

*Agenda Item 6(c)(iii)  
May 29/18 EOC Meeting*

**Report on CAFII Meeting with CCIR and CISRO Policy Managers**  
**18 May, 2018**

**Background**

On 18 May, 2018, CAFII Co-Executive Directors Brendan Wycks and Keith Martin had a liaison and update meeting with Tony Toy, CCIR Policy Manager; Adrienne, CCIR Policy Analyst who works with Tony Toy; and Joanna Reading, CISRO Policy Manager, a new two-year pilot project role which provides Secretariat support to CISRO.

In the recent past, these meetings have been attended by CAFII EOC volunteers; and the previous such meeting had over 15 volunteer attendees. Tony Toy has alluded since that November 2017 meeting that he prefers meeting with a much smaller group from CAFII, and suggested that just the Association's Co-Executive Directors should attend. We counter-proposed in the 18 May meeting that for such meetings in the future, having up to three (3) CAFII volunteer leaders attend would add some business expertise to the discussion. Mr. Toy consented to that modified approach for such CAFII liaison meetings with the CCIR/CISRO Policy Managers in future.

It was also agreed that there was mutual interest and benefit in continuing to have these meetings on a regular basis, possibly quarterly; and, in general, after the CCIR or CISRO has held a meeting of its own that would provide good content for an update dialogue with CAFII. More specifically, it was noted that CCIR in-person meetings are much longer and more substantive, so it was suggested by Tony Toy that we could have a teleconference call between CCIR and CAFII after a CCIR teleconference call (Winter and Summer); and an in-person meeting between CCIR and CAFII after a CCIR in-person meeting (Spring and Fall).

**Detailed Comments**

Tony Toy advised that the CCIR Spring Meeting in Montreal in mid-April 2018 was productive, with a strong focus on the CCIR/CISRO's collaboration and joint intent to release a "Guidance: Conduct of Insurance Business and Fair Treatment of Customers" consultation document for industry stakeholder feedback. Industry feedback had been received on the preliminary version of the document, and revised, public consultation version was released on 3 May 2018, for feedback until 18 June, 2018. Mr. Toy noted that this was the first instance of a more formalized collaboration relationship between CCIR and CISRO.

Mr. Toy also said that CCIR Travel Insurance Working Group (TIWG) was generally pleased and encouraged by the progress on travel health insurance reforms which the industry had recently accomplished, with CLHIA leading those initiatives on behalf of the entire industry. The TIWG was currently reviewing the need for metrics in the travel health insurance space and what they optimally would be, which could potentially produce new some new questions for incorporation into the Annual Statement of Market Conduct.

CAFII noted that we were reviewing results from new research we had commissioned with Pollara Strategic Insights on consumer attitudes toward travel health insurance; and that we would like to arrange a webinar to present the results of this research to CCIR and CISRO members, in co-operation with Tony and Joanna. Mr. Toy and Ms. Reading agreed to co-operate with CAFII in such a webinar for CCIR and CISRO members as a joint audience.

In response to a question, Mr. Toy noted that all 13 provincial and territorial jurisdictions are now signatories to the *CCIR Memorandum of Understanding On A Framework For Co-operative Market Conduct Supervision*, but OSFI is not. He explained that the agendas for CCIR meetings are structured so that non-signatories to the MOU are not present for the discussion of items that require participants to be an MOU signatory.

Mr. Toy asked if the CLHIA was keeping CAFII in the loop on developments with CCIR on the travel health issues they are taking the lead on, and we said indeed they are and we had a very strong, collaborative relationship with Joan Weir at the CLHIA on this file.

Mr. Toy provided an update on some of the activities of the various CCIR Working Groups, including the Cooperative Market Conduct Supervision Oversight Committee (Chair: Izabel Scovio, FSCO) which has succeeded the predecessor Insurance Core Principles Implementation Committee; and the Fintech Working Group.

Mr. Toy also expressed surprise at Canada Life and Manulife having recently joined CAFII as new Members, as he thought we were focused on banks alone. To correct that mis-perception, we explained that only some banks have insurance companies which manufacture the products they distribute, and that insurance companies and the insurance distribution arms of banks share common interests around some of CAFII's priorities, such as creditor's group insurance, travel insurance, and alternate distribution.

Joanne Reading provided an update on the activities of CISRO. She noted that there was a Spring Meeting in Quebec City during the week of 7 – 11 May 2018, where the strengthened relationship with the CCIR was discussed, including the collaborative effort on the FTC Guideline.

CISRO is looking at doing some work over the coming year on harmonization of educational requirements for licensees, initially just on the property & casualty insurance side but with the potential to touch on the life and health insurance side as well. The deepening relationship between CCIR and CISRO will continue, but this will largely occur on an initiative- by-initiative basis. It was also noted that the CISRO Secretariat (ie. Joanna Reading) currently supports one of the CCIR Working Groups.

There was no further information on when in 2018 the International Monetary Fund would be returning to Canada for a re-assessment visit on behalf of the International Association of Insurance Supervisors, nor on which "sample" provinces it would focus on this time.

There will be another round of CCIR Stakeholder Meetings later this year, likely in October 2018 and most probably in Toronto. At least three months' advance notice will be given to industry stakeholders. Tony Toy gave unprompted remarks on last year's stakeholder presentations that reflected what we heard recently from PEI Superintendent of Insurance Robert Bradley—who is also CCIR Vice Chair—along the lines that stakeholders do not need to spend much time on explaining who they are, and should instead quickly get to the key substantive points they wish to emphasize.