



IAIS

INTERNATIONAL ASSOCIATION OF
INSURANCE SUPERVISORS

Public

Compiled Stakeholders' Comments on *Consultation on ICP 25* with resolutions

Organisation	Jurisdiction	Confidential	Answer	Resolution of comments
30 - Q30 General Comment on ICP 25				
114. Insurance Europe	Europe	No	Insurance Europe concurs with most of the specifications made in ICP 25. There are two key points Insurance Europe believes should be reviewed by the IAIS: 1. Insurance Europe does not agree with the extent of information sharing set out in the Guidance. Information to be shared should be determined on a case by case basis, and only relate to material or significant matters. 2. Insurance Europe believes a crisis management group should not be mandatory, in particular when a supervisory college is in place.	Guidance ICP 25.3.2 provides for a list of relevant information which should be exchanged. Issues related to information sharing and confidentiality requirements are covered by reference ICP 3, which is referred to in ICP 25.0.3. Crisis management groups are obligatory for IAIGs according to the draft ComFrame material, but not for other insurance groups, according to ICP 25.
115. GDV - German Insurance Association	Germany	No	The efficiency of the college of supervisor strongly depends on the scope and the competences assigned to the group-wide supervisor and the involved supervisors. 1) We welcome that the group-wide supervisor has the leading role in the college and that the tasks between the group-wide supervisor and the involved supervisors are assigned clearly. This ensures that a) information is reported by the IAIG via a single channel to the group-wide supervisor and b) that the main counterparty of the IAIG within the group supervisory review process is the group-wide supervisor, whereas the involved supervisor provide a perspective on the solo	As regards comment 1, noted. As regards comment 2 on composition of the college, please refer to ICP 25.6.3 and ICP 25.6.4. It is implicit that supervisors of entities being part of the group are involved in the group-wide supervision, including college activities. Please refer also to the definition of Involved supervisors in the IAIS Glossary. As regards comment 3, according to ICP 25.6, if the college is established, involved supervisors should decide on the structure of the college. The guidance specifies that the structure of the college should be considered by involved supervisors. The guidance ensures that supervisors have sufficient flexibility in deciding on the structure and composition of the college.

			entities of the IAIG and their possible impact on the IAIG. 2) It must be ensured that the college is only comprised of authorities responsible for the supervision of the group and the various insurance legal entities which are part of the group. We do not see a legal basis that supervisors of insurance legal entities which are not part of the group are entitled to cooperate and coordinate in the college. 3) As regards the competences assigned to the involved supervisors we believe that there should a clear distinction only between a) supervisory authorities of subsidiary undertakings, and b) supervisory authorities of related undertakings which are not subsidiary undertakings and of significant branches. The latter should be allowed to participate in the college. However, their participation should be limited to achieving the objective of an efficient exchange of information. Other criteria, such as the relative size or importance of an insurance legal entity in its local market should not be relevant.	
116. Global Federation of Insurance Associations	Global	No	GFIA supports efforts to improve supervisory cooperation and coordination. The benefits of cooperation and coordination are many, and include timely exchange of critical information, better understanding of insurance groups, efficient use of resources, and more effective	Noted. Further details are provided in the Application Paper on Supervisory Colleges.

			supervisory colleges. Given the importance of cooperation and coordination for supervisors and insurers, we believe this ICP needs further development, to strengthen the requirements therein. This ICP should provide strong guidance on how to cooperate and coordinate when establishing a supervisory college, for selecting a group-wide supervisor, and for evaluating and recognizing each other's regulatory regime.	
118. International Actuarial Association	International	No	The re-written contents of ICP 25 are well organized and read much better than the current version. In general, the ComFrame additions seem appropriate and well placed. The IAIS consultation does a much better job than previously of defining the roles of “involved supervisors”, “other involved supervisors”, “group-wide supervisors”, “head of insurance group” etc. The consultation clearly defines the need for IAIG's to be supervised at the head of group level, which for IAIG's includes a non-insurance holding company. It is clear from the ICP introductory remarks that ICP's are to be applied in the supervision of insurance groups that are headed by an insurance legal entity. Unfortunately, this results in a standards cliff, at the group level, since the head of an insurance group which is a non-insurance holding company is not subject to IAIS standards unless it is an IAIG. Previously ICP 25.3 included a direct reference to branches: “Supervisors cooperate and coordinate in the supervision of an insurance legal entity with a branch in another jurisdiction	Noted. A reference to material or relevant branches added in ICP 25.6.3.

