as well as a final - review at the end of a workstream. We hope that the IAIS has a similar understanding of the draft consultation process, and will not rely on the single public consultation that is laid out to in the Draft Procedures.	The procedures allow for early and on-going engagement with stakeholders as appropriate.
Lloyd's of London	UK	No	The purpose of the policy is stated to be "to set forth the IAIS' expectations of stakeholders". In fact, the policy appears intended to set out how the IAIS will conduct public consultations. There are no references to IAIS' expectations of stakeholders: rather the policy is intended to help manage stakeholders' expectations of the IAIS. The purpose should therefore be re-worded to match more closely the policy's content and apparent intentions.	See amended text.
ACLI	USA	No	Comments: Modifications Suggested This section is largely a restatement of the procedures as outlined in Section II, and we reference our comments for	

			those items. We also appreciate that the IAIS aims to "Ensure that stakeholders are properly consulted in the IAIS' development of policy." We would interpret this as both inputting into the development process at an early stage, discussing issues under development with supervisors and the IAIS secretariat, as well as a final fatal flaw review at the end of a work stream. We hope that the IAIS has a similar understanding of consultation, and will not rely on the single public consultation that is committed to in the Draft Procedures.	See prior response.
American Insurance Association	USA	No	We appreciate the IAIS aims to "[E]nsure that stakeholders are properly consulted in the IAIS' development of policy." Consultation with stakeholders should be a means by which the IAIS improves its work product - not an end unto itself.	
Comments on Section III.2				
Global Federation of Insurance Associations	International	No	(no comment)	
The Life Insurance Association of Japan	Japan	No	Regarding a request for opportunities to submit our input during the drafting process before formal consultations, the IAIS resolution to our previous comment states that "the procedures allow early and on-going engagement of stakeholders as appropriate." In this regard, in order to ensure the effectiveness of stakeholders' engagement while limiting the attendance of stakeholders, we believe it is necessary for the IAIS to disclose the draft documents being discussed in meetings in advance of formal consultation, as we proposed in the first consultation. It is stated in the IAIS resolution that our	See prior response.

			comments on this matter will be discussed further, and we are hoping that this proposal will be accepted.	
Lloyd's of London	UK	No	Public consultation is a tool used to develop law and regulation in most jurisdictions. Generally, consultations are conducted in accordance with legal or administrative requirements or principles laid down by the executive authority concerned. In the European Union, for example, the European Commission Communication on 'General principles and minimum standards for consultation of interested parties by the Commission' (COM(2002) 704) sets out the following general principles on the basis of a consultation: - participation - openness and accountability - effectiveness - coherence We believe that similar principles should be used as a reference by the IAIS when consulting stakeholders. As well as publishing a policy for consultation of stakeholders, the IAIS should publish the principles that will guide it in its approach to public consultation.	The Commission's general principles, as well as its minimum standards, were one of many reference points utilised in drafting the IAIS' more detailed consultation process.
ACLI	USA	No	Comments: Modifications Suggested This section is largely a restatement of the procedures as outlined in Section II, and we reference our comments for those items, but would highlight the following expansion on our previous point regarding limited transparency and the possible conflict of laws:	

			We continue to believe that the IAIS develop provisions to address the possibility that a Chair's decision to close meetings could violate a Member's obligations under the applicable freedom of information, open meetings, Statements of Expectations, or other transparency-related laws, regulations or directives. Members that must recuse themselves should have recourse to the Executive Committee to question the decision of the Chair. We are also concerned that Members who are bound by such restrictions will have limited ability to participate in ongoing decision-making processes. We suggest that the IAIS undertake a legal analysis of these issues and the possible liability to which Members could be subject under the implementation of the proposed procedures. We also suggest that Section III.2 (2) be revised to read: "The Subcommittee that is responsible for developing the material to inform stakeholders and solicit their input as appropriate throughout the development of the material."	See prior response. See prior response.
American Insurance Association	USA	No	See comments in sections I and II above.	
NAIC	USA	No	Section III.2 4): It should be clarified that these are proposed responses to the consultation process (this would be consistent to the change made in 5)).	Change made.
Property Casualty Insurers Association of America	USA	No	See our comment on Section III.	

Comments on Section III.3				
Global Federation of Insurance Associations	International	No	(no comment)	
Lloyd's of London	UK	No	No comments	
ACLI	USA	No	Agree	
American Insurance Association	USA	No	We appreciate the "additional opportunities to provide comment" which the Draft "does not preclude." The regularity with which these measures will be utilized will have a significant impact on the level of transparency and openness of the IAIS.	
NAIC	USA	No	Suggest the new heading should read "Additional opportunities to provide input" rather than "comment". Additionally, if this is to be a new section, suggest make a better distinction between it and Section 2. Suggest the first sentence be revised to read: "The process for consulting on supervisory and supporting material (listed above) does not preclude a Committee or Subcommittee from undertaking other means to receive input, such as:"	Changes made.
National Association of Mutual Insurance Companies	USA	No	The changes to the stakeholder opportunities to comment are positive, but we would suggest that the IAIS take a further step in not only allowing a committee or subcommittee to further engage with stakeholders, but actually encouraging such	See amended text.

			additional engagement. We recommend the language be revised as follows: "3. Additional opportunities to provide comment The steps listed above do not preclude a Committee or Subcommittee from additional stakeholder interaction. Committees and Subcommittees are encouraged to: - Get input from . . . - Hold additional public sessions. . . - Invite technical input or feedback. . . - Invite individual subject matter experts. . ." With these revisions the IAIS will send the message that it continues to value stakeholder input and encourages the committees to take action to engage with stakeholders as much as is needed.	
Property Casualty Insurers Association of America	USA	No	We support these provisions. But again, the preferred approach would be to open all meetings with a few specific exceptions.	
Comments on Section III.4				
German Insurance Association	Germany	No	The paragraph lacks an explanation how the IAIS will treat potential requests from stakeholders for additional sessions with the Executive Committee. At least a sentence like the following should be added: "The IAIS will give due consideration to such requests".	Reference in this section to receiving requests from stakeholders deleted as this is a general principle applicable to all procedures (i.e. stakeholders can submit requests and comments to any Committee, Subcommittee or the Secretariat at any time) and its

