

# INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS



## **Thematic Self Assessment and Peer Review *Supervisory Cooperation and Information Exchange***

**January 2012**

This document was prepared by the IAIS *Ad Hoc Group-Standards Observance Subcommittee* in consultation with its Members.

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## **International Association of Insurance Supervisors**

### **Thematic Self Assessment and Peer Review** ***Supervisory Cooperation and Information Exchange***

#### **1 Introduction**

The IAIS has developed a program of thematic self-assessment and peer review as a means of assisting members to strengthen observance of the Insurance Core Principles (ICPs), standards and guidance. Such a program is also aimed at supporting the refocus of the IAIS efforts to assist improved implementation where there are shortcomings identified by Members.

The objectives for the thematic self assessment and peer review on the topic of supervisory cooperation and information exchange are to:

- evaluate observance of implementation of the essential criteria relating to the topic;
- assess the effectiveness of implementation of the relevant ICPs in a consistent and coherent manner by independent peers (i.e. IAIS Members);
- identify practices in crisis management, crisis preparedness, cooperation and information exchange, and provide feedback to the relevant standard setting subcommittees;
- promote supervisory cooperation and information exchange;
- identify target areas for technical assistance;
- complement the FSAP/ROSC process of the IMF and the World Bank and FSB peer reviews to promote global observance with international cooperation and information sharing standards; and
- identify the resource implications of the most effective approach to a thematic self-assessment and peer review for both Members and the IAIS Secretariat.

This report summarises the results of the review. Detailed tables for observance by region are also included as an aid to prioritising regional level support initiatives.

The full assessment on a 'criterion by criterion' basis is provided in annex A. Annex B summarises the results of the additional review questions on the subject of crisis management. A more detailed breakdown of the observance of the ICPs and responses to the crisis management questions by regional group, for G-20, FSB and OECD jurisdictions, and for country income categories is provided in annex C. Annex D contains a list of all jurisdictions and authorities that responded. An overview of the process followed and the key observations regarding how it might continue to be enhanced is included in annex E. Annex F contains the text of the questionnaire.

## 2 High Level Recommendations

### Responses received

The thematic review on cooperation and information exchange generated an excellent level of response from the membership of the IAIS and demonstrates the importance the membership attaches to this area of supervisory activity. One consequence of the review was increased awareness of how to implement the international standards. It is clear that self-assessment and peer reviews are an effective tool for promoting and contributing to observance of the ICPs. The large majority of respondents had both home and host supervisory responsibilities. These responsibilities were most common in relation to other insurance supervisory authorities, confirming that the most important priority of the IAIS is to focus on cooperation and information exchange efforts between insurance supervisors. Observance of the essential criteria of the ICPs is healthy, although there are areas for improvement.

The Thematic Expert Group makes the following recommendations in order to improve the effectiveness of cooperation and information exchange:

- while the confidentiality of information disclosed to another supervisory authority is a natural concern, that concern also acts as an impediment to cooperation and information exchange. In light of this:
  - (a) guidance should be issued by the IAIS on how to accommodate confidentiality with effective information exchange;
  - (b) Members should address the confidentiality concerns of their counterparts by actively seeking to become a signatory to the IAIS Multilateral Memorandum of Understanding (MMoU) and/or signing supervisory college agreements, other MMoUs and, until the IAIS MMoU is in widespread use, bilateral Memoranda of Understanding. In some cases legislation will need amendment to permit the more effective exchange of information;
- home supervisors should be more active and timely in providing information to supervisors of other entities in the group; information exchanged should be comprehensive;
- group-wide supervisors should undertake periodic reviews of the effectiveness of cooperation and information exchange between supervisors within the group; they should also liaise with their counterparts on good practice and the lessons to be learned based on their experience. In light of the conclusions, group-wide supervisors should take the necessary actions to improve effectiveness;
- host supervisors should be more active and timely in cooperating and exchanging information with other supervisors; information exchanged should be comprehensive;
- in light of the effectiveness observed of cooperation and information exchange within subgroups of supervisory authorities such as those within the EU and the USA, authorities in the subgroups should make efforts to foster cooperation and information exchange with their counterparts outside the groups. In addition, supervisory authorities outside the subgroups should make greater efforts to foster cooperation and information exchange with their counterparts in the subgroups;
- supervisory authorities should strive to remove any requirement, whether by law or policy, for agreements to be in place as a prerequisite for information exchange;
- host supervisors should more actively liaise with other supervisors before cross-border establishments are created;
- supervisory authorities should ensure they have the legal authority to exchange information with other

authorities to check the suitability of significant owners, board members, senior management, auditors and actuaries, and use these powers actively in practice;

- supervisory authorities should ensure they have the legal authority to exchange information in relation to countering fraud and that they have adequate resources to exchange such information;
- supervisory authorities should systematize the maintenance of information (for example, statistics) on how they cooperate and exchange information with other authorities, periodically analyse the effectiveness of cooperation and information exchange and take necessary actions to improve effectiveness;
- supervisory authorities should extend policies and procedures in relation to information exchange, even in areas where cooperation and information exchange is rare in practice or where it has not taken place in recent years; the procedures should make it clear that information exchanged should be comprehensive and exchanged in a timely manner;
- additional technical assistance in the form of training on cooperation and information exchange should be provided to insurance supervisory authorities in Latin America; Central and Eastern Europe and Transcaucasia; and Sub-Saharan Africa;
- the IAIS secretariat should remind Members that it maintains a list of individuals who can provide technical assistance;
- in order to assist Members with resource or capacity issues, assistance in the form of a best practice manual, together with templates for information exchange, should be prepared by the IAIS and disseminated to Members; the templates could take the form of pro forma letters for requesting information in the context of dealing with applications, checking the suitability of significant owners and key functionaries, ongoing monitoring of insurers and intermediaries and enforcement action;
- Members should introduce procedures for cooperation and information exchange during crisis situations and test them periodically.

The Thematic Expert Group also recommends that this report should be considered by both the standard setting and standard implementation subcommittees of the IAIS in order to ascertain which aspects of it are relevant to them and inform them as to what actions they might take within the context of their mandates to improve the effectiveness of cooperation and information exchange.

#### Pilot process and future peer reviews

The approach used to administer the cooperation and information exchange self assessment and peer review worked well and could be used as the model for future thematic reviews. Nevertheless, the Thematic Expert Group makes the following recommendations relating to lessons learned on the process:

- consideration should be given to how the IAIS might make more effective contact with IAIS Members on such self-assessments as the current policy of emailing the designated IAIS membership contact does not always result in effective contact and response from the membership; the revised approach to liaison should be adopted for future self assessment and peer review exercises;
- an IT tool which allows IAIS Members to input questionnaire responses directly into the tool should be introduced; this tool should allow sophisticated analysis of questionnaire responses and generation of customised reports;

- as per the IAIS Strategic Plan, the IAIS should have a dedicated staff resource in order to facilitate the IAIS's work on standards observance matters, particularly if the response rate is high. Even with a customised IT tool, the review work will be quite intensive for members of the Standards Observance Subcommittee and the Secretariat;
- consultants with experience in developing FSAP-compatible questionnaires and who are conversant with the new ICPs should be appointed to prepare draft questionnaires on future thematic self assessment and peer review exercises; a number of consultants with expertise in the various themes to be reviewed could be appointed so as to create a bank of questions which go to the heart of how the ICPs should be implemented in practice;
- when preparing future self-assessment and peer review questionnaires, consideration should be given to broadening and deepening their content.

### **3 Summary of the Findings**

#### Pattern of responses and compliance

The IAIS has issued a questionnaire in relation to cooperation and information exchange. ICP 5 is devoted to cooperation and information exchange, while five others – ICPs 6, 7, 17, 27 and 28 – contain criteria on cooperation and information exchange within them. The questionnaire covered all of the criteria in these six ICPs in relation to cooperation and information exchange, i.e. it covered all of the essential criteria for ICP 5, and only the relevant elements of essential criteria (b), (d) and (f) of ICP 6, criterion (e) of ICP 7, criteria (b), (c) and (e) of ICP 17, criteria (a) and (g) of ICP 27 and criterion (a) of ICP 28. It also included questions on crisis management. The responses were reviewed by a peer group of experts, described in this report as the Thematic Expert Group.

A total of 106 responses were received to the questionnaire. This is a very high participation rate, reflecting an overall response rate of 72% of the 140 IAIS Members. Responses were received from Members representing 94% of the world insurance market by premium.

The overall results of the assessment indicate that the observance of the relevant ICPs with respect to this theme is healthy.

Over 60% of the respondents were responsible for the supervision of banks or other non-insurance financial sector entities in addition to insurance sector entities. This significantly facilitates domestic cooperation and information exchange.

The large majority of respondents had both home and host supervisory responsibilities. These responsibilities were most common in relation to other insurance supervisory authorities, confirming that the most important priority of the IAIS is to focus cooperation and information exchange efforts between insurance supervisors. There is also a significant number of situations where the insurance supervisor has a host relationship with banking or other financial sector supervisors and, to a lesser degree, a home relationship with such supervisors. These relationships highlight the importance of effective cross-sector liaison.

When looking at the responses as a whole, the supervisors in the wealthier economies and in the Offshore and Caribbean Islands (albeit some of these are wealthy) demonstrated higher levels of compliance. This reflects the greater resources that wealthy economies can devote to their supervisory frameworks. The higher levels of observance in the offshore region may also reflect the heavier focus that members of that region have had with regard to external assessments over more than a decade.

It is clear that the process of completing the questionnaire on the application of the IAIS ICPs on this theme has allowed Members to enhance their understanding of the relevant ICPs.

A number of supervisory authorities did not have policies and procedures in some areas of cooperation and information exchange. The extension of policies and procedures, particularly in areas where cooperation and information exchange is rare or which has not been necessary for individual supervisory authorities in recent years, would be helpful so as to demonstrate that cooperation and information exchange can take place when it is necessary.

Several respondents noted that supervisory cooperation and information exchange were even more effective within subgroups of supervisors such as within the EU or the USA. Several EU countries noted that they had responded to the survey on an "outside EU" basis and that observance would be higher if they were responding on an "inside EU" basis, suggesting that the results of this assessment reflect a conservative reading of actual information exchange activity. The IAIS assessment effort is focussed on the global situation but this situation implies that a jurisdiction with a market structure that is not confined to the region will have a more challenging and complex obligation in relation to supervisory cooperation and information exchange.

The responses included some specific comments about obstacles in relation to cooperation and information exchange within both group and non-group contexts. Examples include: legal impediments, conflicting interests and priorities of supervisors in different jurisdictions; absence of relevant information provided by supervisors; resource constraints; changes in personnel leading to out of date information and poor record keeping; lack of equivalence of other jurisdictions' confidentiality laws; exchange of information being subject to conditions in the absence of formal agreements; unwillingness to provide information without an MoU or signature to the IAIS MMoU being in place; lack of certainty by supervisors on the practical aspects of information exchange; and scepticism about the effectiveness of colleges as a supervisory tool, with concerns including managing the size of a college where an insurer had a large number of overseas operations, and confidentiality, where the need to protect confidential information was perceived as limiting the frankness of exchanges of views.

To a limited extent, some issues regarding the criteria themselves were raised. These issues have been raised before as part of the current ICP review and are reflected in the revised 2011 ICPs, standards and guidance. Specifically, the need to avoid 'double jeopardy' (i.e. not duplicating requirements and penalising Members by reducing more than one rating for the same failing in assessment reports) and to provide for proportionate considerations are important.

#### ICP 5

While the overwhelming majority of respondents have the ability to enter into agreements to share relevant supervisory information, over 40% of respondents require an agreement to be in place as a prerequisite for information exchange. Across the questionnaire the response with the second highest level of observance was in relation to the criterion dealing with whether or not supervisors have the ability to enter into such agreements.

Three quarters of respondents, when reasonably requested and with appropriate safeguards, can exchange relevant supervisory information, relevant financial data relating to supervised entities and objective information on individuals holding positions of responsibility in such entities. This criterion on exchanging information is not observed by 13% of respondents. One can argue that the signing of a MoU would be interpreted as constituting an appropriate safeguard; however, supervisors aiming at compliance with this criterion could find that they do not comply with the criterion that agreements should not be a prerequisite for information exchange.

Linked with the foregoing findings is that a substantial minority of respondents requires strict reciprocity in terms of the level, format or detailed characteristics of the information exchanged.

The above findings suggest that some respondent jurisdictions should amend legislation and/or policies to allow easier exchange of information without agreements having to be in place and to remove requirements for the potential reciprocal exchange of information before exchanging information. They also suggest that some respondent jurisdictions should amend legislation to extend the types of supervisory information which can be exchanged.

Compliance with the criterion for home supervisory authorities to take the initiative and provide relevant information to host supervisors is mixed. The criterion is not applicable to over 40% of respondents. While a similar percentage observes or largely observes the criterion, over 10% of respondents do not observe it. This finding suggests that some home supervisors should be more pro-active in providing information to other group supervisors.

Almost all respondents take reasonable steps to ensure that any information released to another supervisor will be treated as confidential and used only for supervisory purposes. This criterion has the highest level of observance of those surveyed in the questionnaire.

Particularly interesting issues were raised by the criterion expecting a supervisor to consult with another supervisor if it proposes to take action on the evidence of the information received from that supervisor. Over a third of respondents fully observe this criterion and a quarter largely observe it. The criterion is not applicable to over a quarter of respondents but is not observed by just under 10%. A number of respondents indicated that lack of consultation was due to such considerations as the urgency of the action to be taken on their view of the materiality of the decision or lack of confidence in the other supervisor's confidentiality framework. It is notable that the criterion does not include the words "where practical" or "where material" or similar language. This deficiency has been rectified in the revised ICPs but, nevertheless, the findings as a whole suggest that some respondents should consult more frequently with other supervisory authorities.

With reference to the criterion for home supervisory authorities to inform host supervisors of any material changes in supervision that may have a significant bearing on the operations of foreign establishments, the vast majority of respondents either observed the criterion or considered it to be not applicable (i.e. they were not home supervisors).

A similar picture is presented by the responses to the criterion expecting home supervisors to inform a host supervisor in advance of taking any action that will affect the foreign establishment in the host supervisor's jurisdiction.

A similar result was also demonstrated in relation to the criterion dealing with the expectation that host supervisory authorities inform the home supervisor in advance of taking any action that will affect the parent company or headquarters in the home supervisor's jurisdiction.

#### ICP 6

Three of the essential criteria for ICP 6 are relevant to this thematic review.

Over two thirds of respondents have clear, objective and public licensing criteria requiring input from an applicant's home supervisory authority when the insurer or its owners are not domestic and a home supervisory authority exists. This criterion is reasonably well observed but the findings suggest that a substantial minority of IAIS Members should revisit their public criteria for licensing and/or make greater efforts to consult with home supervisors.

Over three quarters of respondents advised that they consult with the host/home supervisor before the creation of a cross-border establishment. Such consultation is undertaken by 5% of respondents some of the time, while more than 10% never undertake consultation. This finding suggests that a substantial minority of respondents should improve consultation with other home/host supervisors before cross-border establishments are created.

Just under three quarters of respondents obtain information from supervisory authorities where a foreign insurer is allowed to carry on business in the jurisdiction of the respondent. The specified information in the criterion includes confirmation from the home supervisory authority that the insurer is authorised to carry on the types of insurance business proposed and that the insurer is solvent and meets all the regulatory requirements in the home jurisdiction. This finding suggests that a substantial minority of IAIS Members should

obtain due diligence information from other supervisors where foreign insurers carry on business in the jurisdiction of the Member.

#### ICP 7

One criterion of ICP 7 deals with cooperation and information exchange.

Over three quarters of respondents have the legal power to exchange information with other authorities to check the suitability of significant owners, board members and senior management of insurers and intermediaries, and check suitability in practice. The level of checking is relatively weaker in relation to senior management. Two thirds of respondents have the power and undertake checking in practice in relation to auditors and actuaries. These findings suggest that a substantial minority of IAIS Members should revise their legal powers to be able to check the suitability of significant owners, board members, senior management, auditors and actuaries and/or use these powers more actively in practice.

#### ICP 17

ICP 17 deals with group-wide supervision. Three of the essential criteria are relevant to the thematic review.

Almost three quarters of respondents cooperate with other supervisors to avoid unnecessary duplication; just over a quarter do not observe the criterion.

Over two thirds of respondents confirmed that appropriate cooperation and coordination exists where different supervisory authorities are responsible for different parts of a group or conglomerate, and that the responsibilities of each authority are well-defined and leave no supervisory gaps. A quarter of respondents do not observe the criterion.

Just under 30% of respondents fully observe the criterion expecting host supervisory authorities to avoid uncooperative behaviour with home supervisory authorities so as not to hinder effective supervision of groups and conglomerates. Over 40% of respondents largely observe this criterion, with 15% partially or not observing it. The response to this criterion is particularly interesting as it indicates relatively poor full observance of the criterion.

Overall, the findings in relation to ICP 17 (and comments made by respondents) suggest that significant improvements continue to be needed by home and host supervisors to seek to ensure effective supervision of groups and conglomerates.

#### ICP 27

Two criteria of ICP 27 are relevant to cooperation and information exchange.

Almost two thirds of respondents fully observe the criterion in ICP 27 relating to the powers and resources to communicate as appropriate with enforcement authorities and other supervisors to deter, detect, record, report and remedy fraud in insurance. Over 10% largely observe the criterion. However, over one fifth of respondents only partly observe the criterion. Another criterion deals with cooperation in practice between insurance supervisors on countering fraud. Over 80% of respondents fully observe this criterion, although almost 15% of respondents either partly observe or do not observe it. These findings for ICP 27 suggest that a substantial minority of IAIS Members need to improve their legal framework to provide them with the ability to exchange information for the purposes of countering fraud and/or they need additional staff or technical resources to be able to exchange such information. The relatively better compliance with the criterion on cooperation in practice suggests an absence of procedures by some IAIS Members and/or that exchanges of information have been on a narrower basis than the expectations of the ICP in relation to powers and resources.

## ICP 28

ICP 28 deals with AML/CFT and only one of the criteria of this ICP is relevant to the thematic review.

Almost two thirds of respondents fully observe the criterion and over 30% stated that the criterion is not applicable. This latter result is because the AML/CFT competent authority for the insurance sector is not always the insurance supervisor. Two respondents largely observed the criterion and two do not meet it. The very high level of compliance with the cooperation and information element of ICP 28 is not surprising in light of the very significant international attention given to AML/CFT in recent years.