		in accordance with their authorities and powers.” The revised version includes no reference to branches directly and is generally quite permissive of the need for involved supervisors to work together (i.e., regardless of the form on business written in their jurisdiction – by subsidiary, branch, freedom of services, freedom of entry etc.). However, ICP 25.3 appears to inappropriately restrict involved supervisors to consideration only of “insurance legal entities in its jurisdiction”. There are multiple places within ICP 25 and the embedded ComFrame language which offer a list of things involved with group supervision. Typically, the list might include things like governance, risk management, internal controls etc. Unfortunately, the occurrences of this list do not contain the same elements. No rationale is evident for including different elements in each list. • The IAA suggests that a common list be used unless there is a valid reason for differentiation. The occurrences of the list include 1) ICP 25.2.2 the 6th bullet, 2) ICP 25.3.2 6th bullet, 3) CF25.6a.3 and 4) ICP 25.6.10 2nd bullet. • The IAA notes that despite the importance of “control functions” in ICP 8 there is no reference to them in these aforementioned lists or anywhere in the revised ICP 25 (including ComFrame). The IAA recommends that the previously mentioned occurrences of lists make reference to the need to review the “control functions at the entity and group level and across the group”. The proposed ICP 25 properly references the importance of intragroup transactions,	Those lists refer to different things. ICP 25.2.2 refers to the tasks of the group-wide supervisor. ICP 25.3.2 includes a list of information to be provided by other involved supervisors to the group-wide supervisor. ICP 25.6.10 includes key activities of colleges. ComFrame material includes requirements additional to those provided for in ICPs, specific for supervision of IAIGs. This is covered by ICP 9. Noted.
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			dependencies and inter-linkages (e.g. 25.2.2 and 25.7.7). However, the IAA suggests that the broader topic of “connectivity” among the entities within a group be considered. Connectivity includes a range of specific linkages whether by ownership, transaction, investment, service agreement, organization structure, culture, centralization/decentralization etc.	
119. Swiss Re	Switzerland	No	Whilst the simplification and shortening of ICP25 is welcomed, there are some instances where the review process appears to have removed points from being explicitly stated which we feel are important: In particular, the proposed removal of standard ICP 25.1, which calls for cooperation and coordination with supervisors from other sectors, central banks, and government ministries. We would welcome reasons for the proposed removal of this standard, as we have concerns it may affect effective cooperation and coordination between Group supervisors and others such as Central Banks. ICP 25.1 currently states: “The supervisor takes steps to put in place adequate coordination arrangements with involved supervisors on cross-border issues on a legal entity and a group-wide basis in order to facilitate the comprehensive oversight of these legal entities and groups. Insurance supervisors cooperate and coordinate with relevant supervisors from other sectors, as well as with central banks and government ministries.” We would be grateful to know if this requirement can be found elsewhere. If it cannot, we feel it should be considered for reinstatement into the ICP 25 standards.	The principle statement of ICP 25 refers to cooperation and coordination between involved supervisors (defined in the IAIS Glossary) and other relevant authorities. This issue is further described in ICP 25.6.3 and ICP 25.6.7.

			Additionally, we note that the second part of ICP26.2: “[... the supervisor] seeks to remove practical barriers to efficient and internationally coordinated resolutions” does not appear to be included in the proposed integration of ICP 26 into ICP 25, whereas the first part of current ICP 26.2 relates to plans and tools for dealing with insurers in crisis and in effect forms part of ICP10 and 12. The second part relating to cooperation and coordination among supervisors and other authorities in crisis could well fit into ICP10 and 12 too. Overall we feel that the cooperation and coordination language in ICP10 and 12 is rather soft. All ex-ante measures, the best recovery and resolution plans, and all resolvability assessments will be of no or at best limited use if the cooperation and coordination among relevant authorities breaks down in times of crises. In that sense we are concerned about soft language on cooperation and coordination and would strongly recommend that the IAIS continue to drive cooperation and coordination efforts among supervisors and other authorities. It can be argued that cooperation and coordination among supervisors and other relevant authorities, particularly in crises, should be elevated into the section addressing “preconditions for effective insurance supervision” of the introduction and assessment methodology of the ICPs. We would support this. As a consequence, we recommend the IAIS to adopt less ambiguous language when describing the responsibilities of authorities, in particular with regards to cooperation and coordination as the proposed language that relates to cooperation and coordination among	During revision, the text has been streamlined and amended to be focused more on the outcome. The revised ICP 25 ensures efficient supervisory cooperation and cooperation, including efficient crisis management preparations. ICP 25.7 requires the group-wide supervisor to coordinate crisis management preparation with other involved supervisors and relevant authorities. The issues regarding resolution are covered in ICP 12 (please see in particular ICP 12.2).
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			supervisors and other resolutions authorities tends to be formulated in a soft and/or indirect manner.	
120. Zurich Insurance Company Ltd.	Switzerland	No	Whilst the simplification and shortening of ICP25 is welcomed, there are some instances where the review process appears to have removed points from being explicitly stated which we feel are important: In particular, the proposed removal of standard ICP 25.1, which calls for cooperation and coordination with supervisors from other sectors, central banks, and government ministries. We would welcome reasons for the proposed removal of this standard, as we have concerns it may affect effective cooperation and coordination between Group supervisors and others such as Central Banks. ICP 25.1 currently states: "The supervisor takes steps to put in place adequate coordination arrangements with involved supervisors on cross-border issues on a legal entity and a group-wide basis in order to facilitate the comprehensive oversight of these legal entities and groups. Insurance supervisors cooperate and coordinate with relevant supervisors from other sectors, as well as with central banks and government ministries." We would be grateful to know if this requirement can be found elsewhere. If it cannot, we feel it should be considered for reinstatement into the ICP 25 standards. Additionally, we note that the second part of ICP26.2: "[... the supervisor] seeks to remove practical barriers to efficient and internationally coordinated resolutions" does not appear to be included in the proposed integration of ICP 26 into ICP 25, whereas the first part of current ICP	See response to comment 119.

			26.2 relates to plans and tools for dealing with insurers in crisis and in effect forms part of ICP10 and 12. The second part relating to cooperation and coordination among supervisors and other authorities in crisis could well fit into ICP10 and 12 too. Overall we feel that the cooperation and coordination language in ICP10 and 12 is rather soft. All ex-ante measures, the best recovery and resolution plans, and all resolvability assessments will be of no or at best limited use if the cooperation and coordination among relevant authorities breaks down in times of crises. In that sense we are concerned about soft language on cooperation and coordination and would strongly recommend that the IAIS continue to drive cooperation and coordination efforts among supervisors and other authorities. It can be argued that cooperation and coordination among supervisors and other relevant authorities, particularly in crises, should be elevated into the section addressing “preconditions for effective insurance supervision” of the introduction and assessment methodology of the ICPs. We would support this. As a consequence, we recommend the IAIS to adopt less ambiguous language when describing the responsibilities of authorities, in particular with regards to cooperation and coordination as the proposed language that relates to cooperation and coordination among supervisors and other resolutions authorities tends to be formulated in a soft and/or indirect manner.	
122. National Association of Mutual Insurance Companies	United States	No	NAMIC feels strongly that the IAIS should enhance and improve supervisory cooperation	Supervisory recognition is covered in a sufficient way in ICP 25.0.5 – 25.0.8. In the IAIS view it is not

