



International Association of Insurance Supervisors

Press release

Press enquiries: Yoshihiro Kawai
Secretary General
Tel: +41 61 280 9135
Mobile: +41 76 350 9135
E-mail: yoshihiro.kawai@bis.org

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IAIS takes action on G20 and FSF recommendations

The International Association of Insurance Supervisors (IAIS) has today issued two progress reports to the Group of Twenty (G20) and Financial Stability Forum (FSF). These reports respond to G20 and FSF recommendations in 2008 to enhance sound regulation, strengthen transparency and reinforce international cooperation. They address specific actions the IAIS has recently taken, including:

- charting a new focus for the IAIS on the supervision of internationally active insurance groups;
- working with the International Organization of Securities Commissions and the Basel Committee on Banking Supervision to identify important regulatory gaps and areas for enhanced supervision;
- providing guidance on the use of supervisory colleges in group-wide supervision.

The IAIS has identified several issues facing insurers and insurance supervisors, such as:

- unregulated entities within a group, posing risks and liquidity demands for the overall group;
- the complexities of supervising cross-border groups due to varying legal environments and coordination challenges among supervisors; and
- regulatory arbitrage by taking advantage of differences in regulatory requirements.

Peter Braumüller, Chair of the IAIS Executive Committee, noted that “the IAIS is taking an active role to closely monitor financial crisis developments and its particular impact on the global insurance sector.”

The IAIS will continue to remain vigilant and respond as issues emerge from the financial crisis. Further details on the actions taken can be found in the progress reports to the G20 and the FSF, available on the IAIS website at www.iaisweb.org.

About the IAIS

Established in 1994, the IAIS represents insurance regulators and supervisors of some 190 jurisdictions in nearly 140 countries and has also more than 120 insurance professionals, insurers, reinsurers and trade associations as observers. The IAIS issues global insurance principles, standards and guidance papers, provides training and support on issues related to insurance supervision and works closely with other international institutions to promote financial stability.