Consultative Forum

The role of insurance supervisors in addressing natural catastrophe protection gaps

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The mission of the International Association of Insurance Supervisors (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.

More than 200 jurisdictions,

constituting 97% of global insurance premiums,

represented by 39 members of our ExCo
Role of insurance in disaster risk management

- (Re)Insurance can play a significant role in managing financial impact of NatCat events
- Increased frequency and intensity of NatCat events present challenges to insurance-based solutions, contributing to growing protection gaps
- Protection gaps are felt across the globe, and most acutely in developing economies
- Addressing protection gaps can not be solved by insurance alone – shared efforts among public and private actors is required
Insurance supervisors can (and do) play a role…

Actions to address NatCat protection gaps can support multiple insurance supervisory objectives, including:

• Financial Stability
• Policyholder protection and fair treatment of customers
• Financial Inclusion, Market development
IAIS is seeking to support supervisors by…

✓ Identifying opportunities to partner with other organisations to integrate supervisory perspectives and expertise, guided by IAIS standards, including with A2ii, Global Shield, IDF, OECD.

✓ Developing supporting materials on effective supervisory practices, covering issues outlined in the IAIS protection gaps report and in relation to the OECD Recommendation on Building Financial Resilience to Disaster Risk.

✓ Facilitating information exchange at the global level on the role of supervisors in addressing protection gaps, with both IAIS members and stakeholders:
  • Report from the IAIS to be delivered in November 2023. A public statement was issued in April.
  • Events at the 2023 IAIS Global Seminar (June) and Annual Conference (November)

✓ Undertaking capacity building activities with partners, building on the key elements of the IAIS protection gaps report and with a focus on EMDE jurisdictions.
Thank you