			and coordination. The focus in this ICP on the value of supervisory recognition needs to be expanded upon in significant ways. Jurisdictions that require other jurisdictions to change their laws, regulatory focus and legal structure to achieve “equivalence” are completely out of line. The impossible restrictions this places on an open and competitive insurance marketplace will not serve IAIS members well. This should be particularly troubling to the IAIS when these equivalence requirements differ from IAIS ICPs. Such jurisdictional equivalence requirements are an affront to the concepts of global cooperation at the IAIS and should be completely prohibited by the ICPs. If all members of the IAIS were to engage in similar behaviour there would be no value to the continued existence of the IAIS and the values of cooperation and communication would never be achieved. This ICP should clearly state that countries using this “equivalence” approach or even applying overly restrictive requirements before “recognizing” the laws of a jurisdiction achieving similar outcomes are unacceptable. Instead of attempting to achieve equivalence it should be very important that most of the IAIS attention be focused on developing the means and communication tools to support more effective supervisory colleges. This ICP should provide strong guidance on how to cooperate and coordinate when establishing a supervisory college. The work in the college should be focused on understanding the differences in regulatory approaches and how the differences are addressed to achieve similar outcomes.	necessary to expand guidance on supervisory recognition in order to achieve the objective of the principle statement of ICP 25.
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123. Institute of International Finance and the Geneva Association	United States/Switzerland	No	Whilst the simplification and shortening of ICP25 is welcomed, there are some instances where the review process appears to have removed points from being explicitly stated which the Geneva Association and Institute of International Finance membership feels are important. In particular, the proposed removal of standard ICP 25.1, which calls for cooperation and coordination with supervisors from other sectors and central banks and government ministries. We would welcome reasons for the proposal removal of this standard, as we have concerns it may affect effective cooperation and coordination between Group supervisors and others such as Central Banks. Current ICP 25.1 states: “The supervisor takes steps to put in place adequate coordination arrangements with involved supervisors on cross-border issues on a legal entity and a group-wide basis in order to facilitate the comprehensive oversight of these legal entities and groups. Insurance supervisors cooperate and coordinate with relevant supervisors from other sectors, as well as with central banks and government ministries.” We would be grateful to know if this requirement can be found elsewhere. If it cannot, we feel it should be considered for reinstatement into the ICP 25 standards. Additionally, we note that the second part of ICP26.2: “[... the supervisor] seeks to remove practical barriers to efficient and internationally coordinated resolutions does not appear to be	See response to comment 119.
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			included in the proposed integration of ICP 26 into ICP 25. Part 1 which relates to plans and tools for dealing with insurers in crisis in effect forms part of ICP10 and 12. The second part of cooperation and coordination among supervisors and other authorities in crisis could fit into ICP10 and 12 too. However, overall we feel that the cooperation and coordination language in those ICPs is rather soft. All ex-ante measures, the best recovery and resolution plans, and all resolvability assessments will be of no or at best limited use if the cooperation and coordination among relevant authorities breaks down in times of crises. In that sense we are concerned about soft language on cooperation and coordination and would strongly recommend that the IAIS continue to drive cooperation and coordination efforts among supervisors and other authorities. It can be argued that cooperation and coordination among supervisors and other relevant authorities, particularly in crises, be elevated into the section addressing “preconditions for effective insurance supervision” if the introduction and assessment methodology of the ICPs. While recognizing the importance of cross-border cooperation and coordination amongst supervisory authorities, it is important to highlight that resolution plans must respect national law, these laws must be taken into consideration. The above mentioned cooperation should be seen in light of how such issues are dealt with in the respective jurisdictions. In other words, the circumstances a host supervisor may unilaterally resolve a	
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			branch of a foreign insurer without consultation with the home supervisor should be avoided. It should also be recognized that in some jurisdictions, the authority under which a home supervisor might take action with respect to foreign subsidiaries does not exist; in this case any such action would only occur under exceptional circumstances, involving special arrangements between the home and host supervisors.	
124. ACLI	US	No	The following sentence should be added at the end of this Standard: “The supervisor obtains information from and shares information with involved supervisors and authorities and with insurers subject to the confidentiality, purpose and use requirements described in ICP 3 and to the legal authority and power of the supervisor under relevant laws relating to confidentiality and professional secrecy, data protection and privacy, and procedural fairness.” As an overarching comment, there should be a recognition in ICP 25 that the management of the insurer is consulted and is involved in the various aspects of supervisory cooperation and coordination. Management of the regulated entity will have essential information relevant to supervisory decisions and supervisory authorities, where appropriate, should seek management’s input.	See responses to comments 115 and 121.
125. Property Casualty Insurers Association of America (PCI)	USA	No	PCI endorses the comments of the Global Federation of Insurance Associations (GFIA). The introductory guidance to ICP 25 should state that information sharing between supervisors must be subject to appropriate confidentiality protections. We strongly support appropriate information sharing between	See response to comment 115.

			supervisors, but it must be a priority to protect confidential information. In a few places throughout the ICP, it includes material that is rather detailed and/or may better serve as a statement of best practices, which should be included (or may already be included) in the Application Paper on Supervisory Colleges rather than in an ICP. 25.2 and 25.3 both contain guidance under subheadings to address information sharing but there is no mention of the important point that information sharing is subject to confidentiality agreements between jurisdictions. Suggest adding this point to these paragraphs of guidance where most relevant or else addressing this issue more generally in ICP 25's introductory guidance.	
32 - Q32 Comment on Introductory Guidance ICP 25.0.1				
130. Insurance Europe	Europe	No	The scope of supervisors entitled to coordinate and cooperate in the supervision of the insurance group as a whole should be limited to the supervisors of the various insurance legal entities part of the group.	It may be necessary to involve also other supervisors and relevant authorities for the purpose of efficient cooperation and coordination.
131. GDV - German Insurance Association	Germany	No	The scope of supervisors entitled to coordinate and cooperate in the supervision of the insurance group as a whole should be limited to the supervisors of the various insurance legal entities part of the group. We do not see a legal basis that supervisors of insurance legal entities which are not part of the group are entitled to cooperate and coordinate.	Please see a response to comment 130.
132. Swiss Re	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "are urged to".	Not agreed. The wording used ("should") is appropriate.

