



Guernsey Financial
Services Commission

Update –
Insurance Supervision & Policy
Caroline Bradley, Deputy Director



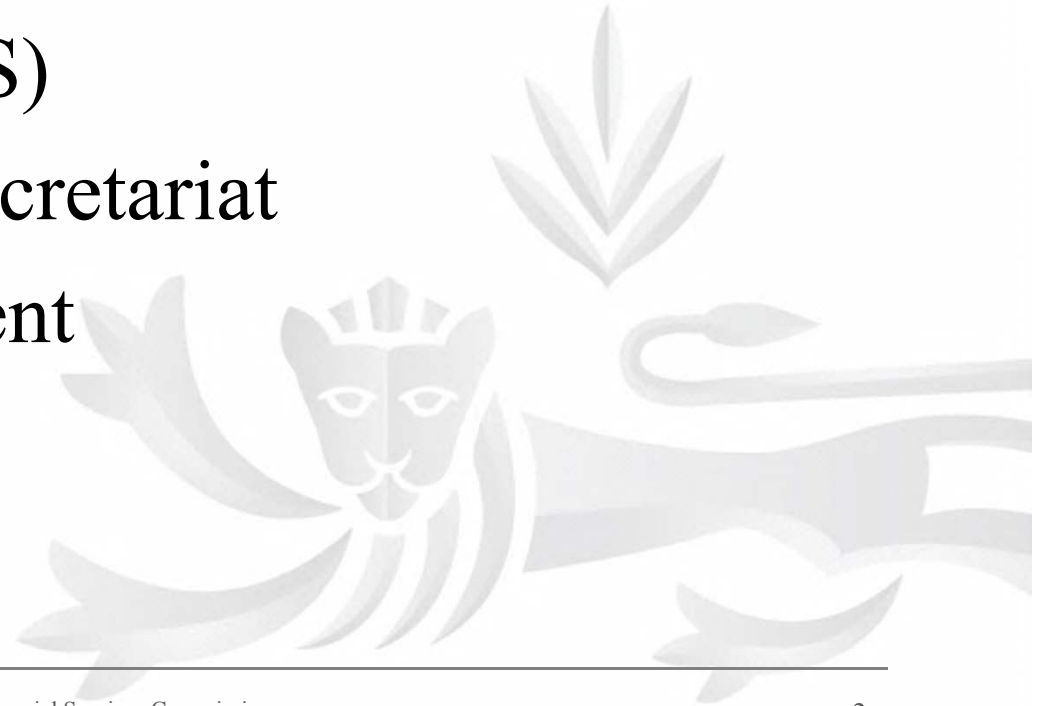
Agenda

- International engagement
- Supervision & Policy Issues
- Conduct Issues
- Organogram



International Engagement

- International Association of Insurance Supervisors (IAIS)
- Group of International Insurance Centre Supervisors (GIICS)
- Commonwealth Secretariat
- Bilateral engagement



IAIS - Participation

- Executive Committee and Audit & Risk – William Mason
- Financial Stability & Technical Committee – Jeremy Quick
- Reinsurance Task Force – Caroline Bradley
- Self Assessment and Peer Review (SAPR)

IAIS – developments

- Capital and related projects
 - Basic Capital Requirements (BCR)
 - Higher Loss Absorbency (HLA)
 - Insurance Capital Standard (ICS) – 2017/18
 - ComFrame for IAIGs – 2019
 - Recovery and Resolution
- Financial Stability
 - G-SII – assessment methodology
 - GIMAR & KIRT

GIICS

- Chair – Jeremy Quick
- Revitalised organisation
- AGM held in London in 2014, 2015, 2016
- Training sessions held in Hong Kong and Cayman in 2015
- Observers transitioned to Membership
- Evaluation process updated

Commonwealth Secretariat

- Insurance training for developing jurisdiction
 - training in risk based supervision for insurance entities
 - ICP Gap Analysis
 - On-site visits
 - Support for GIICS membership application
- Builds international profile and provides income for the Commission

Bilateral engagement

- NAIC
- PRA
- FCA
- BaFin
- Supervisory Colleges



Supervision & Policy Issues

- Fees
- Special Purpose Insurer Rules (ILS)
- Revision of Laws
- Thematics
- Online submissions



Fees

- GIIA proposal for reduced fees for ILS cells
- Greater proportion of fees to be borne by commercial insurers
- Consultation paper – due August
- Individual contact with each commercial insurer
- Invoices issued in December



Special Purpose Insurer Rules (ILS)

- Proposed by GIIA
 - Considered necessary for business development
- Formalises existing practice
- Provides certainty to prospective investors
- Currently considering how these rules could be introduced and implemented