				inclusion in one section and not another could create unnecessary conflict. Any request or comment submitted on any topic will be given due consideration.
Global Federation of Insurance Associations	International	No	We welcome the intention to set Executive Committee sessions at least annually. However, to further enhance stakeholder understanding of ongoing IAIS work and to give a platform for dialogue regarding strategic decisions, we would suggest that the IAIS Executive Committee hold two public sessions annually. We welcome the clarification that additional sessions may be requested by stakeholders and we would request an explicit reference to the fact that due consideration will be given by the IAIS to such requests.	Executive Committee dialogues need to provide value for stakeholders and the Committee. More than one will be organised if the Executive Committee determines that such a dialogue will be beneficial. See prior response.
Lloyd's of London	UK	No	We welcome the Executive Committee's intention to hold open sessions at least annually. It would be helpful to have further details of how these will be organised and where they will be held. Would this be in conjunction with the Annual Conference (otherwise closed to stakeholders)? It would also be helpful to have further details of the process for requesting additional sessions and the principles that would guide the Executive Committee in deciding to hold such sessions.	In order to maximise efficiency, in 2015 the Executive Committee dialogue will be organised in conjunction with the full-day of public sessions in June after the Global Seminar. See prior response. Comments or requests on any topic can be sent to the Secretariat at any time.
ACLI	USA	No	Comments: Modifications Suggested We welcome the commitment to have an open stakeholder	

			consultation with the Executive Committee and urge that it be expanded to include the ability of stakeholders to attend any IAIS Annual Conference, Annual General Meeting, and Regional International Seminars, Committee and Subcommittee and/or other Working Group meetings as stated in our General Comments. We also appreciate the opportunity for stakeholders to request additional Executive Committee sessions. We suggest clarification that due consideration be given by the IAIS to such requests. We urge that, if the IAIS Bylaws are amended to vest additional authority to the Executive Committee, the following information be provided publicly: - A calendar of all upcoming Executive Committee meetings, calls or other instances where a quorum is expected to exist and official business is conducted.; - The Executive Committee meeting agenda; and - Detailed minutes of all Executive Committee meetings, including individual voting results. The IAIS should also identify any proposed changes to the decision-making process within the Executive Committee.	See prior response. See prior response regarding comment on By-Law change and Executive Committee authority.
American Insurance Association	USA	No	We appreciate that the Executive Committee will hold at least one open session with stakeholders at least once a year, and that additional sessions can be held and requested by stakeholders, per the new Draft.	
NAIC	USA	No	We appreciate the response to our previous comment on this section, however, we suggest some additional wording be	Changes made.

			added to help clarify the purpose/intent of the Executive Committee sessions: "The Executive Committee is ultimately responsible for overseeing the Association's operations and development of policy measures as well as providing strategic direction on IAIS deliverables. At least once a year, the Executive Committee shall invite stakeholders to an open session to discuss relevant substantive issues. The timing and logistics will be determined by the Executive Committee in order to maximise participation and sufficient time will be devoted; specific information about the session will be provided to stakeholders in advance as the sessions are planned. Stakeholders will be invited to submit questions or topics for discussion prior to the meeting so that an agenda can be set and made available, but this will not preclude attendees from asking the Committee for comment on any other relevant issues. Additional sessions can be set by the Executive Committee in its discretion and may be requested by stakeholders."	
National Association of Mutual Insurance Companies	USA	No	As previously commented, more information needs to be provided about these Executive Committee sessions. We are unclear whether this will be an in-person, teleconference and/or a webcast event. We do not clearly understand if these will be a couple of hours or full day events. To determine how this opportunity fits into the scope of stakeholder interactions at the IAIS it will be useful to have more information.	In 2015 the session will be in-person in conjunction with the Global Seminar/public hearings. Feasibility of live/recorded webcast is also being explored. More information will be provided as it becomes available.

Property Casualty Insurers Association of America	USA	No	Due to their importance, Executive Committee meetings in all or part should be open at least for observation, if not for comment, with certain enumerated exceptions, such as personnel matters or company specific discussions.	Other than the Executive Committee dialogues and as is current practice, Executive Committee meetings will not be open to stakeholders other than invited guests.
Reinsurance Association of America	USA	No	We also welcome the expressed intention in the Draft Procedures to hold public dialogues or hearings at the Committee level on specified topics related to policy development. Again, the IAIS process should make certain that all impacted stakeholder views are represented, and that there is no appearance or creation of an unlevel playing field with respect to invited speakers or testimony. Moreover, to the extent that a hearing or public dialogue is conducted with respect to an ongoing workstream, we strongly encourage the IAIS to move away from focusing on prepared statements from invited participants and towards a dialogue between panelists and regulators. Industry needs regular and substantive feedback from policymakers to provide the most helpful input.	Agreed and see prior responses.
Comments on Section III.5				
Global Federation of Insurance Associations	International	No	As we mentioned in our comments above, many observers' concerns originate from a reduction of face-to-face contact with the IAIS. Public dialogues are a strong tool to alleviate some of these concerns and offer a valuable avenue of communication. We very much welcome the commitment to holding public hearings and hope the IAIS will make frequent use of them. We equally hope that these will be a platform for genuine, two-way dialogue between stakeholders and the IAIS.	

			The use of webcast technology at such hearings would further leverage hearings as a communications tool.	Agree and being explored.
The Life Insurance Association of Japan	Japan	No	To our previous comment regarding public dialogues/hearings, the IAIS resolution indicates that "a regular schedule of public hearings is being discussed in order to promote efficiency and planning." As meetings will be closed to stakeholders in principle, public dialogues/hearings should be held with appropriate frequency and be well-functioning. This would ease many observers' concerns originating from a reduction of face-to-face contact with IAIS, and offer a valuable avenue of communication. At the same time, for stakeholders who are not able to participate in public dialogues/hearings, it would be appropriate to offer other options for attendance such as holding a conference call and conducting a webcast.	Feasibility of live/recorded webcasts of public sessions is being explored.
Lloyd's of London	UK	No	We support the IAIS's intention to hold public dialogues and hearings. Presumably, as well as holding these at Committee level, they may also be held by Sub-Committees and Task Forces. It would be helpful for the IAIS to give details of the principles that will guide it in deciding when it is necessary to hold dialogues and hearings. It should also say at what level authority to hold dialogues and hearings will rest - whether this can only be decided by Executive Committee or whether individual Chairs or Committees, Sub-Committees and Task Forces may decide to hold them.	As stated in the draft, Committees and Subcommittee have the discretion to hold public sessions to gather input or disseminate information as necessary.

