INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS

Resolution of Comments on Revisions to ICP 22

14-Jun-19 to 16-Aug-19

Organisation	Jurisdiction	Response (no responses were designated as confidential)	IAIS Resolution of comments
Q1 General Comment on draft revised ICP 22			
1. World Federation of Insurance Intermediaries	Belgium	WFII would like to make a suggestion about flexibility and the optimisation of the ML/TF assessment. In order to avoid duplication of effort, and to optimize the process, consideration should be given to allow intermediaries and insurers to distribute the tasks amongst them. This could be done in a contract between insurer and intermediary. We propose that this is included in the Introductory Guidance.	**SUMMARY: No further revisions based on Comment No. 1 from WFII.** The supervisory approach to intermediaries with respect to AML/CFT is outlined in the ICP. The ICP is intended to reflect, where applicable, that both the intermediary and the insurer have independent responsibilities as regards their common customers. This is consistent with IAIS understanding of FATF's approach as well. The FATF Recommendations also address when and how certain duplication of efforts may be avoided (e.g., sharing of CDD when specified conditions are met). In any case, the ultimate responsibility for CDD remains with the insurer. This is also addressed to some extent in Paragraph 16 of the FATF Guidance Paper ("Third-party reliance").
2. Association of Bermuda Insurers and Reinsurers	Bermuda	The revised ICP retains a major flaw from the former version as it is a material departure from FATF guidance regarding insurance. Specifically, the ICP seems to encourage AML compliance requirements for non-life insurance - at a minimum the ICP language is unclear on this point, and to that extent is confusing and unhelpful to national regulators trying to understand the correct approach. FATF was decisive on the point: the risk of money laundering in non-life insurance is so significantly lower that it would be inappropriate to bring focus to it. FATF concluded that if non-life is to be brought into scope this should be done through a FATF decision to change its definition of "Financial Institution".... an approach of extending AML rules to non-life insurance ... without such a national analysis and without findings of particular national money laundering risks, is contrary to FATF's approach. The FATF 40 Recommendations apply to Financial Institutions and Designated Non-Financial Businesses (DNFBs). In the glossary to the FATF Recommendations, "Financial Institution" is defined to include life insurance but no other types of insurance and insurance is not included In DNFBs. Accordingly, both the new and former FATF insurance guidance are titled: "FATF Risk-Based Guidance for the Life Insurance Sector", and throughout the document references	**SUMMARY: In view of Comment 2 from ABIR (and similar comments from others), some text as noted below has been further revised for clarity. However, the invitation to eliminate the potential applicability of ICP 22 in the non-life context has not been accepted.** Both before and after the proposed revisions, and as further revised in response to this Comment, it is the case that ICP 22 is applicable to non-life to the extent that a jurisdiction determines to take that approach. Commenters may wish to take note of the following: 1. The IAIS does not accept the view that ICP 22, either at present or as presented for consultation "encourage[s] AML compliance requirements for non-life insurance." Rather, the ICP leaves to the

		to insurance are worded "life insurance". Ultimately, FATF was decisive on the point: the risk of money laundering in non-life insurance is so significantly lower that it would be inappropriate to bring focus to it. FATF concluded that if non-life is to be brought into scope this should be done through a FATF decision to change its definition of "Financial Institution". The updating of ICP 22 provides the opportunity for IAIS to provide better clarity and be more helpful to national authorities. This would be done if, consistent with FATF: - The ICP title had the following edit: "Anti-Money Laundering and Combating the Financing of Terrorism - The supervisor requires life insurers and intermediaries to take effective measures to combat money laundering and terrorist financing…" - All references therein to insurers and insurance were changed to life insurers and life insurance The same changes were made to the IAIS AML Application Paper.	jurisdiction to make the decision on the scope of applicability. 2. The text referenced in the Comment appears in the Introduction paragraphs and does not state a standard. 3. However, ICP 22 as revised for consultation (and further revised per below) continues to indicate that the ICP is available for application in the non-life context in the case of jurisdictions that wish to apply it to supervision of non-life insurers. 4. Similarly, the 2018 FATF Guidance (at Paragraphs 6 and 120, for example) reflects that while “non-life” is not within the scope of a “financial institution,” some jurisdictions may choose on the basis of their own analysis to extend AML/CFT compliance to non-life. 5. Also, Interpretive Note 2 to FATF Recommendation No. 1 includes the following statement, with which the IAIS considers that ICP 22 is and will remain consistent: “Equally, if countries determine through their risk assessments that there are types of institutions, activities, businesses or professions that are at risk of abuse from money laundering and terrorist financing, and which do not fall under the definition of financial institution or DNFBs, they should consider applying AML/CFT requirements to such sectors.” 6. The IAIS does not consider it necessary or appropriate to change the title of ICP 22 nor the text of the Principle Statement to introduce there the specific term “life insurance.”

			7. We have made certain additional clarifying edits to Paragraph 22.0.7 These are shown below (as compared to the text which was presented for public consultation): **~~The FATF Recommendations and t~~** This ICP **~~apply at a minimum~~** **<u>applies</u>** to the underwriting and placement of life insurance and other investment-related insurance. Depending upon **~~its~~** **<u>the jurisdiction's</u>** assessment of the ML/TF risk posed by the non-life sector, the jurisdiction should consider **~~applying the FATF Recommendations~~** **<u>whether</u>** and **<u>to what extent to apply</u>** this ICP to that sector as well.
3. Insurance Europe	Europe	GENERAL COMMENT Insurance Europe welcomes the possibility to comment on the IAIS's consultation document on supervisory material. While the changes on introduction, glossary, and ICP 7 are minor, and the ComFrame assessment methodology does not raise any major concern, Insurance Europe highlights several issues regarding the revisions to ICP 22. The anti-money laundering and combatting the financing of terrorism (AML/CFT) guidance shall follow a risk-based approach. *On ICP 22 (AML/CFT), it is important for the guidance to be consistent with the Risk-Based Approach (RBA) promoted by the FATF, as it involves an allocation of AML/CFT resources that is adapted and proportionate to the given risk and its mitigation, thus also ensuring the effectiveness of the actions undertaken by a company as part of its AML/CFT measures. * With this in mind, Insurance Europe regrets that the IAIS chose to keep non-life insurance in the scope of ICP 22, thus undermining the coherence of the AML/CFT framework at international level (since the FATF excludes it from its scope). *Life insurance itself is already a very low risk and there is still no evidence that non-life insurance is being used for AML/CFT other than through fraud, which is and should continue to be dealt with as such by insurers and authorities. The risk	**SUMMARY: See Resolution of Comment No. 2.** Acknowledged with thanks the general comments within Comment No. 3 from Insurance Europe. With respect to this ICP in the non-life context, please refer to the Resolution of Comment No. 2.

