

International Insurance Update

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“Globalization” of Financial Markets



“Globalization” of Financial Markets

- Securities Markets – *DONE*
- Banking Markets – *WELL UNDERWAY*
- Insurance Markets – *DEVELOPING*
 - *Emerging Market Opportunities*
 - *Portfolio Growth*
 - *Portfolio Diversification*

“Globalization” of Financial Markets

- Financial Regulatory System –Keeping Up, Getting Ahead!!



“Globalization” of Financial Markets

- *Securities Markets* – IOSCO (International Organization of Securities Commissions)
 - US – Securities and Exchange Commission
- *Banking Markets* – BCBS (Basel Committee for Bank Supervision)
 - Federal Reserve, FDIC, OCC,
- *Insurance Markets* – IAIS (International Association of Insurance Supervisors)
 - Drawn from NAIC membership

“Globalization” of Financial Markets

- Common Areas and Working Together – *The Joint Forum*
 - *Group of regulators/supervisors dedicated to research into areas of cross-sectoral issues*
 - *Work products are issues papers devoted primarily to “stock taking”*
 - *Parent Committees: BCBS, IOSCO, IAIS*
 - *IAIS rep from the US – Commissioner McCarty*

The Insurance Sector



- Focus of Activity occurs within the International Association of Insurance Supervisors (IAIS) – www.iaisweb.org
- Coordinated Regulatory Dialog for:
 - Benchmark Best Regulatory Practices
 - Research Developing Issues
 - Provide Educational Development

IAIS Membership



- **142 member countries** and organizations, ranging from the US to Papua New Guinea



- **Industry Observers** – Industry, Trades, from member country markets

IAIS Activities

- **Insurance Core Principles (ICPs)**
 - principles for effective supervision; 28 ICPs to date
 - Cover many areas, solvency, licensing, governance, etc.
 - Most visible product, used in IMF FSAP reviews
- **Standards**
 - Best Practices on specific Issues
 - 13 published to date, more in process
- **Guidance Papers**
 - Aides to supervisors on specific issues
 - 15 published to date, more in process

IAIS Current Issues



- Process Transparency
- Group Supervision (ICP 17)
- Solvency Modeling
- Accounting: US GAAP vs IFRS vs SSAP
- Reinsurance Regulation and Mutual Recognition



Florida



FAIR. FAST.
PROFESSIONAL.

Thank You!!

תודה

धन्यवाद

Grazie

Merci

Obrigado!

Ευχαριστώ

Vielen Dank

Дiкy

Teşekkürler

Bedankt

شكراً