ACLI	USA	No	Comments: Modifications Suggested We welcome the commitment to hold public hearings and hope the IAIS will use them regularly. We encourage a two-way dialogue between stakeholders and IAIS members. In general, we believe that meetings that involve stakeholder "experts" should be open meetings. If the meetings are not open to all stakeholders, the chair's choice of inviting a specific category of guests or technical experts should be publicly disclosed on the IAIS website with a short summary of the rationale justifying the choice, and other stakeholders should have the opportunity to send a representative who meets the criteria so stated. This will avoid the perception that any one individual, group, or jurisdiction is favored by the IAIS.	See prior responses.
American Insurance Association	USA	No	We believe that having frequent public dialogues will be important, and the participation of a broad range of stakeholders should be prioritized.	
NAIC	USA	No	We appreciate the response to our previous comment on this section, however, we suggest some additional wording be added to help clarify the purpose/intent of the public dialogues: "The IAIS will, when needed, hold public dialogues and/or hearings at the Committee level (distinct from the sessions which are part of the supervisory and supporting material development and approval process and the Executive Committee sessions described above) with qualified experts on specific topics related to policy development and/or projects underway at the IAIS. Sufficient time should be devoted to these sessions in order to ensure valuable dialogue, and each	Changes made.

			dialogue and/or hearing should be timed in such a manner as to ensure, as best as possible, that the IAIS can impart and receive substantive information."	
National Association of Mutual Insurance Companies	USA	No	As previously commented, more information needs to be provided about these Public Dialogue sessions as well. We are unclear whether these will be conducted in-person, by teleconference and/or a webcast event. We do not clearly understand if these will be a couple of hours or full day events and whether any stakeholder will be invited to attend. To determine how this opportunity fits into the scope of stakeholder interactions at the IAIS it will be useful to have more information.	See prior response.
Property Casualty Insurers Association of America	USA	No	We support these provisions.	
Reinsurance Association of America	USA	No	The proposed distribution of information outlined in Section III.5 (website, monthly newsletter, summary records of meetings) is insufficient to keep apprised of developments that can occur in a compressed time frame, particularly for critical issues such as the development of capital standards. They are also insufficiently detailed to allow for a thorough understanding of the policy development process. At a minimum, if these channels of communication and participation are reduced, it will be critical to establish procedures for the timely provision of detailed minutes (as opposed to a summary record) of Committee Meetings and Working Group/Task Force meetings, including the identity of speakers and the provision of documents or supporting materials discussed. In addition,	See responses below.

			we urge the IAIS to consider alternative ways to allow for increased industry participation (or at least observation) of meetings, hearings or other dialogues, such as through webcasts or other means of public transmission of meetings and materials. In addition, we urge the IAIS to carefully consider website content and how information will be conveyed through the website, which should include a schedule of all meetings, list of committee members (with email contact information) and a calendar of all consultations, deadlines, and other information relevant to ongoing workstreams.	Public calendar of meetings and opportunities to provide input to be maintained.
Comments on Section III.6				
AMICE	Europe	No	We appreciate that the IAIS has taken up our proposal to set up lists of "interested stakeholders" for different Committees and Subcommittees with a registration facility for stakeholders. For the initial invitation to register for such lists, the Chairs of the (Sub)Committees should use the existing lists of interested observers, complemented by an open registration facility through the IAIS' website.	Noted and process will be announced once final procedures adopted.
Global Federation of Insurance Associations	International	No	We appreciate the newly added section in the Draft on creating an "interested stakeholders" email list and encourage the frequent use of such an email list. It is our understanding that these mailing lists are separate from the "Stakeholder groups" referred to in III.7, and would welcome if the IAIS could confirm this understanding. In comments above we have asserted that stakeholders have a legitimate need to input into the work of the IAIS. If a thorough understanding of IAIS work is not achieved, it will be difficult for stakeholders to provide the same quality of effective	Yes, the interested stakeholder lists would be different from any stakeholder groups that may be created.

			input as Observers have provided so far. Stakeholders should have access to as many meeting documents as possible (including agenda, background notes, presentation slides and detailed minutes), as well as preliminary drafts of work in progress. This material should be available in a timely manner on the website. To leverage transparency to wider audiences, we request that the IAIS make use of webcast technology. For transparency, the financial contribution from each Member to the IAIS should be generally disclosed to ensure a transparent process and prevent creating any political pressures in the future under the new funding scheme.	See responses below. Annual contributions from Members (annual fees) will be publicly disclosed.
The Life Insurance Association of Japan	Japan	No	Regarding commitment to provide public information, it is newly proposed that each Committee/Subcommittee shall maintain an e-mail list of "interested stakeholders" for the use of requesting inputs and supplementing relevant public announcements. This is surely an effective measure, and we do support this proposal. Regarding the disclosure of meeting materials, the IAIS resolution on our previous comment states that it will be discussed further. In this regard, we would like to request again that stakeholders have access to as many meeting documents as possible (including agenda, background notes, presentation slides and detailed minutes). It would be essential to disclose draft materials being discussed in meetings also from the perspective of increasing the transparency of committee's activities. Specifically, we would strongly request that draft	See responses below.

			documents of supervisory materials or supporting materials discussed in meetings be available on the website in a timely manner under the drafting phase, rather than make them public at the time of commencing the public consultation. Otherwise, it will be difficult for stakeholders to provide the same quality of effective inputs as Observers have provided so far. As for our proposal on measures to provide public information (e.g. detailed summary records and webcasts for meetings), the IAIS resolution states that it will be discussed further. To be specific, we would propose detailed meeting minutes, naming speakers in ongoing discussions, for facilitating proper understanding of stakeholders on IAIS work in progress. Also, it would be worth considering conducting a webcast for meetings, in a similar way that other international organizations (e.g. IASB) currently do. Besides, as it is stated that our previous comment to request disclosing new IAIS funding scheme will be discussed in the IAIS resolution, we would like to restate that the financial contribution from each Member to the IAIS should be generally disclosed to ensure a transparent process and prevent creating any political pressures in the future under the new funding scheme.	
Lloyd's of London	UK	No	The main information channel through which the IAIS keeps stakeholders informed is undoubtedly its website. We notice that navigation through the website and the private "Members and Observers" area is not user-friendly and needs improvement. It is sometimes difficult to find important	A website upgrade is in progress.

