

GFIA response to IAIS Strategic Plan 2025-2029 Stakeholder Survey

Strategic themes and overarching objectives

There are currently a number of strategic themes which shape the focus of the IAIS' work programme. These are both global and cross-sectoral in nature, therefore benefitting from international coordination and collaboration.

1. Of the below existing priorities of the IAIS, what degree of priority do you consider they warrant in the period 2025-2029?

Topic	Low priority	Low to Moderate priority	Moderate priority	Moderate to High priority	High priority
Climate-related risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Conduct and culture	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Digital innovation	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Diversity, equity and inclusion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Financial inclusion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Operational resilience and cyber risk	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

2. For the topics that you rated as a "high priority", what are the specific aspects that you believe the IAIS' work should focus on?

- GFIA has identified climate risks, financial inclusion and operational resilience risks as high priority because these are both global in nature and/or relevance. However, given the very significant extent and burden of existing regulation across the world, the IAIS should avoid developing new standards. In relation to these priority risks, the focus should be on good practice sharing, implementation of existing standards, developing a global understanding of the risks and how they can be supervised efficiently.
- Although climate-related risks do not generally constitute solvency concerns for insurers, they relate to one of the most significant challenges facing the insurance sector and society in general.
- The role supervisors can play to help close protection gaps and to keep risks insurable and affordable for insurers to cover, notably making sure that insurers can follow an approach based on risk-based underwriting, should be a key priority as part of the IAIS's ongoing work on financial inclusion.
- For operational resilience the risks posed by reliance on a small number of critical third parties such as cloud-based data and service providers and those posed by cyber-attacks are often global. The IAIS can work with national supervisors and related organisations to

ensure that the third parties appropriately manage their own vulnerabilities and to support insurers in their management of cyber risks.

- DEI is a societal issue that is also key for insurers. It is a complex issue and while IAIS can play an important role, its work must take into account differences across the world in areas such as culture, demographics, labour or history.

3. What other key risks and trends affecting insurance markets should the IAIS consider as a priority as part of the next Strategic Plan, with what particular areas of focus?

- GFIA believes that it is important that the IAIS holds strategic discussions between regulators, other policymakers and insurers to consider principles for how insurance businesses around the world can best be empowered to close protection gaps.
- The IAIS should continue to monitor macro-economic and geo-political risks, and also monitor developments (such as restrictive national policies) which reduce access to insurance or reinsurance.

Currently the IAIS' work is directed at achieving five High-Level Goals (HLGs) which outline the core functions of the IAIS, and strategies to achieve the IAIS' objectives. These are outlined below.

High-level goals from the IAIS Strategic Plan 2020-2024



4. Which of these HLGs do you think should be the focus of the IAIS' work for the period 2025-2029? [Please rank in order]

- (Rank 1)** Assessing and responding to key risk and trends in the global insurance sector (HLG 1)
- (Rank 5)** Setting and maintaining globally recognised standards for insurance supervision (HLG 2)
- (Rank 3)** Sharing good supervisory practices (HLG 3)
- (Rank 4)** Observance of standards through implementation assessment and support (HLG 4)
- (Rank 2)** Effective, efficient and transparent operations (HLG 5)
- Other

5. Regarding HLG 1 (work to assess and respond to key risk and trends in the global insurance sector), what do you consider most important for the IAIS to prioritise for the 2025-2029 period? [ranking, at least one option]

- a. Enhancing and enriching data collection to support IAIS assessment
- b. **(Rank 1)** Developing opportunities for dialogue with stakeholders on risk and trend assessment
- c. Increasing the frequency of IAIS assessment and reporting
- d. **(Rank 2)** Developing more regional approaches to risk assessment and responses
- e. Other

6. What standard setting and work on supervisory practises should the IAIS be focused on delivering towards the end of the decade? [ranking, at least one option]

- a. **(Rank 1)** Review and update IAIS standards (Insurance Core Principles (ICPs) and/or ComFrame) either on a regular schedule or in a more targeted way to reflect emerging trends and risks, or outcomes of implementation assessment
- b. Further enhancements to the ICS following an initial implementation period
- c. Developing a global capital standard for insurers that are not internationally active insurance groups (IAIGs)
- d. **(Rank 2)** Developing supporting material in relation to the existing standards (i.e. Issues Papers / Application Papers) to enable effective supervision of new/emerging risks and trends
- e. Other