		of ML in non-life insurance is so significantly lower that it goes entirely against the RBA to bring focus to it the way the draft revised ICP 22 does. RESPONSE TO QUESTION 1: Insurance Europe welcomes the IAIS's initiative to update its supervisory material on AML/CFT as well as the opportunity to provide feedback. It is common knowledge that insurance products do not lend themselves easily to ML/TF; however, European insurers are dedicated to play their role in the global effort for AML/CFT. It is important to highlight that the Risk-Based Approach (RBA) (as promoted by the FATF 2012 Recommendations) is essential in the context of AML/CFT. It ensures an allocation of AML/CFT resources that is adapted and proportionate to the given risk and its mitigation, thus also ensuring the effectiveness of the actions undertaken by a company as part of its AML/CFT measures. Including non-life insurance in the scope of AML/CFT at international level (as this updated material continues to do) runs counter to this principle of RBA. Life insurance itself is already a very low risk and there is still no evidence that non-life insurance is being used for AML/CFT other than through fraud, which is and should continue to be dealt with as such by insurers and authorities. In this sense, the revised ICP retains a major flaw in from the former version as it is material departure from FATF guidance regarding insurance. The ICP seems to encourage extending the scope of AML to non-life insurance while the FATF has been decisive on the point: the risk of money laundering in non-life insurance is so significantly lower that it would be inappropriate to bring focus to it. This was recently confirmed in the discussions around the update of the RBA guidance for the life insurance sector, where it was also noted that if non-life insurance was to be brought into scope, this should be done through a FATF decision to change its definition of "financial institution". It should also be noted that the FATF mutual evaluations also exclude AML for non-life from their scope. Insurance Europe would therefore suggest improving the consistency with the FATF (and therefore the general coherence of the AML framework at international level) by changing all references to insurers and insurance to life insurers and life insurance, and likewise in the IAIS AML Application Paper	
4. Global Federation of	Global	The Global Federation of Insurance Associations (GFIA) appreciates the opportunity to provide input on the draft revised ICP 22. Our members support strong, pragmatic measures to ensure that the life insurance sector does not	**SUMMARY: In view of Comment No. 4 from GFIA (and other commenters), the draft**

Insurance Associations		become a vehicle for money laundering or terrorist financing. We are pleased that s. 22.0.6 of the draft recognizes FATF's assessment that "ML/TF risks associated with the insurance sector are generally lower than those associated with other financial products (such as loans or payment services) or other sectors (such as banking)." We also support the longstanding commitment by the IAIS to a "risk-based approach" which is reiterated several times in the draft revised ICP. Bearing these principles in mind, supervisors will be encouraged to allocate resources efficiently when discharging their responsibilities. We do have suggestions which we believe will improve alignment between ICP 22 and the FATF approach to ML/TF oversight, as follows - Tables 1 and 2 of the 2018 FATF Guidance for a Risk-Based Approach enumerate risk factors which heighten an insurer's exposure to ML/TF abuse. Sections 22.1.5 (product risk); 22.1.6 (service and transaction risk); 22.1.8 (geographic risk); 22.1.9 (customer risk); and 22.1.10 (delivery channel risk) of the IAIS draft also set out similar considerations. Although the two documents aim to address the same underlying concerns, some of the risk factors in the FATF document are not found in the IAIS draft, and vice versa. In other cases, different language is used to describe similar circumstances. We suggest that the draft ICP delete the above-noted sections and incorporate by reference Tables 1 and 2 of the FATF Guidance to avoid confusion and duplication. This change would accord with section 22.0.5 of the ICP, stating that "The IAIS is a FATF Observer Organization and, accordingly, has endorsed the FATF Recommendations." It would also facilitate compliance with the second part of section 22.0.5, "This ICP is intended to be consistent with the FATF Recommendations: however, compliance with the FATF Recommendations does not necessarily imply observance of ICP 22 nor does observance of ICP 22 necessarily imply compliance with the FATF Recommendations." - We note that section 22.1.7 of the draft introduces a new term, "market risk", which is defined to include geographic and customer risk (with the latter terms used by the FATF). As such, we suggest that throughout the document the term "market risk" be replaced with "customer and geographic risk". We are also concerned that jurisdictions are invited to consider applying the FATF Recommendations and the ICP to the non-life insurance sector. The FATF Risk-Based Guidance for the Life Insurance sector is clear and specifically excludes non-life insurance activities. Moreover, the FATF Recommendations themselves apply exclusively to life insurance companies. Given the low risk of the non-life sector, we believe that ICP 22 should mirror the FATF Risk-Based Guidance and explicitly exclude the non-life sector.	**revisions to ICP 22 have been further edited to avoid the noted use of the term "market risk."** Acknowledged with thanks the general comments. With respect to the various proposed revisions suggested by GFIA in Comment No. 4, the IAIS provides the following Responses: It is not intended by IAIS that ICP 22 conflicts with either the FATF Recommendations or the related 2018 FATF Guidance. The IAIS not able, however, to incorporate the FATF Guidance text "by reference" into the ICP. That said, note that the revised text of ICP 22 presented for consultation (at Paragraph 22.0.11) invites consideration of the new FATF Guidance. With respect to this ICP in the non-life context, please refer to the Resolution of Comment No. 2. The IAIS concurs with the suggestion to reconsider the noted use of the term "market risk," and we have made conforming changes throughout the text of the revised ICP. For example, Paragraph 22.1.3 has been further revised as shown below (compared to the text which was presented for public consultation): **(22.1.3)** In the context of ML/TF, "risk" encompasses threats, vulnerabilities, and consequences in relation to products **(including services and transactions)**, ~~**markets**~~ **geography, customers** and delivery channels.