133. Zurich Insurance Company Ltd.	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "are urged to".	See response to comment 133.
33 - Q33 Comment on Introductory Guidance ICP 25.0.2				
33 - Q33 Comment on Introductory Guidance ICP 25.0.2				
33 - Q33 Comment on Introductory Guidance ICP 25.0.2				
34 - Q34 Comment on Introductory Guidance ICP 25.0.3				
134. Swiss Re	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "are urged to".	Not agreed. See response to comment 133.
135. Zurich Insurance Company Ltd.	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "are urged to".	Not agreed. See response to comment 133.
35 - Q35 Comment on Introductory Guidance ICP 25.0.4				
36 - Q36 Comment on Introductory Guidance ICP 25.0.5				
136. ABIR Association of Bermuda Insurers & Reinsurers	BERMUDA	No	'assessment of the acceptability of the counterpart's regime.....' Potential complexities and conflicts between the various jurisdictions regarding "equivalence" to their own regimes, could be triggered by this section and we would be concerned that this would be disruptive to the process of the supervisory colleges.	Noted.
137. Insurance Europe	Europe	No	Insurance Europe notes that reference is made to the IAIS Application Paper on Supervisory Recognition, however the paper is not published on the IAIS website.	Noted. The reference has been removed, as such an application paper has not been developed.
138. Global Federation of Insurance Associations	Global	No	This section should recognize the likely complexities and conflicts associated with undertaking such an assessment. This provision creates a potentially unmanageable	Noted. The guidance on supervisory recognition is aimed at facilitating efficient cooperation and coordination among supervisors. The guidance recognises that supervisors may use different

			situation and could result in greater challenges within the group supervisory process than it merits.	processes to conduct supervisory recognition assessment and that the form of recognition and the criteria used for assessment will vary depending on its purpose. It is aimed at providing flexibility in this process, depending on circumstances.
139. Insurance Ireland	Ireland	No	'assessment of the acceptability of the counterpart's regime...' Potential complexities and conflicts between the EU and the US and other non-EU member states regarding "equivalence", could be triggered by this section and we would be concerned. How is one supervisor expected to effectively opine on the regulation of another supervisor when they so not have experience in the other's respective market.	See response to comment 138.
140. National Association of Mutual Insurance Companies	United States	No	Q36 Comment on Introductory Guidance ICP 25.0.5 In a sense, this section supports those jurisdictions with equivalence requirements. By creating a detailed process for recognizing the laws of other jurisdictions. We disagree with the idea that a global standard-setter would be supportive of such nationalistic approaches to insurance regulation. See response to Question 30 (see below). Q30 General Comment on ICP 25NAMIC feels strongly that the IAIS should enhance and improve supervisory cooperation and coordination. The focus in this ICP on the value of supervisory recognition needs to be expanded upon in significant ways. Jurisdictions that require other jurisdictions to change their laws, regulatory focus and legal	See response to comment 138.

			structure to achieve “equivalence” are completely out of line. The impossible restrictions this places on an open and competitive insurance marketplace will not serve IAIS members well. This should be particularly troubling to the IAIS when these equivalence requirements differ from IAIS ICPs. Such jurisdictional equivalence requirements are an affront to the concepts of global cooperation at the IAIS and should be completely prohibited by the ICPs. If all members of the IAIS were to engage in similar behaviour there would be no value to the continued existence of the IAIS and the values of cooperation and communication would never be achieved. This ICP should clearly state that countries using this “equivalence” approach or even applying overly restrictive requirements before “recognizing” the laws of a jurisdiction achieving similar outcomes are unacceptable. Instead of attempting to achieve equivalence it should be very important that most of the IAIS attention be focused on developing the means and communication tools to support more effective supervisory colleges. This ICP should provide strong guidance on how to cooperate and coordinate when establishing a supervisory college. The work in the college should be focused on understanding the differences in regulatory approaches and how the differences are addressed to achieve similar outcomes.	
141. Institute of International Finance and the Geneva Association	United States/Switzerland	No	This guidance includes the sentence ‘...assessment of the acceptability of the counterpart’s regime.....’ Potential complexities and conflicts between the EU and the US and other non-EU member	See response to comment 138.

			states regarding “equivalence”, could be triggered by this section and we would be concerned. How is one supervisor expected to effectively opine on the regulation of another supervisor when they do not have experience in the other’s respective market?	
142. American Insurance Association	USA	No	This section will likely trigger the complexities and conflicts that have already arisen between the EU and the US, as well as other non-EU member states, regarding the issue of “equivalence”. How is one supervisor expected to effectively opine on the regulatory system of another supervisor when neither has experience in the other’s respective market? This provision creates a potentially unmanageable situation and could result in greater challenges within the group supervisory process than it merits.	See response to comment 138.
37 - Q37 Comment on Introductory Guidance ICP 25.0.6				
38 - Q38 Comment on Introductory Guidance ICP 25.0.7				
39 - Q39 Comment on Introductory Guidance ICP 25.0.8				
40 - Q40 Comment on Standard ICP 25.1				
41 - Q41 Comment on Guidance ICP 25.1.1				
143. GDV - German Insurance Association	Germany	No	We believe that the home supervisor of the head of the insurance group should by default be considered the first to take the role of the group-wide supervisor.	Noted. This is already reflected in ICP 25.1.1.
42 - Q42 Comment on Guidance ICP 25.1.2				