			documents issued (especially past publications) and we suggest that, with informed guidance, the IAIS redesigns its website, for example to provide clear sections divided by themes. It would be useful to improve the visual structure of the website in order to ease the search of documents by policy area and date of issue. This section provides a high-level indication of the type of information that the IAIS intends to make publicly available. Much will depend on the spirit in which this activity is undertaken, as, if IAIS disclosure is limited to the items listed, most stakeholders will remain in the dark about most IAIS' activities. In practice, the IAIS has been prepared to make a wider range of information available. We suggest that the IAIS should also publish a work programme at least annually, setting out the projects on which it intends to work in the period surveyed. This section does not comment on whether the IAIS will routinely make available on its website papers considered by its committees, sub-committees and task forces. The IAIS should say whether and to what extent it will do this. The IAIS should also publish its wider policy on public access to its documents, setting out the general principles and limits applicable.	The IAIS will keep stakeholders informed of on-going projects through the Newsletter and other means. See prior response.
ACLI	USA	No	Comments: Modifications Suggested In welcoming the IAIS's commitment to provide public information, we would suggest the following additional measures:	

			- Meeting agendas and notices, redacted as necessary for confidentiality reasons; - Detailed minutes of all meetings, redacted or modified as necessarily for confidentiality reasons ; and - An updated and complete schedule of meetings, dates and locations. We appreciate the newly added section in the Draft on creating an "interested stakeholders" email list and encourage the frequent use of such an email list. It is our understanding that these mailing lists are separate from the "Stakeholder groups" referred to in III.7, and would welcome if the IAIS could confirm this understanding and suggest additional discussion with stakeholders to maximize use of stakeholders for expert input.	See responses below. See responses below. A public schedule will be provided. See prior response.
American Insurance Association	USA	No	We appreciate the use of the IAIS website and other technologies to provide public information outlined in the Draft. We believe that the summary records of meetings should be detailed minutes rather than broad overviews, and should be available publicly within fourteen days after a meeting. The calendar should not list only opportunities to provide input, but should also list all IAIS meetings as is the case with the existing calendar. Furthermore, making meetings available for viewing via a webcam would restore some transparency without requiring that time in meetings be dedicated to discussion with stakeholders. Recordings of the meeting should also be posted to the IAIS website for public viewing. We appreciate the newly added section in the Draft on creating an "interested stakeholders" email list and encourage the	See responses below.

			frequent use of such an email list.	
NAIC	USA	No	As our previous comments on this section are still be discussed, we would like to reiterate our suggestion that agendas of Committee and Subcommittee meetings should be made available to all stakeholder, as is currently the case for Observers, with sufficient advance notice and include the names and affiliations of guests who have been invited to attend meetings for specific agenda items. This would be an easy way to provide stakeholders with information as to the progress of ongoing work of the various working parties and issues they are addressing as well as provide transparency as to who is being asked to participate beyond Members. Exceptions could be made for agenda items or invited guests to not be included on the public agendas if they are confidential or related to extremely sensitive issues. In addition to summary records, public versions of meeting minutes should be posted. Summary records provide only limited information and are done in order to provide an update in a prompt manner until the minutes are available, which is currently the case for Observers. In order to maintain the existing level of information and transparency provided to Observers to the broader stakeholders, a stakeholder-appropriate version of minutes should be posted to the website as well.	See responses below. See responses below.
National Association of Mutual Insurance Companies	USA	No	The commitment to public information on the website is helpful. As previously commented, we suggest that the list be augmented with a commitment to post full meeting minutes on the public site instead of just the meeting summaries. The	See responses below.

			current practice of providing the public with meeting summaries and not full minutes has limited the flow of information. In an effort to improve the process, the IAIS should add a required public dissemination of the full minutes that include a detailed description of the discussions. The establishment of a list of interested stakeholders for each committee and subcommittee will be useful. We appreciate this addition to the Draft Policies and Procedures.	
Property Casualty Insurers Association of America	USA	No	We support these provisions.	
Reinsurance Association of America	USA	No	The revised Draft Procedures contemplate the creation by each Committee/Subcommittee of an email list of "interested stakeholders" for which any individual or company may register. This list is to be used as a starting point for identifying potential invited guests to provide technical input with respect to ongoing workstreams and to supplement relevant public announcements. We welcome this additional change and encourage the IAIS to leverage this process to provide frequent, detailed information to stakeholders. As noted above, stakeholders have a legitimate need to follow the work of the IAIS as it is being developed. To achieve this (and to maximize the value of stakeholder input when permitted), stakeholders should have access to as much information and as many documents as possible (agendas, detailed meeting minutes, background notes, presentation slides, etc.), as well as preliminary drafts of work in progress where possible. We	

			encourage the IAIS to use the email lists, as well as the website and other webcast technology in a timely manner and as broadly as possible to achieve this result.	
NAIC Consumer Representatives		No	Creating an e-mail list of "interested stakeholders" for each committee and subcommittee is a useful requirement. These lists should be easily accessible on the IAIS website, along with explanations of what they are used for and how to participate. Unlike industry, consumer groups rarely have dedicated professional staff responsible for monitoring international issues and it is important that both the option to participate and the mechanisms for doing so are immediately apparent on the IAIS homepage, so consumer groups can register as an interested stakeholder.	Once the procedures are finalised the IAIS will clearly explain how stakeholders can register for interested stakeholder lists and how they will be used.
Comments on Section III.7				
Association of Bermuda Insurers and Reinsurers (ABIR)	Bermuda	No	We note that the IAIS did not elaborate in the Second Notice on the only briefly touched upon notion of stakeholder groups. As it stands stakeholder groups will be formed as Parent Committees "deem necessary." We encourage the IAIS to consider making stakeholder groups a routine mechanism to communicate to stakeholders and enroll the participation of stakeholders as part of major work streams. As mentioned in our initial response that IOSCO has already set a precedent for the use of stakeholder groups within multi-national organizations.	Once the final procedures are adopted the Executive Committee will discuss the formation of stakeholder groups, taking these and other comments into account
AMICE	Europe	No	We note that the thinking (at least among stakeholders) now goes rather in the direction of establishing a stakeholder group per (major) workstream. We agree that this may be more productive than the concept of one general horizontal (or a few	See prior response.

			regional) stakeholder groups. We repeat, however, that the introduction of meaningful, cooperative and mutually beneficial consultation and participation procedures should not be held up by discussions about the creation of stakeholder groups. Nor should, on the other hand, the completion of the Procedures & Policy document stand in the way of further improvement of the processes over the next year.	Agreed.
German Insurance Association	Germany	No	We welcome the possibility of the creation of stakeholder groups. However, the IAIS should elaborate a lot more on this point and answer at least the following questions. - Which role can these stakeholder groups play? - How will the IAIS cooperate with the stakeholder groups? - Which type of industry-stakeholder groups are envisaged (industry in general/insurance groups/reinsurance??) - How would the members of such a stakeholder group be selected?	See prior responses.
Global Federation of Insurance Associations	International	No	We welcome the possibility of the creation of stakeholder groups and believe that this can be an efficient tool to streamline communication with stakeholders. We propose that a stakeholder group should be formed for every significant workstream. When organising stakeholder groups, Committee/Subcommittee chairs should have regard to the breadth of representation achieved, eg in terms of geographical and business model representation. Details in the current consultation are sparse. We request that	See prior responses.

