



IAIS

INTERNATIONAL ASSOCIATION OF
INSURANCE SUPERVISORS

Supervisory cooperation & coordination

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ICP 25 Supervisory Cooperation and Coordination

ICP 25

The supervisor cooperates and coordinates with other relevant supervisors and authorities subject to confidentiality requirements.

ICP 25 Supervisory Cooperation and Coordination

ICP 25.1 Coordination arrangements with **involved supervisors**.

Mechanisms can include, but are not limited to –

- Memorandum of Understanding (MoU)
- Supervisory college

Basis for **Supervisory Recognition**

- Recognition of other supervisory regimes is a fundamental building block of group supervision
- Supervisory recognition can be achieved through unilateral, bilateral or multilateral agreement

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ICP 25.2 Coordination agreements include establishing effective procedures for:

- information flows between involved supervisors;
- communication with the head of the group;
- convening periodic meetings of involved supervisors; and
- conduct of a comprehensive assessment of the group.

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ICP 25.3 Determine the need for a **Group-wide supervisor** and agreement on which supervisor will take that role

Guidance includes -

- ✓ Home jurisdiction where the group is based
- ✓ Supervisor of the head of the group
- ✓ Location of the group's head office
- ✓ If the head office is not the operational head of the group, the location where
 - the main business activities are undertaken
 - the main business decisions are taken
 - the main risks are underwritten and/or
 - the group has its largest balance sheet total

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ICP 25.4, 25.6, 25.7, 25.8 Roles and responsibilities of the Group-wide supervisor

Takes lead in coordination arrangements

- Facilitates communication between involved supervisors
- Understand the structure and operations of the group
- Produce overall assessment of risk and solvency of the group
- Takes responsibility for establishing supervisory college of the group

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ICP 25.5 Supervisory colleges, establishment and form

Establishment -

- The establishment of a college should be considered where it is necessary to improve the effectiveness and efficiency of supervision

Membership –

- Representatives of each of the supervisors responsible for the day-to-day supervision of the insurers which are part of the group

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Panel discussion – challenges faced

- Membership to MoU
- Group-wide supervisor; no legal authority
- Recognition and use of colleges
- Other issues?

Thank you

Questions?