144. General Insurance Association of Japan	Japan	No	The connection between ICP 25.1.1 and this guidance should be clarified. The current ambiguous description ("In case a different or several involved supervisors fulfil the conditions to be considered as a group-wide supervisor") should be revised as follows, for example: "In principle, the home supervisor of the head of the insurance group should be the group-wide supervisor. However, in cases where it is considered appropriate for a supervisor other than the home supervisor to be a group-wide supervisor, factors to consider regarding the identification of a group-wide supervisor should include, but not be limited to:"	Not agreed. The wording is aimed at keeping the guidance flexible enough to capture potential various situations.
145. Liberty Mutual Insurance Group	USA	No	The location of a group's head office is an important factor to consider when determining a group-wide supervisor, if that location is in a jurisdiction where one or more of the group's insurance entities are legally domiciled. The location of a group's head office cannot, however, in any way establish regulatory authority over the group beyond that provided under existing laws.	Noted. Not opposed to current text.
44 - Q44 Comment on Standard ICP 25.2				
45 - Q45 Comment on Guidance ICP 25.2.1				
46 - Q46 Comment on Guidance ICP 25.2.2				
150. Insurance Europe	Europe	No	Insurance Europe is aligned with the responsibilities for the group-wide supervisor regarding the following items: • Chairing of the supervisory college • Determination of the scope of supervision	Not agreed. Identification of potential gaps in supervision is an important element of group-wide supervision, aimed at ensuring its comprehensiveness and efficiency.

			• Planning and coordination of supervisory activities • Aggregation of group-wide information and dissemination of the relevant information to other involved supervisors • Performing a group-wide supervisory assessment, including assessing group capital management, risk and solvency, risk concentration, intragroup transactions and group governance • Decision making on group-wide issues in consultation with other involved supervisors • Implementation and coordination of group-wide supervisory decisions including preventive and corrective measures and sanctions • Preparation and discussion of group-wide supervisory analysis • Coordination of information sharing procedures amongst other involved supervisors Insurance Europe believes the following responsibility should not be mentioned specifically, these could be captured by a more general statement regarding the responsibility of the supervisor: • Identification of gaps in supervision.	
151. Property Casualty Insurers Association of America (PCI)	USA	No	We suggest incorporating the Introductory guidance on application of proportionality principles here and consistent with those principles, suggest revising ICP 25.2.2 such	Proportionality is a concept underlying all ICPs and there is no need to make additional references. ICP 25.2.2 is guidance for standard ICP 25.2.

			that it proposes a range of options as opposed to a minimum that may be gold-plated. For example, 25.2.2 could read instead, "Subject to application of proportionality principles as set out in Paragraph 9, Introduction and Assessment Methodology, responsibilities of the group-wide supervisor may include...."	
47 - Q47 Comment on Guidance ICP 25.2.3				
152. American Insurance Association	USA	No	This paragraph says that the group-wide supervisor should strive to act with the consensus of other involved supervisors. It is not clear whether the other involved supervisors are bound by the decision of the group-wide supervisor if they do not agree.	This issue has been specified in ICP 25.0.4: "Supervisory decisions remain within the responsibility of each of the involved supervisors."
48 - Q48 Comment on Guidance ICP 25.2.4				
49 - Q49 Comment on Guidance ICP 25.2.5				
153. Property Casualty Insurers Association of America (PCI)	USA	No	Suggest adding that that information sharing is subject to confidentiality agreements between jurisdictions.	Information sharing and confidentiality requirements are covered by ICP 3, which addresses the issues mentioned in the comment. ICP 25 refers to ICP 3 in guidance ICP 25.0.3.
50 - Q50 Comment on Guidance ICP 25.2.6				
51 - Q51 Comment on Standard ICP 25.3				
52 - Q52 Comment on Guidance ICP 25.3.1				
53 - Q53 Comment on Guidance ICP 25.3.2				
154. Insurance Europe	Europe	No	Insurance Europe does not agree with the extent of the information sharing set out in this Guidance. The information to be shared should be determined on a case by case basis and	See responses to comments 115 and 153.

			information sharing between involved supervisors should relate to material or significant matters, For example, information sharing on the transfer of risks to and from non-regulated entities (11th bullet point) should take place only where this is a material or significant transfer of risk.	
155. Global Federation of Insurance Associations	Global	No	GFIA does not agree with the extent of the information sharing set out in this guidance. The information to be shared should be determined on a case-by-case basis, and information sharing between involved supervisors should relate to material or significant matters, e.g. the transfer of material or significant risks to and from non-regulated entities (11th bullet point).	See responses to comments 115 and 153.
156. ACLI	US	No	ACLI suggests that sharing among involved supervisors should be confined to material or significant developments and be proffered upon request; this would be a more effective use of supervisory resources.	Noted. Not opposed to current wording.
54 - Q54 Comment on Guidance ICP 25.3.3				
55 - Q55 Comment on Standard ICP 25.4				
56 - Q56 Comment on Guidance ICP 25.4.1				
157. Insurance Europe	Europe	No	Insurance Europe welcomes the reference to ICP3 in this Guidance. ICP 3 and its confidentiality requirements should be given more prominence in ICP 25.	See response to comment 153.
158. Global Federation of Insurance Associations	Global	No	GFIA welcomes the reference to ICP 3 in this Guidance. ICP 3 and its confidentiality requirements should be given more prominence in ICP 25.	See response to comment 153.