## Crisis management

The survey also reviewed crisis preparedness and management in response to the financial crisis.

The Thematic Expert Group noted that many of the respondents said their jurisdictions were not, or not significantly, impacted by the crisis. Nearly 60% of respondents did have arrangements for cooperation and information exchange during a crisis. Over half of those respondents tested their procedures on a regular basis, and two-thirds of them used their procedures during the crisis. The crisis led to over half of authorities with procedures to change them or introduce new ones, and a little over a quarter of authorities to introduce testing.

There was a wide range of responses to the question of what aspects worked well, with many respondents noting that arrangements had worked as intended. Many comments featured good communication and a number of respondents noted that regional arrangements had been enhanced by working together during the crisis. One or two respondents noted an intention to improve formal arrangements in the light of their crisis experience. The most quoted continuing impediment to the successful sharing of information was confidentiality restrictions.

One sixth of respondents consider that the crisis exposed obstacles in relation to their own cooperation and information exchange, while a quarter of respondents consider that the crisis exposed obstacles in relation to other supervisors.

These findings suggest that it is good practice for supervisors to have specific crisis management procedures and to test them periodically. They also suggest that, having identified shortcomings, supervisors should address both their own shortcomings and liaise with other supervisors on a bilateral basis in order to seek to address the shortcomings in cooperation and information exchange in practice by those other supervisors.

More detailed information on the responses to the questions on crisis management is included in annex B.

## The process used for the self assessment and peer review

Overall, with a very high participation rate, results that are credible and instructive, and confirmation that the process designed was effective, the Thematic Expert Group is of the view that the pilot has validated both the process and the potential value of peer reviews on a thematic basis. In particular, the very high participation rate has validated the IAIS's change in strategic emphasis toward heightening the emphasis given to implementation issues whilst maintaining the important standard setting agenda.

Reflecting the concerns expressed by some Members when the project was initiated regarding resource implications for respondents, the questionnaire was heavily biased toward minimising the number of questions required. Feedback has indicated that there is scope for future assessments to broaden and deepen surveys slightly whilst, at the same time, keeping the number of questions at a manageable level.

The Thematic Expert Group considers that the approach of using factual questions with limited defined options for answers ('a yes/no approach') was workable for this topic. There was the potential that the approach may not have been sufficient to deliver assessment conclusions. In light of the results of this thematic self

assessment and peer review, the Thematic Expert Group considers that the approach has been effective.

Avoiding the explicit linkage of ICPs and criteria to questions in the questionnaire also proved to be useful. It is the view of the Thematic Expert Group that the credibility of the responses and the assessment has been enhanced by taking this approach. It is also the case that the process benefitted from not providing information on how responses would be assessed or asking respondents to provide a self assessment rating as part of the questionnaire.

The composition and size of the Thematic Expert Group contributed to the successful completion of the work and to the maintenance of confidentiality of the responses. The inclusion of experienced assessors and some members who are not engaged in responding to the questionnaire also added to the effectiveness of the team. As a result, the group considers that the approach taken to team composition would be usefully maintained for future peer review exercises.

The group included a preliminary testing phase for the questionnaire and considers that this was useful and should be included as a routine part of the process in future. It was useful to test the questionnaire content and functionality and also to receive early feedback on the necessary resources that Members would need to complete the survey. This allowed the group to make adjustments before sending the questionnaire to the wider membership.

As identified above, the Thematic Expert Group considers that there is scope to broaden and deepen surveys slightly but still maintain the number of questions at a manageable level. This would allow further qualitative information to be provided by respondents.

Regarding resources, the two face to face meetings for the Thematic Expert Group supplemented by teleconferences proved to be sufficient. The process was greatly assisted by dedicated work on the development of possible questions for consideration at the first meeting, and the development of an IT tool that provided a practical questionnaire, facilitated the work of the group in reviewing responses in a consistent manner, and generated all reports.

The Thematic Expert Group has considered what lessons can be learned from this thematic review on resource implications so as to identify the most effective and efficient approach for undertaking future thematic self assessments and peer reviews.

It is apparent that the resources that should be devoted by the IAIS to self assessment and peer review exercises should be bolstered. While the processes for the cooperation and information exchange review were electronic, significant resources had to be devoted to the transfer of data provided by respondents to a spreadsheet and to the management, updating, manipulation and output of that data. Some four man months were required by the individual mainly dealing with this work during the life of the project. The Thematic Expert Group as a whole has devoted more than eight man months to this project. In order to put this work in context, the 106 questionnaire responses amounted to almost 1,300 pages, the Thematic Expert Group issued draft reports to each respondent totalling more than 2,000 pages, the final reports issued to each respondent amounted to more than 2,000 pages and this aggregate report incorporates the data and analysis from the final individual reports. Hence, a key recommendation regarding resources is the introduction of an IT tool which will allow respondents to questionnaires to input their responses, and any changes to their responses, directly into it. This tool should allow sophisticated analysis of questionnaire responses and generation of customised reports.

In addition, the initial drafting of questions should be outsourced to consultants with expertise in developing FSAP-compatible questionnaires and who are conversant with the new ICPs in order to reduce some of the burden on the relatively few supervisors who will administer future self assessments and peer reviews.

The IAIS secretariat was also significantly involved in the administration of the project, particularly in relation to quality control and the dissemination of questionnaires and reports by the Thematic Expert Group. This input was invaluable but it did highlight the absence of dedicated staff resource within the secretariat for self

assessment and peer review work. Such resource is mandated in the IAIS Strategic Plan. It was also the case that the information provided by Members as to their main designated point of contact for the IAIS and the use of only these designated individuals as the point of contact with Members by the secretariat for the self assessment and peer review exercise was not always effective.

#### 4 About the respondents

The thematic self assessment and peer review exercise was open to all IAIS Member jurisdictions on a voluntary basis. A total of 106 responses were received and these responses are the basis for the information presented in this report. This represents an overall response rate of 71.6% of IAIS members. A full list of responding Member jurisdictions is included in annex D.

The jurisdictions participating represent a substantial cross section of the IAIS membership. It is pleasing to see that the responses from Members reflected a strong commitment to the pilot review process and this supports the view that such reviews are valued by members. It is also pleasing to see strong support from countries regardless of income level or size. This reflects both the importance of the subject matter and the desire from Members to bring their supervisory regimes into line with international standards. It also reflects the increased emphasis that the IAIS is placing on implementation oriented initiatives. In addition, the Thematic Expert Group was greatly satisfied with the level of response when considering the proportion of the global insurance market that was represented. Responses were received from Members in countries that represent 94% of the world insurance market by premium.

Table 1 and Charts 1 and 2 provides further information on the respondent profile.

Table 1: Distribution of Participating Membership and Response Rates

	Participants	Response Rate	% of total respondents	% of insurance market
IAIS Region				
Americas	15	75.0%	14.2%	40.9%
Asia & Oceania	16	61.5%	15.1%	18.0%
Central, Eastern Europe & Transcaucasia	18	66.7%	17.0%	2.2%
Middle East & North Africa	10	66.7%	9.4%	0.4%
Offshore & Caribbean Islands	17	85.0%	16.0%	0.1%
Sub-Saharan Africa	11	64.7%	10.4%	1.2%
Western Europe	19	82.6%	17.9%	31.1%
<b>TOTAL</b>	<b>106</b>	<b>71.6%</b>	<b>100.0%</b>	<b>93.8%</b>
IAIS Members in G20 jurisdictions	18	78.3%	17.0%	
IAIS Members in FSB jurisdictions	23	82.1%	21.7%	
IAIS Members in OECD jurisdictions	32	84.2%	30.2%	
IAIS Executive Committee	21	95.5%	19.8%	
IAIS Implementation Committee	23	85.2%	21.7%	
IAIS Technical Committee	30	90.9%	28.3%	
IAIS Members in ...				
Low income countries	5	50.0%	4.7%	
Medium-Low income countries	20	55.6%	18.9%	
Medium-High income countries	20	62.5%	18.9%	
High income countries	60	88.2%	56.6%	

Note: The IAIS regional structure applying for implementation purposes is used for the above table. The categorisation of countries by income level is taken from the World Bank as at February 2011. Response rates are based on a total IAIS membership, counting all Members except for the United States of America where only responding memberships were counted to avoid distorting the presentation and to reflect the representative responses received. The total number of participants included in the categorisation by income level does not add to 106 due to one response which was omitted from this categorisation as it relates to more than one jurisdiction.

Chart 1: Response Rates by IAIS Region

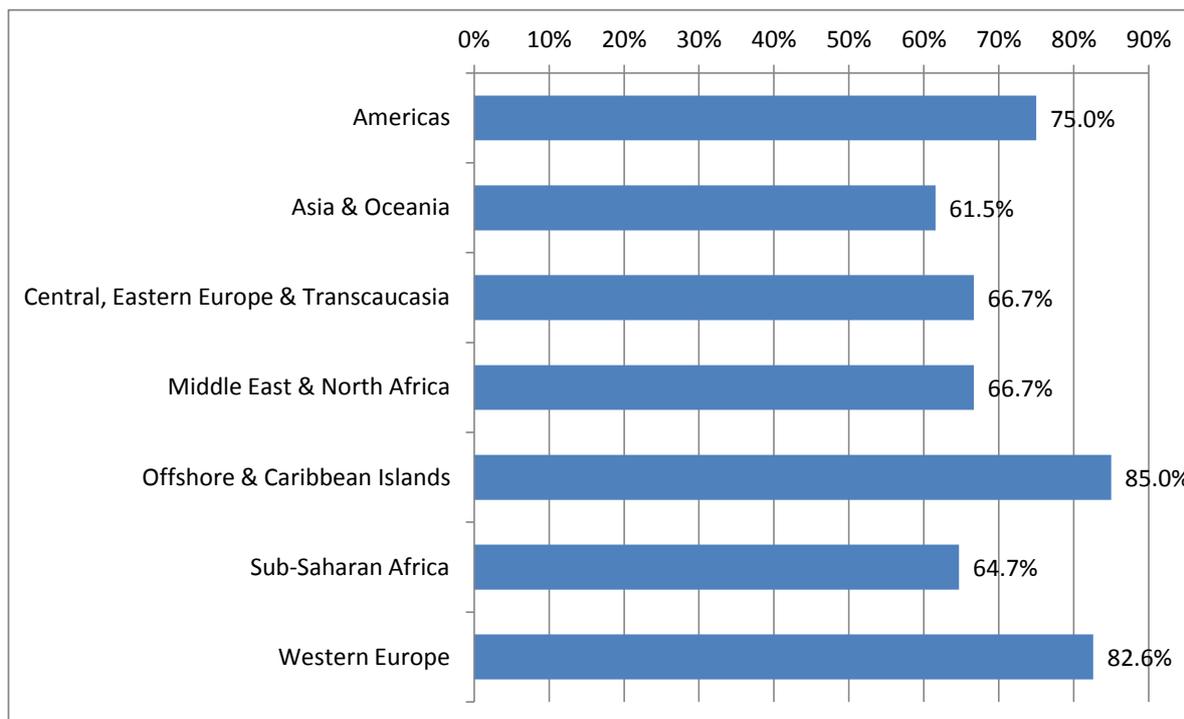
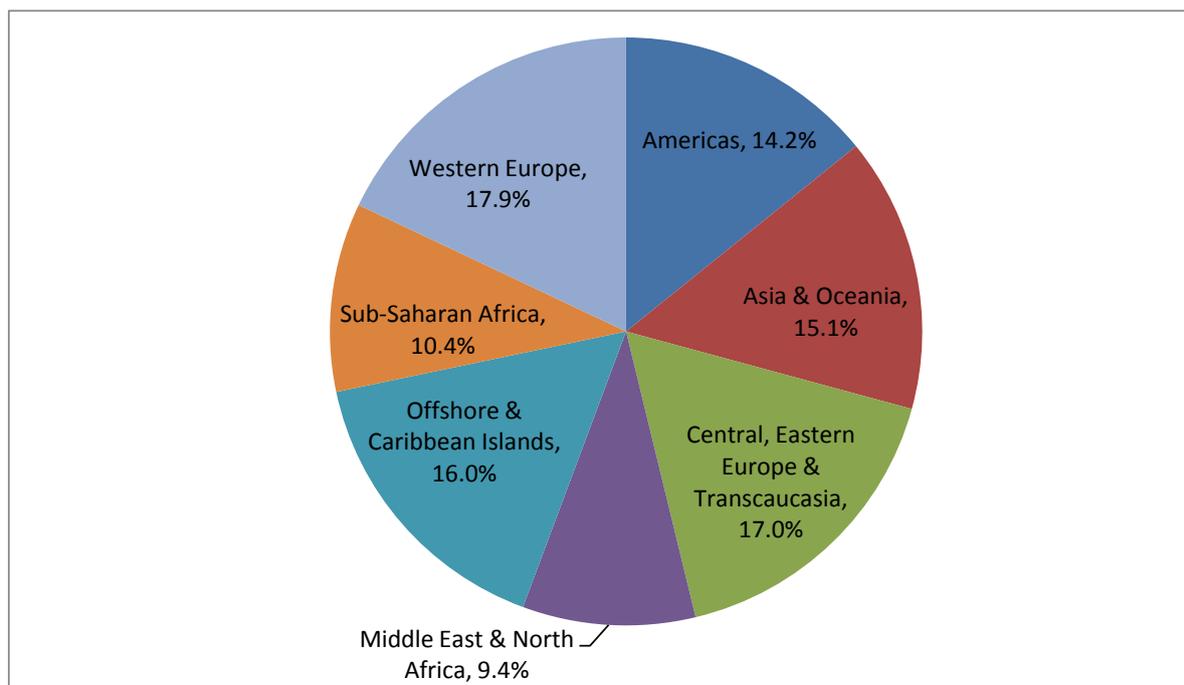


Chart 2: Distribution of Responses by IAIS Region



The Thematic Expert Group notes that response rates, although extremely positive, were lower for countries where supervisory resources may be more limited. It may be useful to consider efforts to encourage participation in future, including outreach events, information sessions or teleconferences to support the completion of questionnaires.

Responding jurisdictions reflected a diversity in their scope of supervisory responsibilities (see Table 2). In most

cases, a fuller rather than more limited range of responsibilities fell to respondents. Interestingly, 63.2% of responding Members were also responsible for the supervision of banks or other non-insurance financial sector entities. This feature of supervisory arrangements meant that the need for cooperation and information exchange between supervisors within the jurisdiction was not applicable as it was an internal matter and not between supervisory authorities.

Table 2: Range of Responsibilities

Supervisors of (re)insurers ...		Percent of Respondents	
also supervisors of banks or other non-insurance financial sector entities.	No		36.8%
	Yes		63.2%
also responsible for licensing (re)insurers.	No		1.9%
	Yes		98.1%
also responsible for market conduct and agents, brokers and other distribution channels.	No		8.5%
	Yes		91.5%
also responsible for supervising anti-money laundering and combating the financing of terrorism (AML/CFT)			
a) regarding (re)insurers	No		31.1%
	Yes		67.9%
b) regarding agents, brokers and other distribution channels	No		35.8%
	Yes		63.2%
Of the respondents that are responsible for supervising AML/CFT, the number with responsibilities in each of the possible categories was ...			
... (re)insurers only			5
... agents, brokers and other distribution channels only			0
... both			68

A range of home and host supervisory relationships existed for respondents (see Table 3). These relationships were determined through analysis of market composition and supervisory responsibilities. Through the questionnaire, it was also possible to differentiate between the functioning of these various home and host situations when reviewing information exchange and cooperation.

Table 3: Range of Home and Host Relationships

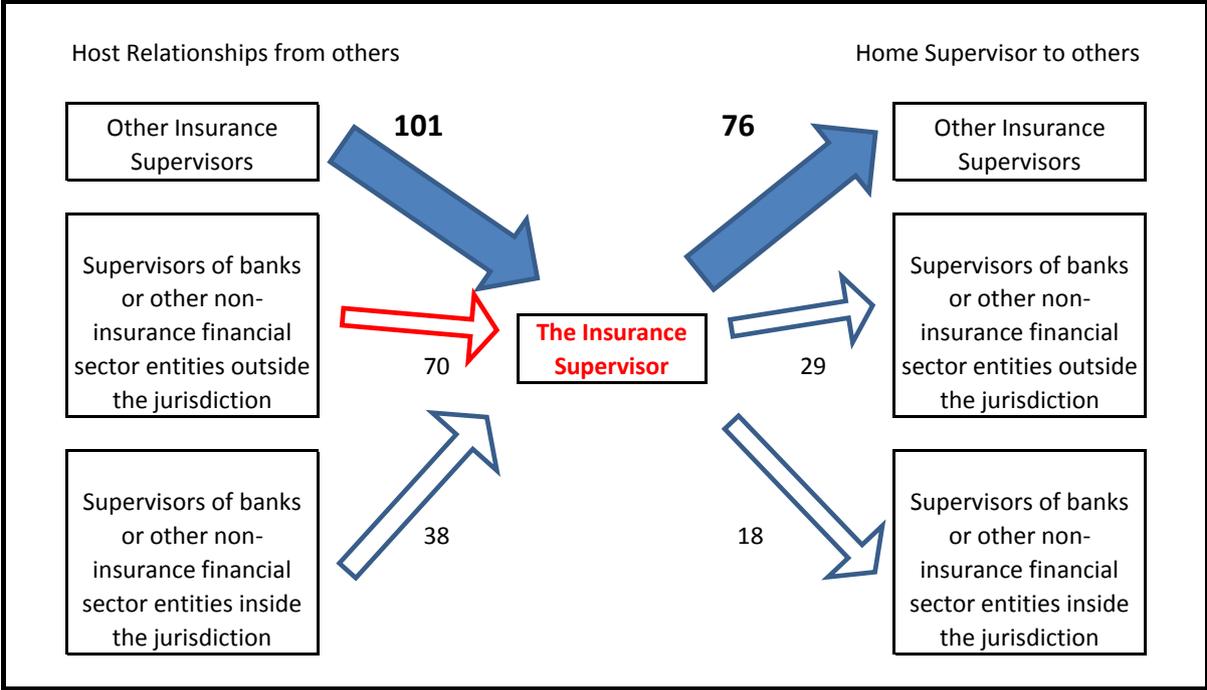
Respondents	with respect to			Overall
	(re)insurers	banks or other non-insurance financial sector entities		
		external	internal	
neither home nor host	7	33	69	3
home only	2	3	3	0
host only	36	44	19	25
both home and host	61	26	15	78

Table 3 highlights that most of the respondents had identified at least a home or host supervisory role and many had both roles. For most respondents, a role existed with respect to cooperation between insurance supervisors. To a lesser, but still material extent, insurance supervisors and bank supervisory functions give rise to the potential for information exchange and cooperation needs. It is perhaps the case that those without linkages that led to cooperation requirements were less likely to respond to this particular theme.

