Update on International Issues Regarding Market Conduct Regulation

Nikhail Nigam
International Relations Policy Advisor
NAIC
International Association of Insurance Supervisors (IAIS)

Market Conduct Working Group (MCWG)

- Develops and enhances IAIS high-level principles-based supervisory and supporting material, as appropriate, in relation to market conduct supervision.
- The MCWG reports to the IAIS Policy Development Committee (PDC)
- Composed of representatives of IAIS Members with experience in market conduct supervision and regulation that aim to protect consumer interests in the insurance sector, including the fair treatment of customers.
  - 20 Jurisdictions represented. Canada – Chair, Netherlands – Vice Chair
IAIS - Market Conduct Working Group

Use of Conduct Indicators in Insurance Supervision - approach and examples

- Provides members with examples on the identification, assessment, and appropriateness of specific types of indicators and data gathering techniques used by supervisors to assess the conduct of insurers.
- Follows a members-survey conducted in 2021/2022
- Includes two NAIC-submitted examples: Claims Management and Complaints Handling
- Does not create new standards for insurance conduct supervision nor is it intended to establish a single preferred approach to using conduct indicators.
Diversity Equity and Inclusion Project

- Dual project in parallel with the IAIS Governance Working Group (GWG)
- Work related to the fair treatment of diverse consumers - eventual Application Paper
  - ICP 19 Conduct of Business
  - 26 examples from 13 members and counting
- Incorporate ongoing work and updates of the NAIC’s Special (EX) Committee on Race and Insurance
  - NAIC DEI Director presentation
- Roundtable discussion at 2023 Global Seminar with regulators and stakeholders
Other Initiatives and Activities

• Climate Risk and Insurance Core Principles (ICP)
• Consumer representative engagement
• Guest Presentations
• IAIS Strategic Plan 2025-2029
  • Sharing of Suptech tools/initiatives
  • Conduct and Culture
  • Consumer Protection
Questions?