

FOR IMMEDIATE RELEASE:
Thursday, 12 November 2015

CONTACT: Andrew R. Stolfi
+41 76 350 8139
andrew.stolfi@bis.org

IAIS Concludes Annual General Meeting

Association adopts supervisory and supporting material; elects leadership

Marrakech, Morocco – The International Association of Insurance Supervisors (IAIS) announced today that it has concluded its 2015 Annual General Meeting. Held in Marrakech and hosted by Moroccan Department of Insurance and Social Welfare, the Annual General Meeting followed three days of Committee meetings during which the IAIS finalised numerous projects and adopted several strategic and technical papers, including revisions to the IAIS Insurance Core Principles (ICPs).

Adoption of HLA, Issues and Application Papers

During its Committee and General Meetings, the IAIS adopted the following supervisory and supporting material:

Higher Loss Absorbency (HLA) Requirement. Development of the initial version of the HLA concluded in October when it was endorsed by the IAIS Executive Committee and the Financial Stability Board. The HLA has now been adopted by the full IAIS membership and is expected to be endorsed by the G20 later this month. More information on the HLA can be found on the [Financial Stability and Macprudential Policy and Surveillance](#) section of the IAIS website.

Revisions to the ICPs. Revisions were adopted to ICP 4 (Licensing), ICP 5 (Suitability of Persons), ICP 7 (Corporate Governance), ICP 8 (Risk Management and Internal Controls), ICP 23 (Group-wide Supervision) and ICP 25 (Supervisory Cooperation and Coordination). These changes were initiated following conclusion of comprehensive Self-Assessments and Peer Reviews (SAPR) of the related ICPs. They also take into account recent developments in group supervision, corporate governance and risk management as well as principles, standards and guidance issued by other standard setting bodies.

Application Paper on the Regulation and Supervision of Captive Insurers. This paper provides guidance to insurance supervisors on the application of aspects of regulation and supervision specifically relevant to captive insurers or reinsurers. It follows the IAIS Issues Paper on the Regulation and Supervision of Captive Insurance Companies released in October 2006 and provides practical advice for supervisors that follows the current range of ICPs.

Issues Paper on Conduct of Business Risk and its Management. This paper aims to raise awareness of conduct of business risk and covers conduct of business risk and its impact, sources of conduct risks, conduct risk management and the supervisor's role. It also discusses the interlinkages with, and complementary approaches to, prudential risk management and supervision.

Issues Paper on Conduct of Business in Inclusive Insurance. This paper was developed to take stock of the issues of fair treatment of the inclusive insurance customer or the customer of microinsurance products. It extensively describes the features of the inclusive insurance market, discusses the various elements of the inclusive insurance life cycle and presents issues that have been identified from a conduct of business perspective that are relevant to the fair treatment of the inclusive insurance customer.

Issues in Regulation and Supervision of Microtakāful (Islamic Insurance). This paper, which was jointly developed with the Islamic Financial Services Board, provides regulatory and supervisory authorities and industry representatives with insights on the types of issues that arise from Microtakāful practices. It describes the various types of Microtakāful models and supervisory frameworks as well as prevalent issues faced by Microtakāful providers and regulatory and supervisory authorities.

About the IAIS: The IAIS is a global standard setting body whose objectives are 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. Its membership includes insurance regulators and supervisors from more than 200 jurisdictions. For more information, please visit www.iaisweb.org.

Executive Committee Elections

The IAIS also held Executive Committee elections, at which Dr Victoria Saporta, the Director of Financial Policy of the Prudential Regulation Authority at the Bank of England, was elected Chair. Dr Saporta succeeds Felix Hufeld, who stepped down as Chair due to his appointment in March as President at the German Federal Financial Supervisory Authority (BaFin).

"I would like to extend my most sincere appreciation to Felix Hufeld for his impressive leadership of the Association over the past year," said Dr Saporta. "The IAIS has already made major progress in contributing to the G20 financial stability agenda by delivering capital standards for global systemically important insurers, while at the same time advancing key work on the first ever risk-based global capital standard for internationally active insurance groups. I look forward to working collaboratively with all members of the Executive Committee, and the membership at large, in bringing this ambitious standard-setting agenda to fruition. Another key focus for me will be to continue the Association's important mission in supporting the delivery of policyholder protection in all Member jurisdictions."

A full list of members of the IAIS Executive Committee follows:

- Victoria Saporta (United Kingdom, PRA), Chair of the Executive Committee
- Takashi Hamano (Japan), Vice Chair of the Executive Committee
- Kevin McCarty (USA, Florida), Vice Chair of the Executive Committee
- Peter Braumüller (Austria), Chair of the Budget Committee
- Keith Chapman (Australia, APRA)
- Michele Fields (Bahamas)
- Bernard Dupont (Canada)
- Carlos Pavez (Chile)
- Junbo Xiang (China)
- Gabriel Bernardino (EIOPA)
- Sandrine Lemery (France)
- Felix Hufeld (Germany, BaFin)
- William Mason (Guernsey), Chair of the Audit and Risk Committee
- TS Vijayan (India)
- Alberto Corinti (Italy), Chair of the Financial Stability Committee
- Taeguk Jin (Republic of Korea)
- Norma Rosas Rodriguez (Mexico)
- Hassan Boubrik (Morocco)
- Daniel Schydrowsky (Peru)
- Damian Jaworski (Poland)
- Keng Yi Lee (Singapore)
- Jonathan Dixon (South Africa), Chair of the Implementation Committee
- Peter Giger (Switzerland)
- Ebrahim Al Zaabi (United Arab Emirates)
- Julie McPeak (USA, Tennessee)
- Susan Donegan (USA, Vermont)
- Michael McRaith (USA, FIO/Treasury), Chair of the Technical Committee