The nature of the structures identified, summarised in Figure 1, suggests that the IAIS level focus of information exchange efforts would be most usefully prioritised toward engagement with other insurance supervisors rather than cross sectoral requirements. Although some authorities need to have local or external relationships with banking supervisors, the insurance related exchanges are the greatest priority in most cases. To this end, efforts

at the IAIS level to enhance exchanges between insurance supervisors should continue to have priority over cross sectoral information exchange initiatives where, because of the largely host supervisory role for insurance supervisors, these should probably be initiated by the home bank supervisors ensuring that they include insurance subsidiaries in the scope of their cooperation considerations.

Figure 1: Frequency of Home and Host Relationships Reported



As the majority of banking relationships identified were external and the vast majority had the insurance supervisor as host supervisor, this suggests a stronger need for banking supervisors to be proactive in engaging with insurance supervisors in their role as home supervisor than for proactive action from insurance supervisors. To this end, insurance supervisors depend on banking supervisors to play their part.

**5 Observance**

Summary of Observance

Tables 4 and 5 summarise the observance of the relevance criteria and the overall ICPs when it comes to supervisory cooperation and information exchange. It needs to be noted that the observance of ICPs other than ICP 5 relates only to the relevant aspects of those ICPs regarding information exchange and not the totality of those ICPs. Overall, the Thematic Expert Group considers that the level of observance is healthy, particularly given that the very broad response reflects a considerable diversity of situations.

Table 4: Summary of Observance of Cooperation ICP

ICP	EC	Observance					No response	
		Observed	Largely	Fully & Largely	Partly	Not observed		Not applicable
5	(a)	56.6%	na	56.6%	1.9%	41.5%	na	0.0%
	(b)	84.9%	na	84.9%	na	13.2%	na	1.9%
	(c)	74.5%	8.5%	83.0%	1.9%	13.2%	na	1.9%
	(d)	67.9%	na	67.9%	na	32.1%	na	0.0%
	(e)	23.6%	17.9%	41.5%	2.8%	10.4%	42.5%	2.8%
	(f)	94.3%	0.0%	94.3%	2.8%	2.8%	na	0.0%
	(g)	35.8%	25.5%	61.3%	0.0%	9.4%	29.2%	0.0%
	(h)	34.0%	0.0%	34.0%	0.9%	3.8%	57.5%	3.8%
	(i)	48.1%	0.0%	48.1%	0.9%	4.7%	41.5%	4.7%
	(j)	64.2%	0.9%	65.1%	3.8%	2.8%	21.7%	6.6%
	ICP 5		12.3%	72.6%	84.9%	14.2%	0.0%	0.0%

Table 5: Summary of Observance of Cooperation Aspects of Other ICPs

ICP	EC	Observance					No response	
		Observed	Largely	Fully & Largely	Partly	Not observed		Not applicable
6	(b)	68.9%	10.4%	79.2%	0.9%	17.0%	2.8%	0.0%
	(d)	80.2%	5.7%	85.8%	0.0%	12.3%	1.9%	0.0%
	(f)	71.7%	8.5%	80.2%	8.5%	8.5%	1.9%	0.0%
ICP 6		61.3%	19.8%	81.1%	13.2%	2.8%	1.9%	0.0%
7	(e)	62.3%	13.2%	75.5%	16.0%	7.5%	na	0.9%
	ICP 7	62.3%	13.2%	75.5%	16.0%	7.5%	na	0.9%
17	(b)	71.7%	na	71.7%	na	26.4%	na	1.9%
	(c)	70.8%	0.0%	70.8%	3.8%	23.6%	0.9%	0.0%
	(e)	29.2%	44.3%	73.6%	10.4%	4.7%	0.0%	1.9%
ICP 17		16.0%	51.9%	67.9%	22.6%	4.7%	na	0.0%
27	(a)	64.2%	12.3%	76.4%	19.8%	1.9%	0.0%	0.0%
	(g)	81.1%	1.9%	83.0%	5.7%	8.5%	0.9%	0.0%
ICP 27		55.7%	26.4%	82.1%	14.2%	0.0%	0.9%	0.0%
28	(a)	64.2%	1.9%	66.0%	0.0%	1.9%	31.1%	0.9%
ICP 28		64.2%	1.9%	66.0%	0.0%	1.9%	31.1%	0.9%

#### Summary of observance by region

Because the response rate has been so strong, it has also been possible to examine and report on results by sub-groups of respondents. This information is reported to provide input to regional initiatives regarding standards implementation. It is recognised that supervisors in regional groups may also choose to draw on the results as they develop their own regional programs.

Measured on an 'average score' basis, the highest levels of observance for the core ICP rests with the Offshore and Caribbean Island region. This may be a reflection of the fact that these jurisdictions have had greater external scrutiny and are, therefore, more advanced in their strict observance of the ICPs generally. Lowest levels of observance were seen in the Sub-Saharan African region for ICPs 5, 6 and 27 and in Central, Eastern Europe & Transcaucasia for ICPs 7 and 27 on an 'average score' basis. The Americas region also scored less well

for ICP 5 although it had the best level of observance for ICP 27 (refer Table 6).

Also notable were the much better scores for ICP 28 compared to the other ICPs reviewed. It needs to be interpreted in the context of the fact that the assessment is not of all the criteria of ICP 28 but, instead, on the cooperation requirements only. Additionally, a good number of respondents were rated 'not applicable' given that the obligations fell on other supervisors in those jurisdictions.

Table 6: Observance measured by average score (on scale of 1-4 lower scores = higher observance)

ICP	5	6	7	17	27	28
Region						
Americas	1.94	1.83	1.67	1.70	1.21	1.14
Asia & Oceania	1.69	1.29	1.93	1.85	1.43	1.25
Central, Eastern Europe & Transcaucasia	1.81	1.48	1.83	2.08	1.61	1.11
Middle East & North Africa	1.78	1.89	1.70	2.04	1.60	1.00
Offshore & Caribbean Islands	1.29	1.31	1.41	1.62	1.25	1.19
Sub-Saharan Africa	2.07	2.20	1.60	2.07	1.90	1.00
Western Europe	1.37	1.16	1.68	1.61	1.50	1.00
Total	1.67	1.49	1.69	1.78	1.48	1.11

Note that the "traffic lights" are currently shown to highlight those that fall in the top 2, mid 3, and lower 2 for each ICP.

Another way to compare results than the 'average score' approach is to look at the proportion of respondents that were rated as being either 'observed' or 'largely observed'. The results show slight differences in order between regions and ICPs although the lower results for ICP 28 and 17 are influenced for this metric by the impact of respondents that are 'not applicable'. These results are summarised in Table 7.

Table 7: Observance measured by proportion of responses that are Observed or Largely Observed

ICP	5	6	7	17	27	28
Region						
Americas	60.0%	73.3%	80.0%	73.3%	93.3%	46.7%
Asia & Oceania	93.8%	93.8%	62.5%	75.0%	81.3%	68.8%
Central, Eastern Europe & Transcaucasia	77.8%	77.8%	72.2%	61.1%	72.2%	50.0%
Middle East & North Africa	80.0%	60.0%	80.0%	30.0%	70.0%	80.0%
Offshore & Caribbean Islands	100.0%	94.1%	82.4%	76.5%	94.1%	88.2%
Sub-Saharan Africa	72.7%	54.5%	72.7%	54.5%	72.7%	45.5%
Western Europe	100.0%	94.7%	73.7%	78.9%	84.2%	78.9%
Total	84.9%	81.1%	75.5%	67.9%	82.1%	66.0%

Using 'average scores' the ranking can be summarised further looking at each region's rank by ICP (Table 8) or each ICP's ranking by region (Table 9). Table 8 suggests where higher emphasis should be placed in follow up effort at the IAIS level. Table 9 can be used by regional coordinators to focus training by subject. For example, ICP 5 and 6 would be a greater priority than ICP 27 and 28 in the case of the Americas when considering training on information exchange issues.

Table 8: Relative Observance by Region for each ICP (Highest = 1 to Lowest = 7)

ICP	5	6	7	17	27	28
Region						
Americas	6	5	3	3	1	5
Asia & Oceania	3	2	7	4	3	7
Central, Eastern Europe & Transcaucasia	5	4	6	7	6	4
Middle East & North Africa	4	6	5	5	5	1
Offshore & Caribbean Islands	1	3	1	2	2	6
Sub-Saharan Africa	7	7	2	6	7	1
Western Europe	2	1	4	1	4	1

High levels of observance in the offshore region may reflect the far heavier focus that members of that region get when it comes to external assessments. It may also reflect improvements made in the Caribbean after an insurer failure.

High levels of observance for Sub-Saharan Africa with respect to suitability of persons may well be a combination of having the legal powers as a result of recent reforms to laws guided by IAIS standards and principles, and the fact that "no cases" was considered to be observed in this instance so smaller jurisdictions may not have had many cases.

Table 9: Relative Observance by ICP for each Region (Lowest = 1 to Highest = 6)

ICP	5	6	7	17	27	28
Region						
Americas	1	2	4	3	5	6
Asia & Oceania	3	5	1	2	4	6
Central, Eastern Europe & Transcaucasia	3	5	2	1	4	6
Middle East & North Africa	3	2	4	1	5	6
Offshore & Caribbean Islands	4	3	2	1	5	6
Sub-Saharan Africa	2	1	5	3	4	6
Western Europe	4	5	1	2	3	6

When considering country income levels, the highest level of observance measured by 'observed' and 'largely observed' ratings are 'high income countries' recording 100% compared to 50% for 'higher middle' income countries, 90% for 'lower middle' income countries and 40% for 'low' income countries. Average scores show a similar pattern emphasising a need for assistance for middle and lower income countries to put cooperation and information exchange arrangements into full effect (See Table 10).

Contributing to this situation may also be the fact that supervisors in emerging markets who had sought information were less likely to obtain a complete and satisfactory response. Additionally, the motivation caused by the recent financial crisis was less dominant in some emerging markets that were less impacted by the crisis itself.

Table 10: Relative Observance by Country Income Level for ICP 5

Country Income Level	Percentage Observed or Largely Observed	Average Score
Low	40.0	2.41
Lower middle	90.0	1.97
Higher middle	50.0	2.16
High	100.0	1.34

Regarding other country groups, the observance for FSB, OECD and G20 members is shown in Table 11 for ICP 5. Compared to the survey average score of 1.67 and the survey percentage observed or largely observed of 84.9%, the OECD members that responded tended to have greater observance, with FSB member respondents and G20 member respondents having a slightly lower observance than the survey average.

Table 11: Relative Observance by Country Grouping for ICP 5

Country Grouping	Percentage Observed or Largely Observed	Average Score
OECD Members	93.8	1.48
FSB Members	78.3	1.72
G20 Members	72.2	1.85

Overall, the survey revealed a high level of observance of ICP 5 and the aspects of other ICPs to the extent that they relate to the theme.

## ***Annexes***

- A Detailed assessment
- B Crisis management
- C Summary results for IAIS regions and other groupings
- D List of responding jurisdictions
- E Process and methodology
- F Text of the questionnaire

**Annex A Detailed assessment**

<b>ICP 5</b>	<b>Supervisory cooperation and information sharing</b> The supervisory authority cooperates and shares information with other relevant supervisors subject to confidentiality requirements.
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Assessment: All essential criteria have been considered as part of this assessment.

*Essential Criterion (a) The existence of a formal agreement with another supervisor is not a prerequisite for information sharing.*

Regarding this essential criterion, it was considered that it applied to the legal status, formal procedure and practice. As such, it is considered that it was to be assessed regardless of the market or structural situation or practices, the criterion would not be assessable as 'not applicable'. Question 15 explicitly sought information on whether an agreement was required under the law. In the event that respondents indicated 'yes' to this question then the criterion would be 'not observed', if 'no' it would be 'observed'.

Results:

	Responses	Percent
Observed	60	56.6%
Partly observed	2	1.9%
Not observed	44	41.5%

Comment: This criterion has a reasonable level of observance.

*Essential Criterion (b) The supervisory authority, at its discretion, can enter into agreements or understandings with any other financial sector supervisor ("another supervisor") to share relevant supervisory information or to otherwise work together.*

This essential criterion was assessed based on the response to question 23. In the event that the authority indicated that it did not have to refer outside either by law or practice, then the criterion was rated as 'observed', otherwise the criterion was 'not observed'. It was not considered that there was a case that this criterion would be 'not applicable' as it relates to legal and practical powers rather than the current need.

Results:

	Responses	Percent
Observed	90	84.9%
Not observed	14	13.2%

Comment: This criterion has a high level of observance.

*Essential Criterion (c) When reasonably requested and with appropriate safeguards, the supervisory authority is able to exchange with another supervisor (refer to ICP 7 EC e) the following:*

- relevant supervisory information, including specific information requested and gathered from a supervised entity
- relevant financial data
- objective information on individuals holding positions of responsibility in such entities.

This essential criterion was assessed by question 16 concerning some hypothetical cases and question 17 and 18 exploring actual requests for information and the responses made. Regarding the responses to question 16, up to six responses were possible. Responses of "Yes" were all considered to be representing an 'observed' rating being those 'provided formal agreements were in place', 'after assessing confidentiality issues', or 'without conditions' were all considered to support an 'observed' rating whereas, 'no, it is not legally possible' would be supportive of a 'not observed' rating. Cases that indicated a more selective result in terms of exchange of

information were considered to be 'largely observed' except when they focused on confidentiality, reciprocal requirements or the existence of agreements (these being assessed elsewhere in the criterion so not subject to double jeopardy in this assessment). The first two bullets of the criterion were considered through the responses to parts a) and b) of the question initially. Part c) of question 16 is more challenging and justifies the maintenance of a high rating if it also can be met positively but would downgrade the rating to largely observed if not. Then consideration was given to questions 17 and 18. Where no cases were advised in question 17 the rating was not adjusted. Where there were cases, and they were responded to completely, the rating was also not adjusted. Where there were cases that were not responded to and without explanation then the rating was adjusted to 'not observed'. In other cases, where there was a limited response or no response with a reason, each case was considered addressing the explanation given.

Note that avoiding 'double jeopardy' in an assessment means avoiding the situation where a single weakness leads to 'downgrades' in observance in more than one part of the assessment.

Results:

	Responses	Percent
Observed	79	74.5%
Largely observed	9	8.5%
Partly observed	2	1.9%
Not observed	14	13.2%

Comment: This criterion has a satisfactory level of observance.

*Essential Criterion (d) Information sharing, whether carried out under formal or informal arrangements, allows for a two-way flow of information without requiring strict reciprocity in terms of the level, format and detailed characteristics of the information exchanged.*

This essential criterion was assessed based on the response to question 27. In the event that the authority indicated that it did require strict reciprocity, then the criterion was rated as not observed, otherwise the criterion was observed. There would be no situation where this criterion would be considered to be 'not applicable' as it is considered to be a legal and facilitative matter.

Results:

	Responses	Percent
Observed	72	67.9%
Not observed	34	32.1%

Comment: This criterion has a satisfactory level of observance.

*Essential Criterion (e) The home supervisory authority provides relevant information to the host supervisor.*

As other elements of the ICP consider specific information provision in particular cases, the focus of the assessment of this essential criterion was on whether or not home supervisors take the initiative to provide information to host supervisors.

This essential criterion was assessed based on the responses to question 50 and to the various questions to determine the extent to which an authority was a home supervisor. Where there was no home supervisory relationship then the criterion would be 'not applicable'. Where it was applicable, the question was considered separately for each of the possible host supervisors that would be relevant both within and outside the jurisdiction.

Where there was a relationship, then the aspect of the criterion would be considered to be observed if respondents indicated that they provided such information "in every case". When information is not provided, the criterion would be considered "not observed". In the event that only some cases led to providing

information then a rating of 'largely observed' was suggested. Where there were no cases in the relevant period, the criterion was considered to be 'not applicable'.

When rating the overall criterion, the rating would be 'not applicable' if there was no home / host relationship. Otherwise, for those that there was a relationship then these cases were considered in forming the overall assessment. For example, the overall rating would be 'observed' if each of the home host relationships was either observed or not applicable, and would be 'not observed' if each of the home host relationships was either 'not observed' or 'not applicable'.

Results:

Other Insurance Supervisors				
	For Subsidiaries		For Branches	
	Responses	Percent	Responses	Percent
Observed	19	17.9%	20	18.9%
Largely observed	17	16.0%	16	15.1%
Partly observed	0	0.0%	0	0.0%
Not observed	8	7.5%	7	6.6%
Not applicable	60	56.6%	62	58.5%

Banking Supervisors (Foreign and local)				
	Responses	Percent	Responses	Percent
	Observed	4	3.8%	3
Largely observed	5	4.7%	3	2.8%
Partly observed	0	0.0%	0	0.0%
Not observed	5	4.7%	4	3.8%
Not applicable	89	84.0%	93	87.7%

	Overall	
	Responses	Percent
Observed	25	23.6%
Largely observed	19	17.9%
Partly observed	3	2.8%
Not observed	11	10.4%
Not applicable	45	42.5%

Comment: This criterion has a moderate level of observance.

*Essential Criterion (f) The supervisory authority is required to take reasonable steps to ensure that any information released to another supervisor will be treated as confidential by the receiving supervisor and will be used only for supervisory purposes.*

This essential criterion was assessed by question 25 regarding confidentiality and question 26 regarding supervisory purposes. In the event that both questions were answered in the positive then the criterion would be 'observed'. If both were answered in the negative then it would be 'not observed'. A combination of both would be assessed as 'partly observed' and, if one or other or both was not addressed in responses then it would be assessed as 'incomplete'. As it is a matter of having such processes in place then it was not considered that a 'not applicable' rating would be needed.

Results:

	Responses	Percent
Observed	100	94.3%
Largely observed	0	0.0%
Partly observed	3	2.8%
Not observed	3	2.8%

*Comment:* This criterion has a high level of observance.