159. American Insurance Association	USA	No	ICP 3 and its confidentiality requirements should be given more prominence in ICP 25.	See response to comment 153.
160. Property Casualty Insurers Association of America (PCI)	USA	No	The discussion here and elsewhere about coordination agreements would benefit from clarification about the treatment of confidentiality and information sharing within those agreements or through another agreement. That is, will the IAIS MMoU control for those jurisdictions that are signatory members of that agreement? For jurisdictions that are not signatories to the IAIS MMoU, will confidentiality be addressed in the coordination agreement or through a separate arrangement? While there is a cross reference to ICP 3, some additional explanation here may be helpful.	See response to comment 153. See also the Application Paper on Supervisory Colleges 4.3.6; 4.3.8. Where involved supervisors are not signatories to the IAIS MMoU, their confidentiality regimes may need to be assessed during the process of negotiating the Supervisory College MMoU and the outcome of case-by-case assessment may only be recognized within that college. The group-wide supervisor should implement procedures that will streamline the process for such assessments.
57 - Q57 Comment on Guidance ICP 25.4.2				
161. Insurance Europe	Europe	No	When it comes to establishing suitable coordination arrangements, there should be consensus between involved supervisors as to the most appropriate form of cooperation and coordination arrangements going forward if cooperation and coordination is to be achieved. Insurance Europe suggest removing the requirement to simply seek a consensus. Insurance Europe also suggest clarifying whether the term “consensus” requires complete unanimity.	It is appropriate to expect involved supervisors to seek consensus on this matter, in order to achieve the objective of efficient supervisory cooperation and coordination. Consensus does not imply unanimity, but general agreement on the form on the coordination arrangement.
162. Global Federation of Insurance Associations	Global	No	When it comes to establishing suitable coordination arrangements, there should be consensus between involved supervisors as to the most appropriate form of cooperation and coordination arrangements going forward if cooperation and coordination is to be achieved. We suggest removing the requirement to simply seek a consensus. We also suggest clarifying	See response to comment 161.

			whether the term “consensus” requires complete unanimity.	
163. Institute of International Finance and the Geneva Association	United States/Switzerland	No	This standard reads “all involved supervisors should seek consensus [...]”. The term ‘consensus’ is somewhat vague. Does it imply unanimity or something less? We would suggest using more exact language and to delete “a consensus” and replacing with “agreement” instead.	See response to comment 161.
58 - Q58 Comment on Standard ICP 25.5				
59 - Q59 Comment on Guidance ICP 25.5.1				
60 - Q60 Comment on Guidance ICP 25.5.2				
164. Swiss Re	Switzerland	No	We suggest the IAIS modifies the 4th bullet point to read "objectives and process for group risk assessments". This could also cover the process for reviewing the group-wide ORSA, recovery plans, and for members of CMGs, resolution plans.	Agreed. The 4th bullet modified as follows: “the conduct of a comprehensive assessment of the group, including the objectives and process used for such an assessment” The following bullet added: “supervisory cooperation during a crisis.”
165. Zurich Insurance Company Ltd.	Switzerland	No	We suggest the IAIS modifies the 4th bullet point to read "objectives and process for group risk assessments". This could also cover the process for reviewing the group-wide ORSA, recovery plans, and for members of CMGs, resolution plans.	See response to comment 164.
61 - Q61 Comment on Standard ICP 25.6				
62 - Q62 Comment on Guidance ICP 25.6.1				

166. Canadian Institute of Actuaries	Ontario	No	[ICP 25.6.1] Regarding the last bullet, establishing a supervisory college would seem useful only if an insurance group has significant market share in two or more jurisdictions, or at least has significant market share in one or more jurisdictions other than the home jurisdiction of the head of the insurance group.	The wording changed for: "in more than one jurisdiction".
167. Institute of International Finance and the Geneva Association	United States/Switzerland	No	The IAIS should ensure relevant consistency between the criteria used to determine whether a supervisory college is warranted for a particular IAIG and the criteria used to determine whether an IAIG should be required to develop a resolution plan. The criteria for the latter were as follows: • number of jurisdictions where the IAIG operates; complexity of the IAIG's group structure; and • Possible impact on the financial system and the macro economy in the jurisdictions within which the IAIG operates	The requirement to establish a college for each IAIG is provided for in the ComFrame material integrated with ICP 25.
63 - Q63 Comment on Guidance ICP 25.6.2				
168. Insurance Europe	Europe	No	Insurance Europe believes that the membership of the college of supervisors should include the group supervisor and supervisory authorities of all the jurisdictions in which head offices of subsidiary undertakings are situated. Next to this, supervisory authorities of significant branches and related undertakings should also be allowed to participate in the college of supervisors. However, their participation should be limited to achieving the objective of an efficient exchange of information.	See response to comment 115.

169. GDV - German Insurance Association	Germany	No	We believe that the membership of the college should include the group supervisor and supervisory authorities of all the jurisdictions in which head offices of subsidiary undertakings part of the group are situated. In addition to that, supervisory authorities of related undertakings which are not subsidiary undertakings and significant branches should be allowed to participate in the college of supervisors. However, their participation should be limited to achieving the objective of an efficient exchange of information.	See response to comment 115.
170. Institute of International Finance and the Geneva Association	United States/Switzerland	No	This standard describes that, when the insurance group has significant market share in one or more specific jurisdictions, the group-wide supervisor should consider establishing a supervisory college. However, we think that, when the insurance group has significant market share in one or more jurisdictions other than the jurisdiction where the headquarters of the insurance group is located, the group-wide supervisor should consider establishing a supervisory college. In order to clarify the abovementioned point regarding the third example in this standard, the IAIS should modify the current wording as follows: “the insurance group has significant market share in one or more jurisdictions other than the jurisdiction where the headquarters of the insurance group is located”	The wording has been changed for: “in more than one jurisdiction”.
64 - Q64 Comment on Guidance ICP 25.6.3				