			the IAIS elaborate on its vision for stakeholder groups to allow a better understanding of their application. Such clarifications include: Which stakeholder groups does the IAIS envisage? Will stakeholder groups reflect the distinction between the position of a firm and the position of an entire market (ie associations or federations)? Or will they subdivide stakeholders by business type (industry in general/insurance groups/reinsurance)? How would the members of such a stakeholder group be selected? What role can these stakeholder groups play? How will the IAIS cooperate with the stakeholder groups? Will it be possible for stakeholder groups to be able to input more frequently than other stakeholders?	
Lloyd's of London	UK	No	We believe that the creation of stakeholder groups would provide benefits and would welcome further details in this section. For instance, it is unclear what the function of these groups would be (i.e. if they would be created for advisory, informative and/or supporting purposes) and what their composition, duration of mandate, role of members, capacity and room for manoeuvre would be. It is understood that a request to establish one or more groups must come from a Parent Committee and would be subject to approval by the Executive Committee. It remains uncertain to which body these groups would report and whether IAIS members would participate in their meetings. We propose that, in the preparatory works towards the creation of stakeholder groups, Committee/Subcommittee chairs take account of the extent of representation achieved, for instance	See prior responses.

			in terms of geographical and business model representation. We also suggest that, in the future, once a number of stakeholder groups have been established, the IAIS might consider the value of converting them into permanent groups, equivalent to the different IAIS committees. Each stakeholder group could then hold discussions in parallel and provide an informed industry perspective on ongoing issues under the IAIS radar.	
The Northwestern Mutual Life Insurance Co.	US	No	On page 12, state that the IAIS will review existing lists of Observers and other interested parties to create initial lists of stakeholders, assuming that those individuals will want to remain involved in the process until they inform the IAIS otherwise.	Lists of former Observers will be utilised when the interested stakeholder lists are created but such a one-time practical step need not be stated in the procedures.
ACLI	USA	No	Comments : Modification Suggested Regarding Stakeholder Groups. If a Parent Committee or the Executive Committee establishes a formal specific stakeholder group for consultation, the Chair by default should open the meeting to all stakeholders unless the rationale for closing a meeting or portion thereof is stated in writing and then the meeting or portion thereof should only be closed to the minimum extent required.	See prior responses.
American Insurance Association	USA	No	While we encourage the creation of stakeholder groups outlined in the Draft, the Draft does not provide information how the groups will be formed, whether stakeholders may opt in or must be invited to join, how they will be used, and what their size will be. We request more information from the IAIS on	See prior responses.

			the stakeholder groups.	
NAIC	USA	No	Suggest the new paragraph added to the end of Section III.6 be moved to this section as it seems to be describing stakeholder groups more than providing public information. With regard to the original wording, it is still unclear what types of stakeholder groups the Executive Committee would be creating, who would be involved, for what purposes, etc. Does this mean setting up types of stakeholders (e.g., industry, consumer reps, international organizations, etc.) or would this be for purposes beyond the "interested stakeholder" lists for Committees/Subcommittees (for example ComFrame Field Testing volunteers)? More detail should be provided on this, otherwise it is too ambiguous how such groups would be used.	The new paragraph describes the creation of "interested stakeholder" lists for communication purposes, which is different from stakeholder groups. See prior responses.
National Association of Mutual Insurance Companies	USA	No	With the development of the interested stakeholder group we are curious about what is envisioned in this section. More information is needed to comment on the concept of Stakeholder Groups. Our thoughts will depend on how the groups will be created and the purpose for the creation of the groups. There are ways this could create additional barriers to IAIS access. Added barriers would not be supported by NAMIC.	See prior responses.
Property Casualty Insurers Association of America	USA	No	Stakeholder groups should be self-selecting. The composition should not be predetermined by supervisors.	See prior responses.

Reinsurance Association of America	USA	No	With respect to the creation of stakeholder groups as contemplated by Section III.6, to the extent that such groups are created, we urge the IAIS to do so through a transparent and representative process to allow for input that is objective and comprehensive.	See prior responses.
The draft section on the development of supervisory and supporting material (Section II.B) sets out multiple steps. Please comment on whether you believe each of the steps are necessary or if additional steps might be required during the development of supervisory and supporting material.				
Global Federation of Insurance Associations	International	No	Generally closing the meetings to stakeholders means that they will no longer have insight into the development of draft material before it is released for public consultation. This will likely impact the quality of stakeholder input. The IAIS should use any means at its disposal to keep stakeholders informed of the drafting process, to minimise the negative consequences of this. As mentioned above, we appreciate under point iii) the addition of "While developing the material, the responsible Subcommittee(s) should inform stakeholders as appropriate." This is certainly a step in the right direction, though we would suggest that it specify that it is appropriate that stakeholders are involved at various points in the development of draft material, well in advance of the final public consultation. When stakeholders' involvement is very limited prior to a public consultation, the challenges inherent to providing high-quality input are exacerbated. Given the importance of public consultations under the new process, we would strongly urge the IAIS to consider consistently giving longer consultation	See prior responses. See prior response.

			times, eg 90 days for supervisory materials and 60 days for supporting materials. This would ease the burden on those countries whose working language is not English, and allow time to give meaningful input to the consultation.	
The General Insurance Association of Japan	Japan	No	Concerning steps for the development and approval of supervisory and supporting materials, owing to the IAIS's efforts to review each of the observers' opinions on the 1st Draft Procedures, we believe that the steps set out in the 2nd Draft Procedures are more preferable for stakeholders than the steps set out in the 1st draft. Also, we believe each of the steps for approval is necessary.	
The Life Insurance Association of Japan	Japan	No	We believe that every step is necessary. Under the proposed procedure, in order to facilitate effective stakeholders' inputs, it is reasonable and essential not only to release public background note (Section II. B. ii) but also to keep stakeholders informed of the drafting process by disclosing drafting materials during the developing process (Section II. B. iii). Otherwise, it will be difficult for stakeholders to provide the same quality of effective inputs as Observers have provided so far.	
Lloyd's of London	UK	No	To the extent that this proposes new stages in the IAIS's development of supervisory and supporting material, we suggest that the process be kept under review and amended if considered necessary. Many of the stages are procedural. From stakeholders' points of view, the key issue is whether in the course of developing material, the IAIS receives timely, substantive and high quality	The IAIS plans to evaluate the effectiveness of the new policies and procedures after one year and then on an ongoing basis.