*Essential Criterion (g) The supervisory authority consults with another supervisor if it proposes to take action on the evidence of the information received from that supervisor.*

This essential criterion was assessed by considering questions 19, 21 and 22. Question 19 seeks information about whether or not the supervisor sought information from another supervisor during the analysis period. If the response is that they did not then the criterion was assessed as 'not applicable'. Question 21 asked whether action was taken on the evidence of the information received and, again, if there was no action taken then the criterion was assessed as 'not applicable'. For the remaining cases question 22 became relevant. If the response to question 22 was that there was always a consultation or that there was never a consultation then these were assessed as 'observed' and 'not observed' respectively. The other option was that question 22 was answered as 'yes, but not in every case' and then the clarifications were reviewed and an assessment made.

Some common themes in making the assessments for the 'not in every case' responses are relevant to how the criterion is interpreted. A number of respondents indicated that their lack of consultation was due to such considerations as the urgency of the action to be taken or their view of the materiality of the decision. As the currently worded criterion does not seem to envisage any caveat then these reasons would not be sufficient to maintain a fully observed rating and were adjusted to 'largely observed'. The one elaboration that did not alter a rating was when the taking of the action was clear in the initial request and was duly taken - that is, any communication would only be a confirmation. It is notable that this criterion does not include the words 'where practical' or 'where necessary' or something along these lines.

*Results:*

	<b>Responses</b>	<b>Percent</b>
Observed	38	35.8%
Largely observed	27	25.5%
Partly observed	0	0.0%
Not observed	10	9.4%
Not applicable	31	29.2%

*Comment:* This criterion has a reasonable level of observance.

*Essential Criterion (h) The home supervisory authority informs relevant host supervisors of any material changes in supervision that may have a significant bearing on the operations of foreign establishments operating in their jurisdictions.*

This essential criterion was assessed as 'not applicable' when the respondent was not a home supervisor. For home supervisors, it was then assessed separately for each identified host supervisory category. Question 51 asked if there had been any cases of 'material changes'. If there were cases, question 52 asked about the actions taken and invited answers of 'no', 'yes, in every case' and 'yes, but not in every case'. In the event that there were no cases, then question 53 asked about the existence of procedures.

No cases, but a procedure in place, justified an 'observed' rating whereas no procedure and no case was felt to be 'not applicable' for this criterion. Given the wording of the criterion, if there were cases and there was communication then this was given an 'observed' assessment.

The overall rating reflected the combination of separate ratings. If, after excluding the elements that were 'not applicable' all other ratings were the same then that rating applied.

Results:

	Responses	Percent
Observed	36	34.0%
Largely observed	0	0.0%
Partly observed	1	0.9%
Not observed	4	3.8%
Not applicable	61	57.5%

Comment: This criterion has a high level of observance.

*Essential Criterion (i) Where possible, the home supervisory authority informs the host supervisor in advance of taking any action that will affect the foreign establishment in the host supervisor's jurisdiction.*

This essential criterion was assessed as 'not applicable' when the respondent was not a home supervisor. For home supervisors, it was then assessed separately for each identified host supervisory category. Question 54 asked if there had been any cases of 'action'. If there were cases, question 55 asked about informing host supervisors and invited answers of 'no', 'yes, in every case' and 'yes, but not in every case'. In the event that there were no cases, then question 56 asked about the existence of procedures.

No cases, but a procedure in place, justified an 'observed' rating whereas no procedure and no case was felt to be 'not applicable' for this criterion. Given the wording of the criterion, if there were cases and there was communication then this was given an 'observed' assessment.

The overall rating reflected the combination of separate ratings. If, after excluding the elements that were 'not applicable' all other ratings were the same then that rating applied. A combination of 'observed' and 'not observed' ratings was considered to be 'partly observed'.

Results:

	Responses	Percent
Observed	51	48.1%
Largely observed	0	0.0%
Partly observed	1	0.9%
Not observed	5	4.7%
Not applicable	44	41.5%

Comment: This criterion has a high level of observance.

*Essential Criterion (j) Where possible, the host supervisory authority informs the home supervisor in advance of taking any action that will affect the parent company or headquarters in the home supervisor's jurisdiction.*

This essential criterion was assessed as 'not applicable' when the respondent was not a host supervisor. For host supervisors, it was then assessed separately for each identified home supervisory category. Question 47 asked if there had been any cases of 'action'. If there were cases, question 48 asked about informing home supervisors and invited answers of 'no', 'yes, in every case' and 'yes, but not in every case'. In the event that there were no cases, then question 48 asked about the existence of procedures.

No cases, but a procedure in place, justified an 'observed' rating whereas no procedure and no case was felt to be 'not applicable' for this criterion. Given the wording of the criterion, if there were cases and there was communication then this was given an 'observed' assessment.

The overall rating reflected the combination of separate ratings. If, after excluding the elements that were 'not applicable' all other ratings were the same then that rating applied.

Results:

	Responses	Percent
Observed	68	64.2%
Largely observed	1	0.9%
Partly observed	4	3.8%
Not observed	3	2.8%
Not applicable	23	21.7%

Comment: This criterion has a high level of observance.

Combined Ratings:

The methodology of the ICPs calls for an ICP to be 'Observed' if all criteria are 'observed' except for those that are 'not applicable'. Similarly, if all criteria are rated 'not observed' then the overall assessment would be 'not observed'. To be 'largely observed', shortcomings should be more limited than if the rating is partly observed. As a result, when all but one of the criteria were 'observed' then a rating of largely observed was applied. When there were two ratings that were less than full observance, then a largely observed rating was applied as long as neither were 'not observed'. When less than half the applicable ratings were above 'not observed' a rating of partly observed was applied.

The overall rating for the ICP was determined considering the ratings for the various criteria and the IAIS ICP Methodology. When a criterion is 'not applicable' it does not impact the overall rating. Only those that were 'applicable' were considered. If all remaining criteria had the same rating then the overall rating would be given. For those that were more diverse (most cases) then the Thematic Expert Group adopted the following approach noting the IAIS Methodology that states:

"... the level of observance for each principle reflects the assessments of the essential criteria. A principle will be considered observed whenever all the essential criteria are considered to be observed or when all the essential criteria are observed except for a number that are considered not applicable. A principle will be considered to be not applicable when the essential criteria are considered to be not applicable. With respect to an assessment of the principle that is other than observed or not applicable, similar guidance is to be used as applies to the criteria themselves. So, for a principle to be considered largely observed, it is necessary that only minor shortcomings exist which do not raise any concerns about the authority's ability to achieve full observance with the principle. A principle will be considered partly observed whenever, despite progress, the shortcomings are sufficient to raise doubts about the authority's ability to achieve observance. A principle will be considered not observed whenever no substantive progress toward observance has been achieved."

<b>ICP 6</b>	<p><b>Licensing</b> An insurer must be licensed before it can operate within a jurisdiction. The requirements for licensing are clear, objective and public.</p>
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Assessment: Only three of the essential criteria, and then only part of essential criteria (b) and (f), were considered to be relevant with respect to this thematic review.

Overall, question 4 asked whether or not each jurisdiction had responsibility for licensing. In the event that they did not have this responsibility, the relevant criteria would be assessed as 'not applicable'.

*Essential Criterion (b)*      *Clear, objective and public licensing criteria require:*  
 - ...  
 - *input from the applicant's home supervisory authority when the insurer or its owners are not domestic and a home supervisory authority exists (refer to ICP 5).*

Question 28 specifically addressed this essential criterion. Respondents were able to indicate whether they did or did not have such public criteria that required the host supervisor to seek input from the home supervisor. A range of responses were available.

The first option was that the public criteria did have such a requirement and this would equate to a rating of 'Observed'. The second option involved indicating that the criteria to seek input did exist but was not public. In this case, it was considered that the criteria would be considered to be 'Largely observed'. The third option would be to indicate that there is no requirement for such contact in the criteria, a situation that would be assessed as 'Not observed'. The fourth option considered cases where there was no requirement in the criteria but the regulations did not actually entertain applications from foreign owners, and were rated 'Not applicable'. The final option was that the requirement did not exist for some other reason and, in such cases, the explanation was reviewed and a rating assigned.

Results:

	Responses	Percent
Observed	73	68.9%
Largely observed	11	10.4%
Partly observed	1	0.9%
Not observed	18	17.0%
Not applicable	3	2.8%

Comment: This criterion has a satisfactory level of observance.

*Essential Criterion (d) ... The creation of a cross border establishment should be subject to consultation between the host and home supervisor.*

This essential criterion was assessed focusing on the existence or otherwise of the practice of consultation when cross border establishments are being considered. Questions 29 to 31 covered these points first considering whether there had been any licenses in the period of review. If there had been licenses, then the issue of consultation was considered. If all cases were subject to such consultation then it is considered that this practice is evidenced. In the event that only some cases were carried through or none of them then the criterion was considered to be not observed. No option was provided within question for explanation as the essential criterion has an expectation of completeness and the Thematic Expert Group considered that the test of materiality would not be able to be applied at the level of the host supervisor considering the license.

Results:

	Responses	Percent
Observed	85	80.2%
Largely observed	6	5.7%
Partly observed	0	0.0%
Not observed	13	12.3%
Not applicable	2	1.9%

Comment: This criterion has a high level of observance.

*Essential Criterion (f) If a foreign insurer is allowed to carry on business in the jurisdiction the supervisory authority must be provided with the following data:*  
*- confirmation from the home supervisory authority that the insurer is authorised to carry on the types of insurance business proposed*  
*- information from the home supervisory authority that the insurer is solvent and meets all the regulatory requirements in the home jurisdiction*  
 ...  
*These information requirements might be waived if insurance is offered on a services basis only.*

This essential criterion was assessed by questions 30 to 33 inclusive covering the two relevant bullets separately in terms of whether or not the action was taken or, if no licenses were considered in the period, whether or not procedures are in place. As a result, the criterion would be 'not applicable' where licensing was not in the scope of the supervisory responsibility and would be observed, in each respect, if either it was followed or there were no cases but there was a procedure in place.

*Results:*

	Authorisation to carry on business proposed		Solvent and meeting regulatory requirements		Overall	
	Responses	Percent	Responses	Percent	Responses	Percent
Observed	82	77.4%	80	75.5%	76	71.7%
Largely observed	7	6.6%	9	8.5%	9	8.5%
Partly observed	0	0.0%	0	0.0%	9	8.5%
Not observed	10	9.4%	14	13.2%	9	8.5%
Not applicable	2	1.9%	2	1.9%	2	1.9%

*Comment:* Overall, this criterion has a satisfactory level of observance, although it is not uniform between the two elements.

<b>ICP 7</b>	<p><b>Suitability of persons</b></p> <p>The significant owners, board members, senior management, auditors and actuaries of an insurer are fit and proper to fulfil their roles. This requires that they possess the appropriate integrity, competency, experience and qualifications.</p>
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*Assessment:* Only one of the essential criteria was considered to be relevant with respect to this thematic review.

*Essential Criterion (e)* *The supervisory authority exchanges information with other authorities inside and outside its jurisdiction where necessary to check the suitability of persons. The supervisory authority uses this information as an additional tool to effectively assess the fitness and propriety of, or to obtain information on, a key functionary of an insurer (refer to ICP 5).*

This essential criterion was assessed by a series of questions that were divided between each of the key groups of 'persons' identified in the ICP. It was not considered that there would be a scope of supervisory powers that would lead to the criterion being 'not applicable'. Question 34 asked about having the legal power to exchange information in each case and Question 35 asked about the exercise of that power during the period under review.

Full observance would require both the power and the use of those powers with respect to each of the key groups of persons. When the power was not in place at all, the criteria was rated as 'not observed'. When the power was in place but was not used, and no explanation was provided, it was considered that the criterion would be partly observed as it would be necessary to implement the power in practice to achieve full observance.

In small markets, it is also possible that the power was in place but there were simply no cases in the relevant time period. Such cases were identified through the explanations provided and were marked as 'observed'.

When considering the overall observance, if the same level of observance was shown for each category then this translated to the overall rating. If a combination of outcomes existed for each of the relevant key groups then the overall rating would be 'largely observed' if at least three of the five were 'observed' and no more than one was 'not observed'. Other combinations would be 'partly observed' as they would have more ratings that were either 'not observed' or partly observed'.

**Results:**

	Significant Owners		Board members		Senior Management		Auditors		Actuaries		Overall Observance	
	Responses	Percent	Responses	Percent	Responses	Percent	Responses	Percent	Responses	Percent	Responses	Percent
Observed	87	82%	88	83%	82	77%	70	66%	73	69%	66	62%
Largely observed	2	2%	3	3%	3	3%	3	3%	3	3%	14	13%
Partly observed	3	3%	3	3%	3	3%	8	8%	7	7%	17	16%
Not observed	12	11%	10	9%	14	13%	22	21%	21	20%	8	8%

**Comment:** Overall, this criterion has a satisfactory level of observance, although it is not uniform between the five elements.

<b>ICP 17</b>	<b>Group-wide supervision</b> The supervisory authority supervises its insurers on a solo and a group-wide basis.
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**Assessment:** Only three of the essential criteria, and then only a part of criteria (b), was considered to be relevant with respect to this thematic review.

**Essential Criterion (b)** ... *The supervisory authorities co-operate to avoid unnecessary duplication.*

This essential criterion was assessed through Question 36 which sought both an affirmative answer as to whether there had been cooperation during the review period and, where that was the case, some examples of cooperation. No cooperation in the three year period was rated as 'not observed'. Some cooperation was rated as 'observed'. It was not considered that a 'not applicable' rating would be relevant to this criterion given that it applies broadly to a diverse range of supervisors inside and outside a jurisdiction.

**Results:**

	Responses	Percent
Observed	76	71.7%
Not observed	28	26.4%

**Comment:** This criterion has a satisfactory level of observance.

It was notable that many of the examples that were given included cases where the cooperation was motivated by more than one reason. Whether or not the primary motivation was to avoid unnecessary duplication was not considered to be key to observance. Some examples were directed at this objective first whilst others were more indirect.

Examples of initiatives that contributed to avoiding duplication included regional MMoUs with other insurance supervisors, cooperative arrangements with the local bank supervisor, regular meetings with other supervisors within or outside the jurisdiction, participation in supervisory colleges, or bilateral meetings with other supervisors to discuss specific insurers on a regular basis (a college of two). More frequently, domestic rather than international initiatives were mentioned although some home supervisors noted that they visit the operations of foreign entities that are part of their insurance groups and coordinate with the local supervisor in such instances. In some cases, the suggestions made were topic specific such as having joint inspections or specific exchange on fitness and propriety.

**Essential Criterion (c)** *Where different supervisory authorities are responsible for different parts of a group or conglomerate appropriate co-operation and co-ordination exists. The supervisory responsibilities of each authority are well-defined and leave no supervisory gaps.*

This essential criterion was assessed by asking for examples where such cooperation could be indicated regarding the two challenges of well-defined supervision and supervisory gaps in question 37. Each challenge was separately considered. Where there was an indication of positive action, the criterion was rated as 'observed'. Where no action was reported, the criterion was rated as 'not observed'. Where the situation for each challenge was different (one observed and the other not) the rating was 'partly observed'.

Results:

	Responses	Percent
Observed	75	70.8%
Largely observed	0	0.0%
Partly observed	4	3.8%
Not observed	25	23.6%
Not applicable	1	0.9%

Comment: This criterion has a satisfactory level of observance.

*Essential Criterion (e) Host supervisory authorities avoid uncooperative behaviour with home supervisory authorities so as not to hinder effective supervision of groups and conglomerates (refer to ICP 5 EC i).*

This essential criterion was assessed by reference to the results of other criteria that were considered to be particularly directed at the nature of cooperation, as contrasted with the legal situation. Specifically, ICP 5, essential criteria (c), (e), (g), (h), (i) and (j). The results were combined in the same manner used for other combinations.

Results:

	Responses	Percent
Observed	31	29.2%
Largely observed	47	44.3%
Partly observed	11	10.4%
Not observed	5	4.7%
Not applicable	0	0.0%

Comment: This criterion has a moderate level of observance.

<b>ICP 27</b>	<b>Fraud</b> The supervisory authority requires that insurers and intermediaries take the necessary measures to prevent, detect and remedy insurance fraud.
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Assessment: Only two of the essential criteria, and then only a part of criteria (a), was considered to be relevant with respect to this thematic review.

*Essential Criterion (a) The supervisory authority has the powers and resources to ... communicate as appropriate with enforcement authorities, as well as with other supervisors, to deter, detect, record, report and remedy fraud in insurance.*

This essential criterion was assessed by considering questions 38 regarding legal powers and 39 regarding procedures and were asked separately with respect to local authorities and foreign supervisors. In the event that both powers and procedures were in place then the criterion was considered to be 'observed'. Powers without procedures cast doubt on the task actually being followed and were rated as 'partly observed'. An absence of powers rated the criterion 'not observed'. When considering different situations between each of the categories, one observed and the other partly observed would lead to a 'largely observed' combination whereas any mixed combination with a 'not observed' rating would be 'partly observed'.

Results:

	Responses	Percent
Observed	68	64.2%
Largely observed	13	12.3%
Partly observed	21	19.8%
Not observed	2	1.9%

Comment: This criterion has a satisfactory level of observance.

*Essential Criterion (g) The supervisory authority co-operates with other supervisory authorities including, as appropriate, in other jurisdictions in countering fraud.*

This essential criterion was assessed by reference to question 40 regarding actual communication in practice. In the event that there was always communication or that there was no communication but due to their being no cases then the criterion was assessed as 'observed'. In the event that there was only some reporting but not in all cases, the rating was considered to be 'largely observed'. No reporting with no elaboration provided led to a 'not observed' rating. A rating of 'partly observed' would be given if there were some reports but that the reason provided indicated that there was a limitation, practical or legal, that hindered what would otherwise be a reporting action. In the case where the authorities had their own sanctioning power and acted on it, the need to communicate with other local authorities was considered to be 'not applicable'.

Results:

	Responses	Percent
Observed	86	81.1%
Largely observed	2	1.9%
Partly observed	6	5.7%
Not observed	9	8.5%

Comment: This criterion has a high level of observance.

<b>ICP 28</b>	<p><b>Anti-money laundering, combating the financing of terrorism</b></p> <p>The supervisory authority requires insurers and intermediaries, at a minimum those insurers and intermediaries offering life insurance products or other investment related insurance, to take effective measures to deter, detect and report money laundering and the financing of terrorism consistent with the Recommendations of the Financial Action Task Force on Money Laundering (FATF).</p>
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Assessment: Only one of the essential criteria, referring generally to FATF criteria, was considered to be relevant with respect to this thematic review. In that respect, also, only the parts of the FATF criteria that are included in this way that were relevant to the thematic review were reviewed.

