



Guernsey Financial
Services Commission

Insurance Supervision and Policy Division

Jeremy Quick, Director

Caroline Bradley, Deputy Director

International Engagement

- International Association of Insurance Supervisors (IAIS)
 - ExCo, Technical Committee, Captive Paper
- Group of International Insurance Centre Supervisors (GIICS)
 - Chair
- Bilateral engagement
- Commonwealth Institute

Agenda

Insurance Supervision & Policy

- Review of 2015 Activity
- Statistics
- Looking ahead to 2016

Review of 2015 Activity

- Solvency Framework implemented
- Thematic Work completed
- Embedding Prism
- Engagement with other regulators
- Transfer of functions to Authorisations Unit
- IAIS Captive Paper – adopted by IAIS
- IAIS Self-assessment and Peer Review

Solvency Framework

- Implemented 1 May 2015
- Transitional applications by 31 August
- Reviewed with GIIA in September
- FAQ to be issued
- Revised spreadsheet to be issued

Thematic Work

- Review of Insurance Managers client take-on procedures
- Not AML related
- Results published July 2015
- Conclusions

Embedding Prism – themes and findings

- Corporate Governance
- Group/Guernsey issues
- Technology
- Competition

Engagement with other regulators

- Supervisory colleges
- Exchange of information
- Conference calls
- Bilateral meetings

Transfer of Functions to Authorisations Unit

- Applications
- Director and controller approvals
- Other approvals
 - Name, year end, auditor, etc
- Migrations, conversions
- Surrenders
- Online helpdesk – 733420

IAIS Captive Paper

- To Technical Committee – June 2015
- Stakeholder call – June 2015
- Consultation July/August 2015
- To Technical Committee – Sep 2015
- Stakeholder call – October 2015
- To Annual Meeting – November 2015
- Adopted

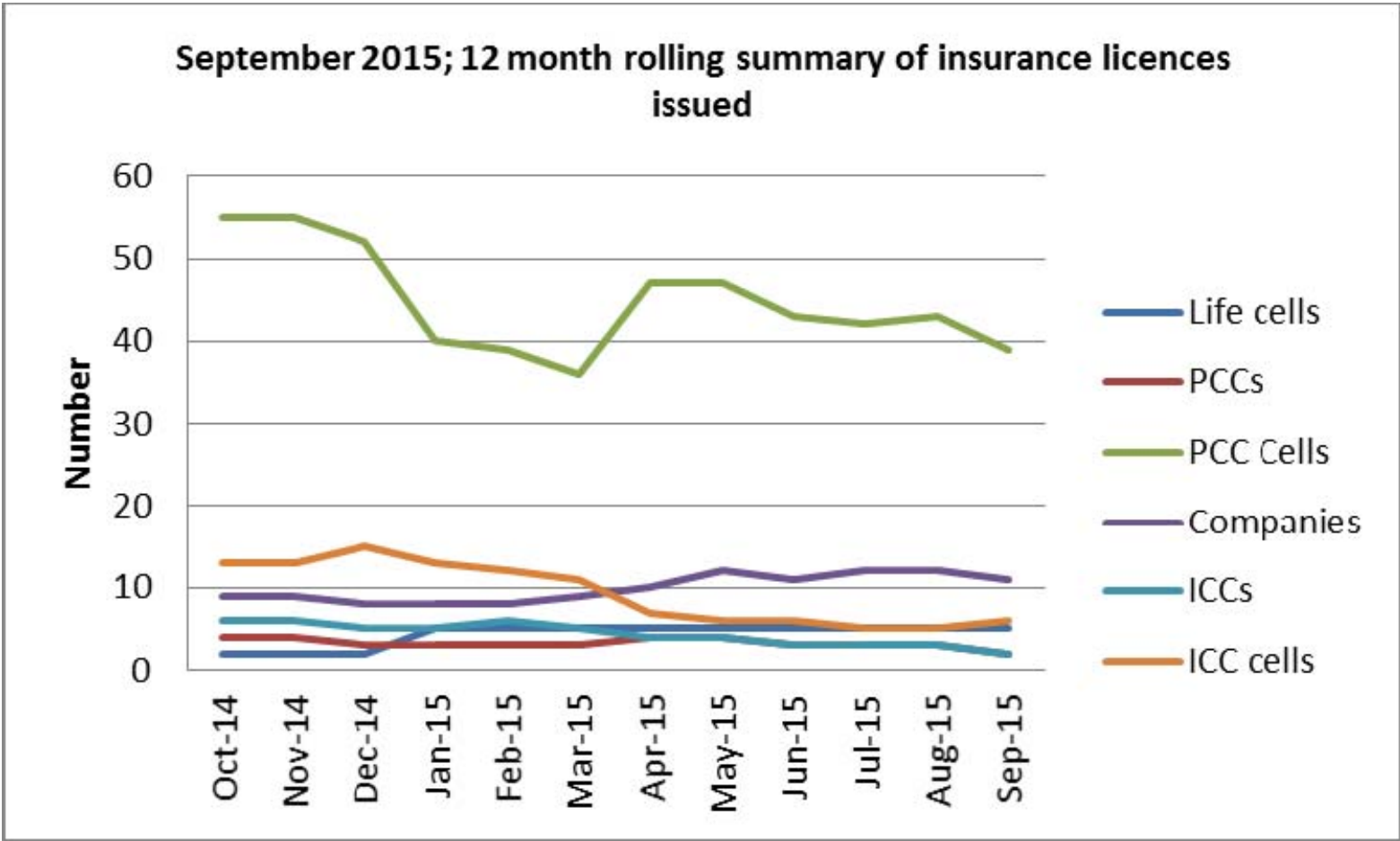
IAIS Self-assessment and Peer Review

- ICPs 9, 10, 11 – Supervisory Measures
 - Largely Observant
- ICPs 18 & 19 – Conduct of Business
 - results awaited
- ICPs 14 – 17 – Solvency and related issues
 - results awaited

Statistics

- At end 2014
 - Gross Written Premiums £4.94bn (2013: £4.83bn)
- Slowdown during first half of 2015
- Upturn during second half of 2015

Statistics (continued)



Looking ahead to 2016

- Embedding of solvency framework
- Review of annual return regulations
- Corporate Governance
- Public Disclosure
- Revision of laws
- IMF visit preparation
- IAIS developments
- US accreditation for reinsurance

Embedding the solvency framework

- Review with GIIA
- Based on annual returns
- FAQ

Annual return regulations

- Online submissions
- Review of regulations
- Reduced requirements
- Automated processing for low impact licensees

Corporate Governance

- Annex to Finance Sector Code
- Consultation period required
- Aiming for implementation for Financial years beginning on or after 1 April 2016

IAIS developments

- Capital standards
 - BCR – basic capital requirement
 - HLA (higher loss absorbancy) for G-SIIs
 - ICS (insurance capital requirement) for IAIGs
- Comframe – for IAIGs
- Ongoing review of ICPs – into 2017
- Recovery and resolution, group supervision, proportionality

US – Qualified Jurisdiction

- Credit for Reinsurance model law
- Two stage process
 - Stage 1 – the Reinsurer
 - Stage 2 – the Jurisdiction
- Reduced collateral requirements – sliding scale based on credit rating of reinsurer
- Each state still has to approve individual insurers