Revision of Laws

- No specific insurance policy matters
- IBL can be amended by Ordinance
- Follow up review of secondary legislation
 - Regulations
 - Rules
 - Codes



Thematics

- Sale of long-term and investment products
- Insurance Manager client take on procedures
- General Insurance Add-ons
- Controls on insurer solvency



Online submissions

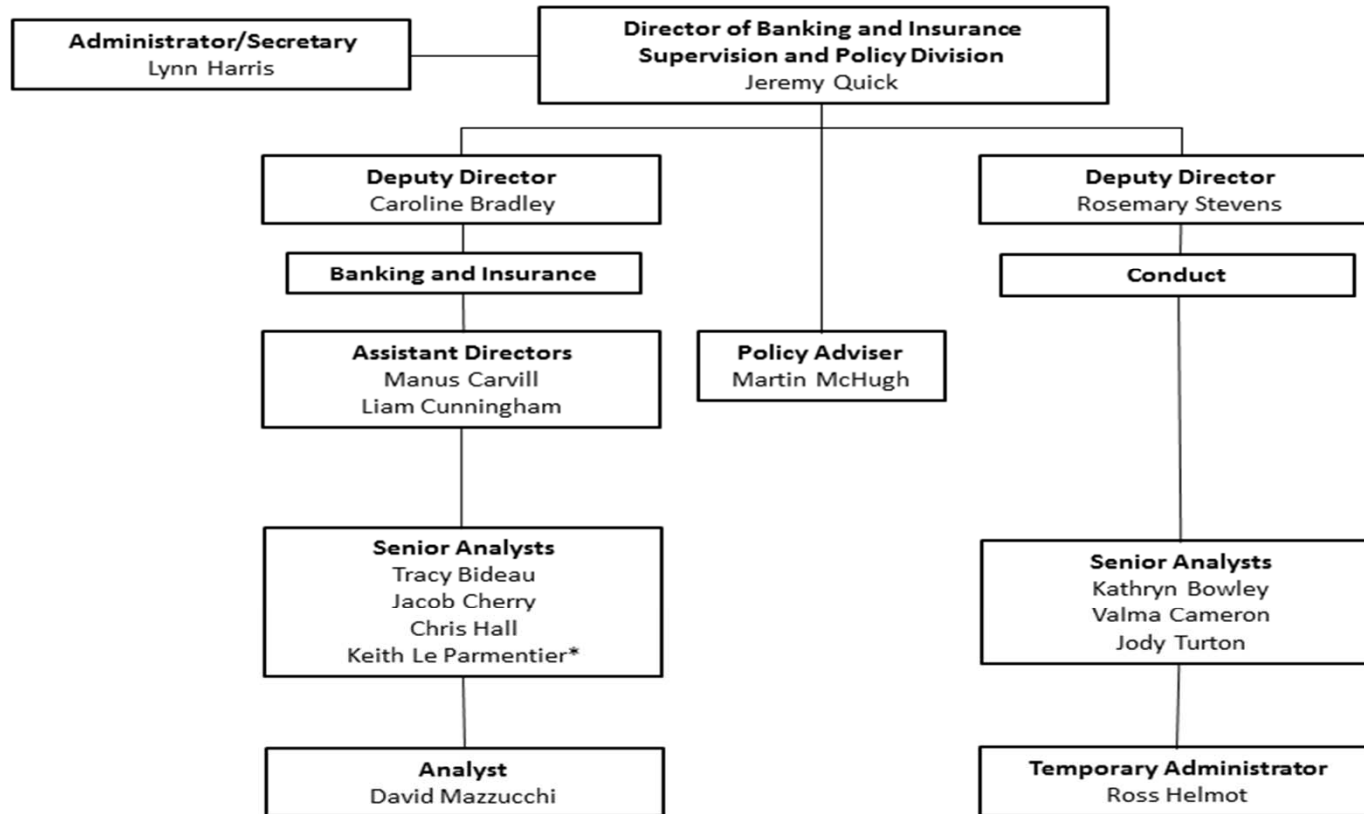
- Annual returns
 - PCCs and category 6 issues
 - Insurer & Manager returns can be submitted online
 - 60 annual returns submitted online during last week of April
 - Still accepting hard copy or e-mail copy
 - Regulatory Solvency Spreadsheet
- Other online notifications available

Conduct Issues

- Increasing international focus
- IAIS reviewing ICPs 18 & 19 on Intermediaries and Conduct of Business
- AIR Code under review
- Intermediary Seminar – 7 July
- Ombudsman



BISPD - Organogram



**on secondment from Financial Crime
Supervision & Policy Division*