			input from all interested stakeholders. At worst, there will be just two opportunities for stakeholders to provide input: in response to the public background note, at the beginning of the process, when a proposal will be undeveloped and its eventual impact difficult to gauge and in response to a single public consultation. In practice, we think that the IAIS will find it beneficial to engage more frequently with interested parties. We reiterate that section III A 5 suggests holding public dialogues and hearings and we think that these should form part of the typical development process for supervisory and supporting material.	
ACLI	USA	No	Generally, closing the meetings to stakeholders means that the Stakeholders will no longer have insight into the development of draft material before the material is released for public consultation and will likely impact the quality of stakeholder input. The IAIS should use any means at its disposal to keep stakeholders informed of the drafting process to minimize the negative consequences of closed meetings.. As mentioned above, we appreciate under point (iii) the addition of "While developing the material, the responsible Subcommittee(s) should inform stakeholders as appropriate." This is certainly a step in the right direction, though we would suggest that it specify that it is appropriate that stakeholders are involved at various points in the development of draft material well in advance of the final public consultation. When stakeholders' involvement is very limited prior to a public consultation, the challenges inherent to providing high-quality input are exacerbated. Given the importance of public	See prior response.

			consultations under the new process, we would strongly urge the IAIS to consider consistently giving longer consultation times, e.g., 90 days for supervisory materials and 60 days for supporting materials. This would additionally ease the burden on those countries whose working language is not English, and allow them time to give meaningful input to the consultation.	
American Insurance Association	USA	No	From above: Regarding the development and approval of supervisory and supporting material, we believe that is essential that stakeholders be informed of the status of the material at every stage of the process. We appreciate the new directive in the Draft that the public background note (II.B.ii) "[R]aise any specific questions or topics for stakeholder comment and identify any specific type of group of stakeholder from which input may be particularly useful." We believe that it is essential that this process permit broad stakeholder input early in the process of developing such material and that there be an opportunity for general comments in response to the public background note prior to the development of the material (II.B.iii) in addition to the public consultation (II.B.iv). We appreciate that there is a new directive in the Draft that the Subcommittee "inform stakeholders as appropriate," but we believe that there should also be an opportunity for stakeholders to respond at this point in the process. The draft provides that the responsible Subcommittee(s) should inform stakeholders "as appropriate" while developing	Stakeholders can provide input at any time.

		approved supervisory and supporting material (II.B.iii). Since we do not believe there are circumstances in which it would be inappropriate to inform stakeholders of this type of activity, we recommend deleting the term "as appropriate." In the alternative, any such circumstances should be limited and clearly delineated. Regarding the public consultation (II.B.iv), we believe that more than one public consultation for supervisory material and supporting material should be required. It is important that stakeholders be able to comment in a comprehensive way at multiple points in the development of supervisory and supporting material. Arranging responses to sophisticated materials requires substantial coordination among association and company experts, which can take significant periods of time. We appreciate that the consultation period for supervisory material is set at 60 days, and believe that there should be a 60 day consultation period for supporting material as well rather than the 30 days set forth in the Draft. Furthermore, we are concerned that these timeframes are set "in principle" only. We appreciate the requirement that a public background session (II.B.v) be held when a public consultation is begun, and that receiving "feedback from stakeholders" has been added as a purpose of the session in the Draft. Considering that there will undoubtedly be more stakeholders than there have been Observers, it will be essential to ensure that enough time is allocated to these sessions to ensure that all stakeholders are able to discuss the material in development	See prior response. See response below. See prior response.
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			comprehensively. How the IAIS responds in the resolution of comments received (II.B.vi) will be a clear indicator of how seriously the Members and Secretariat of the IAIS have considered stakeholder input. Responses must be more substantive than responses have been during the Observer consultation processes. Furthermore, responses to comments should be the beginning of a conversation between the IAIS and the stakeholder when necessary if the stakeholder's concern was not adequately addressed. We believe that the public discussion of comments and resolution (II.B.vii) can be the start of such a conversation. We appreciate that there will be "direct engagement between members and stakeholders on relevant topics" during the public discussion. We encourage the IAIS to hold frequent additional subsequent public consultations (II.B.viii). As stated above, we believe that the default standard should be for more than one public consultation to be held. We appreciate that final drafts will be posted publicly on the website (II.B.x), as will the adopted paper (II.B.xi). We appreciate that "technical input" and "subject matter" expertise is to be interpreted to include a broad range of topics in the new Draft.	
National Association of Mutual Insurance	USA	No	We believe each of these steps are useful and necessary for a full, fair, and transparent development of supervisory and supporting materials when the process does not include open	

Companies			meetings and full stakeholder participation with the supervisory material development process. We refer back to the recommendations NAMIC made in section II.B for additional thoughts on improving the process. Of course, the other option is to leave the meetings open for stakeholder participation. Clearly, this is the easiest approach and may ultimately prove to be the most efficient. The decision to close the meetings has resulted in this detailed discussion about a fair and full approach to the IAIS decision-making. To consider the alternatives, we recommend that these Draft Policies and Procedures automatically expire (also known as a "sunset clause") after one or two years. Thereafter the IAIS can assess their experience with the new procedures, and make an informed decision about whether the closure of the meetings improved the efficiency of the process and should be continued thereafter.	See prior response.
Property Casualty Insurers Association of America	USA	No	The steps are generally fine, except that there is a need to assure multiple opportunities for stakeholders to interact with the drafters during the drafting process, not simply at the beginning and the end.	
The draft section on the development of supervisory and supporting material (Section II.B.vi) states that supervisory and supporting material must be subject to "at least one" public consultation. How many consultations should be required? Should different rules apply for supervisory versus supporting material?				
AMICE	Europe	No	As submitted in our response to the first consultation, we fear that one single consultation of any given document would be set at the end of the development process and that then chances may have passed to bring in comments with the aim of improving the document. We hope that the IAIS agrees that stakeholder input is most valuable at an earlier stage when	The IAIS believes that, as a rule, a minimum of one public consultation is appropriate. In practice more complex material such as ComFrame, the capital standards and these procedures,