171. Insurance Europe	Europe	No	Membership of the supervisory college should not include supervisors of non-insurance entities, not least because they don't meet the minimum criteria set out in 25.6.4. At most, and only where the non-insurance entity is material, such supervisors should only have a form of associate or participant status.	Not agreed. Involvement of supervisors of non-insurance entities may be necessary to facilitate efficient group-wide supervision.
172. Global Federation of Insurance Associations	Global	No	When deciding the participants of a supervisory college, GFIA believes the group-wide supervisor should have the flexibility to include the supervisor of a non-insurance entity that is part of the group that entity is material to the IAIG.	ICP 25 provides for such a possibility. Please see responses to comments 115 and 119.
65 - Q65 Comment on Guidance ICP 25.6.4				
173. Insurance Europe	Europe	No	Insurance Europe believes that membership/participation to the supervisory college should not be dependent on criteria other than those referred to in the comments to Q63 (ICP 25.6).	Not agreed. It may be relevant to apply also other criteria. ICP 25 ensures necessary flexibility in this regard.
174. GDV - German Insurance Association	Germany	No	Membership and participation within the college should solely be dependent on the criteria as set out in Q63 above. Other criteria, for instance the relative size or importance of the insurance legal entity in its local market, should not play a role.	See response to comment 173.
175. Global Federation of Insurance Associations	Global	No	The 4th bullet point – “the role of the supervisory college and its relevance to the particular insurance legal entity” – should be clarified.	The bullet has been deleted as redundant.
66 - Q66 Comment on Guidance ICP 25.6.5				
67 - Q67 Comment on Guidance ICP 25.6.6				

176. GDV - German Insurance Association	Germany	No	We do not agree. Once the group-wide supervisor and the involved supervisors of the college have agreed upon a coordination agreement, this agreement should be considered legally binding. Only this ensures an efficient functioning of the college.	Not agreed. The IAIS does not establish a standard on this matter, but the wording of the guidance reflects the legal nature of such agreements.
68 - Q68 Comment on Guidance ICP 25.6.7				
69 - Q69 Comment on Guidance ICP 25.6.8				
177. Property Casualty Insurers Association of America (PCI)	USA	No	The guidance would benefit from a statement about how confidentiality will be addressed for jurisdictions that are not signatories to the IAIS MMoU. The reference to “a similar long-term agreement” seems to imply another agreement in addition to the coordination agreement. Should this be a “bilateral” agreement? Suggest clarifying who the parties to this long-term agreement would be.	See response to comment 160.
86 - Q86 Comment on Guidance ICP 25.6.9				
87 - Q87 Comment on Guidance ICP 25.6.10				
198. General Insurance Association of Japan	Japan	No	It is preferable that supervisors cooperate through supervisory colleges to smoothly conduct group supervision, while each of them, according to its own authorities, conducts supervision at the jurisdictional level. However, "coordinating supervisory activities such as joint off-site monitoring or on-site inspections" is out of the scope of such cooperation, and means that supervisors, beyond their authorities, can be engaged in supervisory review in other jurisdictions, which is not desirable. Therefore, the reference to joint off-site monitoring and on-site inspections should be deleted.	Not agreed, it is considered as good practice.

199. ACLI	US	No	There should be an express acknowledgement that not all the enumerated activities will be necessary or appropriate for each supervisory college. Supervisors should consider proportionality, and should seek to maximize the use of existing tools. Thoughtful cost-benefit analysis should be applied to the consideration of any new requirements placed on insurer.	Proportionality underlies all the ICPs. It is not necessary to refer to proportionality in particular ICPs. Supervisors have flexibility to tailor supervisory requirements and application of insurance supervision to achieve the outcomes stipulated in the Principle Statements and Standards.
88 - Q88 Comment on Guidance ICP 25.6.11				
89 - Q89 Comment on Standard ICP 25.7				
200. Allianz	Germany	No	In order to facilitate the effective work of the crisis management group, the composition of involved supervisors must be different than the regular supervisory college. Only a few materially affected supervisors should be members of the crisis management group. These are those supervising the largest insurers of the group. The IAIS seems to agree with this in 25.7a. However, then consequently 25.7 must be rephrased: there is no need for the group supervisor to “coordinate crisis management preparations with all other involved supervisors and relevant authorities”.	The word “all” deleted.
201. Global Federation of Insurance Associations	Global	No	The reference to coordination of crisis management preparations is more relevant to IAIGs than to non-IAIGs, and would be more appropriate as a ComFrame requirement, not an ICP.	Not agreed. Crisis management preparation is relevant for all groups. ComFrame provides additional requirements applicable only to supervision of IAIGs.
202. Canadian Institute of Actuaries	Ontario	No	Standard 25.7 doesn't seem to address the timing of crisis management preparations. When are crisis management preparations to be initiated? Always at the ready? Only begin preparations when a given crisis emerges? If	Crisis management preparations should take place before the crisis starts, so supervisors are ready to address the crisis situation when it occurs. This is implicit in the wording of ICP 25.7 and supporting guidance.

			addressed elsewhere in the ICPs, a cross reference could be helpful.	
203. Institute of International Finance and the Geneva Association	United States/Switzerland	No	We think that the reference to coordination of crisis management preparations should not be included as an ICP standard and is only appropriate as a ComFrame requirement.	See response to comment 202.
204. ACLI	US	No	This is an area where it is imperative that regulatory supervisors consult with the management of the regulated entity/IAIG. Experience has clearly demonstrated the value to supervisory regulators of the information, insights and understanding of the businesses and risks that can only come from meaningful interaction with management. Any crisis management planning should take into account the scope, size, and complexity of the regulated entity and/or insurance group.	Noted. The issues to be considered in crisis management planning are covered by guidance to this standard.
205. Property Casualty Insurers Association of America (PCI)	USA	No	ICP 25.7 references the group-wide supervisor's role in coordinating crisis management preparations. However, no guidance is provided on the selection of members or establishment of the Crisis Management Group who would presumably engage in the crisis management planning set out in ICP 25.7. In this respect, related ComFrame Guidance CF 25.7a DOES provide guidance on the establishment of a Crisis Management Group, refers to its primary role of recovery and resolution planning oversight and guidance on information sharing. In light of the above, and the fact that crisis management is more appropriate to IAIGs, we would suggest deleting ICP 25.7 and incorporating any elements of ICP25.7 NOT covered by CF 25.7a in CF 25.7a.	Not agreed. Crisis management preparation is relevant for all groups. ComFrame provides additional requirements applicable only to supervision of IAIGs, such as establishment of the Crisis Management Group.

