

Review of the list of global systemically important insurers (G-SIIs)

1. In November 2011 the Financial Stability Board (FSB) published an integrated set of policy measures to address the systemic and moral hazard risks associated with systemically important financial institutions (SIFIs).¹ In July 2013, the FSB, in consultation with the International Association of Insurance Supervisors (IAIS) and national authorities, identified an initial list of nine global systemically important insurers (G-SIIs) using an assessment methodology developed by the IAIS, and the policy measures that should apply to them.² That report noted that the list of G-SIIs would be updated annually and published by the FSB each November based on new data.
2. The FSB, in consultation with the IAIS and national authorities, has decided not to publish a new list for 2017.
3. The policy measures set out in the FSB's 2016 communication on G-SIIs,³ as updated in February 2017 as concerns the higher loss absorbency (HLA) standard,⁴ will continue to apply to the firms listed in the 2016 communication.⁵
4. The FSB welcomes and encourages the work being undertaken by the IAIS to develop an Activities-Based Approach to systemic risk in the insurance sector and notes that an Activities-Based Approach, once developed, may have significant implications for the assessment of systemic risk in the insurance sector and hence for the identification of G-SIIs and for G-SII policy measures.
5. In November 2018 the FSB will review the situation based on the progress made by the IAIS in developing the Activities-Based Approach at that time.
6. In the meantime, the IAIS will continue to collect data for the G-SII identification process and to support the development of the Activities-Based Approach to systemic risk in the insurance sector and to allow for further improvements to its G-SII assessment methodology.

¹ See FSB, *Policy Measures to Address Systemically Important Financial Institutions*, 4 November 2011 (www.fsb.org/2011/11/r_111104bb/).

² See FSB, *FSB identifies G-SIIs and the Policy Measures that will Apply to Them*, 18 July 2013 (www.fsb.org/publications/r_130718.htm).

³ See FSB, *2016 List of global systemically important insurers (G-SIIs)*, 21 November 2016 (www.fsb.org/wp-content/uploads/2016-list-of-global-systemically-important-insurers-G-SIIs.pdf).

⁴ See FSB, 28 February 2017 (www.fsb.org/wp-content/uploads/FSB-assesses-implementation-progress-and-effects-of-reforms.pdf).

⁵ Paragraph 79 of the IAIS *Global Systemically Important Insurers: Updated Assessment Methodology*, published in June 2016 (see www.iaisweb.org/page/news/press-releases/file/61175/iais-press-release-updateeg-sii-assessment-methodology) provides for a two-year minimum presumption of G-SII status for firms the first time that they are identified under the 2016 methodology. The IAIS is continuing work on its methodology and published in February 2017 its workplan and timelines for the work on systemic risk assessment in the insurance sector (see IAIS *Press Release Systemic Risk Assessment and Policy Workplan*, 28 February 2017, www.iaisweb.org/page/news/press-releases/file/65229/iais-press-release-systemic-risk-assessment-workplan).