			problems can be identified and there is room and time for improvements. One single consultation may in certain situations suffice; but we would expect this to be the exemption rather than the rule. Hence, the standard procedure should not be phrased as "one consultation, but more if needed", but rather as "should go through several consultation cycles as appropriate, unless the character of the material, the timing of the consultation and the quality of the input received suggest that one consultation suffices".	have gone through multiple public consultations while less-complex material may only require one public consultation. To require more than one public consultation in all instances would not take account of the differences in material being developed and lead to potentially unnecessary delays and inefficiencies. The IAIS also believes that any distinction between supervisory and supporting material for purposes of this procedure would be artificial and that the same rule of at least one consultation should apply to both. Further, the procedures allow for stakeholder input through the development process in ways other than through formal public consultation, such as through inviting subject matter experts to meetings, holding public sessions, or sending out questionnaires, surveys and other requests for input. Taken as a whole, the IAIS believes that the procedures allow
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				for effective consultation with stakeholders so that valuable information can be exchanged to help the IAIS design successful policy solutions and make informed decisions.
Global Federation of Insurance Associations	International	No	For most supervisory material, the GFIA believes that more than one consultation would be appropriate. This gives the opportunity for the draft material to be substantially improved over the course of several rounds of input. Stakeholder input is most valuable when it can be offered at a time when the draft is still in an early stage as it can identify problems early on. A single consultation at the end of a workstream often does not allow enough scope for significant change. As the need for public consultation may vary per workstream, the GFIA would support that the IAIS set a minimum number of consultations, but expect that most workstreams will exceed this number, especially for supervisory material.	See prior response.
The General Insurance Association of Japan	Japan	No	As for important or complex issues and controversial issues in which opinions are split and the IAIS is unable to come to an agreement, it is desirable that supervisory and supporting material be subject to "at least two" public consultations. Also, concerning important or complex issues, we would like the IAIS to provide opportunities for stakeholder hearing where stakeholders could provide input on the issue in advance of public consultation.	See prior response.
The Life Insurance Association of	Japan	No	Number of consultations to be required may depend on the content of each document, so it would be difficult to set one	See prior response.

Japan			formal rule uniformly. Specifically, the importance of materials would be different between supervisory material and supporting material, as supervisory material has influence on supervisory regulations in each jurisdiction directly while issues papers and application papers just describe current practices and actual examples and/or identify related issues and challenges. Considering the difference, supervisory material should be discussed more carefully than other materials, and we suggest that the IAIS provide stakeholders with sufficient information and opportunities for inputs in advance of formal public consultation, as well as increasing the number of consultations in the case of supervisory material. Besides, we believe that the IAIS should specify the number of consultations, not as an upper limit but as a minimum requirement, taking into account the level of importance of each material as well as views of Members and stakeholders.	
Lloyd's of London	UK	No	We do not think that a minimum number of consultations can be specified. A single consultation may be appropriate for a simple proposal, but we consider that for most proposals more consultations are advisable. The requisite number will depend on the judgement of the committee members concerned: we hope that they will be guided by observation of IAIS principles of openness and transparency so as to avoid the development of material in secrecy. It is particularly important that, if material undergoes significant transformation in the development process, stakeholders are given the opportunity to comment on new versions. We do not think that different rules should apply to supervisory and supporting material.	See prior response.

ACLI	USA	No	For most supervisory material, we believe that more than one consultation would be appropriate. This gives the opportunity for the draft material to be substantially improved over the course of several rounds of input. Stakeholder input is most valuable when it can be offered at a time when the draft is still at an early stage, as it can identify problems early on. A single consultation at the end of a work stream often does not allow enough scope for significant change. As the need for public consultation may vary per work stream, we would support that the IAIS set a minimum number of consultations, but expect that most work streams will exceed this number, especially for supervisory material.	See prior response.
American Insurance Association	USA	No	As stated above, we believe that multiple public consultations should be held, though the exact number of consultations should be related to the level of interest from stakeholders and the need for input from stakeholders. In general a public consultation should be held in conjunction with each draft of materials in development.	See prior response.
National Association of Mutual Insurance Companies	USA	No	As we previously advocated, there should be a minimum of two consultations on any proposed creation or revision of an existing ICP, standard or guidance. Sharing an initial and incomplete draft and then substantively revising it without giving stakeholders an opportunity for comment on the final draft, is an incomplete disclosure for comment and will result in inferior IAIS end products. This has just been illustrated in the second BCR consultation. Without all of the components of the BCR identified, no observer was in a position to provide full comment on the draft. Since the completed version was sent	See prior response.

			directly to the FSB without public exposure, industry never had an opportunity to provide comment on all aspects of the final end product. Under the U.S. the regulatory process, if there are substantive changes made to a prior consultation version, a proposed regulation is actually considered a different proposal, and a second public comment opportunity is required. When there are unaddressed issues and gaps in the conclusions, stakeholders have not had a full and fair opportunity to comment on a consultation draft. Minor changes to an initial consultation may not rise to the same level, but even in that case a fatal flaw or interim final draft review process should be provided. This second consultation gives all interested parties a final review with a short comment period allowing stakeholders to see how comments have been addressed and provides an opportunity for the regulator or standard setter to correct unintended errors before adopting a final version. In any case, a minimum of two consultations are warranted in setting global policy for insurance regulation.	
Property Casualty Insurers Association of America	USA	No	We think there should multiple opportunities for interaction between the beginning and end of the process. This was provided for as a result of the open meetings that observers used to be able to attend. No as effective alternative has been provided in the proposal.	See prior response.
What type of documents should be made available publicly before a meeting (e.g. agendas) and what should be included in it?				
AMICE	Europe	No	We suggest making in principle "all" documents available that relate to the parts (agenda items) of the meeting that are open	An initial distinction must be made between public meetings that are

