



IAIS

INTERNATIONAL ASSOCIATION OF
INSURANCE SUPERVISORS

Strategic Plan and Financial Outlook 2020-2024 Progress Update

26 July 2018



Overview

1. Milestones to date
2. Themes emerging from input stage
3. Key messages
4. Direction of travel on next SPFO
5. High-level next steps

1. Milestones to date

- Kuala Lumpur (Nov 2017): Timelines and sequencing of work agreed
- December 2017 to February 2018: Stakeholder input sought
- Nashville (Jan 2018): ExCo STEEP and “Blue Sky” exercises
- Secretariat STEEP and “Blue Sky” exercises and desktop review of Member and SSB developments
- Frankfurt (May 2018): first meeting of SPFOTF
- Conference call (June 2018): second TF meeting – on draft HLGs and Strategies
- London (July 2018): third TF meeting – refine draft HLGs and Strategies for ExCo review and provide steers to inform development of Financial Outlook

2. Themes Emerging from Input Stage

- Insurance markets are evolving quickly
- A number of emerging(ed) policy issues are impacting insurance and insurance supervision in a substantive way
- Finalisation of agreed reforms is critically important
- Supporting good supervisory practices
- Engaging with emerging markets and developing economies (EMDEs)
- Focusing on conduct and culture

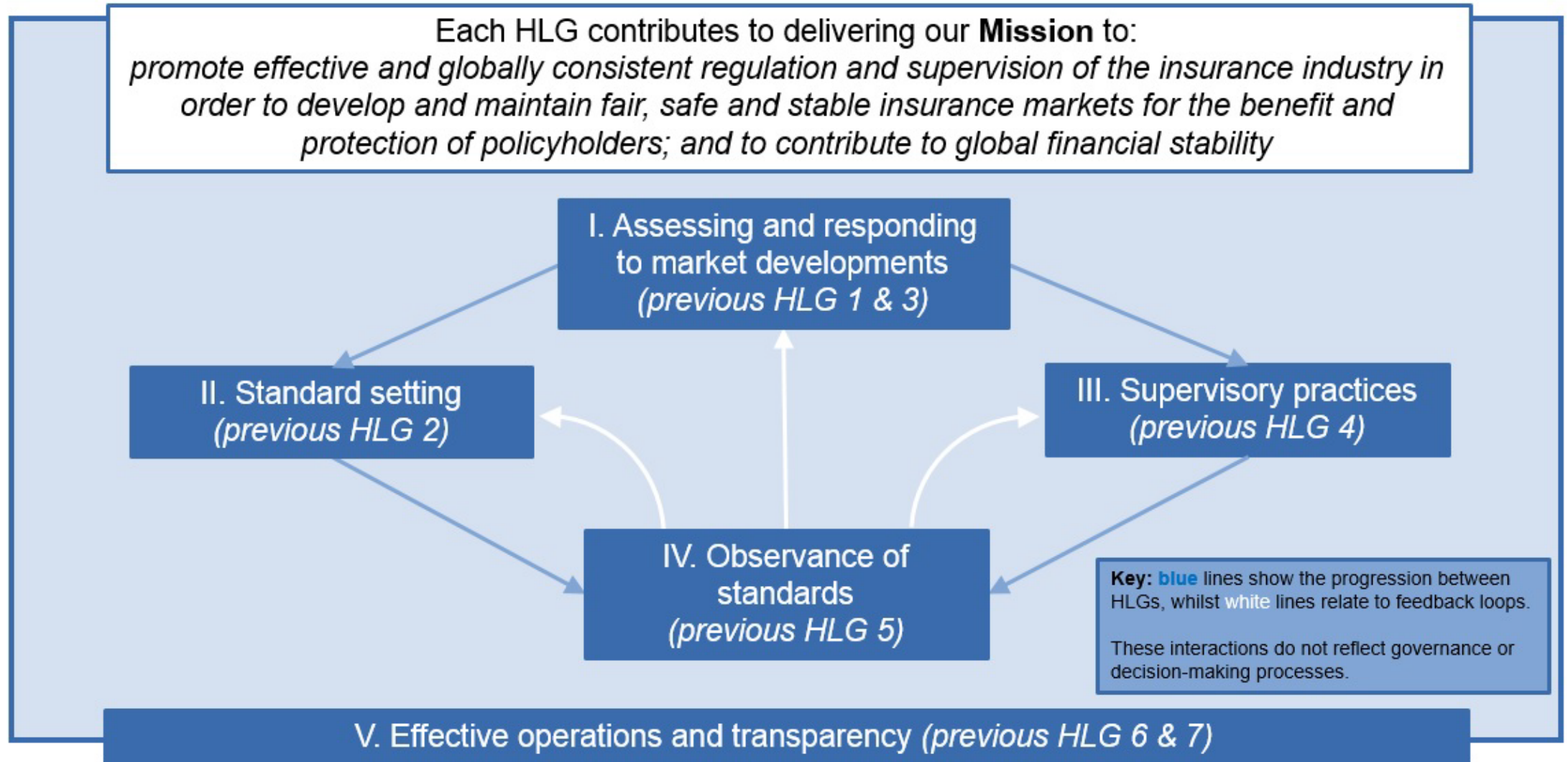
3. Key Messages

- More stability in the IAIS standards and a pivot to an increased focus on support for good supervisory practices and the implementation of agreed standards
- The finalisation of the IAIS' current commitments to the post-crisis reform agenda remains the priority, but increasingly also a focus on a range of emerging(ed) issues (eg FinTech, cyber, climate risk) that present opportunities, challenges and risks relevant to our Mission
- Capacity building is key to helping ensure supervisory systems keep pace with rapid market growth in EMDEs
- A holistic approach to prudential and market conduct supervision is called for – many risks to policyholder protection from the key trends and developments relate to the fair treatment of customers, but this in turn has financial soundness and stability implication
- Proportionate supervision can help support insurance market development and the role of insurance in resilience and sustainable economic development
- Delivery will require a change in how we work and communicate to be more agile and responsive

4. Direction of travel on next SPFO

- I. Assess global market trends and developments in, or relevant to, the insurance sector and responds to issues that present opportunities, challenges and risks relevant to our mission
- II. Set and maintain globally recognised standards for insurance supervision that are effective and proportionate
- III. Support Members by sharing good supervisory practices and facilitating understanding of supervisory issues
- IV. Assess and promote observance of IAIS supervisory material
- V. Operate effectively, efficiently and transparently in delivering our mission and in communicating with stakeholders

5. Direction of travel: strategy on a page



6. High-level next steps

- Strategic Plan:
 - Member feedback by written procedure during August
 - Following comments, further development with the aim to present draft to November AGM
- Financial Outlook:
 - Following consideration of draft Strategic Plan, Financial Outlook will be prepared for consultation with Members in Q1 2019