



Press Release

International Association of Insurance Supervisors

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CONTACT: Andrew R. Stolfi
+41 76 350 8139
andrew.stolfi@bis.org

IAIS Releases 2012 Draft of Common Framework for Supervision of Internationally Active Insurance Groups (ComFrame)

Public consultation to continue through 31 August 2012

Basel – The International Association of Insurance Supervisors (IAIS) today released its 2012 draft of the Common Framework for the Supervision of Internationally Active Insurance Groups, or ComFrame, marking the completion of the second step in its three-year Development Phase. Supervisors, insurers and other interested parties are encouraged to submit comments through 31 August.

ComFrame is an integrated, multilateral and multidisciplinary framework for the group-wide supervision of internationally active insurance groups, or IAIGs. It builds on, and complements, the IAIS' Insurance Core Principles, standards and guidance, which were updated in October 2011 and are applicable to all insurers and insurance groups, unless otherwise specified.

"In our increasingly globally interconnected financial marketplace, supervisors need the ability to efficiently coordinate and cooperate across multiple borders," said Peter Braumüller, Chair of the IAIS Executive Committee. "ComFrame will provide the foundation needed to effectively work together in supervising complex cross-border insurance groups and, in addition to contributing to global financial stability, will help protect the individual policyholder."

ComFrame was initiated in response to the recognition that, despite the growing relevance of IAIGs in the global insurance marketplace, no internationally coherent framework exists for the supervision of such large, global groups beyond the Insurance Core Principles, standards and guidance. It contains qualitative and quantitative requirements for IAIGs, as well as requirements for supervisors intended to foster greater cooperation and coordination among supervisors.

The four main benefits of ComFrame – the "four Cs" – are:

1. **Customisation of supervisory requirements and processes.** IAIGs are the largest, most complex insurance entities and, as such, require customised supervisory requirements and supervisory processes.
2. **Convergence fostering.** ComFrame is designed to create more commonality and comparability among supervisory approaches without being rules-based, with the aim of achieving as much consistency as possible.
3. **Complexity reduction.** ComFrame will coordinate supervisory activities and information about IAIGs at the group-wide level and between group-wide and host supervisors, thereby reducing duplication of supervisory efforts and consequently reducing demands on IAIGs.
4. **Coordination and cooperation enhancements.** Supervision is more effective when supervisors work together to understand how IAIGs operate and how they can most efficiently be supervised. ComFrame will result in streamlining of supervisory processes and reduce multiple uncoordinated regulatory processes for IAIGs.

More information, including a list of frequently asked questions, is available at www.iaisweb.org.

About the IAIS: The IAIS is a global standard setting body whose objectives are to promote effective and globally consistent regulation and supervision of the insurance industry in order to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders; and to contribute to global financial stability. Its membership includes insurance regulators and supervisors from over 190 jurisdictions in some 140 countries. More than 120 organisations and individuals representing professional associations, insurance and reinsurance companies, international financial institutions, consultants and other professionals are Observers. For more information, please visit www.iaisweb.org.
