

**FOR IMMEDIATE RELEASE:**  
Wednesday, 25 November 2015

**CONTACT:** Catherine Lezon  
+41 61 280 8919  
[catherine.lezon@bis.org](mailto:catherine.lezon@bis.org)

## **Public Consultations Begin on Assessment Methodology for Global Systemically Important Insurers, Non-Traditional Non-Insurance Activities**

*Comments welcome via IAIS website through 25 January 2016*

**Basel** – The International Association of Insurance Supervisors (IAIS) has begun two related public consultations – the first on proposed revisions to the assessment methodology for global systemically important insurers (G-SIIs) and the second on Non-traditional Non-insurance (NTNI) activities and products. Stakeholders are invited to submit comments on both consultations through 25 January 2016.

In July 2013, the IAIS published its initial assessment methodology to identify insurance entities whose distress or disorderly failure would cause significant disruption of the global financial system and economic activity. As stated in the initial methodology, the IAIS plans to evaluate every three years whether the assessment methodology should be revised and, if so, to propose specific improvements. Today's consultation document is a result of the first of these three-year reviews and reflects improvements and refinements learned during the application of the initial assessment methodology.

Among other things, the IAIS is proposing the following changes to the assessment methodology:

- Use of a five-phase approach to the assessment process that integrates a structured use of both quantitative and qualitative elements, recognizing the heterogeneity of insurers, and building on the three step approach in the initial assessment methodology.
- Adjustments to certain indicators to address issues related to indicator responsiveness, normalisation and data quality (including reliability) across both insurers and jurisdictions.
- Adoption of absolute reference values for certain indicators in order to allow the methodology to be more responsive to changes in the insurance industry's systemic profile in certain areas.
- Establishment of specific procedures for an insurer's entry and exit from the G-SII list.

The second consultation focusses on NTNI activities and products, which play an important role in the assessment methodology as well as the determination of the Basic Capital Requirement (BCR) and Higher Loss Absorbency (HLA) Requirement applicable to G-SIIs. The document solicits feedback on an analytical framework for classifying insurance products and activities as "non-traditional" based on their contractual features. The proposed analytical framework is the first step of a three-step process to clarify the NTNI concept and help ensure its consistent application across IAIS projects and IAIS member jurisdictions.

A public background call will be held on 15 December 2015 in order to describe the consultations and the specific issues for which the IAIS is seeking input. More details will follow soon on the [Stakeholder Meeting](#) section of the website.

For more information on G-SII Assessment Methodology, including some Frequently Asked Questions, please visit [www.iaisweb.org](http://www.iaisweb.org) or click [here](#). For details on how to submit comments, please visit our Consultations page or click [here](#).