



## Press release

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### **IAIS issues key guidance papers on insurance solvency assessment**

The International Association of Insurance Supervisors (IAIS) has issued three guidance papers on solvency assessment. The papers identify key features which the IAIS encourages supervisors to consider in their particular solvency regimes to assist them in establishing and maintaining well-regulated insurance industries. They encompass quantitative and qualitative aspects of solvency assessment and provide guidance to supervisors in the following areas:

- the structure of regulatory capital requirements;
- enterprise risk management for capital adequacy and solvency purposes; and
- the use of internal models for risk and capital management by insurers.

These papers pave the way towards enhanced transparency and comparability of supervisory practice in support of the IAIS's longer term objective to facilitate improved convergence towards a globally accepted risk-based solvency assessment regime for insurers. They will form the foundation on which high-level principles-based solvency assessment standards will be developed.

Alfred Gross, Chair of the IAIS Technical Committee, stated that "a sound solvency regime is essential to the supervision of insurance companies. The release of these solvency guidance papers represents a significant commitment by the IAIS to developing a comprehensive and cohesive set of standards and guidance on solvency assessment."

The IAIS is also planning further work in the specific areas of valuation of assets and liabilities and determination of capital resources for solvency purposes as it continues its efforts to expand the suite of documentation on solvency assessment. These initiatives will contribute towards promoting efficient and well-regulated insurance markets worldwide and ultimately, supports the preservation of global financial stability.

The IAIS solvency guidance papers are now available at [www.iaisweb.org](http://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 organises meetings and seminars for insurance supervisors. The IAIS works closely with other international institutions to promote financial stability.