7. What implementation assessment issues should the IAIS focus on for the 2025-2029 period? [ranking, at least one option]

- a. **(Rank 1)** Expanded implementation assessment activities for members with the objective of allowing a broad range of jurisdictions to benchmark their observance of IAIS standards
- b. Targeted implementation assessment activities for members with the objective of furthering the consistent and comprehensive implementation of recently agreed key reforms in major insurance markets (e.g. Holistic Framework supervisory measures, ComFrame, ICS)
- c. Progress monitoring work, focusing on self-reporting of jurisdictions' progress in implementing IAIS standards

8. What capacity building issues should the IAIS focus on in the 2025-2029 period? [ranking, at least one option]

- a. **(Rank 1)** Enhanced supervisory capacity building initiatives to address gaps and challenges in the implementation of IAIS standards and good supervisory practices
- b. Enhanced supervisory capacity building activities to support the transition to risk-based solvency regimes and risk-based supervision
- c. Enhanced supervisory capacity building activities to support jurisdictions' implementation on macroprudential supervisory measures
- d. Other

IAIS Activities

9. What type of outputs and/or activities from the IAIS are most beneficial ? [ranking, at least one option]

- a. **(Rank 1)** Annual publications (GIMAR, Year in Review)
- b. **(Rank 2)** Global events (Global Seminar, Annual Conference, webinars)
- c. **(Rank 3)** Supporting materials (written public materials on supervisory practices and key trends, incl. Issues and Application Papers and other Reports)
- d. **(Rank 4)** Implementation assessment reports
- e. **(Rank 5)** IAIS website

10. Can you briefly explain how you currently use IAIS work in your organisation?

For GFIA, the IAIS provides a forum for:

- International exchange via webinars and events
- Helping the supervisory community to understand the specificities relating to the insurance business model, practical issues around regulation and supervision and the differences between markets across jurisdictions
- Understanding IAIS priorities and concerns to provide contextual input around the operation of insurance markets, and so to better inform IAIS' understanding of supervisory responses to those concerns
- Providing stakeholder input to the development of international standards and best practice work
- Understanding supervisory concerns, trends and priorities

11. Are there IAIS activities where you think change, or improvement, is needed?

The IAIS should have a greater recognition of the significant costs involved in new initiatives, new regulation and new reporting. These costs are financial but also relate to use of scarce expert resources that are needed to manage risks and to innovate. The service and costs for customers are therefore also impacted. There is a huge amount of regulation and reporting in place at national/regional levels and existing IAIS related reporting. Therefore, the first reaction for the IAIS should not be "What do we need to add?" but, "Are new requirements or data really needed?" and "How can we better use existing tools and information".

Therefore, there should be a high benefit/cost ratio to justify new initiatives.

There should also be ongoing projects considering how national supervisors can simplify and reduce existing requirements including reducing the costs of their implementation.

12. Do you have any other comments or suggestions with respect to the IAIS' Strategic Plan 2025-2029?

GFIA members in multiple regions and jurisdictions have raised concerns about the burdens involved in addressing the growth in supervisory obligations in recent years. Members have pointed out that the quantity of new supervisory regulation and reporting that they need to comply with is putting pressure on their operations and potentially creating new risks as firms need to focus on so many different issues at once in their reporting work. This is also having a detrimental impact on the time and resources that are available devoted to innovation and enhancing products and services for policyholders.

GFIA welcomes that the IAIS recognises in its Insurance Core Principles (ICPs) that the ICPs should be implemented and applied in a proportionate and effective manner. We would encourage the IAIS to have strong regard to this principle whenever contemplating developing new principles or guidelines, especially when the measures are considered alongside the total sum of other existing and new measures that regulated firms will need to comply with.

In addition, public and private cooperation to close the protection gap is becoming increasingly more important as ongoing geopolitical and climate risks, as well as economic slowdown may precipitate further widening of the gap. GFIA hopes the IAIS will consider the enhancement of the public and private cooperation, as well as the specific roles for each party to help close the protection gap in the next five years.

Contacts

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About GFIA

The Global Federation of Insurance Associations (GFIA), established in October 2012, represents through its 40 member associations and 1 observer association the interests of insurers and reinsurers in 68 countries. These companies account for 89% of total insurance premiums worldwide, amounting to more than US\$4 trillion. GFIA is incorporated in Switzerland and its secretariat is based in Brussels.