*Essential Criterion (a) The measures required under the AML/CFT legislation and the activities of the supervisors should meet the criteria under those FATF Recommendations applicable to the insurance sector.*

This essential criterion was assessed by questions 41 to 46. Responses that indicated a positive position in each of the relevant questions were considered to be observed. All other answers were considered on their merits based on the comments that were made elaborating or explaining the situation and explanations of actual practice.

Results:

	Responses	Percent
Observed	68	64.2%
Largely observed	2	1.9%
Partly observed	0	0.0%
Not observed	2	1.9%
Not applicable	33	31.1%

Comment: This criterion has a high level of observance.

**Annex B Crisis management**

Over and above the questions regarding 'Supervisory Cooperation and Information Exchange', a series of questions were also included regarding crisis management and preparedness.

The first question asked whether or not the supervisor had particular 'procedures' for cooperation and information exchange during a crisis. The question focussed on crisis specific procedures rather than those of a more routine nature. Overall, 58.5% of respondents indicated that they had such crisis specific procedures.

<b>Does your authority have procedures for cooperation and information exchange during a crisis?</b>		
	Responses	Percent
Yes	62	58.5%
No	42	39.6%
No response	2	1.9%

Where respondents had indicated that there were such specific procedures relating to a crisis situation, three follow-up questions were asked. The positive responses were as follows...

	Positive responses	Percent
<b>Does your authority test the procedures on a regular basis?</b>	34	55%
<b>Did your authority use the procedures during the recent crisis?</b>	40	65%
<b>Did the crisis lead your authority to change the procedures or introduce new procedures?</b>	34	55%

In such cases, it is clear that a majority do test the procedures regularly and that the procedures were used during the crisis in two-thirds of cases. A substantial proportion of respondents also indicated that they had updated their procedures or introduced new ones as a result of the crisis. Supervisors were asked if they introduced testing of crisis management procedures after the financial crisis, 31 respondents advised that they had. One reason offered for the lack of testing was that the procedures had, in practice, seen regular use so were subject to frequent 'real life' tests.

There was a wide range of responses to the question of what aspects worked well. Many noted that existing arrangements had worked as intended. Good communication featured in many of the comments, with the ability easily to obtain information on, for example, financial performance or to exchange information with home state supervisors both quoted. A number noted that regional arrangements had been enhanced by working together during the crisis, and one or two noted an intention to improve formal arrangements in the light of their crisis experience.

Responses to the question on whether any obstacles been revealed with respect to cooperation and information exchange, (e.g. legal powers, resources, information gathering powers, conflicting priorities), were as follows...

	Yes	No	No response
<b>Within your authority?</b>	16	84	6
<b>With respect to other supervisors?</b>	29	72	5

The most quoted continuing impediment to the successful sharing of information was confidentiality restrictions, although a small number of respondents also cited resource constraints.

Authorities were asked whether they established or joined any supervisory colleges as a consequence of the financial crisis, 35 indicated that they had and a further 16 indicated that they have plans to do so.

**Annex C Summary results for IAIS regions and other groupings**

Summary of observance - Americas

Table A: Summary of Observance - Americas  
Total Number of Responses: 15

ICP	EC	Observance					Not applicable	No response
		Observed	Largely	Fully & Largely	Partly	Not observed		
5	(a)	33.3%	na	33.3%	0.0%	66.7%	na	0.0%
	(b)	80.0%	na	80.0%	na	20.0%	na	0.0%
	(c)	60.0%	13.3%	73.3%	0.0%	26.7%	na	0.0%
	(d)	53.3%	na	53.3%	na	46.7%	na	0.0%
	(e)	26.7%	20.0%	46.7%	0.0%	13.3%	40.0%	0.0%
	(f)	86.7%	0.0%	86.7%	6.7%	6.7%	0.0%	0.0%
	(g)	46.7%	13.3%	60.0%	0.0%	6.7%	33.3%	0.0%
	(h)	26.7%	0.0%	26.7%	0.0%	0.0%	66.7%	6.7%
	(i)	40.0%	0.0%	40.0%	6.7%	13.3%	40.0%	0.0%
	(j)	53.3%	0.0%	53.3%	6.7%	6.7%	20.0%	13.3%
	ICP 5		6.7%	53.3%	60.0%	40.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		40.0%	33.3%	73.3%	13.3%	6.7%	6.7%	0.0%
ICP 7		66.7%	13.3%	80.0%	6.7%	13.3%	na	0.0%
ICP 17		26.7%	46.7%	73.3%	13.3%	6.7%	na	6.7%
ICP 27		66.7%	26.7%	93.3%	0.0%	0.0%	6.7%	0.0%
ICP 28		40.0%	6.7%	46.7%	0.0%	0.0%	53.3%	0.0%

Crisis management - Americas

Proportion that have procedures for cooperation and information exchange during a crisis	46.7%	
of which, the proportion that		
- test the procedures on a regular basis	57.1%	
- used the procedures during the recent crisis	85.7%	
- changed or introduced new procedures as a result of the crisis	42.9%	
Proportion that introduced testing of procedures as a result of the crisis	20.0%	
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	20.0%	13.3%
- with respect to other supervisors	26.7%	33.3%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement	26.7%	
2 No, we are already fully involved	26.7%	
3 No, but we are planning to	13.3%	
4 No, supervisory colleges are not relevant in our market	6.7%	
5 No, we did establish or join colleges but not as a consequence of the crisis	13.3%	
6 No, we have no plans	6.7%	
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis	20.0%	

Summary of observance - Asia & Oceania

Table B: Summary of Observance - Asia & Oceania  
Total Number of Responses: 16

ICP	EC	Observance					No response	
		Observed	Largely	Fully & Largely	Partly	Not observed		Not applicable
5	(a)	56.3%	na	56.3%	6.3%	37.5%	na	0.0%
	(b)	100.0%	na	100.0%	na	0.0%	na	0.0%
	(c)	68.8%	18.8%	87.5%	0.0%	12.5%	na	0.0%
	(d)	68.8%	na	68.8%	na	31.3%	na	0.0%
	(e)	12.5%	6.3%	18.8%	12.5%	6.3%	62.5%	0.0%
	(f)	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	(g)	12.5%	18.8%	31.3%	0.0%	25.0%	37.5%	6.3%
	(h)	31.3%	0.0%	31.3%	0.0%	6.3%	62.5%	0.0%
	(i)	31.3%	0.0%	31.3%	0.0%	0.0%	62.5%	6.3%
	(j)	43.8%	0.0%	43.8%	6.3%	0.0%	50.0%	0.0%
	ICP 5		6.3%	87.5%	93.8%	6.3%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		62.5%	31.3%	93.8%	6.3%	0.0%	0.0%	0.0%
ICP 7		56.3%	6.3%	62.5%	12.5%	18.8%	na	6.3%
ICP 17		6.3%	68.8%	75.0%	12.5%	12.5%	na	0.0%
ICP 27		56.3%	25.0%	81.3%	12.5%	0.0%	6.3%	0.0%
ICP 28		68.8%	0.0%	68.8%	0.0%	6.3%	25.0%	0.0%

Crisis management - Asia & Oceania

Proportion that have procedures for cooperation and information exchange during a crisis		43.8%
of which, the proportion that		
- test the procedures on a regular basis		42.9%
- used the procedures during the recent crisis		71.4%
- changed or introduced new procedures as a result of the crisis		28.6%
Proportion that introduced testing of procedures as a result of the crisis		18.8%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	18.8%	25.0%
- with respect to other supervisors	31.3%	43.8%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		37.5%
2 No, we are already fully involved		6.3%
3 No, but we are planning to		12.5%
4 No, supervisory colleges are not relevant in our market		0.0%
5 No, we did establish or join colleges but not as a consequence of the crisis		31.3%
6 No, we have no plans		6.3%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		18.8%

Summary of observance - Central, Eastern Europe & Transcaucasia

Table C: Summary of Observance - Central, Eastern Europe & Transcaucasia  
Total Number of Responses: 18

ICP	EC	Observance						No response
		Observed	Largely	Fully & Largely	Partly	Not observed	Not applicable	
5	(a)	55.6%	na	55.6%	0.0%	44.4%	na	0.0%
	(b)	83.3%	na	83.3%	na	11.1%	na	5.6%
	(c)	88.9%	0.0%	88.9%	0.0%	11.1%	na	0.0%
	(d)	38.9%	na	38.9%	na	61.1%	na	0.0%
	(e)	33.3%	16.7%	50.0%	0.0%	16.7%	27.8%	5.6%
	(f)	94.4%	0.0%	94.4%	0.0%	5.6%	0.0%	0.0%
	(g)	27.8%	16.7%	44.4%	0.0%	11.1%	44.4%	0.0%
	(h)	22.2%	0.0%	22.2%	0.0%	5.6%	66.7%	5.6%
	(i)	44.4%	0.0%	44.4%	0.0%	11.1%	38.9%	5.6%
	(j)	66.7%	0.0%	66.7%	0.0%	5.6%	22.2%	5.6%
	ICP 5		5.6%	72.2%	77.8%	16.7%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		72.2%	5.6%	77.8%	16.7%	5.6%	0.0%	0.0%
ICP 7		44.4%	27.8%	72.2%	27.8%	0.0%	na	0.0%
ICP 17		5.6%	55.6%	61.1%	27.8%	5.6%	na	5.6%
ICP 27		55.6%	16.7%	72.2%	27.8%	0.0%	0.0%	0.0%
ICP 28		44.4%	5.6%	50.0%	0.0%	0.0%	50.0%	0.0%

Crisis management - Central, Eastern Europe & Transcaucasia

Proportion that have procedures for cooperation and information exchange during a crisis	55.6%	
of which, the proportion that		
- test the procedures on a regular basis	50.0%	
- used the procedures during the recent crisis	30.0%	
- changed or introduced new procedures as a result of the crisis	70.0%	
Proportion that introduced testing of procedures as a result of the crisis	50.0%	
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	11.1%	5.6%
- with respect to other supervisors	5.6%	0.0%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement	27.8%	
2 No, we are already fully involved	16.7%	
3 No, but we are planning to	22.2%	
4 No, supervisory colleges are not relevant in our market	0.0%	
5 No, we did establish or join colleges but not as a consequence of the crisis	22.2%	
6 No, we have no plans	11.1%	
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis	38.9%	

Summary of observance - Middle East & North Africa

Table D: Summary of Observance - Middle East & North Africa  
Total Number of Responses: 10

ICP	EC	Observance						No response
		Observed	Largely	Fully & Largely	Partly	Not observed	Not applicable	
5	(a)	70.0%	na	70.0%	0.0%	30.0%	na	0.0%
	(b)	60.0%	na	60.0%	na	30.0%	na	10.0%
	(c)	60.0%	10.0%	70.0%	0.0%	30.0%	na	0.0%
	(d)	80.0%	na	80.0%	na	20.0%	na	0.0%
	(e)	20.0%	10.0%	30.0%	10.0%	0.0%	60.0%	0.0%
	(f)	90.0%	0.0%	90.0%	10.0%	0.0%	0.0%	0.0%
	(g)	10.0%	40.0%	50.0%	0.0%	0.0%	50.0%	0.0%
	(h)	20.0%	0.0%	20.0%	0.0%	0.0%	70.0%	10.0%
	(i)	50.0%	0.0%	50.0%	0.0%	0.0%	50.0%	0.0%
	(j)	50.0%	0.0%	50.0%	10.0%	10.0%	20.0%	10.0%
	ICP 5		10.0%	70.0%	80.0%	20.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		40.0%	20.0%	60.0%	20.0%	10.0%	10.0%	0.0%
ICP 7		60.0%	20.0%	80.0%	10.0%	10.0%	na	0.0%
ICP 17		10.0%	20.0%	30.0%	60.0%	0.0%	na	10.0%
ICP 27		60.0%	10.0%	70.0%	30.0%	0.0%	0.0%	0.0%
ICP 28		80.0%	0.0%	80.0%	0.0%	0.0%	20.0%	0.0%

Crisis management - Middle East & North Africa

Proportion that have procedures for cooperation and information exchange during a crisis		60.0%
of which, the proportion that		
- test the procedures on a regular basis		100.0%
- used the procedures during the recent crisis		83.3%
- changed or introduced new procedures as a result of the crisis		50.0%
Proportion that introduced testing of procedures as a result of the crisis		30.0%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	10.0%	10.0%
- with respect to other supervisors	10.0%	10.0%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		60.0%
2 No, we are already fully involved		0.0%
3 No, but we are planning to		10.0%
4 No, supervisory colleges are not relevant in our market		20.0%
5 No, we did establish or join colleges but not as a consequence of the crisis		0.0%
6 No, we have no plans		10.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		60.0%

Summary of observance - Offshore & Caribbean Islands

Table E: Summary of Observance - Offshore & Caribbean Islands  
Total Number of Responses: 17

ICP	EC	Observance						No response
		Observed	Largely	Fully & Largely	Partly	Not observed	Not applicable	
5	(a)	88.2%	na	88.2%	0.0%	11.8%	na	0.0%
	(b)	94.1%	na	94.1%	na	5.9%	na	0.0%
	(c)	82.4%	5.9%	88.2%	0.0%	5.9%	na	5.9%
	(d)	82.4%	na	82.4%	na	17.6%	na	0.0%
	(e)	11.8%	29.4%	41.2%	0.0%	5.9%	52.9%	0.0%
	(f)	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	(g)	58.8%	23.5%	82.4%	0.0%	0.0%	11.8%	5.9%
	(h)	41.2%	0.0%	41.2%	5.9%	0.0%	52.9%	0.0%
	(i)	58.8%	0.0%	58.8%	0.0%	0.0%	41.2%	0.0%
	(j)	82.4%	5.9%	88.2%	0.0%	0.0%	11.8%	0.0%
	ICP 5		35.3%	64.7%	100.0%	0.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		64.7%	29.4%	94.1%	5.9%	0.0%	0.0%	0.0%
ICP 7		76.5%	5.9%	82.4%	17.6%	0.0%	na	0.0%
ICP 17		23.5%	52.9%	76.5%	5.9%	5.9%	na	11.8%
ICP 27		64.7%	29.4%	94.1%	0.0%	0.0%	5.9%	0.0%
ICP 28		88.2%	0.0%	88.2%	0.0%	5.9%	5.9%	0.0%

Crisis management - Offshore & Caribbean Islands

Proportion that have procedures for cooperation and information exchange during a crisis		76.5%
of which, the proportion that		
- test the procedures on a regular basis		30.8%
- used the procedures during the recent crisis		61.5%
- changed or introduced new procedures as a result of the crisis		53.8%
Proportion that introduced testing of procedures as a result of the crisis		23.5%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	11.8%	5.9%
- with respect to other supervisors	47.1%	47.1%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		35.3%
2 No, we are already fully involved		5.9%
3 No, but we are planning to		5.9%
4 No, supervisory colleges are not relevant in our market		11.8%
5 No, we did establish or join colleges but not as a consequence of the crisis		35.3%
6 No, we have no plans		5.9%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		23.5%

Summary of observance - Sub-Saharan Africa

Table F: Summary of Observance - Sub-Saharan Africa  
Total Number of Responses: 11

ICP	EC	Observance						No response
		Observed	Largely	Fully & Largely	Partly	Not observed	Not applicable	
5	(a)	36.4%	na	36.4%	0.0%	63.6%	na	0.0%
	(b)	90.9%	na	90.9%	na	9.1%	na	0.0%
	(c)	54.5%	9.1%	63.6%	18.2%	18.2%	na	0.0%
	(d)	72.7%	na	72.7%	na	27.3%	na	0.0%
	(e)	0.0%	0.0%	0.0%	0.0%	36.4%	54.5%	9.1%
	(f)	81.8%	0.0%	81.8%	9.1%	9.1%	0.0%	0.0%
	(g)	18.2%	36.4%	54.5%	0.0%	18.2%	18.2%	9.1%
	(h)	9.1%	0.0%	9.1%	0.0%	18.2%	72.7%	0.0%
	(i)	18.2%	0.0%	18.2%	0.0%	9.1%	72.7%	0.0%
	(j)	45.5%	0.0%	45.5%	9.1%	0.0%	36.4%	9.1%
	ICP 5		0.0%	72.7%	72.7%	27.3%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		36.4%	18.2%	54.5%	36.4%	0.0%	0.0%	9.1%
ICP 7		72.7%	0.0%	72.7%	0.0%	18.2%	na	9.1%
ICP 17		9.1%	45.5%	54.5%	36.4%	0.0%	na	9.1%
ICP 27		18.2%	54.5%	72.7%	18.2%	0.0%	9.1%	0.0%
ICP 28		45.5%	0.0%	45.5%	0.0%	0.0%	45.5%	9.1%

Crisis management - Sub-Saharan Africa

Proportion that have procedures for cooperation and information exchange during a crisis		18.2%
of which, the proportion that		
- test the procedures on a regular basis		0.0%
- used the procedures during the recent crisis		0.0%
- changed or introduced new procedures as a result of the crisis		50.0%
Proportion that introduced testing of procedures as a result of the crisis		0.0%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	27.3%	27.3%
- with respect to other supervisors	45.5%	27.3%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		27.3%
2 No, we are already fully involved		0.0%
3 No, but we are planning to		54.5%
4 No, supervisory colleges are not relevant in our market		9.1%
5 No, we did establish or join colleges but not as a consequence of the crisis		9.1%
6 No, we have no plans		0.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		27.3%

Summary of observance - Western Europe

Table G: Summary of Observance - Western Europe  
Total Number of Responses: 19

ICP	EC	Observance					No response	
		Observed	Largely	Fully & Largely	Partly	Not observed		Not applicable
5	(a)	52.6%	na	52.6%	5.3%	42.1%	na	0.0%
	(b)	78.9%	na	78.9%	na	21.1%	na	0.0%
	(c)	89.5%	5.3%	94.7%	0.0%	0.0%	na	5.3%
	(d)	84.2%	na	84.2%	na	15.8%	na	0.0%
	(e)	47.4%	31.6%	78.9%	0.0%	0.0%	15.8%	5.3%
	(f)	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	(g)	52.6%	26.3%	78.9%	0.0%	5.3%	15.8%	0.0%
	(h)	68.4%	0.0%	68.4%	0.0%	0.0%	26.3%	5.3%
	(i)	78.9%	0.0%	78.9%	0.0%	0.0%	5.3%	15.8%
	(j)	89.5%	0.0%	89.5%	0.0%	0.0%	0.0%	10.5%
	ICP 5		26.3%	73.7%	100.0%	0.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		89.5%	5.3%	94.7%	5.3%	0.0%	0.0%	0.0%
ICP 7		57.9%	15.8%	73.7%	26.3%	0.0%	na	0.0%
ICP 17		26.3%	52.6%	78.9%	21.1%	0.0%	na	0.0%
ICP 27		52.6%	31.6%	84.2%	15.8%	0.0%	0.0%	0.0%
ICP 28		78.9%	0.0%	78.9%	0.0%	0.0%	21.1%	0.0%