5. The Geneva Association	International	The revised ICP 22 retains a major flaw from the former version as it is a material departure from Financial Action Task Force (FATF) guidance regarding insurance. Specifically, the ICP seems to encourage AML compliance requirements for non-life insurance - at a minimum the ICP language is unclear on this point, and to that extent is confusing and unhelpful to national regulators trying to understand the correct approach promoted by FATF. FATF was decisive on the point that the risk of money laundering in non-life insurance is significantly lower that it would be inappropriate to bring focus to it. FATF concluded that if non-life is to be brought into scope this should be done through a FATF decision to change its definition of "Financial Institution". An approach of extending AML rules to non-life insurance, without such a national analysis and without findings of particular national money laundering risks, is contrary to FATF's approach. On that basis, we encourage IAIS, consistent with FATF's approach, to change in ICP 22 all references to "insurers" and "insurance" to "LIFE insurers" and "LIFE insurance".	**SUMMARY: See Resolution of Comment No. 2.** With respect to Comment No. 5 from GA, please refer to the Resolution of Comment No. 2.
6. American Council of Life Insurers	Office of General Council	The American Council of Life Insurers (ACLI) greatly appreciates the opportunity to share its views on the IAIS draft revised ICP 22, entitled Anti-Money Laundering and Combating the Financing of Terrorism. ACLI is a national trade association representing 280 life insurers that hold over 95 percent of the industry's total assets. Our members serve 75-million American families that rely on life insurers' products for financial and retirement security. ACLI's members offer life insurance, annuities, retirement plans, long-term care, disability income insurance, and reinsurance. Life insurers have worked carefully with state, federal, and global regulators for many years to address and support important Anti-Money Laundering and Terrorist Financing Standards. ACLI serves on the Bank Secrecy Advisory Group of the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of Treasury. We support the IAIS endeavours to parallel the Financial Action Task Force (FATF) recommendations and its Guidance for a Risk-Based Approach for the Life Insurance Sector. This approach should ensure consistent standards across all jurisdictions. Many of the proposed revisions seek to clarify and simplify the wording in ICP 22. We support clarifying revisions that will enable consistent application of AML and Terrorist Financing standards across all jurisdictions. The revisions also add a	**SUMMARY: Comment No. 6 from ACLI does not propose any action.** Acknowledged with thanks.

		series of examples to guide supervisors in implementing standards. These types of examples are constructive for both supervisors and life insurers by providing explicit types of cases that trigger standards in ICP 22.	
7. Swiss Re	Switzerland	This is a joint submission by Swiss Re and Zurich. Swiss Re and Zurich thank the IAIS for the opportunity to comment on the revised ICP 22. For our joint comments kindly refer to the submission by Zurich on behalf of Swiss Re and Zurich.	**SUMMARY: Comment No. 7 from Swiss Re does not propose any action.** Acknowledged with thanks.
8. Zurich Insurance Company Ltd.	Switzerland	This is a joint submission by Swiss Re and Zurich. Swiss Re and Zurich thank the IAIS for the opportunity to comment on the revised ICP 22.	**SUMMARY: Comment No. 8 from Zurich Insurance Company Ltd. does not propose any action.** Acknowledged with thanks.
9. American Property Casualty Insurance Association (APCIA)	USA	APCIA takes the position that the revised ICP retains a major flaw from the former version as it is a material departure from FATF guidance regarding insurance. Specifically, the ICP seems to encourage AML compliance requirements for non-life insurance - at a minimum the ICP language is unclear on this point, and to that extent is confusing and unhelpful to national regulators trying to understand the correct approach. The FATF 40 Recommendations apply to Financial Institutions and Designated Non-Financial Businesses (DNFBs). In the glossary to the FATF Recommendations, "Financial Institution" is defined to include life insurance but no other types of insurance. Further, insurance is not included In DNFBs. Accordingly, both the new and former FATF insurance guidance are titled: "FATF Risk-Based Guidance for the Life Insurance Sector", and throughout the document references to insurance are limited to "life insurance". This is not an accident. In the drafting committees for both the new and former FATF insurance guidance this was the single most debated issue. Ultimately FATF was decisive on the point: the risk of money laundering in non-life insurance is so significantly lower that it would be inappropriate to bring focus to it. FATF concluded that if non-life is to be brought into scope this should be done through a FATF decision to change its definition of "Financial Institution". It is true that FATF Guidance states that countries should do a national risk assessment, and that if the assessment concludes other sectors have material money laundering risk then AML rules can be extended. But an approach of	**SUMMARY: See Resolution of Comment No. 2.** With respect to Comment No. 9 from APCIA please refer to the Resolution of Comment No. 2.

		extending AML rules to non-life insurance (or grocery stores or any other sector) without such a national analysis and without findings of particular national money laundering risks, is contrary to FATF's approach. A key point is that when countries have FATF mutual evaluations, AML for non-life is out of scope. The updating of ICP 22 provides the opportunity for IAIS to provide better clarity and be more helpful to national authorities. This would be done if, consistent with FATF, all references to insurance and insurers were changed to life insurance and life insurers.	
10. National Association of Insurance Commissioners (NAIC)	USA, NAIC	In changing terminology from FT to TF, we assume this is for the purpose of being consistent with FATF terminology but is not intended to change the scope of the concept itself. Suggest doing a review to ensure commas and other punctuation are consistent (e.g., use of oxford comma in a series).	**SUMMARY: Comment No. 10 from NAIC addresses matters of drafting consistency and proofreading**. Acknowledged with thanks.
Q2 Comment on ICP 22 Statement			
Q3 Comment on 22.0.1			
11. Insurance Authority (IA)	China, Hong Kong	Editing comment: "Full stop" is omitted in the first sentence, after "terrorist financing".	**SUMMARY: Comment No. 11 from Insurance Authority of China, Hong Kong addresses matters of drafting consistency and proofreading.** Acknowledged with thanks.
12. Insurance Europe	Europe	"Knowingly or unknowingly" should be deleted. The insurance sector is not knowingly involved in money laundering or terrorism financing, unless otherwise proven.	**SUMMARY: The edit proposed by Insurance Europe in Comment No. 12 will be incorporated**. In order to streamline the text, we have deleted from Paragraph 22.0.1 the referenced phrase, which was in both the current ICP and the proposed revision presented for consultation.
13. National Association of Insurance Commissioners (NAIC)	USA, NAIC	Insert missing period at the end of the first sentence.	**SUMMARY: Comment No. 13 from NAIC addresses matters of drafting consistency and proofreading**. Acknowledged with thanks.

