TO: Council Delegates

COPY: Correspondents

The International Association of Insurance Supervisors (IAIS) has developed a draft Application Paper on the Supervision of Climate-related Risks in the Insurance Sector, jointly with the Sustainable Insurance Forum (SIF). The draft Application Paper provides background and guidance on how the IAIS supervisory material can be used by insurance supervisors to manage the challenges and opportunities arising from climate-related risks.

The IAIS is seeking feedback on this draft Application Paper through public consultation. Feedback is invited by Tuesday 12 January 2021 24.00 CET (Basel time).

The document and consultation tool can be found under this link on the IAIS website.

The IAA intends to submit a formal response to this consultation. The Insurance Regulation Committee (IRC) will be responsible for formulating the responses to the IAIS on behalf of the IAA. The responses will be developed in accordance with the requirements of the IAA Due Process for Making a Public Statements. The IRC will seek input from the IAA Climate Risk Task Force (CRTF) and the Resource and Environment Working Group (REWG) when drafting the response.

All members and interested persons of the IRC, CRTF and REWG will be requested to provide input to the response. The developing drafts and the final response will be shared with these groups. Please ensure that your association’s input is provided via your representative/members in these IAA entities.

If your association does not have a representative in any of the above-mentioned groups, you may nominate an observer to the drafting group to review the developing response. We request you to contact Amali Seneviratne (Director Technical Activities) at the IAA Secretariat as soon as possible, but no later than 4 November 2020 if your association wishes to nominate an observer. Please note that this will be your only opportunity to influence the development of the response, as it will not be circulated outside the above-mentioned groups.

The final response will be submitted to the IAIS on or before 12 January 2021, subject to approval by IRC members.