Crisis management - Western Europe

Proportion that have procedures for cooperation and information exchange during a crisis		89.5%
of which, the proportion that		
- test the procedures on a regular basis		70.6%
- used the procedures during the recent crisis		76.5%
- changed or introduced new procedures as a result of the crisis		64.7%
Proportion that introduced testing of procedures as a result of the crisis		47.4%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	10.5%	10.5%
- with respect to other supervisors	26.3%	36.8%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		26.3%
2 No, we are already fully involved		42.1%
3 No, but we are planning to		0.0%
4 No, supervisory colleges are not relevant in our market		0.0%
5 No, we did establish or join colleges but not as a consequence of the crisis		26.3%
6 No, we have no plans		5.3%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		52.6%

Summary of observance - G-20 members

Table H: IAIS members in G20 jurisdictions  
Total Number of Responses: 18

ICP	EC	Observance					No response	
		Observed	Largely	Fully & Largely	Partly	Not observed		Not applicable
5	(a)	66.7%	na	66.7%	5.6%	27.8%	na	0.0%
	(b)	83.3%	na	83.3%	na	16.7%	na	0.0%
	(c)	66.7%	5.6%	72.2%	0.0%	22.2%	na	5.6%
	(d)	66.7%	na	66.7%	na	33.3%	na	0.0%
	(e)	22.2%	33.3%	55.6%	0.0%	16.7%	27.8%	0.0%
	(f)	83.3%	0.0%	83.3%	5.6%	11.1%	0.0%	0.0%
	(g)	27.8%	22.2%	50.0%	0.0%	5.6%	44.4%	0.0%
	(h)	44.4%	0.0%	44.4%	0.0%	11.1%	44.4%	0.0%
	(i)	38.9%	0.0%	38.9%	0.0%	16.7%	38.9%	5.6%
	(j)	33.3%	0.0%	33.3%	5.6%	11.1%	27.8%	22.2%
	ICP 5		11.1%	61.1%	72.2%	27.8%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		50.0%	11.1%	61.1%	33.3%	0.0%	5.6%	0.0%
ICP 7		72.2%	11.1%	83.3%	5.6%	11.1%	na	0.0%
ICP 17		16.7%	50.0%	66.7%	22.2%	11.1%	na	0.0%
ICP 27		66.7%	16.7%	83.3%	11.1%	0.0%	5.6%	0.0%
ICP 28		55.6%	5.6%	61.1%	0.0%	0.0%	38.9%	0.0%

Crisis management - G-20 members

Proportion that have procedures for cooperation and information exchange during a crisis		50.0%
of which, the proportion that		
- test the procedures on a regular basis		55.6%
- used the procedures during the recent crisis		55.6%
- changed or introduced new procedures as a result of the crisis		55.6%
Proportion that introduced testing of procedures as a result of the crisis		33.3%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	5.6%	5.6%
- with respect to other supervisors	16.7%	22.2%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		44.4%
2 No, we are already fully involved		16.7%
3 No, but we are planning to		16.7%
4 No, supervisory colleges are not relevant in our market		5.6%
5 No, we did establish or join colleges but not as a consequence of the crisis		5.6%
6 No, we have no plans		0.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		22.2%

Summary of observance - FSB members

Table I: Summary of Observance - FSB Members  
Total Number of Responses: 23

ICP	EC	Observance					No response	
		Observed	Largely	Fully & Largely	Partly	Not observed		Not applicable
5	(a)	69.6%	na	69.6%	4.3%	26.1%	na	0.0%
	(b)	82.6%	na	82.6%	na	17.4%	na	0.0%
	(c)	73.9%	4.3%	78.3%	0.0%	17.4%	na	4.3%
	(d)	73.9%	na	73.9%	na	26.1%	na	0.0%
	(e)	30.4%	30.4%	60.9%	4.3%	13.0%	21.7%	0.0%
	(f)	87.0%	0.0%	87.0%	4.3%	8.7%	0.0%	0.0%
	(g)	26.1%	34.8%	60.9%	0.0%	4.3%	34.8%	0.0%
	(h)	52.2%	0.0%	52.2%	0.0%	8.7%	39.1%	0.0%
	(i)	52.2%	0.0%	52.2%	0.0%	13.0%	30.4%	4.3%
	(j)	47.8%	0.0%	47.8%	4.3%	8.7%	21.7%	17.4%
	ICP 5		8.7%	69.6%	78.3%	21.7%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		56.5%	13.0%	69.6%	26.1%	0.0%	4.3%	0.0%
ICP 7		69.6%	8.7%	78.3%	13.0%	8.7%	na	0.0%
ICP 17		17.4%	56.5%	73.9%	17.4%	8.7%	na	0.0%
ICP 27		69.6%	17.4%	87.0%	8.7%	0.0%	4.3%	0.0%
ICP 28		60.9%	4.3%	65.2%	0.0%	0.0%	34.8%	0.0%

Crisis management - FSB members

Proportion that have procedures for cooperation and information exchange during a crisis		60.9%
of which, the proportion that		
- test the procedures on a regular basis		64.3%
- used the procedures during the recent crisis		71.4%
- changed or introduced new procedures as a result of the crisis		64.3%
Proportion that introduced testing of procedures as a result of the crisis		34.8%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	8.7%	4.3%
- with respect to other supervisors	21.7%	30.4%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		43.5%
2 No, we are already fully involved		17.4%
3 No, but we are planning to		13.0%
4 No, supervisory colleges are not relevant in our market		4.3%
5 No, we did establish or join colleges but not as a consequence of the crisis		13.0%
6 No, we have no plans		0.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		26.1%

Summary of observance - OECD jurisdictions

Table J: IAIS members in OECD jurisdictions  
Total Number of Responses: 32

ICP	EC	Observance					Not applicable	No response
		Observed	Largely	Fully & Largely	Partly	Not observed		
5	(a)	59.4%	na	59.4%	3.1%	37.5%	na	0.0%
	(b)	84.4%	na	84.4%	na	15.6%	na	0.0%
	(c)	87.5%	6.3%	93.8%	0.0%	3.1%	na	3.1%
	(d)	71.9%	na	71.9%	na	28.1%	na	0.0%
	(e)	37.5%	31.3%	68.8%	0.0%	9.4%	21.9%	0.0%
	(f)	93.8%	0.0%	93.8%	3.1%	3.1%	0.0%	0.0%
	(g)	37.5%	18.8%	56.3%	0.0%	3.1%	40.6%	0.0%
	(h)	59.4%	0.0%	59.4%	0.0%	3.1%	37.5%	0.0%
	(i)	68.8%	0.0%	68.8%	0.0%	6.3%	18.8%	6.3%
	(j)	75.0%	0.0%	75.0%	3.1%	3.1%	12.5%	6.3%
	ICP 5		15.6%	78.1%	93.8%	6.3%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		75.0%	9.4%	84.4%	9.4%	3.1%	3.1%	0.0%
ICP 7		53.1%	21.9%	75.0%	21.9%	3.1%	na	0.0%
ICP 17		25.0%	53.1%	78.1%	18.8%	3.1%	na	0.0%
ICP 27		62.5%	21.9%	84.4%	12.5%	0.0%	3.1%	0.0%
ICP 28		59.4%	0.0%	59.4%	0.0%	0.0%	40.6%	0.0%

Crisis Management - OECD jurisdictions

Proportion that have procedures for cooperation and information exchange during a crisis			71.9%
of which, the proportion that			
- test the procedures on a regular basis			60.9%
- used the procedures during the recent crisis			69.6%
- changed or introduced new procedures as a result of the crisis			60.9%
Proportion that introduced testing of procedures as a result of the crisis			40.6%
Reported obstacles with respect to cooperation and information exchange			
		Recently noted obstacles	Current obstacles
- within the authority		9.4%	9.4%
- with respect to other supervisors		21.9%	31.3%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis			
1 Yes, we increased our involvement			31.3%
2 No, we are already fully involved			28.1%
3 No, but we are planning to			6.3%
4 No, supervisory colleges are not relevant in our market			0.0%
5 No, we did establish or join colleges but not as a consequence of the crisis			25.0%
6 No, we have no plans			3.1%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis			31.3%

Summary of observance - low income country jurisdictions

Table K: Low income countries  
Total Number of Responses: 5

ICP	EC	Observance						No response
		Observed	Largely	Fully & Largely	Partly	Not observed	Not applicable	
5	(a)	0.0%	na	0.0%	0.0%	100.0%	na	0.0%
	(b)	80.0%	na	80.0%	na	20.0%	na	0.0%
	(c)	40.0%	0.0%	40.0%	20.0%	40.0%	na	0.0%
	(d)	60.0%	na	60.0%	na	40.0%	na	0.0%
	(e)	0.0%	0.0%	0.0%	0.0%	60.0%	40.0%	0.0%
	(f)	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	(g)	20.0%	40.0%	60.0%	0.0%	20.0%	20.0%	0.0%
	(h)	20.0%	0.0%	20.0%	0.0%	0.0%	80.0%	0.0%
	(i)	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
	(j)	40.0%	0.0%	40.0%	0.0%	0.0%	40.0%	20.0%
	ICP 5		0.0%	40.0%	40.0%	60.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		60.0%	20.0%	80.0%	20.0%	0.0%	0.0%	0.0%
ICP 7		60.0%	0.0%	60.0%	0.0%	40.0%	na	0.0%
ICP 17		0.0%	0.0%	0.0%	80.0%	0.0%	na	20.0%
ICP 27		20.0%	20.0%	40.0%	40.0%	0.0%	20.0%	0.0%
ICP 28		0.0%	0.0%	0.0%	0.0%	0.0%	80.0%	20.0%

Crisis management - low Income country jurisdictions

Proportion that have procedures for cooperation and information exchange during a crisis		20.0%
of which, the proportion that		
- test the procedures on a regular basis		0.0%
- used the procedures during the recent crisis		0.0%
- changed or introduced new procedures as a result of the crisis		0.0%
Proportion that introduced testing of procedures as a result of the crisis		0.0%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	20.0%	20.0%
- with respect to other supervisors	20.0%	20.0%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		0.0%
2 No, we are already fully involved		0.0%
3 No, but we are planning to		80.0%
4 No, supervisory colleges are not relevant in our market		20.0%
5 No, we did establish or join colleges but not as a consequence of the crisis		0.0%
6 No, we have no plans		0.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		0.0%

Summary of observance - medium-low income country jurisdictions

Table L: Medium-Low income countries  
Total Number of Responses: 20

ICP	EC	Observance					Not applicable	No response
		Observed	Largely	Fully & Largely	Partly	Not observed		
5	(a)	40.0%	na	40.0%	5.0%	55.0%	na	0.0%
	(b)	90.0%	na	90.0%	na	10.0%	na	0.0%
	(c)	65.0%	10.0%	75.0%	5.0%	20.0%	na	0.0%
	(d)	50.0%	na	50.0%	na	50.0%	na	0.0%
	(e)	0.0%	0.0%	0.0%	10.0%	0.0%	85.0%	5.0%
	(f)	100.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
	(g)	10.0%	35.0%	45.0%	0.0%	25.0%	30.0%	0.0%
	(h)	5.0%	0.0%	5.0%	0.0%	10.0%	80.0%	5.0%
	(i)	10.0%	0.0%	10.0%	0.0%	5.0%	80.0%	5.0%
	(j)	35.0%	0.0%	35.0%	10.0%	0.0%	50.0%	5.0%
	ICP 5		0.0%	90.0%	90.0%	10.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		50.0%	25.0%	75.0%	10.0%	10.0%	0.0%	5.0%
ICP 7		55.0%	10.0%	65.0%	15.0%	15.0%	na	5.0%
ICP 17		0.0%	50.0%	50.0%	30.0%	10.0%	na	10.0%
ICP 27		45.0%	35.0%	80.0%	20.0%	0.0%	0.0%	0.0%
ICP 28		65.0%	5.0%	70.0%	0.0%	10.0%	20.0%	0.0%

Crisis management - medium-low income country jurisdictions

Proportion that have procedures for cooperation and information exchange during a crisis		45.0%
of which, the proportion that		
- test the procedures on a regular basis		77.8%
- used the procedures during the recent crisis		66.7%
- changed or introduced new procedures as a result of the crisis		55.6%
Proportion that introduced testing of procedures as a result of the crisis		30.0%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	20.0%	30.0%
- with respect to other supervisors	30.0%	40.0%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		40.0%
2 No, we are already fully involved		10.0%
3 No, but we are planning to		15.0%
4 No, supervisory colleges are not relevant in our market		5.0%
5 No, we did establish or join colleges but not as a consequence of the crisis		20.0%
6 No, we have no plans		10.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		35.0%

Summary of observance - medium-high income country jurisdictions

Table M: Medium-High income countries  
Total Number of Responses: 20

ICP	EC	Observance					Not applicable	No response
		Observed	Largely	Fully & Largely	Partly	Not observed		
5	(a)	50.0%	na	50.0%	0.0%	50.0%	na	0.0%
	(b)	75.0%	na	75.0%	na	25.0%	na	0.0%
	(c)	55.0%	15.0%	70.0%	0.0%	30.0%	na	0.0%
	(d)	35.0%	na	35.0%	na	65.0%	na	0.0%
	(e)	15.0%	20.0%	35.0%	0.0%	30.0%	35.0%	0.0%
	(f)	85.0%	0.0%	85.0%	5.0%	10.0%	0.0%	0.0%
	(g)	30.0%	20.0%	50.0%	0.0%	5.0%	45.0%	0.0%
	(h)	15.0%	0.0%	15.0%	5.0%	10.0%	65.0%	5.0%
	(i)	30.0%	0.0%	30.0%	5.0%	15.0%	50.0%	0.0%
	(j)	45.0%	5.0%	50.0%	0.0%	15.0%	30.0%	5.0%
	ICP 5		5.0%	45.0%	50.0%	50.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		35.0%	25.0%	60.0%	30.0%	5.0%	5.0%	0.0%
ICP 7		60.0%	15.0%	75.0%	15.0%	10.0%	na	0.0%
ICP 17		5.0%	50.0%	55.0%	35.0%	10.0%	na	0.0%
ICP 27		45.0%	30.0%	75.0%	25.0%	0.0%	0.0%	0.0%
ICP 28		50.0%	5.0%	55.0%	0.0%	0.0%	45.0%	0.0%

Crisis management - medium-high income country jurisdictions

Proportion that have procedures for cooperation and information exchange during a crisis		30.0%
of which, the proportion that		
- test the procedures on a regular basis		66.7%
- used the procedures during the recent crisis		33.3%
- changed or introduced new procedures as a result of the crisis		66.7%
Proportion that introduced testing of procedures as a result of the crisis		30.0%
Reported obstacles with respect to cooperation and information exchange		
	Recently noted obstacles	Current obstacles
- within the authority	30.0%	20.0%
- with respect to other supervisors	30.0%	25.0%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis		
1 Yes, we increased our involvement		35.0%
2 No, we are already fully involved		5.0%
3 No, but we are planning to		20.0%
4 No, supervisory colleges are not relevant in our market		5.0%
5 No, we did establish or join colleges but not as a consequence of the crisis		25.0%
6 No, we have no plans		10.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis		20.0%

Summary of observance - high income country jurisdictions

Table N: High income countries  
Total Number of Responses: 60

ICP	EC	Observance					No response	
		Observed	Largely	Fully & Largely	Partly	Not observed		Not applicable
5	(a)	68.3%	na	68.3%	1.7%	30.0%	na	0.0%
	(b)	86.7%	na	86.7%	na	10.0%	na	3.3%
	(c)	86.7%	6.7%	93.3%	0.0%	3.3%	na	3.3%
	(d)	85.0%	na	85.0%	na	15.0%	na	0.0%
	(e)	36.7%	25.0%	61.7%	1.7%	3.3%	30.0%	3.3%
	(f)	96.7%	0.0%	96.7%	1.7%	1.7%	0.0%	0.0%
	(g)	46.7%	23.3%	70.0%	0.0%	5.0%	25.0%	0.0%
	(h)	51.7%	0.0%	51.7%	0.0%	0.0%	45.0%	3.3%
	(i)	70.0%	0.0%	70.0%	0.0%	1.7%	21.7%	6.7%
	(j)	81.7%	0.0%	81.7%	3.3%	0.0%	8.3%	6.7%
	ICP 5		25.0%	75.0%	100.0%	0.0%	0.0%	0.0%
Relevant aspects of other ICPs								
ICP 6		75.0%	16.7%	91.7%	6.7%	0.0%	1.7%	0.0%
ICP 7		65.0%	15.0%	80.0%	18.3%	1.7%	na	0.0%
ICP 17		25.0%	58.3%	83.3%	11.7%	1.7%	na	3.3%
ICP 27		66.7%	21.7%	88.3%	6.7%	0.0%	5.0%	0.0%
ICP 28		73.3%	0.0%	73.3%	0.0%	0.0%	26.7%	0.0%

Crisis management - high income country jurisdictions

Proportion that have procedures for cooperation and information exchange during a crisis			76.7%
of which, the proportion that			
- test the procedures on a regular basis			50.0%
- used the procedures during the recent crisis			69.6%
- changed or introduced new procedures as a result of the crisis			54.3%
Proportion that introduced testing of procedures as a result of the crisis			31.7%
Reported obstacles with respect to cooperation and information exchange			
		Recently noted obstacles	Current obstacles
- within the authority		6.7%	5.0%
- with respect to other supervisors		25.0%	28.3%
Regarding establishing or joining supervisory colleges as a consequence of the financial crisis			
1 Yes, we increased our involvement			31.7%
2 No, we are already fully involved			23.3%
3 No, but we are planning to			8.3%
4 No, supervisory colleges are not relevant in our market			5.0%
5 No, we did establish or join colleges but not as a consequence of the crisis			23.3%
6 No, we have no plans			5.0%
Proportion signing additional agreements or amending existing agreements on cooperation and/or information exchange as a consequence of the financial crisis			40.0%