Q4 Comment on 22.0.2			
14. American Council of Life Insurers	Office of General Council	ACLI recommends that the list of examples on criminal activity in Section 22.0.2 be expanded to include fraud, which is often the predicate crime to money-laundering. Fraud should include situations such as misappropriation, account take-overs, and theft by family members.	**SUMMARY: No further revisions based on Comment No. 14 from ACLI.** The IAIS considers that the text of Paragraph 22.0.2 as revised and presented for consultation sufficiently covers by example a range of money laundering predicate offenses, and so has not incorporated this or other suggestions received to expand the referenced paragraph.
15. Zurich Insurance Company Ltd.	Switzerland	In view of guidance 22.1.8 activities in breach of sanctions should also be mentioned as criminal activity.	**SUMMARY: No further revisions based on Comment No. 15 from Zurich Insurance Company, Ltd.** The IAIS considers that the text of Paragraph 22.0.2 as revised and presented for consultation sufficiently covers by example a range of money laundering predicate offenses, and so has not incorporated this or other suggestions received to expand the referenced paragraph.
Q5 Comment on 22.0.3			
Q6 Comment on 22.0.4			
Q7 Comment on 22.0.5			
16. Global Federation of Insurance Associations	Global	We support the desire for consistency with FATF Recommendations and suggest minimization of requirements that are overlaid on those requirements.	**SUMMARY: No further revisions based on Comment No. 16 from GFIA.** Please refer to the Resolution of Comment No. 4.
17. National Association of Insurance Commissioners (NAIC)	USA, NAIC	It's not clear whether the first sentence is intended to reflect action that has been taken at the FATF or reflect the nature of the relationship between the IAIS and the FATF. If it is the former, this wording seems appropriate. However, if it is the latter, as the IAIS is also an observer member of other international organizations, the wording used should either 1) reflect established policies for external relationships as "has endorsed" suggests that the IAIS as an organization has taken some type of (formal) action on the FATF Recommendations; or 2) use more	**SUMMARY: Revised based on Comment no. 17 from NAIC.** The referenced text is reflective of the FATF Policy on Observers, which states (among other things): “the organization should endorse the FATF

		general wording that reflects support for other standard setters work. Suggest revising the first and second sentences to read: "As the IAIS is a FATF Observer Organization and is supportive of FATF's work, this ICP is intended to be consistent with FATF Recommendations. However, compliance with the FATF Recommendations does not necessarily imply observance of ICP 22 nor does observance of ICP 22 necessarily imply compliance with the FATF Recommendations."	standards." The words "has endorsed" have been replaced with "endorses."
Q8 Comment on 22.0.6			
18. Insurance Authority (IA)	China, Hong Kong	Editing comments: suggest to align the language of "other financial products" in the 1st bullet point and "other financial services products" in the second paragraph. According to the FATF: - the ML/TF risks associated with the insurance sector are generally lower than those associated with "other financial products" (such as loans or payment services) or other sectors (such as banking); and - many life insurance products are not sufficiently flexible to be the first vehicle of choice for money launderers. However, as with "other financial services products", there is a risk that the funds used to purchase life insurance may be the proceeds of crime. The FATF Recommendations and this ICP apply at a minimum to the underwriting and placement of life insurance and other investment related insurance. Depending upon its assessment of the ML/TF risk posed by the non-life sector, the jurisdiction should consider applying the FATF Recommendations and this ICP to that sector as well.	**SUMMARY: The edit proposed by Insurance Authority of China, Hong Kong in Comment No. 19 will be incorporated.** We have revised "financial services products" to "financial products" for consistency, as suggested.
19. Insurance Europe	Europe	It is important to note that the FATF's definition for "financial institution" includes "life insurance and other investment related insurance" but excludes non-life insurance. The FATF recommendations are therefore limited to life insurance (although jurisdictions are then free to go further and apply it to non-life, which only a few have done). Insurance Europe appreciates there is a risk of ML/TF (albeit very limited) stemming from life insurance. However, in practice, we do not see any specific ML/TF risks in non-life insurance, outside of fraudulent transactions (which should be and are addressed more efficiently as such by insurers and the relevant authorities). We are still not aware of any evidence of precedents of ML in non-life insurance and would therefore argue that non-life insurance should be considered	**SUMMARY: Input in Comment No. 19 from Insurance Europe regarding this ICP in the non-life context is addressed in the Response to Comment No. 2. No further revisions based on this Comment.** With respect to this ICP in the non-life context, please refer to the Resolution of Comment No. 2. With respect to the observations concerning differentiation among various life insurance products, the IAIS is of the view that ICP 22, by

		out of scope of ICP 22, reflecting the scope of the FATF Recommendations and thus increasing the coherence in the international approach. Furthermore, this blanket approach taken in this (updated) guidance recommends evaluating the application of the FATF Recommendations and the ICP to the entire sector without any differentiation among the many products which have extremely different risk profiles. This is problematic even for the life insurance sector, where the pure risk products are generally exempted by AML obligations.	promoting an RBA, is not in derogation of the points made by Insurance Europe.
20. Global Federation of Insurance Associations	Global	We support the recognition that ML/TF risks associated with the insurance sector are generally lower than other financial products. As outlined in our introductory remarks, we believe non-life insurance should be beyond the ambit of ICP 22.	**SUMMARY: See Resolution of Comment No. 2.** With respect to input in Comment No. 20 from GFIA please refer to the Resolution of Comment No. 2.
21. American Council of Life Insurers	Office of General Council	Life insurers endorse and strongly support this section's recitation of the FATF's observation that the ML/TF risks associated with the insurance sector are generally lower than those associated with other financial products (such as loans or payment services) or other sectors (such as banking), and that many life insurance products are not sufficiently flexible to be the first vehicle of choice for money launderers. We support the statement in section 22.0.6 that the FATF Recommendations and this ICP apply at a minimum to the underwriting and placement of life insurance and other investment-related products. We note that cash value insurance products may be targets of predicate crimes preliminary to money-laundering that reflect crimes against the customer as distinguished from crimes by the customer.	**SUMMARY: No further revisions based on Comment No. 21 from ACLI.** Acknowledged with thanks.
22. Association of British Insurers	United Kingdom	In order to ensure the most appropriate scope of ICP22, the IAIS should consider FATF's definition of financial institution which includes life insurance and other investment related insurance, but does not include non-life insurance. It is then left to jurisdictional discretion to decide whether non-life insurance should be placed in scope for anti-money laundering and terrorist financing (AML/TF) rules and it is important to note that only a few jurisdictions have done so. While there is a very low but technically possible risk of ML/TF in life insurance, this is not true for non-life insurance where the risk is negligible. Until there is a precedent for ML/TF in non-life insurance, we believe non-life firms should be out of scope for ICP 22. This will also ensure consistency with FATF recommendations. More generally, the proposed approach does not sufficiently differentiate between insurance products with very different risk profiles relating to potential ML/TF. This	**SUMMARY: Refer to Resolution of Comment No. 19.** With respect to this Comment from ABI, please refer to the Resolutions of Comment No. 19.