			to stakeholders. This includes agendas, background documents, and presentations scheduled for the meeting. In addition to the question of which documents should be available in advance, we reiterate that also documents that are only tabled at the meeting or presentations that are given "from a USB stick" should also be shared immediately (at the start or during the meeting).	open to all stakeholders (e.g. the public dialogues on ComFrame and capital development taking place in 2015) and Member only meetings. For the former, the IAIS will make available publicly sufficiently in advance of the meeting an agenda and all relevant meetings documents or presentations. In regard to Member only meetings (e.g. meetings of the Executive Committee) the IAIS will not make agendas or meeting documents publicly available. Rather, the IAIS will keep stakeholders informed of activities through: (1) a calendar on the IAIS website that lists all meetings; and (2) its monthly Newsletter, in which the IAIS will discuss activities and provide information on on-going projects as well as the items covered and the relevant decisions reached at recent meetings; and (3) a detailed Annual Report that summarises all activities over the previous year. This practice continues that which
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				was utilised pre-2015 in which agendas and meeting documents were not made publicly available.
Global Federation of Insurance Associations	International	No	We would ask the IAIS to make available agendas, background documents, and the slides of any presentations in advance of meetings. We also urge the IAIS to disclose draft supervisory/supporting materials at the drafting phase. This information will greatly help stakeholders remain informed of work in progress. Additionally, having access to a webcast of meetings would greatly leverage stakeholders' understanding of the meeting material.	See prior response.
The General Insurance Association of Japan	Japan	No	We would like the IAIS to publish agendas, lists of prospective participants, and meeting documents, e.g., draft materials to be discussed at meetings, compilation of stakeholder comments submitted in advance, and presentation materials, etc., as early as possible.	See prior response.
The Life Insurance Association of Japan	Japan	No	Agendas and meeting materials should be publicly available unless the material contains confidential information. In particular, we strongly urge the IAIS to disclose draft supervisory/supporting materials at the drafting phase.	See prior response.
Lloyd's of London	UK	No	We would welcome material being made available before meetings. At a minimum, agendas should be published prior to a meeting, ideally with background papers. We appreciate that this will not always be realistic, in which case it would be helpful for material such as papers to be published after the meeting has finished.	See prior response.

			As commented earlier, we would appreciate it if the IAIS published their policy on making meeting papers available.	
ACLI	USA	No	We would ask the IAIS to make available agendas, background documents, and the slides of any presentations in advance of meetings. We also urge the IAIS to disclose draft supervisory/supporting materials at the drafting phase. This information will greatly help stakeholders remain informed of work in progress. Additionally, having access to a webcast of meetings would greatly leverage stakeholders' understanding of the meeting material.	See prior response.
American Insurance Association	USA	No	Agendas and all related documents (such as those currently available to Observers) should be made public. We believe that any presentations from guests should be made public. All such documents should be made available publicly thirty days before the meeting to allow stakeholders adequate time to review them.	See prior response.
National Association of Mutual Insurance Companies	USA	No	Agendas should include the date, time, location, call-in number, planned discussion items as well as names, affiliations and member countries of any non-member guests invited to attend. We appreciate the addition in the second consultation of a requirement that invited guests be listed on the agenda. Meeting materials should also be included with the agenda. Since the materials can be voluminous and the meetings critical, the important issue here is the advance notice of the information. We have suggested a 30-day advance notice of the agenda, but another option is a 30-day notice of the proposed agenda/meeting materials with final	See prior response.

			agendas out 14 days in advance. This would provide more time for stakeholders to review the sometimes voluminous materials and determine if they want to be invited to make relevant points at the meeting. This would improve the quality of the input from stakeholders / members at meetings and teleconferences, and would result in more productive discussions of the issues.	
Property Casualty Insurers Association of America	USA	No	Beyond the agenda, all papers and presentations except those concerning individual companies, should be made publicly available.	See prior response.
NAIC Consumer Representatives		No	The presumption should be that all public documents utilized in the policy or project development should be made public, such as white papers, articles in academic, professional and business journals, news stories, and similar sources. Excerpts of IAIS committee or subcommittee minutes explaining the development process and specific decisions made would be particularly useful, even if summarized to remove confidential information or Member votes. Material, comments or reports by invited guests should also be made available.	See prior response.
What type of public record of proceedings should be made available after a meeting and what should be included in it?				
Global Federation of Insurance Associations	International	No	To enhance understanding of discussions, and to give insight into the decisions made in the development of IAIS material, the GFIA recommends that minutes -naming speakers - are made available for each meeting. If the slides or background notes of speakers are not available before a meeting, it would still be very valuable for	The IAIS is committed to keeping stakeholders appropriately informed of items under discussion and decisions taken during meetings and intends to do so through increased use of the monthly Newsletter. This is a

			stakeholders to receive these as soon as they become available after the meeting.	continuation of current practice in which Summary Records of meetings, which are typically Member-only documents produced within a few days of a meeting, are used as a basis for a Committee or Subcommittee's report in the Newsletter.
The General Insurance Association of Japan	Japan	No	We would like the IAIS to publish public records of proceedings of Committee/Subcommittee, Public background sessions, and Public discussion of comments and resolution, etc. Currently, some records offer little information. It would be desirable for records of proceedings to be as detailed as possible concerning information on meeting deliberations, such as the flow of discussions, points of disagreement, and names of speakers, etc.	See prior response.
The Life Insurance Association of Japan	Japan	No	To enhance understanding of discussions and IAIS' work in progress, as well as to give insight into the decisions made in the development of IAIS material, we believe that detailed meeting minutes should be provided with naming speakers in ongoing discussions.	See prior response.
ACLI	USA	No	To enhance understanding of discussions and to give insight into the decisions made in the development of IAIS material, we recommend that minutes -naming speakers - are made available for each meeting. If the slides or background notes of speakers are not available before a meeting, it would still be very valuable for stakeholders to receive these as soon as they become	See prior response.

			available after the meeting.	
American Insurance Association	USA	No	Public records of meetings should follow a "minutes" format rather than a broad overview of the meeting's topics. Notes on discussions about presentations from guests should be included in detailed, public minutes of the meetings. A list of attendees should also be made public. Minutes should be made public within fourteen days after a meeting. A recording of the meeting should be made public (as well as streamed in "real time" via a webcam).	See prior response.
National Association of Mutual Insurance Companies	USA	No	The current practice of providing the public with meeting summaries and not full minutes has limited the flow of information. The summaries contain very limited information about the discussions and the reasons for the decisions. At the NAIC in the U.S. meeting summaries are used temporarily to get immediate information out to the public. Once staff have had the time to prepare full minutes of the meetings they do so, and these minutes provide a transparent record of the proceedings. We recommend that in an effort to improve the process, the IAIS should add a required public dissemination of the full minutes that include a detailed description of the discussions. Without stakeholder attendance at the meetings, and limited opportunities for engagement with committee members, the minutes may be the only source of information that stakeholders will have to understand the discussions and possible misinterpretations of stakeholder comments that need to be addressed. This will be very important moving forward with the new process.	See prior response.
Property Casualty	USA	No	The preferred approach is to open the meetings so that there	See prior response.

Insurers Association of America			would be less concern about the detail of the minutes. If the meetings are to be closed, then the minutes should be detailed and include any changes to the documents, as well as all presentations. Even if that were done, it is not as useful to stakeholders as is the ability to attend in person or electronically.	
NAIC Consumer Representatives		No	Detailed meeting minutes that include summaries of stakeholder comments or presentations (both in draft form and once approved) and all material provided by stakeholders, including presentation material (e.g., PowerPoint slides).	See prior response.