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INTERNATIONAL ASSOCIATION OF
INSURANCE SUPERVISORS

Public

Revisions to ICP 13: Reinsurance and Other Forms of Risk Transfer

Public discussion call
13 November 2017



Introduction

Objectives of this public discussion session

- Present a summary of the comments received during the public consultation (June – July 2017)
- Describe the resolutions and present final publication

Introduction

Responsible subcommittee:
Reinsurance Task Force (ReTF)

Consultation period:
1 June -31 July 2017
(Public background call held 5 June 2017)

Comments and input received from:

- 431 comments
- 25 organisations

Specific comments

Issue/comment	Resolution
Relationship between reinsurance programme and business strategy and risks faced	Standard and guidance refined to more clearly illustrate the relationship between company strategy and the reinsurance programme Examples provided are neither explicit or exhaustive
Level of Board involvement and oversight	Reliance has been placed on referral to ICP 7: Corporate Governance and ICP 8: Risk Management and Internal Controls more generally however guidance provided where appropriate to reflect a reinsurance context Not the intention of ICP 13 for supervisors to supercede the Board's role

Specific comments

Issue/Comment	Resolution
Application of Proportionality	Proportionality is an underlying pre-condition within the ICPs and is allowed for in the Introduction: some minor changes in drafting provided
Localisation	Principle has additional guidance illustrating the benefits of geographical diversification as well as raising awareness among supervisors of the impacts of constraints to geographical diversification on ceding insurers, assuming insurers and the insurance sector at large

Specific comments

Issue/Comment	Resolution
Supervisory recognition	Principle highlights of supervisory recognition and possible benefits, especially in relation to formal supervisory recognition agreements
Insurance risk transfer to the capital markets	Standard updated to reflect developments in the market since previous version (i.e. 2011 ICPs) New points of guidance added to better differentiate matters that are of concern to ceding parties and ceding parties' supervisors from those that are of concern to assuming parties and assuming parties' supervisors



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Comments/Questions?



Contact information

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