		also applies to life insurers where pure risk products, as opposed to savings products, are usually exempted from ML/TF rules.	
23. American Property Casualty Insurance Association (APCIA)	USA	We appreciate the IAIS's attention to preventing money laundering and terrorism funding and appreciate the recognition in the revised ICP 22 that the risks associated with the insurance sector are generally lower than those associated with other financial products. We recognize that this section only recommends that authorities "consider" applying measures to non-life insurers, but we recommend that the IAIS make ICP 22 consistent with FATF by limiting its scope to exclude non-life (P&C) insurers.	**SUMMARY: See Resolution of Comment No. 2.** With respect to Comment No. 23 from APCIA, please refer to the Resolution of Comment No. 2.
Q9 Comment on 22.0.7			
Q10 Comment on 22.0.8			
Q11 Comment on 22.0.9			
Q12 Comment on 22.0.10			
24. American Council of Life Insurers	Office of General Council	Life insurers support the recommendation in Section 22.0.10 that in implementing ICP 22, the supervisor may consider as relevant various guidance available from the FATF, including its Guidance for a Risk-Based Approach for the Life Insurance Sector. Section 22.0.10 further observes that the FATF Guidance aims to support the design and implementation of a Risk-Based approach to AML/CFT for the life insurance sector, taking into account applicable ML/TF risk assessments and legal and regulatory frameworks to combat money laundering and terrorist financing. We support this statement of purpose concerning FATF Guidance and risk-based approaches to AML/CFT. These statements in Section 22.0.10 will constructively facilitate uniformity and harmonization among supervisory jurisdictions.	**SUMMARY: Comment No. 24 from ACLI does not propose any action.** Acknowledged with thanks.
25. Zurich Insurance Company Ltd.	Switzerland	We would welcome an explicit reference to the "Consolidated FATF Standards on Information Sharing" and some context; e.g.: "To ensure the establishment of an effective group-wide AML/CFT framework it is crucial that barriers to data sharing within financial groups, between financial institutions and between governments for the purpose of AML/CFT are re-evaluated and considered by the relevant supervisor in line with the Consolidated FATF Standards on Information Sharing." as part of 22.0.10 or a separate introductory guidance.	**SUMMARY: No further revisions based on Comment No. 25 from Zurich Insurance Company Ltd.** IAIS is not able to include additional specific cross-references to FATF materials. We invite consideration, however, of the following within the text of ICP 22, as revised: **Paragraph 22.0.12**– referring to FATF Guidance concerning group supervision and mitigation of ML/TF risks at the group level.

			Paragraph 22.5 – concerning mechanisms for information exchange. **Paragraph 22.6** – concerning mechanisms for information exchange.
26. National Association of Insurance Commissioners (NAIC)	USA, NAIC	Given the wording of the third bullet of Standard 22.1, suggest revising first sentence to read: "Part A describes how the RBA is applied by supervisors, insurers and intermediaries consistent with the FATF Recommendations."	**SUMMARY: Former Paragraph 22.0.11, as appearing in the text presented for consultation, has been deleted.** On consideration of this Comment from NAIC, the text of former Paragraph 22.0.11 (as appearing in the text presented for consultation) was redundant, and so it has been deleted.
Q14 Comment on 22.0.12			
Q15 Comment on 22.0.13			
27. American Council of Life Insurers	Office of General Council	This section states that adherence to targeted financial sanctions (TFS) is not subject to the Risked-Based Analysis described in this ICP 22 and TFS is not further addressed in ICP 22. Life insurers support this clarification about the limited role of TFS in ICP 22.	**SUMMARY: Comment No. 27 from ACLI does not propose any action.** Acknowledged with thanks.
Q16 Comment on 22.1			
28. General Insurance Association of Japan	Japan	When the supervisor requests insurers to submit data, the rationale of such requests should be considered cautiously in order to avoid imposing any unnecessary burden on insurers.	**SUMMARY: No further revisions based on Comment No. 28 from General Insurance Association of Japan.** The principle of proportionality applicable to all ICPs (refer to Paragraph 9 of the general Introduction to ICPs) as well as the RBA addressed in ICP 22, as revised (for example, Paragraph 22.0.11), may be relevant for consideration by supervisors with respect to the point of Comment No. 28.
Q17 Comment on 22.1.1			
Q18 Comment on 22.1.2			
29. Insurance Europe	Europe	The requirement under 22.1.2 should apply to life insurance only, given the fact that non-life insurance does not give rise to ML/TF concerns (see also response to Q8).	**SUMMARY: See Resolution of Comment No. 2.**

			With respect this Comment from Insurance Europe, please refer to the Resolution of Comment No. 2.
Q19 Comment on 22.1.3			
30. Global Federation of Insurance Associations	Global	Please consider deleting the reference to "market risk", and merely refer to geographic and customer risk.	**SUMMARY: See Resolution of Comment No. 4.** With respect to this Comment from GFIA please refer to the Resolution of Comment No. 4.
Q20 Comment on 22.1.4			
Q21 Comment on 22.1.5			
31. Insurance Authority (IA)	China, Hong Kong	Editing comment: we should use "semi-colon" instead of "full stop" at the end of the 2nd bullet point.	**SUMMARY: Comment No. 13 from Insurance Authority of China, Hong Kong addresses matters of drafting consistency and proofreading**. Acknowledged with thanks.
32. Insurance Europe	Europe	The definition of a "normal premium policy or payment schedule" should therefore be clarified. The product risk of "acceptance of very high value or unlimited value payments or large volumes of lower value payments" is not relevant regarding long term agreements with continuous payments throughout many years. This should not be considered as a risk. Life insurance covers many different constituent parts, which includes both long term and short-term insurance, the latter entailing a higher risk (although still limited) of ML/TF. As regards the reference to the "acceptance of non-traceable payments", it should be specified what defines a non-traceable payment. Indeed, in principle all payments are traceable: each payment made by insurers are done through bank accounts and therefore traceable. For premium payment by customers, the most common practice is also payment through a bank account. A few exceptions may exist but they are monitored and limited in amount and frequency to limit risks. Regarding the risk of "products that allow for assignment without the insurer being aware that the beneficiary of the contract has been changed until such time as a claim is made" it should be noted that this is not allowed by the legislation of certain countries (for instance, under Danish law).	**SUMMARY: One minor revision on consideration of the points made by Insurance Europe in Comment No. 32**. We have revised the text “normal premium policy or payment schedule” to read “normal premium or payment schedule.” As for the remaining points, the IAIS is of the view that the text of ICP 22 (as revised and presented for consultation) sufficiently accommodates a range of assessments concerning the risks addressed in the Comments.
33. Global Federation of	Global	Consistent with the response to Q1 please consider deleting the sub-bullets and cross-referencing FATF Risk-Based Approach.	**SUMMARY: No further revisions based on Comment No. 33 from GFIA.**

