



# Strategic Plan 2017-2020

## Foreword

On behalf of all members of the Canadian Council of Insurance Regulators (CCIR), it is my pleasure to present our Strategic Plan for the period April 1, 2017 to March 31, 2020.

The CCIR, like much of the insurance world, evolves and adapts quite rapidly to changes in the marketplace. The CCIR has undergone significant shifts in operations and focus as the regulation of insurance and the fair treatment of consumers have gained prominence internationally, insurance products have become more innovative and complex and consumer expectations have risen. Over the last three years, the CCIR has devoted considerable efforts in this evolutionary process to develop the foundation for greater collaboration, cooperation and information sharing among its members in order to introduce stronger supervisory partnerships and a more cooperative approach to regulation. This strategic plan will leverage these efforts and build upon that foundation over the next three years.

While the insurance sector has witnessed rapid changes in recent years, there is concern among some stakeholders and pressures from others for more in the form of technological innovation. Similar to what has been experienced in other areas, there is the potential for the ever-growing and increasingly available technology to alter the insurance world as many currently understand it. Such changes may lead to a transformation of consumer relationships and experiences as well as the introduction of “disrupters” into the marketplace. It is essential that regulators across the country work together to ensure a consistent approach to the regulation of technological innovation in financial services and the insurance sector in particular.

Consumer relationships and interactions with financial services institutions and professionals have increasingly become the focus of not only insurance regulators, but all financial services authorities both in Canada and abroad. The CCIR will continue to work to ensure that insurance consumers are treated fairly throughout their relationships with insurers and intermediaries. We expect that the work we conduct through this strategic plan will enhance these interactions, both in terms of the conduct of insurers and intermediaries as well as consumer awareness and decision making.

Patrick Déry  
Chair



## Mandate – Who We Are

CCIR is a forum for Canadian insurance regulators to collaborate in order to enhance insurance supervision and regulation to serve the public interest and to foster increased cooperative supervision and information sharing among regulatory authorities.

## Mission

We work collaboratively to find solutions to common regulatory issues, increase cooperative supervision and promote harmonization in conjunction with financial services regulators, policy makers and stakeholders.

## Vision

That effective regulation supports consumer protection and enhances confidence in the Canadian insurance marketplace.

## Values

Organizations are driven by the shared values of their members. We have a shared commitment to:

- Cooperation
- Accountability
- Leadership
- Responsiveness
- Respect
- Integrity
- Accessibility
- Creativity
- Innovation

## Approach

- We coordinate our regulatory activities and share information.
- We conduct ongoing market intelligence and research to stay informed and keep abreast of emerging consumer issues.
- We engage with our stakeholders to understand key issues facing the industry.



## Strategic Priorities

In setting our overall direction and strategic priorities for the next three years, we intend to expand upon the successes of the CCIR over its history in advancing the interests of consumers, enhancing collaboration and cooperation among regulators and fostering effective relationships with industry stakeholders. We also intend to build upon the foundation that was established over the course of the previous strategic plan to further the evolution of the regulatory framework and regulatory practices in Canada. As a result, we have committed to three equally important strategic priorities, one priority each focused on consumers, regulators, and industry:

- Build upon cooperative supervision in aligning with best international practices to enhance consumer protection.
- Work collaboratively with regulatory partners to grow and leverage national regulatory capacity.
- Partner with industry stakeholders to identify opportunities to increase regulatory and supervisory harmonization where practicable and appropriate.

## Strategic Initiatives

In order to pursue our strategic priorities, we will work with stakeholders to undertake or to continue the following initiatives over the next three years:

### **Priority: Build upon cooperative supervision in aligning with best international practices to enhance consumer protection**

- **Cooperative Supervisory Activities**

Develop annual cooperative supervisory plans to address thematic and insurer-specific concerns appropriate for cooperative action across jurisdictions.

- **Fair Treatment of Customers**

Assess:

- a) regulatory developments, internationally and in other financial services sectors, and evaluate their impact on and appropriateness for the insurance regulatory framework;
- b) industry practices and regulations relating to incentives management; and
- c) the content and timing of information provided to customers.

- **Consumer Awareness and Understanding of Risks and Coverages Related to Natural Catastrophes**

Assess consumer awareness and increase consumer understanding of the risks related to natural catastrophes, preparedness and opportunities to mitigate these risks, insurance options and coverages as well as the features of disaster relief programs.

### **Priority: Work collaboratively with regulatory partners to grow and leverage national regulatory capacity**

- **Cooperative Approach to Financial Services and Insurance Technology**

Work with regulatory authorities across sectors to develop a framework for coordinated research, information sharing and the regulation of emerging technologies.



**Priority: Partner with industry stakeholders to identify opportunities to increase regulatory and supervisory harmonization where practicable and appropriate.**

- **Harmonization Opportunities**

Work with industry stakeholders to identify specific differences of import within the regulatory framework and work towards greater consistency in approach and/or harmonization across jurisdictions.

**Continue and complete strategic initiatives related to:**

- ***Segregated Funds***  
Review the regulatory landscape and assess potential regulatory arbitrage.
  
- ***Insurance Core Principles***  
Design, develop, and implement a Canadian market conduct regime which resembles a supervisory college approach and considers both international standards (i.e. ICPs) and multi-jurisdictional differences.
  
- ***Electronic commerce***  
Complete the implementation of the electronic proof of automobile insurance.

## Ongoing CCIR Responsibilities

We also pursue our mission and vision by carrying out the following responsibilities:

- **Identify and Address Common Emerging Issues in a Timely Manner**

CCIR will use all sources of information to identify trends and emerging risks, including the data collected in the Annual Statement on Market Conduct, and will work cooperatively to address emerging issues of common interest as they arise.

- **Oversee Insurance OmbudServices**

CCIR is responsible for ensuring that third party dispute resolution systems in the insurance sector, including General Insurance OmbudService (GIO) and the OmbudService for Life and Health Insurance (OLHI), fulfill the public interest objectives of complaint resolution as an important component of a well-functioning consumer protection policy framework.

- **Oversee Assuris and the Property and Casualty Insurance Compensation Corporation (PACICC)**

In accordance with the governance bylaws of both Assuris and PACICC, the compensation corporations for life and general insurers respectively, any regulator may reject a proposed bylaw change but must register its objection in a timely manner. Our Assuris-PACICC Committee ensures that all such changes are reviewed on a timely basis and all regulators have the information they need to make appropriate decisions.

The Committee also advises Assuris and PACICC of any changes that the CCIR would like to see them make.



- **Liaise with the Facility Association**

Our Facility Association Standing Committee has been established to streamline the communications between regulators and the Facility Association, the provider of automobile insurance to drivers who are unable to obtain automobile insurance through the voluntary insurance market.

- **Update Forms and Instructions**

The Forms Committee is charged with updating as required the annual and interim return forms and instructions for both P&C and Life required from every insurer registered in Canada.

- **Review Capital Requirements**

The Capital Requirements Information Committee is charged with sharing information regarding developments in regulatory capital requirements.

- **Hold Powers of Attorney and Undertakings (PAUs)**

The CCIR Secretariat maintains and provides access to the repository of PAUs filed by insurance companies all over North America. This function means that insurers filing PAUs with respect to private automobile insurance do not have to file that document in each province or territory the policyholder might visit.