90 - Q90 Comment on Guidance ICP 25.7.1				
91 - Q91 Comment on Guidance ICP 25.7.2				
206. Swiss Re	Switzerland	No	While we agree that supervisors should play a role in crisis management preparation, we consider the first bullet point "ensure, as far as possible, that insurers behave prudently" to be out of place here. This statement is too broad and vague to provide significant meaning and substance to ICP 25. Also, regarding the final bullet point "minimize distortions...", it is not clear to us what IAIS means exactly. Is this referring to negative externalities? If so, this point would best be integrated into ICP 12. Finally, to emphasize the need for cooperation and coordination, we propose to add the following bullet point: "ensure an orderly supervisory response".	The bullet point has been deleted. Agreed, a new bullet point added: "achieve an orderly supervisory response".
207. Zurich Insurance Company Ltd.	Switzerland	No	While we agree that supervisors should play a role in crisis management preparation, we consider the first bullet point "ensure, as far as possible, that insurers behave prudently" to be out of place here. This statement is too broad and vague to provide significant meaning and substance to ICP 25. Also, regarding the final bullet point "minimize distortions...", it is not clear to us what IAIS means exactly. Is this referring to negative externalities? If so, this point would best be integrated into ICP 12. Finally, to emphasize the need for cooperation and coordination, we propose to add the following bullet point: "ensure an orderly supervisory response".	See response to comment 206.
92 - Q92 Comment on Guidance ICP 25.7.3				

93 - Q93 Comment on Guidance ICP 25.7.4				
94 - Q94 Comment on Guidance ICP 25.7.5				
95 - Q95 Comment on Guidance ICP 25.7.6				
208. Global Federation of Insurance Associations	Global	No	Any information exchange should occur on a confidential basis.	See response to comment 153.
209. American Insurance Association	USA	No	Any information exchange should occur on a confidential basis.	See response to comment 153.
96 - Q96 Comment on Guidance ICP 25.7.7				
210. Global Federation of Insurance Associations	Global	No	Information exchange should occur subject to confidentiality requirements and according to regulatory requirements. Under the current ICP 26.4, information sharing can take place "as far as legal frameworks and confidentiality regimes allow", and this fact should be reflected here.	See response to comment 153.
211. American Insurance Association	USA	No	Any information exchange should occur on a confidential basis.	See response to comment 153.
97 - Q97 Comment on Guidance ICP 25.7.8				
212. Swiss Re	Switzerland	No	This formulation is too soft in our view. The IAIS ought to replace the first occurrence of "should" with "needs to" and the second with "are urged to".	Not agreed.
213. Zurich Insurance Company Ltd.	Switzerland	No	This formulation is too soft in our view. The IAIS ought to replace the first occurrence of "should" with "needs to" and the second with "are urged to".	Not agreed.
117 - Q117 Comment on Standard ICP 25.8				
118 - Q118 Comment on Guidance ICP 25.8.1				

236. Swiss Re	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "are urged to".	Not agreed.
237. Zurich Insurance Company Ltd.	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "are urged to".	Not agreed.
119 - Q119 Comment on Guidance ICP 25.8.2				
238. Swiss Re	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "is urged to".	Not agreed.
239. Zurich Insurance Company Ltd.	Switzerland	No	Formulation is too soft in our view. The IAIS ought to replace "should" with "are urged to".	Not agreed.
120 - Q120 Comment on Guidance ICP 25.8.3				
121 - Q121 Comment on Standard ICP 25.9				
122 - Q122 Comment on Guidance ICP 25.9.1				
240. General Insurance Association of Japan	Japan	No	The meaning of "plan for public communication" should be clarified (i.e. whether it intends to control information in times of crisis). If it intends to control information on insurers, their policyholders, investors and other stakeholders might face undesirable consequences.	The guidance refers to the standard ICP 25.9, which covers public communication and communication with the insurance group during the crisis.
123 - Q123 Comment on Guidance ICP 25.9.2				
241. Insurance Europe	Europe	No	To achieve coordinated communication, Insurance Europe suggests that this Guidance should be worded more strongly, for example, "The group-wide supervisor leads the communication with the insurance group, and directs when, and to what extent, insurance legal entity supervisors communicate with the insurance legal entities that are part of the group." However, Insurance Europe notes that this will always be subject to the legal entity supervisor's need to communicate with the legal	Not agreed. The guidance refers to the communication of the group-wide supervisor. In case the group-wide supervisor wants to communicate with the insurance legal entities, this should be done through their respective supervisors. The guidance does not address the situation when the supervisor communicates with the insurance legal entity supervised by this supervisor.

			entity in accordance with the legal requirements of its own jurisdiction.	
242. Global Federation of Insurance Associations	Global	No	To achieve coordinated communication, GFIA suggests that this Guidance should be worded more strongly, for example, “The group-wide supervisor leads the communication with the insurance group, and directs when, and to what extent, insurance legal entity supervisors communicate with the insurance legal entities that are part of the group.” However, we note that this guidance will always be subject to the legal entity supervisor’s need to communicate with the legal entity in accordance with the legal requirements of its own jurisdiction.	See response to comment 241.