Insurance Associations			As noted in the Resolution to Comment No. 4, it is not intended by IAIS that ICP 22 conflict with either the FATF Recommendations or the related 2018 FATF Guidance, but the IAIS is unable to incorporate text of the FATF Guidance "by reference" into the ICP. The revised text of ICP 22 presented for consultation (at Paragraph 22.0.11) invites consideration of the new FATF Guidance.
34. American Council of Life Insurers	Office of General Council	We support the clarification in this section that replaced the less clear reference to products with cooling off provisions with reference instead to provisions that allow a policy to be cancelled within a stipulated timeframe and the premiums paid to be refunded. This revised reference in this section is a more accurate description to free look provisions in insurance contracts. We support this change.	**SUMMARY: Comment No. 34 from ACLI does not propose any action.** Acknowledged with thanks.
35. National Association of Insurance Commissioners (NAIC)	USA, NAIC	As the rest of the first sentence is singular, suggest using "its design." For better readability, suggest moving the second sentence to 22.1.6 (see comment on 22.1.6) For consistency, change period after second bullet to a semi-colon.	**SUMMARY: The three edits proposed by NAIC in Comment No. 35 have been incorporated.** These suggestions are now reflected in further edits to Paragraphs 22.1.5 and 22.1.6, for consistency and readability.
Q22 Comment on 22.1.6			
36. Insurance Authority (IA)	China, Hong Kong	Editing comment: suggest to insert "ML/TF" in front of "Risk profile" to align with the language used in 22.1.5 & 22.1.10. Suggested revision: 22.1.6 Service and transaction risk refers to the vulnerability of a product to use by a third party or to unintended use based on the methods of transactions available. The following are examples of service and transaction attributes which may tend to increase the "ML/TF" risk profile	**SUMMARY: The edit proposed by Insurance Authority of China, Hong Kong in Comment No. 36 has been incorporated.** This suggestion is now reflected in Paragraph 22.1.6, for consistency.
37. Insurance Europe	Europe	"products with features or services which make it possible for customers to use the product in a way that is inconsistent with its purpose": this should be combined with the knowledge of the customer and the pattern of their deposits. The exact meaning of "outside of the jurisdiction" should be further clarified.	**SUMMARY: One revision to Paragraph 22.1.6 based on Comment No. 37 from Insurance Europe**. With respect to the first point, ICP 22, as revised, explains that an RBA is a holistic undertaking. The specific example from Paragraph 22.1.6 referred to in the Comment may be considered together with

			other factors which may bear on the risk (see Paragraph 22.1.2). Regarding the phrase "outside of the jurisdiction," we have expanded the example for clarity (fifth bullet point in Paragraph 22.1.6).
38. Global Federation of Insurance Associations	Global	Consistent with the response to Q1, please consider deleting the sub-bullets and cross-referencing FATF Risk-Based Approach.	**SUMMARY: No further revisions based on Comment No. 38 from GFIA. See Resolution of Comment No. 33.** Please refer to Resolution of Comment No. 33.
39. General Insurance Association of Japan	Japan	We understand liability insurance payments have no application to what is intended here. (In the case of liability insurance payment, the customer may not always be the recipient since the insurance payment is intended to be paid to the victim from the standpoint of victim relief.)	**SUMMARY: No further revisions based on Comment No. 39 from General Insurance Association of Japan.** ICP 22, as revised, addresses the non-life context in Paragraph 22.0.7. Please refer also to the Resolution of Comment No. 2.
40. American Council of Life Insurers	Office of General Council	This section addresses the vulnerability of a product to use by a third party or to its unintended use, and highlights examples of service or transaction attributes that may tend to increase the risk profile. One of the examples includes products with features that allow loans to be taken against the policy (particularly if frequent loans can be taken and/or repaid with cash). This section could be improved by giving further guidance on the frequency of loans as a barometer of vulnerability. For example, the emphasis could be enhanced by focusing on the frequency of loan repayments and elimination that are quickly followed by another loan and prompt repayment.	**SUMMARY: No further revisions based on Comment No. 40 from ACLI.** ICP 22, as revised, explains that an RBA is a holistic undertaking. The specific example from Paragraph 22.1.6 referred to in the Comment may be considered together with other factors which may bear on the risk (see Paragraph 22.1.2). For example, another attribute noted in paragraph 22.1.6 proposes consideration of "significant, unexpected, or unexplained change in customer's pattern of payment, withdrawal, or surrender".
41. Zurich Insurance Company Ltd.	Switzerland	Bullet no. 2: It is customary for the customer not to be the recipient of the funds in life insurance contracts when the risk materializes and the associated pay-out is made to the named beneficiary. The guidance, as stated, should therefore be limited to recipients of the funds in case of surrender or expiry of a life insurance policy. For instance, we suggest to change the second bullet	**SUMMARY: No further revisions based on Comment No. 41 from Zurich Insurance Company Ltd.**

		FROM: "customer is not the payer or recipient of the funds;" TO: "customer is not the payer or recipient of the funds in case of surrender or expiry of a life insurance policy;"	In some jurisdictions the customer (example: owner of a life insurance policy who is not the insured) may also be the beneficiary, and may be the recipient of pay-out upon the death of the named insured. Therefore, the proposed revision is declined as it would unnecessarily narrow the example attribute from Paragraph 22.1.6 referenced in the Comment.
42. National Association of Insurance Commissioners (NAIC)	USA, NAIC	Assuming the second sentence of 22.1.5 is moved down, suggest revising first and second sentences to read: "Product risk also encompasses service and transaction risk, which refers to the vulnerability of a product to third party use or unintended use based on the methods of transactions available. The following are examples of service and transaction attributes which may tend to increase the ML/TF risk profile:"	**SUMMARY: The edit proposed by NAIC in Comment No. 42 has been incorporated.** These suggestions are now reflected in further edits to Paragraphs 22.1.5 and 22.1.6, for consistency and readability.
Q23 Comment on 22.1.7			
43. Global Federation of Insurance Associations	Global	Please consider deleting the reference to "market risk", and merely refer to geographic and customer risk.	**SUMMARY: Regarding reconsideration of the term "market risk," see Resolution of Comment No. 4. Paragraph 22.1.7 (as presented for consultation) now deleted.** With respect to this Comment from GFIA, please refer to the Resolution of Comment No. 4. Note that Paragraph 22.1.7 (as presented for consultation) has been deleted.
44. Zurich Insurance Company Ltd.	Switzerland	The use of "market risk" is rather confusing in this context as it is not really the market but the jurisdiction that sets respective laws, regulations and guidelines. The term "jurisdiction risk" seems more appropriate to us.	**SUMMARY: Regarding reconsideration of the term "market risk," see Resolution of Comment No. 4. Paragraph 22.1.7 (as presented for consultation) now deleted.** With respect to this Comment from Zurich Insurance Company Ltd. please refer to the Resolution of Comment No. 4. Note that Paragraph 22.1.7 (as presented for consultation) has been deleted.
Q24 Comment on 22.1.8			

