



# IAIS

INTERNATIONAL ASSOCIATION OF  
INSURANCE SUPERVISORS

## **PARTNER: INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS (IAIS)**

### **Background**

Established in 1994, the *IAIS* is a voluntary membership organization of insurance supervisors and regulators from more than 200 jurisdictions, constituting 97% of the world's insurance premiums. The mission of the IAIS is to promote effective and globally consistent supervision of the insurance industry in order to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders and to contribute to global financial stability.

It is the international standard-setting body responsible for developing and assisting in the implementation of principles, standards and other supporting material for the supervision of the insurance sector. The IAIS also provides a forum for Members to share their experiences and understanding of insurance supervision and insurance markets. In recognition of its collective expertise, the IAIS is routinely called upon by the G20 leaders and other international standard-setting bodies.

Under the direction of its Members, the IAIS conducts activities through a committee system designed to achieve its mandate and objectives. The IAIS committee system is led by an Executive Committee whose members come from different regions of the world. The Executive Committee is supported by five Committees established in the By-Laws – the Audit and Risk, Budget, Implementation and Assessment, Macprudential and Policy Development Committees – as well as by the Supervisory Forum. Committees may establish subcommittees to help carry out their duties.

### **Sustainability objectives**

The IAIS high level goals, strategies and activities are set out in a 5-year Strategic Plan. The most recent Plan was adopted in 2019 and covers the period 2020-2024. As part of the 2020-2024 Strategic Plan, the IAIS has identified trends and developments that have the potential to reshape the business of insurance in the coming years. The integrated cycle of IAIS activities (assessing and responding to market developments, standard setting and supporting supervisory practices and observance of standards) will focus on these key themes, including:

- Climate risk – insurers are exposed to both transition risk as institutional investors and underwriting risk from natural disasters, but can also be key agents in the mitigation and management of climate risk;
- Financial inclusion and sustainable economic development – insurance supervision has an important role to play in insurance market development and, more broadly, sustainable economic development, in the wider context of achieving the IAIS' Mission. Policyholder protection and contributing to financial stability are fundamental to ensuring the sustainable involvement of the insurance sector in closing the protection gap, including resilience to natural disasters and security in old age; supporting inclusive insurance markets; promoting sustainable long-term investment; and the development of the cyber insurance market in support of a more resilient financial system.





## Sustainability work highlights

In Partnership with the SIF, the IAIS has published three sets of supporting material that showcase the importance of integrating climate-related risks into the supervision of insurance.

## Other highlights

IAIS has more than 200 member jurisdictions, constituting 97% of the world's insurance premiums

## Partner's membership

<https://www.iaisweb.org/page/about-the-iais/iais-members>

## Membership of any other initiatives/networks working on sustainability

- The IAIS became an observer of the NGFS in July 2019.
- The IAIS is a partner in the Access to Insurance Initiative (A2ii).

## Recent engagement with SIF

IAIS has been a core partner of SIF, collaborating on various projects and with plans to work even more closely in the future. The projects include the *SIF/IAIS Issues Paper on Climate Change Risks to the Insurance Sector* published in July 2018. This was followed by the joint *SIF/IAIS Issues Paper on the Implementation of the Recommendations of the Task Force on Climate-related Financial Disclosures*, published in February 2020. A joint *consultation webinar* was held with UNEP-FI PSI to support the development of the Issues Paper. Recently SIF and the IAIS have collaborated on the development of an Application Paper on the Supervision of Climate-related Risks in the Insurance Sector. Two stakeholder *webinars* on the development of the Application Paper have already been held. The *paper* has been released for consultation which was accompanied by a public background session held via webinar on 26 October 2020 to share the background of the draft Application Paper.

Historically, SIF meetings have been held alongside IAIS meetings, and IAIS Secretariat has also attended all SIF meetings. As SIF's partner, it has shared great input into the development of SIF's future work programme, including outlining possible joint deliverables. The IAIS/SIF Secretariat closely coordinate on a regular basis to ensure an effective partnership.