**Annex D List of responding jurisdictions**

1	Africa (Regional), Conference Interafricaine des Marches d'Assurance
2	Albania, Financial Supervisory Authority
3	Anguilla, Financial Services Commission
4	Argentina, Superintendencia de Seguros de la Nacion Argentina
5	Aruba, Centrale Bank van Aruba
6	Australia, Australian Prudential Regulation Authority
7	Austria, Financial Market Authority
8	Azerbaijan, Ministry of Finance of the Republic of Azerbaijan
9	Bahamas, Insurance Commission of the Bahamas
10	Bahrain, Central Bank of Bahrain
11	Belgium, Banking, Finance and Insurance Commission
12	Belize, Office of the Supervisor of Insurance
13	Bermuda, Bermuda Monetary Authority
14	Bhutan, Royal Monetary Authority of Bhutan
15	Botswana, Non Bank Financial Institutions Regulatory Authority
16	Brazil, Superintendencia de Seguros Privados
17	British Virgin Islands, Financial Services Commission
18	Brunei Darussalam, Autoriti Monetari Brunei Darussalam
19	Bulgaria, Financial Supervision Commission
20	Canada, Office of the Superintendent of Financial Institutions
21	Canada, Autorite des marches financiers
22	Cayman Islands, BWI, Cayman Islands Monetary Authority
23	Chile, Superintendencia de Valores y Seguros
24	Chinese Taipei, Financial Supervisory Commission
25	Colombia, Superintendencia Financiera de Colombia
26	Costa Rica, Superintendencia General de Seguros
27	Croatia, Croatian Financial Services Supervisory Agency
28	Curacao and Sint Maarten, Centrale Bank van Curaçao en Sint Maarten
29	Cyprus, Insurance Companies Control Services
30	Czech Republic, Czech National Bank, Insurance Companies Regulation and Supervision Department
31	Denmark, Finanstilsynet
32	Egypt, Egyptian Financial Supervisory Authority
33	El Salvador, Superintendencia del Sistema Financiero
34	Estonia, Estonian Financial Supervision Authority
35	Finland, Financial Supervisory Authority
36	France, Autorite de Controle des Assurances et Mutuelles
37	Germany, Bundesanstalt fur Finanzdienstleistungsaufsicht
38	Ghana, National Insurance Commission Ghana
39	Gibraltar, Financial Services Commission
40	Guatemala, Superintendencia de Bancos
41	Guernsey, Guernsey Financial Services Commission
42	Guinea, Direction des Assurance, Banque Centrale de la Rep. De Guinee
43	Hong Kong, Office of the Commissioner of Insurance
44	Hungary, Hungarian Financial Supervisory Authority
45	Iceland, Financial Supervisory Authority
46	India, Insurance Regulatory and Development Authority
47	Ireland, Central Bank of Ireland
48	Isle of Man, Insurance and Pensions Authority
49	Israel, Ministry of Finance
50	Italy, Istituto per lar Vigilanza sulle Assicurazioni Private e di Interesse Collectivo
51	Jamaica, Financial Services Commission
52	Japan, Financial Services Agency
53	Jersey, Jersey Financial Services Commission
54	Jordan, Insurance Commission

55	the Republic of Korea, Financial Supervisory Services and Financial Services Commission
56	Lebanon, Insurance Control Commission
57	Lesotho, Central Bank of Lesotho
58	Liechtenstein, Financial Market Authority
59	Lithuania, Insurance Supervisory Commission of the Republic of Lithuania
60	Luxembourg, Commissariat aux Assurances
61	Macau, Autoridade Monetaria de Macau
62	Malawi, Reserve Bank of Malawi
63	Malaysia, Bank Negara Malaysia
64	Maldives, Maldives Monetary Authority
65	Malta, Malta Financial Services Authority
66	Mexico, Comision Nacional de Seguros y Fianzas
67	Moldova (Republic of), National Commission of Financial Market
68	Morocco, Direction des Assurances et de la Prevoyance Sociale
69	the Netherlands, De Nederlandsche Bank
70	New Zealand, Reserve Bank of New Zealand
71	Nigeria, National Insurance Commission
72	Norway, Finanstilsynet
73	Panama, Superintendencia de Panama
74	Philippines, Insurance Commission
75	Poland, Polish Financial Supervisory Authority
76	Portugal, Instituto de Seguros de Portugal
77	Qatar, Qatar Financial Centre Regulatory Authority
78	Romania, Insurance Supervisory Commission
79	Russia, Federal Service for Insurance Supervision
80	Samoa, International Companies Office
81	Saudi Arabia, Saudi Arabian Monetary Authority
82	Serbia, National Bank of Serbia
83	Singapore, Monetary Authority of Singapore
84	Slovakia, National Bank of Slovakia
85	Slovenia, Agencija za zavarovalni nadzor
86	South Africa, Financial Services Board
87	Spain, Direccion General de Seguros y Fondos de Pensiones
88	Sri Lanka, Insurance Board of Sri Lanka
89	Sultanate of Oman, Capital Market Authority
90	Swaziland, Registrar of Insurance and Retirement Funds
91	Switzerland, Swiss Financial Market Supervisory Authority
92	Syria, Syrian Insurance Supervisory Commission
93	Tanzania, Ministry of Finance, Insurance Supervisory Department
94	Thailand, Office of the Insurance Commission
95	Trinidad & Tobago, Central Bank of Trinidad & Tobago
96	Turkey, Insurance Supervisory Board
97	Turks & Caicos, BWI, Financial Services Commission
98	Uganda, Uganda Insurance Commission
99	Ukraine, State Commission for Regulation of Financial Services Markets
100	United Arab Emirates - DIFC, Dubai Financial Services Authority
101	the United Kingdom, Financial Services Authority
102	the USA, California Department of Insurance
103	the USA, Connecticut Department of Insurance
104	the USA, Nebraska Department of Insurance
105	the USA, Wisconsin Department of Insurance
106	Vanuatu, Reserve Bank of Vanuatu

## ***Annex E Process and methodology***

At the request of the Executive Committee, the Implementation Committee established an Ad Hoc Group to develop a possible approach to self assessments for the IAIS in the future. The Ad Hoc Group recommended a pilot thematic review be conducted by a group of experts assembled for the purpose. This 'Thematic Expert Group' was established.

The whole of the ICPs were reviewed to select the criteria that were relevant to the topic. Within the ICPs, the main area where cooperation and information exchange is addressed is in ICP 5, although there are aspects of other ICPs that also relate to the theme. These other ICPs are 6 (Licensing), 7 (Suitability of persons), 17 (Group-wide supervision), 27 (Fraud) and 28 (AML/CFT).

When reviewing the ICPs and their criteria for inclusion, the group took the approach that only the relevant criteria that make explicit reference to the thematic topic would be relevant. It could be argued that many ICPs are relevant in some way or another to effective cooperation, for example, having adequate powers of information gathering, but the Thematic Expert Group determined that, if more implicit or supplementary criteria were to be included, the thematic nature of the assessment would not be maintained. Rather, such aspects can be considered as part of subsequent thematic selections on topics where the criteria excluded here could be considered more centrally to those themes if this is desirable. Accordingly, the assessments were based on all essential criteria for ICP 5, and only the relevant elements of essential criteria (b), (d) and (f) of ICP 6, criterion (e) of ICP 7, criteria (b), (c) and (e) of ICP 17, criteria (a) and (g) of ICP 27 and criterion (a) of ICP 28.

Feedback from earlier self assessment exercises indicated that the most useful and objective assessment would occur if focused questions were completed by IAIS Members and not by asking Members to make an assessment and rating. Ratings were assigned by the Thematic Expert Group based on the factual responses to questions.

A detailed questionnaire was developed by the Thematic Expert Group. It was refined during meetings of the Thematic Expert Group and then sent to five volunteer jurisdictions for testing and validation by asking them to respond to the questionnaire. After the success of the test, the revised questionnaire was circulated to relevant subcommittees for comment or concurrence by written procedure then cleared by Technical and Executive Committees for release to all IAIS Members.

The questionnaire was sent to all members in early 2011 with a request for completion within 6 weeks. The Thematic Expert Group met in March to review all the responses it had received at that stage, create an assessment methodology and draft this overall report and individual reports for responding jurisdictions. There was a substantial number of submissions received after the completion date, with the last being received in May. The Thematic Expert Group has met by teleconference several times in order to finalise individual reports and this overall report.

Individual reports were sent to responding Members in draft form so as to provide the opportunity for them to submit a comment that could be included in the report itself. This is in line with the same process that is used for detailed assessments under the World Bank and IMF FSAP assessments. Corrections to factual misinterpretations were also accepted.

Regarding improvements that may be considered for future exercises, the Thematic Expert Group considers that it would be possible to consider more questions and potential for cross validation of responses. The particularly economical approach taken in this exercise was probably more than is needed. Second, the value of the validation of the questionnaire with trial jurisdictions should always be followed in future as it proved important in making the effort a success and avoiding the risk of inconclusive results.

Interpretive and definitional matters

*Home and Host Supervisor Definition*      The scope of the assessment includes questions that apply only to home or host supervisors. For the purpose of this review, whether or not a jurisdiction was a home or host supervisor was determined based on the structure of the market participants at the time the questionnaire was completed. In the event that a supervisor was not in the role then the relevant essential criteria were considered to be "not applicable".

Some questions sought information on actual experience in a defined period, in this case during the years 2008 to 2010 inclusive. For clarity, if a supervisor was a home or host supervisor during the period but not at the time that they responded to the questionnaire, they were not asked the questions. The assessment focuses on the current status and not a status that may have existed in the past even if it did so up until fairly recently.

The review considered that a supervisor is a home supervisor when insurers that it licenses, authorises, registers or supervises owns another insurer outside the jurisdiction, operates a branch in another jurisdiction or owns a bank or other financial services entity outside the jurisdiction. In such cases, the insurance or bank supervisor in the other jurisdiction (respectively) would be the host supervisor. Also, when an insurer owns a bank or financial services entity inside the jurisdiction and the insurance supervisor is not also the supervisor of the bank or financial services entity then the insurance supervisor would be a home supervisor and the local bank supervisor would be the host supervisor.

Cross border services provision of insurance does not necessarily involve the registration of an insurer in the jurisdiction. As a result, the ICP obligations on host supervisors were not considered to be mandatory in the context of the ICP assessment. This is not to say that supervisors in such cases may or may not have some systems and processes.

*Non financial sector parents not included*      The Thematic Expert Group also considered that the focus of the ICPs was on obligation on insurance supervisors to seek information in cases primarily when foreign ownership was by a financial institution. In the case that a foreign interest was not a financial institution, supervisors may have a practice of approaching authorities or not but experience suggested that it was often difficult in such situations to identify a responsive "home supervisor" and, in addition, in such cases a lack of response may not be material to the supervisory process or prudential risk considerations.

*Separate functional supervision structures not generally addressed*      Additionally, the review focused on cross sectoral and cross border cooperation. Where functional differences existed that were not explicitly the focus of the ICPs (i.e. other than licensing, fraud and AML/CFT) then these were not addressed in this assessment. As a result, for example, the cooperation between market conduct and prudential supervisors was not part of the scope of this thematic assessment when these functions are in different authorities in a jurisdiction.

**Annex F Text of the questionnaire**

The questionnaire was developed to support the review and assessment. It consisted of four sections.

- A. Questions 1 and 2 were for identification and communication purposes.
- B. Questions 3 to 14 were for purposes of facilitating focus of subsequent questions by understanding the scope of supervisory functions and the nature of the supervised sector.
- C. Questions 15 to 56 were focussed on the actual assessment
- D. Questions 57 to 66 covered crisis management issues.

A final (question 67) provided an open comment or clarification space.

The full text is reproduced here for completeness and reference.

**Identification and Instructions**

1 IAIS Member

*Jurisdiction  
Authority  
Abbreviated as*

*Country*

**Instructions**

All responses should be entered in the boxes marked by the square borders. You will see your responses in red text as you enter them. Several of the earlier questions have the result that later questions are marked as 'Please go to the next question.' or 'Not applicable' or 'Leave blank ...'.

Most of the questions are designed to be answered as 1=Yes or 2=No. In some cases, particularly on questions that are not always applicable so may not be relevant to many respondents, other options can be included such as 3=Sometimes. Each answer box prompts what is required. Some questions have the opportunity to add text responses and these can be added in the box marked.

2 The IAIS will prepare a confidential report for YOUR AUTHORITY regarding the observance of relevant 2003 Insurance Core Principles (ICPs) and essential criteria. The assessment will relate to those aspects of the ICPs that are relevant for YOUR AUTHORITY and, as such, is an assessment for YOUR AUTHORITY and not necessarily for the whole of YOUR COUNTRY. The report will be sent electronically. Please advise the contact details, i.e. contact name, title and email address, for sending the report.

Name:

Title:

Email address:


**Important Definitions:**

When completing the questions, please be aware of these important definitions:

- a) *(re)insurers that are licensed or supervised by YOUR AUTHORITY* refers to insurance entities, whether they be branches or locally incorporated, and whether they carry out direct insurance or reinsurance or both, and whether they are licensed, authorised, registered or some other similar term, or supervised by YOUR AUTHORITY.

- b) *banks or other non-insurance financial sector entities*  
 refers to banks or other non-insurance financial sector entities but does not refer to (re)insurers. It does refer to, for example, securities businesses, investment management businesses, or diverse financial groups operating under holding company structures etc.
- c) *'owned or controlled by' and 'own or control'*  
 refers to ownership or control that INCLUDES partial ownership or control AND also direct or indirect ownership or control. The threshold for a minimum of ownership or control is taken to be 20% so any cases at or above this level should be considered.

**Key information about the market and the responsibilities of YOUR AUTHORITY**  
 ... to assist in assessing the relevance of ICPs and Essential Criteria

- 3 Is YOUR AUTHORITY responsible for the supervision of banks or other non-insurance financial sector entities in your jurisdiction?  Enter 1=Yes or 2=No
- 4 Is YOUR AUTHORITY responsible for the function of licensing in YOUR JURISDICTION?  Enter 1=Yes or 2=No
- 5 Is YOUR AUTHORITY responsible for the function of supervising market conduct or agents, brokers and other distribution channels in YOUR JURISDICTION?  Enter 1=Yes or 2=No
- 6 Does YOUR AUTHORITY have the main responsibility given to it under legislation in YOUR JURISDICTION for supervising anti-money laundering and combating the financing of terrorism (AML/CFT) regarding ...
- a) (re)insurers that are licensed or supervised by YOUR AUTHORITY  Enter 1=Yes or 2=No
- b) agents, brokers and other distribution channels?  Enter 1=Yes or 2=No
- 7 Do any (re)insurers that are licensed or supervised by YOUR AUTHORITY have subsidiaries that provide insurance services outside YOUR JURISDICTION?  Enter 1=Yes or 2=No
- 8 Do any (re)insurers that are licensed or supervised by YOUR AUTHORITY have branch operations that provide insurance services outside YOUR JURISDICTION?  Enter 1=Yes or 2=No
- 9 Do any (re)insurers that are licensed or supervised by YOUR AUTHORITY own or control banks or other non-insurance financial sector entities established IN YOUR COUNTRY?  Enter 1=Yes or 2=No
- 10 Do any (re)insurers that are licensed or supervised by YOUR AUTHORITY own or control banks or other non-insurance financial sector entities established OUTSIDE YOUR COUNTRY?  Enter 1=Yes or 2=No
- 11 Are any (re)insurers that are licensed or supervised by YOUR AUTHORITY and operating as locally incorporated entities in YOUR COUNTRY owned or controlled by foreign (re)insurers?  Enter 1=Yes or 2=No
- 12 Do any foreign (re)insurers operate branches in YOUR JURISDICTION that are licensed or supervised by YOUR AUTHORITY?  Enter 1=Yes or 2=No

13 Do any foreign banks or other non-insurance financial sector entities own or control (re)insurers that are licensed or supervised by YOUR AUTHORITY?  Enter 1=Yes or 2=No

14 Are any (re)insurers that are licensed or supervised by YOUR AUTHORITY owned or controlled by banks or other non-insurance financial sector entities that are established IN YOUR COUNTRY?  Enter 1=Yes or 2=No

**Specific Questions on Legal Policy and Practical Position on Information Exchange**

15 Is YOUR AUTHORITY required, by law, procedure or practice, to have a formal agreement in place with another supervisor before YOUR AUTHORITY can share information (confidential or otherwise) with that other supervisor?  Enter 1=Yes or 2=No

16 If YOUR AUTHORITY is approached with a request for information of the nature set out in each of the questions below from another supervisor in another jurisdiction would YOUR AUTHORITY be in a position to respond without other action, or after assessing confidentiality issues, or with other conditions such as reciprocity or other requirements, or after establishing a formal agreement, or not at all?

- 1 Yes, provided formal agreements are in place
- 2 Yes, after assessing confidentiality issues
- 3 Yes, with other conditions
- 4 Other response (elaborated)
- 5 No, it is not legally possible
- 6 Yes, without conditions

a) Is a (re)insurer that is licensed or supervised by YOUR AUTHORITY meeting the solvency, provisioning, and other financial requirements?  Enter 1, 2, 3, 4, 5 or 6

Please explain

b) YOUR AUTHORITY has gathered information on the valuation of particular assets as part of an on site inspection including an independent valuation report (not released by the company to the general public) that the (re)insurer used as the basis for its valuation in its accounts. Could YOUR AUTHORITY provide a copy of this report to a supervisor in another jurisdiction?  Enter 1, 2, 3, 4, 5 or 6

Please explain

c) a (re)insurer in YOUR JURISDICTION is seeking a license for a subsidiary operation in another country. The supervisor in the other country has asked for YOUR AUTHORITY's view on whether it operates according to sound business principles, complies with supervisory requirements, and has effective management systems in place.  Enter 1, 2, 3, 4, 5 or 6

Please explain

- d) a (re)insurer in YOUR JURISDICTION has appointed a key functionary (board member, senior manager, actuary or auditor) who is also proposed to be a key functionary of a subsidiary in another jurisdiction. The other jurisdiction has written to YOUR AUTHORITY seeking a view on his suitability.

Enter 1, 2, 3, 4, 5 or 6

Please explain

- 17 In its role as an insurance supervisor, has YOUR AUTHORITY had any requests either in person or by email or letter or other correspondence from other supervisory authorities during the years 2008 to 2010 inclusive seeking information (confidential or otherwise) from YOUR AUTHORITY to be shared with them?

