

## **IAIS welcomes the release of the FSB's first list of insurers subject to resolution planning standards consistent with the FSB Key Attributes**

- The Financial Stability Board (FSB) published today a list of insurers subject to resolution planning standards consistent with the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions.
- The list provides transparency to markets, policyholders and the larger public that the reported insurers and relevant authorities are working to be prepared for the insurers' entry into resolution if it ever becomes necessary. An insurer is not considered systemically important by virtue of being included in the list of reported insurers.
- The IAIS coordinates closely with the FSB with respect to resolvability and, building on the outcomes of the IAIS' ongoing implementation assessment activities and annual collective discussion, provides input to the FSB's resolvability monitoring process.
- The IAIS also endorsed at its Annual General Meeting its revised insurance standards on recovery and resolution, which are now further aligned with the FSB Key Attributes.

### **FSB list**

At its 3-4 December Plenary meeting, the Financial Stability Board (FSB) agreed to publish the first iteration of a [list of insurers](#) reported by their respective supervisors<sup>1</sup> as being subject to resolution planning and resolvability assessment requirements consistent with the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions (Key Attributes) – specifically Key Attributes 8-11.<sup>2</sup>

An insurer is not considered systemically important by virtue of being included in the list of reported insurers. The list differs in several material respects from the discontinued list of global systemically important insurers (G-SIIs) published by the FSB until 2016.

The list only includes insurers that are subject to each of the Key Attributes 8-11, and as such does not include (i) insurers subject only to recovery planning but not resolution planning and resolvability assessment requirements; (ii) insurers which have no or only limited international activities; or (iii) insurers that are headquartered in a jurisdiction that is not represented in the FSB Plenary. Furthermore, an insurer may be prepared to address significant distress or failure even though not reported to the list.

The published list informs market participants that insurers and their supervisors are better prepared to address the significant stress or failure of an insurer, including that relevant authorities are prepared to work together across borders. The list also provides reassurance on the consistent application of resolution standards across the globe.

The IAIS and the FSB have been closely coordinating on the FSB's resolvability monitoring and annual public reporting on the insurance sector and will continue to do so.

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<sup>1</sup> The list is based on the assessment and self-reporting of FSB member authorities.

<sup>2</sup> The Key Attributes 8 to 11 are related to crisis management groups, institution-specific cross-border cooperation agreements, resolvability assessments and recovery and resolution planning.

## IAIS Holistic Framework

The publication of the list of reported insurers follows the 2022 decision to endorse the IAIS Holistic Framework for the assessment and mitigation of systemic risk in the insurance sector (Holistic Framework) and to discontinue the annual identification of G-SIIs.<sup>3</sup> Instead, the FSB utilises the assessments available through the Holistic Framework to inform its considerations of systemic risk in the insurance sector. The IAIS conducts its risk assessment through the annual Global Monitoring Exercise (GME) and collective discussion and reports the outcomes to the FSB on an annual basis.

The IAIS also undertakes a robust assessment of the comprehensive and consistent implementation of the Holistic Framework related supervisory material, which has included 16 major insurance market jurisdictions, comprising around two-thirds of the FSB membership.

Based on the results of these assessments, including identified gaps, the IAIS initiated a review of certain related standards focused on clarity of interpretation or correction of unintended consequences. Proposed revisions underwent public consultation between March and June 2024. The revised standards were adopted by the IAIS Annual General Meeting on 5 December in Cape Town, South Africa. With these revisions, there is greater alignment between the FSB and the IAIS standards, thereby further supporting globally consistent supervisory approaches. Notably, the scope of application of recovery and resolution planning requirements are now aligned, with both the FSB and IAIS standards applicable, at a minimum, to any insurer(s) assessed to be systemically important or critical if it fails.

## Next steps

Over time, the published list of insurers subject to the resolution planning standards consistent with the Key Attributes is likely to grow as FSB members revise and implement new legislation and regulation affecting their resolution frameworks for insurers.

Next year, the FSB will undertake work to promote a greater degree of consistency among FSB members in application of resolution planning standards to insurers. This work will be coordinated with the IAIS work on updating its Application Papers on resolution powers and planning and on recovery planning, respectively, to reflect the revised IAIS standards.

## About the Key Attributes

The FSB adopted the Key Attributes in October 2011. The last revision took place in April 2024. The Key Attributes set out twelve essential features that should be part of the resolution regimes of all jurisdictions, across the banking, insurance and FMI sectors. Their implementation should allow authorities to resolve financial institutions in an orderly manner without taxpayer exposure to loss from solvency support, while maintaining continuity of their vital economic functions. The Key Attributes remain the umbrella standard for effective resolution regimes covering financial institutions of all types that could be systemic in failure.

Learn more at: FSB (2024), [Key Attributes of Effective Resolution Regimes for Financial Institutions \(revised version 2024\)](#), April.

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<sup>3</sup> The publication of the list of reported insurers follows the December 2022 decision by the FSB to discontinue the annual identification of G-SIIs. See [FSB Press Release](#). In connection with this decision, the FSB endorsed the IAIS Holistic Framework and decided to utilise, going forward, assessments available through the Holistic Framework to inform its considerations of systemic risk in the insurance sector, including the supervisory policy measures that it considers necessary to address such systemic importance.

### **About the Holistic Framework**

The Holistic Framework for the assessment and mitigation of systemic risk in the insurance sector, recognises that systemic risk may arise not only from the distress or disorderly failure of an individual insurer, but also from the collective exposures and activities of insurers at a sector-wide level. It consists of three key elements:

1. **Risk assessment through the annual Global Monitoring Exercise (GME)**, designed to detect key risks and trends and the potential build-up of systemic risk in the global insurance sector, including a collective discussion among IAIS members of the outcomes of the analysis and the appropriate supervisory response.
2. **An enhanced set of supervisory measures**, designed to increase the overall resilience of the insurance sector and help prevent insurance sector vulnerabilities and exposures from developing into systemic risk (Holistic Framework supervisory measures).
3. **Robust assessment of the comprehensive and consistent implementation** of the Holistic Framework supervisory measures across jurisdictions.

Learn more about [the Holistic Framework](#) and the [assessment of the implementation](#) of its supervisory material at the IAIS website.

### **About the IAIS**

The IAIS is a global standard-setting body whose objectives are to promote effective and globally consistent supervision of the insurance industry to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders and to contribute to the maintenance of global financial stability. Its membership includes insurance supervisors from more than 200 jurisdictions. Learn more at [www.iaisweb.org](http://www.iaisweb.org). Follow us on LinkedIn: [IAIS – International Association of Insurance Supervisors](#).