45. Insurance Authority (IA)	China, Hong Kong	Editing comment : suggest to insert "ML/TF" in front of "risk profile" to align with the language used in 22.1.5 & 22.1.10. Suggested revision: 22.1.8 The following are examples of geographic attributes which may tend to increase the "ML/ TF" risk profile:	**SUMMARY: The edit proposed by Insurance Authority of China, Hong Kong in Comment No. 45 has been incorporated.** This suggestion is now reflected in Paragraph 22.1.8 (now 22.1.7), for consistency.
46. Global Federation of Insurance Associations	Global	Consistent with the response to Q1, please consider deleting the sub-bullets and cross-referencing FATF Risk-Based Approach.	**SUMMARY: No further revisions based on Comment No. 46 from GFIA. See Resolution of Comment No. 33.** Please refer to Resolution of Comment No. 33.
47. National Association of Insurance Commissioners (NAIC)	USA, NAIC	For consistency, suggest revising first sentence to read: "The following are examples of geographic attributes which may tend to increase the ML/TF risk profile:"	**SUMMARY: The edit proposed by NAIC in Comment No. 47 has been incorporated.** This suggestion is now reflected in further edits to Paragraphs 22.1.8 (now 22.1.7), for consistency.
Q25 Comment on 22.1.9			
48. Insurance Authority (IA)	China, Hong Kong	Editing comment: suggest to insert "ML/TF" in front of "risk profile" to align with the language used in 22.1.5 & 22.1.10. Suggested revision: Customer risk factors include: customer identity; third-party involvement; customer source of wealth and funds; politically exposed customers; and known criminals or terrorists. The following are examples of customer attributes which may tend to increase the "ML/TF" risk profile:	**SUMMARY: The edit proposed by Insurance Authority of China, Hong Kong in Comment No. 48 has been incorporated.** This suggestion is now reflected in Paragraph 22.1.9 (now 22.1.8), for consistency.
49. Insurance Europe	Europe	"Customer is controlled by a third party", this attribute should be clarified (is only true if the customer is not a physical person and can it apply to a physical person?).	**SUMMARY: Referenced text has been revised.** In view of this Comment from Insurance Europe, the third example at Paragraph 22.1.9 (now 22.1.8) has been revised, for added clarity.
50. Global Federation of Insurance Associations	Global	Consistent with the response to Q1, please consider deleting the sub-bullets and cross-referencing FATF Risk-Based Approach.	**SUMMARY: No further revisions based on Comment No. 50 from GFIA. See Resolution of Comment No. 33.** Please refer to Resolution of Comment No. 33.

51. Zurich Insurance Company Ltd.	Switzerland	Bullet no. 5: The guidance should be generalized as "mismatch between source of wealth and funds and premium amounts.", to be followed, if deemed necessary, by the current enumeration. Bullet no. 6: The term "negative events" is ill-chosen; for instance being a Politically Exposed Person (PEP) goes with a function or a position; it is neither a negative event in itself nor is it associated with a negative event. We therefore suggest to make two bullet points out of bullet no. 6: "- customer is considered a politically exposed person;" "- customer has ties to or is on a designated sanctions list."	**SUMMARY: Paragraph 22.1.9 (now 22.1.8) further revised in view of Comment No. 51.** Paragraph 22.1.9 (now 22.1.8) concerning Customer related risk has been further revised to incorporate edits proposed by Zurich or based on its input in this Comment, to avoid misunderstanding.
Q26 Comment on 22.1.10			
52. Insurance Authority (IA)	China, Hong Kong	Suggest to elaborate the 1st bullet point to provide more clarity and delete "mitigating" before safeguards. With reference to the "Guidance for risk-based approach for the life insurance sector" issued by FATF, we propose to make the following changes: - non face-to-face sales without adequate safeguards for confirmation of identification or to mitigate the risks of identity fraud etc.; (replacing "non face-to-face sales without adequate mitigating safeguards;")	**SUMMARY: Paragraph 22.1.10 (now 22.1.9) further revised in view of Comment No. 52 and No. 53.** Paragraph 22.1.10 (now 22.1.9) concerning Customer related risk has been further revised to incorporate edits proposed in or based on Comments No. 52 from Insurance Authority of China, Hong Kong and No. 53 from Insurance Europe.
53. Insurance Europe	Europe	"Payments via intermediary that obscures the source of payment": it is not clear to us what type of situation this refers to (outside of the "long chain of intermediaries' mentioned earlier). We therefore suggest clarifying or deleting. As mentioned earlier under 22.1.5, premium payments made by third parties remain traceable and they trigger additional information requests and checks.	**SUMMARY: Paragraph 22.1.10 (now 22.1.9) further revised in view of Comment No. 52 and No. 53.** Please refer to the Resolution of Comment No. 52.
54. Global Federation of Insurance Associations	Global	Consistent with the response to Q1, please consider deleting the sub-bullets and cross-referencing FATF Risk-Based Approach.	**SUMMARY: No further revisions based on Comment No. 54 from GFIA. See Resolution of Comment No. 33.** Please refer to Resolution of Comment No. 33.
Q27 Comment on 22.1.11			
Q28 Comment on 22.1.12			
Q29 Comment on 22.1.13			

55. National Association of Insurance Commissioners (NAIC)	USA, NAIC	As both of these should be seen as equally important, suggest revising last sentence to read: "The supervisor should participate in such an assessment to both help inform the assessment and improve its understanding of the risks."	**SUMMARY Edit to Paragraph 22.1.13 (now 22.1.12) in view of Comment No. 55 from NAIC.** The word "also" has been deleted from the text of Paragraph 22.1.13 (now 22.1.12) in order to indicate that the points in this sentence are not meant to establish a priority.
Q30 Comment on 22.2			
56. General Insurance Association of Japan	Japan	We expect due consideration is given not to impede the sound development of the insurance industry in issuing enforceable means.	**SUMMARY: No further revisions based on Comment No. 56 from General Insurance Association of Japan.** Acknowledged with thanks.
Q31 Comment on 22.2.1			
57. Insurance Europe	Europe	In certain jurisdictions, such as Italy, sanctions can be imposed only if established by primary legislation, and so not by regulations, guidelines or instructions.	**SUMMARY: No further revisions based on Comment No. 57 from Insurance Europe**. The IAIS is of the view that the jurisdictional example noted in the Comment is accommodated by Standard 22.2 (consider for example Paragraphs 22.2.1 and 22.2.2).
Q32 Comment on 22.2.2			
Q33 Comment on 22.2.3			
58. World Federation of Insurance Intermediaries	Belgium	WFII proposes to change this paragraph as follows: The supervisor should require insurers and intermediaries to take appropriate steps, proportionate to their nature and their size to identify, assess and understand their ML/TF risks in relation to products, markets, and delivery channels. The supervisor should also require insurers and intermediaries to manage and mitigate the ML/TF risks that have been identified in a way that is proportionate to their nature and their size.	**SUMMARY: No further revisions based on Comment No. 58 from WFII.** The IAIS is of the view that the matter is already accommodated in view of the principle of proportionality applicable to all ICPs (refer to Paragraph 9 of the general Introduction to ICPs) as well as the RBA addressed in ICP 22, as revised (for example, Paragraph 22.0.11).
59. Insurance Europe	Europe	Only for life insurance.	**SUMMARY: No further revisions based on Comment No. 59 from Insurance Europe.** Please refer to the Resolution of Comment No. 2.

60. Global Federation of Insurance Associations	Global	Replace reference to "markets" with "geographies and clients"	**SUMMARY: See Resolution of Comment No. 4.** With respect to this Comment from GFIA, please refer to the Resolution of Comment No. 4.
Q34 Comment on 22.2.4			
Q35 Comment on 22.2.5			
61. Insurance Authority (IA)	China, Hong Kong	Suggest to add the requirement of undertaking AML/CFT assessment on the "delivery channels". It is noted that delivery channel is identified as one of the ML/TF risk in this ICP. Suggested revision: The supervisor should require insurers and intermediaries to undertake AML/CFT assessments on a regular basis, develop risk profiles of their products and services, customers, "delivery channels", and business relationships (including where relevant third party service providers), and to put in place risk management and control measures to effectively address identified risks.	**SUMMARY: Although submitted in reference to Paragraph 22.2.5, it appears that Comment No. 61 from Insurance Authority of China, Hong Kong relates to Paragraph 22.3.5. Please see revision to that Paragraph, in view of this Comment.** Please see revision to Paragraph 22.3.5 consistent with this Comment.
Q36 Comment on 22.3			
Q37 Comment on 22.3.1			
62. National Association of Insurance Commissioners (NAIC)	USA, NAIC	For wording consistency with other ICPs, suggest revising sentence to read: "The supervisor should take into account the risk of ML/TF at each stage of the supervisory process, where relevant, including the licensing stage."	**SUMMARY: Paragraph 22.3.5 revised consistent with Comment No. 62 from NAIC.** Please see revision to Paragraph 22.3.5 consistent with this Comment.
Q38 Comment on 22.3.2			
Q39 Comment on 22.3.3			
Q40 Comment on 22.3.4			
Q41 Comment on 22.3.5			
63. World Federation of Insurance Intermediaries	Belgium	WFII proposes to change this paragraph as follows: The supervisor should require insurers and intermediaries to undertake, in a way that is proportionate to their nature and their size, AML/CFT assessments on a regular basis, develop risk profiles of their products and services, customers, and business relationships (including where relevant third party service providers), and to put in place risk management and control measures to effectively address identified risks.	**SUMMARY: No further revisions based on Comment No. 63 from WFII.** The IAIS is of the view that the matter is already accommodated in view of the principle of proportionality applicable to all ICPs (refer to Paragraph 9 of the general Introduction to ICPs) as well as the RBA addressed in ICP 22, as revised (for example, Paragraph 22.0.11).

64. Insurance Europe	Europe	This requirement should apply to life insurance only, regardless of whether non-life remains in the ICP 22's scope.	**SUMMARY: No further revisions based on Comment No. 64 from Insurance Europe.** Please refer to the Resolution of Comment No. 2.
Q42 Comment on 22.3.6			
Q43 Comment on 22.3.7			
Q44 Comment on 22.4			
Q45 Comment on 22.4.1			
Q46 Comment on 22.4.2			
Q47 Comment on 22.4.3			
Q48 Comment on 22.5			
Q49 Comment on 22.5.1			
Q50 Comment on 22.5.2			
65. National Association of Insurance Commissioners (NAIC)	USA, NAIC	As the supervisor may need to cooperate and coordinate with other supervisors beyond relevant MAL/CFT competent authorities to effectively address policy issues, suggest broadening the second bullet to read: "policy cooperation and, where appropriate, coordination across other relevant authorities."	**SUMMARY: Paragraph 22.5.2 and 22.7.1 revised consistent with Comment No. 65 from NAIC.** Please see revision to Paragraph 22.5.1 and 22.7.1 consistent with this Comment.
Q51 Comment on 22.5.3			
Q52 Comment on 22.5.4			
Q53 Comment on 22.5.5			
66. National Association of Insurance Commissioners (NAIC)	USA, NAIC	As the supervisor may need to exchange of information on AML/CFT issues with other authorities than just competent authorities, suggest broadening this read: "The supervisor should consider appointing within its office a contact for AML/CFT issues and to liaise with other relevant authorities to promote an efficient exchange of information."	**SUMMARY: Paragraph 22.5.5 (now 22.5.4) revised consistent with Comment No. 66 from NAIC.** Please see revision to Paragraph 22.5.5 (now 22.5.4) consistent with this Comment
Q54 Comment on 22.5.6			
Q55 Comment on 22.6			
Q56 Comment on 22.6.1			
67. Global Federation of	Global	Please consider deleting the reference to "market risk", and merely refer to geographic and customer risk.	**SUMMARY: See Resolution of Comment No. 4.**

Insurance Associations			With respect to this Comment from GFIA, please refer to the Resolution of Comment No. 4.
Q57 Comment on 22.6.2			
Q58 Comment on 22.6.3			
68. Insurance Europe	Europe	It would be very useful to provide insurers with the circumstances/situations which will alert national authorities to cases of possible terrorism financing, in order to support them in identifying, assessing and understanding risky situations. It would ensure they reduce these risks more effectively and report situation at risk regarding terrorist networks.	**SUMMARY: No further revisions based on Comment No. 68 from Insurance Europe.** Paragraph 22.6.3 encourages open communication, to the degree consistent with national considerations, among AML/CFT competent authorities and supervisors.
69. National Association of Insurance Commissioners (NAIC)	USA, NAIC	To help with readability, suggest revising second sentence to read: "Such information may be relevant to the risk profile of, or the effectiveness of risk management by, an insurer or intermediary."	**SUMMARY: Paragraph 22.6.3 revised consistent with Comment No. 69 from NAIC.** Please see revision to Paragraph 22.6.3 consistent with this Comment.
Q59 Comment on 22.6.4			
Q60 Comment on 22.7			
Q61 Comment on 22.7.1			
Q62 Comment on 22.7.2			
Q63 Comment on 22.7.3			
Q64 Comment on 22.7.4			