Enter 1=Yes or 2=No

- 18 Regarding the requests that YOUR AUTHORITY received from other supervisory authorities noted in your response to question 17 did YOUR AUTHORITY share complete or full information in response to these requests?

- 1 Yes, always and completely
- 2 Yes, sometimes, but not every time, or not always in full
- 3 No, we did not share information.

Enter 1, 2, or 3

Please explain why YOUR AUTHORITY sometimes, or not fully, or never exchanged information...

- 19 Has YOUR AUTHORITY made any requests for information (confidential or otherwise) to other authorities during the years 2008 to 2010 inclusive?

Enter 1=Yes or 2=No

- 20 Regarding the information requests made that are referred to in question 19, was the information that was requested provided in full and in a timely manner for all requests?

- 1 Yes, it was provided in full and in a timely manner on all occasions
- 2 Yes, it was provided sometimes or not always in a full or timely manner
- 3 No, the information was not provided

Enter 1, 2, or 3

Please comment regarding why the information was not always provided in full or in a timely manner.

- 21 You have indicated in question 20 that YOUR AUTHORITY has received information from other supervisors during the years 2008 to 2010 inclusive. Did YOUR AUTHORITY take action based on the evidence in the information it received?

- 1 Yes, always, or sometimes but not every time  Enter 1=Yes or
- 2 No, we did not take action based on information in the period.  2=No

22 With respect to the actions indicated in your response to question 21 did YOUR AUTHORITY consult with the supervisor that provided the information before taking the action?

- 1 Yes, in every case
- 2 Yes, but not in every case  Enter 1, 2, or 3
- 3 No

Please indicate the reason for not consulting with the supervisor that provided the information.

23 Can YOUR AUTHORITY enter into agreements or understandings with any other financial sector supervisor at YOUR AUTHORITY's absolute discretion? (Answer '2=No' if YOUR AUTHORITY refers to someone outside YOUR AUTHORITY by law or by practice).  Enter 1=Yes or 2=No

24 Has YOUR AUTHORITY, during the years 2008 to 2010 inclusive, been approached for information (confidential or otherwise) from another supervisory authority (within or outside your jurisdiction) and been unable to respond and provide the information in full?  Enter 1=Yes or 2=No

What was the reason that YOUR AUTHORITY was not able to provide the information in full in the cases identified?

25 Does YOUR AUTHORITY assess whether or not the confidential information that it provides will remain so when YOUR AUTHORITY shares it with another supervisor?  Enter 1=Yes or 2=No

26 Does YOUR AUTHORITY assess whether or not information (confidential or otherwise) that it provides will be used for supervisory purposes only?  Enter 1=Yes or 2=No

27 Does YOUR AUTHORITY require strict reciprocity in terms of the level, format, and / or detailed characteristics before it can exchange information (confidential or otherwise)?  Enter 1=Yes or 2=No

28 Do public licensing criteria require YOUR AUTHORITY to seek input from an applicant's home supervisory authority when a (re)insurer that is to be licensed by YOUR AUTHORITY is owned or controlled by foreign interests?

- 1 Yes  Enter 1, 2, 3, 4, or 5
- 2 No, the criteria exist but they are not public.
- 3 No, it is not a requirement of any of the criteria.
- 4 No, foreign interests are not permitted in our market.
- 5 No, (other reason).

Please indicate the reason

29 Has YOUR AUTHORITY considered any applications for licenses from (re)insurers owned or controlled by foreign interests (branches or locally incorporated) during the years 2008 to 2010 inclusive?  Enter 1=Yes or 2=No

30 For the licenses that were considered during the years 2008 to 2010 inclusive that were referred to in question 29, did YOUR AUTHORITY require confirmation from the home supervisors that the (re)insurers were authorised to carry on the types of insurance business proposed?

- 1 Yes, in every case
- 2 Yes, but not in every case  Enter 1, 2, or 3
- 3 No

31 Although YOUR AUTHORITY did not consider any applications for licenses from (re)insurers that are owned or controlled by foreign interests (as indicated in question 29), do YOUR AUTHORITY's procedures require confirmation from the home supervisors that the (re)insurers are authorised to carry on the types of insurance business proposed?  Enter 1=Yes or 2=No

32 For the licenses that were considered during the years 2008 to 2010 inclusive that were referred to in question 29, did YOUR AUTHORITY require information from the home supervisor that the (re)insurers were solvent and met all regulatory requirements in the home jurisdiction?

- 1 Yes, in every case
- 2 Yes, but not in every case  Enter 1, 2, or 3
- 3 No

33 Although YOUR AUTHORITY did not consider any applications for licenses from (re)insurers that are owned or controlled by foreign interests (as indicated in question 29), do YOUR AUTHORITY's procedures require information from the home supervisors that the (re)insurers are solvent and meet all regulatory requirements in the home jurisdiction?  Enter 1=Yes or 2=No

34 Does YOUR AUTHORITY have the legal power to exchange information (confidential or otherwise) with other authorities inside and outside YOUR JURISDICTION to check the suitability of ...

- a) Significant Owners  Enter 1=Yes or 2=No
- b) Board members  Enter 1=Yes or 2=No
- c) Senior Management  Enter 1=Yes or 2=No
- d) Auditors  Enter 1=Yes or 2=No
- e) Actuaries  Enter 1=Yes or 2=No

35 Did YOUR AUTHORITY exercise the powers referred to in question 34 during the years 2008 to 2010 inclusive with respect to ...

- a) Significant Owners  Enter 1=Yes 2=No, or 3=Sometimes  
Please advise the reason for not exercising the powers on all occasions.

- b) Board members  Enter 1=Yes 2=No, or 3=Sometimes  
Please advise the reason for not exercising the powers on all occasions.

- c) Senior Management  Enter 1=Yes 2=No, or 3=Sometimes  
Please advise the reason for not exercising the powers on all occasions.

- d) Auditors  Enter 1=Yes 2=No, or 3=Sometimes  
Please advise the reason for not exercising the powers on all occasions.

- e) Actuaries  Enter 1=Yes 2=No, or 3=Sometimes  
Please advise the reason for not exercising the powers on all occasions.

- 36 Has YOUR AUTHORITY co-operated with other supervisors (other insurance supervisors, market conduct supervisors, domestic or foreign banking supervisors, AML/CFT etc.) during the years 2008 and 2010 inclusive, to avoid unnecessary duplication?  Enter 1=Yes or 2=No

Please provide examples of this co-operation ...

- 37 How does YOUR AUTHORITY's co-ordination with other supervisory authorities specifically address the need for each authority's responsibilities to ...

a) be well defined?

b) leave no supervisory gaps?

- 38 Does YOUR AUTHORITY have legal powers that include communicating with the following authorities regarding deterring, detecting, recording, reporting, and remedying fraud in insurance?

a) with enforcement authorities in YOUR COUNTRY?

Enter 1=Yes or 2=No

b) with other supervisors?

Enter 1=Yes or 2=No

- 39 Does YOUR AUTHORITY have a procedure that includes communicating with the following authorities regarding deterring, detecting, recording, reporting, and remedying fraud in insurance?

a) with enforcement authorities in YOUR COUNTRY?

Enter 1=Yes or 2=No

b) with other supervisors?

Enter 1=Yes or 2=No

40 Has YOUR AUTHORITY communicated, during the years 2008 to 2010 inclusive with the following authorities, to deter, detect, record, report and remedy fraud in insurance?

- 1 Yes, in every case
- 2 Yes, but not in every case
- 3 No

a) with enforcement authorities in YOUR COUNTRY?  Enter 1, 2, or 3

Please explain the reasons for not communicating in every case ...

b) with other supervisors?  Enter 1, 2, or 3

Please explain the reasons for not communicating in every case ...

41 Cooperation and exchange of information on AML/CFT can involve foreign supervisors regardless of any home or host relationships. It can also include obtaining information (confidential or otherwise) at their request, Does YOUR AUTHORITY have the legal power to do these things in respect of:

a) (re)insurers?  Enter 1=Yes or 2=No

b) agents, brokers and other distribution channels?  Enter 1=Yes or 2=No

42 Were any exchanges of information (confidential or otherwise) on AML/CFT made during the years 2008 to 2010 inclusive?  Enter 1=Yes or 2=No

43 Were all the exchanges of information on AML/CFT referred to in your answer to question 42 made subject to the same conditions that apply to other information exchange in your jurisdiction?  Enter 1=Yes or 2=No

Please explain the different conditions for the AML/CFT exchanges ...

44 Regarding the exchanges of information on AML/CFT during the years 2008 to 2010 inclusive, were they made in a rapid, constructive and effective manner?  Enter 1=Yes or 2=No

Please explain why responses was not always rapid, constructive or effective exchanges of information.

45 Were any requests for cooperation on AML/CFT that were made to YOUR AUTHORITY refused during the years 2008 to 2010 inclusive?  Enter 1=Yes or 2=No

Please explain why one or more requests received on AML/CFT were refused.

46 Has YOUR AUTHORITY established controls and safeguards to ensure that information (confidential or otherwise) on AML/CFT is only used in an authorised manner consistent with national provisions of data protection and privacy?

Enter 1=Yes or 2=No

Please explain why YOUR AUTHORITY has not felt it necessary to establish controls and safeguards on AML/CFT

**Questions related to YOUR AUTHORITY's role as host supervisor where others are home supervisors**

Instructions for this section:

Whether YOUR AUTHORITY is a host supervisor... To be determined

Who would qualify as a home supervisor ...

- a) Supervisors of (re)insurers in other jurisdictions with a subsidiary operating in YOUR JURISDICTION Please complete question 11
- b) Supervisors of (re)insurers in other jurisdictions with a branch operating in YOUR JURISDICTION Please complete question 12
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions Please complete question 13
- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction Please complete questions 3 and 14

47 Were there instances, during the years 2008 to 2010 inclusive where YOUR AUTHORITY proposed to take action in its supervision of insurers for which it is host supervisor that would have an effect on the parent company or headquarters?

- a) ... regarding local subsidiary (re)insurers owned or controlled by (re)insurers in foreign jurisdictions?  Enter 1=Yes or 2=No
- b) ... regarding local branch (re)insurers owned or controlled by (re)insurers in foreign jurisdictions?  Enter 1=Yes or 2=No
- c) ... regarding (re)insurers that are owned or controlled by banks or other non-insurance financial sector entities in foreign jurisdictions?  Enter 1=Yes or 2=No
- d) ... regarding (re)insurers that are owned or controlled by banks or other non-insurance financial sector entities in YOUR JURISDICTION?  Enter 1=Yes or 2=No

48 In the cases where there was action proposed by YOUR AUTHORITY that would have an effect on the parent company or headquarters, did YOUR AUTHORITY inform the relevant home supervisor?

- 1 Yes, in every case
- 2 Yes, but not in every case
- 3 No

- a) Supervisors of (re)insurers in other jurisdictions with a subsidiary operating in YOUR JURISDICTION  Enter 1, 2, or 3
- b) Supervisors of (re)insurers in other jurisdictions with a branch operating in YOUR JURISDICTION  Enter 1, 2, or 3
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions  Enter 1, 2, or 3

- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction  Enter 1, 2, or 3

49 Although there were not cases where YOUR AUTHORITY proposed action as identified in question 47 does YOUR AUTHORITY have a procedure in place that would ensure it would inform the relevant home supervisor when action is proposed ...

- a) ... regarding local subsidiary (re)insurers owned or controlled by (re)insurers in foreign jurisdictions?  Enter 1=Yes or 2=No
- b) ... regarding local branch (re)insurers owned or controlled by (re)insurers in foreign jurisdictions?  Enter 1=Yes or 2=No
- c) ... regarding (re)insurers that are owned or controlled by banks or other non-insurance financial sector entities in foreign jurisdictions?  Enter 1=Yes or 2=No
- d) ... regarding (re)insurers that are owned or controlled by banks or other non-insurance financial sector entities in YOUR JURISDICTION?  Enter 1=Yes or 2=No

**Questions related to YOUR AUTHORITY's role as home supervisor where others are host supervisors**

Instructions for this section:

Whether YOUR AUTHORITY is a home supervisor... To be determined

Who would qualify as a host supervisor ...

- a) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate subsidiaries Please complete question 7
- b) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate branches Please complete question 8
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions Please complete question 10
- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction Please complete questions 3 and 9

50 Has YOUR AUTHORITY provided relevant information (confidential or otherwise) to host supervisors at its own initiative rather than waiting for a request for information during the years 2008 to 2010 inclusive? (Information may be provided through meetings, or in writing etc.)

- 1 Yes, in every case
- 2 Yes, but not in every case
- 3 No, we did not do this
- 4 No, no relevant information in the period

- a) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate subsidiaries  Enter 1, 2, 3 or 4
- b) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate branches  Enter 1, 2, 3 or 4
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions  Enter 1, 2, 3 or 4
- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction  Enter 1, 2, 3 or 4

51 Have there been any material changes in YOUR AUTHORITY's supervision of insurers generally or with respect to particular insurers where YOUR AUTHORITY is a home supervisor during the years 2008 to 2010 inclusive that may have had a significant bearing on the operations of ...

- a) ... another jurisdiction's (re)insurers that operate as subsidiaries of (re)insurers in YOUR JURISDICTION?  Enter 1=Yes or 2=No
- b) ... another jurisdiction's (re)insurers that operate as branch operations of (re)insurers in YOUR JURISDICTION?  Enter 1=Yes or 2=No
- c) ... another jurisdiction's banks or other non-insurance financial sector entities?  Enter 1=Yes or 2=No
- d) ... banks or other non-insurance financial sector entities in your jurisdiction?  Enter 1=Yes or 2=No

52 Where there were material changes in YOUR AUTHORITY's supervision mentioned in question 51 did inform the host supervisor(s)?

- 1 Yes, in every case
- 2 Yes, but not in every case
- 3 No

- a) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate subsidiaries  Enter 1, 2, or 3
- b) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate branches  Enter 1, 2, or 3
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions  Enter 1, 2, or 3
- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction  Enter 1, 2, or 3

53 Although there were no cases of material change, does YOUR AUTHORITY have procedures in place to ensure that it would advise relevant supervisors in the event that there are such changes in future?

- a) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate subsidiaries  Enter 1=Yes or 2=No
- b) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate branches  Enter 1=Yes or 2=No
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions  Enter 1=Yes or 2=No
- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction  Enter 1=Yes or 2=No

54 Were there any instances where, as home supervisor, YOUR AUTHORITY proposed to take action in its supervision of a (re)insurer during the years 2008 to 2010 inclusive that may have had a significant bearing on the operations of ...

- a) ... another jurisdiction's (re)insurers that operate as subsidiaries of (re)insurers in YOUR JURISDICTION?  Enter 1=Yes or 2=No
- b) ... another jurisdiction's (re)insurers that operate as branch operations of (re)insurers in YOUR JURISDICTION?  Enter 1=Yes or 2=No
- c) ... another jurisdiction's banks or other non-insurance financial sector entities?  Enter 1=Yes or 2=No

d) ... banks or other non-insurance financial sector entities in your jurisdiction?  Enter 1=Yes or 2=No

55 Where there were instances where it was proposed that action be taken as mentioned in question 54 did YOUR AUTHORITY inform the host supervisor(s)?

- 1 Yes, in every case
- 2 Yes, but not in every case
- 3 No

- a) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate subsidiaries  Enter 1, 2, or 3
- b) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate branches  Enter 1, 2, or 3
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions  Enter 1, 2, or 3
- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction  Enter 1, 2, or 3

56 Although there were no cases where it was proposed that action be taken as mentioned in question 54 does YOUR AUTHORITY have procedures in place that would ensure that it informed the host supervisor(s)?

- a) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate subsidiaries  Enter 1=Yes or 2=No
- b) Supervisors of (re)insurers in other jurisdictions where (re)insurers that are licensed or supervised by YOUR AUTHORITY operate branches  Enter 1=Yes or 2=No
- c) Supervisors of banks or other non-insurance financial sector entities in other jurisdictions  Enter 1=Yes or 2=No
- d) The supervisor of banks or other non-insurance financial sector entities in your jurisdiction  Enter 1=Yes or 2=No

**Questions regarding Crisis Management**

*This section is not part of the individual jurisdiction assessment and your responses will only contribute to the overall report. Individual jurisdiction responses will not be identified in the overall report. Note that "information exchange" refers not simply to publicly available information but also to information that may be confidential throughout this section.*

57 Does YOUR AUTHORITY have procedures for cooperation and information exchange during a crisis?  Enter 1=Yes or 2=No

58 Does YOUR AUTHORITY test the procedures for cooperation and information exchange on a regular basis?  Enter 1=Yes or 2=No

59 Did YOUR AUTHORITY use the procedures for cooperation and information exchange during the recent financial crisis?  Enter 1=Yes or 2=No

60 Did the financial crisis lead YOUR AUTHORITY to change the procedures for cooperation and information exchange or to introduce new procedures?  Enter 1=Yes or 2=No

61 Did YOUR AUTHORITY introduce testing of crisis management procedures after the financial crisis?  Enter 1=Yes or 2=No

62 What aspects of cooperation and information exchange do you feel functioned well during the recent financial crisis?

63 Have any obstacles been revealed with respect to cooperation and information exchange (e.g. legal powers, resources, information gathering powers, conflicting priorities)?

a) Within YOUR AUTHORITY?  Enter 1=Yes or 2=No

b) With respect to other supervisors?  Enter 1=Yes or 2=No

Please explain why you answer yes to a) or b)

64 Are there still remaining obstacles with respect to cooperation and information exchange?

a) Within YOUR AUTHORITY?  Enter 1=Yes or 2=No

b) With respect to other supervisors?  Enter 1=Yes or 2=No

Please explain why you answer yes to a) or b)

65 Did YOUR AUTHORITY establish or join any supervisory colleges as a consequence of the financial crisis?

1 Yes, we increased our involvement

2 No, we are already fully involved

3 No, but we are planning to

4 No, Supervisory colleges are not relevant in our market

5 No, we did establish or join colleges but not as a consequence of the crisis

6 No, we have no plans

Enter 1, 2, 3, 4, 5 or 6

66 Did YOUR AUTHORITY sign any additional agreements or amend existing agreements on cooperation and/or information exchange as a consequence of the financial crisis?  Enter 1=Yes or 2=No

67 If you wish to make any additional comments on any of the questions or your responses, please do so here: