



Activity Title and Number: Study Assignment on Supervising Investments by Insurers including use of Derivatives; A287-C1

Beneficiary: China Insurance Regulatory Commission (CIRC)

Location and Date: Germany, Denmark, Austria; 25 November-4 December, 2013

Stakeholders: Member states regulators, Member states insurance association, Insurance association of China, Private sector companies

Brief Activity Report

Relevance and Impact

While China's insurance sector is still growing, a pressing challenge faced by the industry is how to use insurance funds and how to supervise such investments by insurers.

To support the capacity of the sector to respond to these challenges, EUCTP organised a **Study Assignment on Supervising Investments by Insurers including use of Derivatives** for CIRC. The purpose of the study assignment was to understand EU's experience in the regulation and supervision of insurance fund investment, derivatives and asset liability management, and help improve the regulation and supervision of this area in China.

Chinese insurance institutions and companies have only just started using financial derivatives, making study assignment a timely initiative which will serve as a reference as China as it moves to formulate new rules and regulations in this area.

Activity Description

Four officials from CIRC led by Mr. Xing Wei, Deputy Director General of Department of Insurance Fund Management Supervision participated in the study assignment.

Delegates met with Member State insurance regulators, insurance industry associations and insurance companies to discuss the investment of insurance funds, particularly in relation to financial derivatives, and appropriate regulatory responses.

The meeting with European Insurance, Occupational and Pensions Authority (EIOPA) focused on the regulation of financial derivatives and provided an update on recent regulatory agreements between US and EU on derivatives.

Waiting for a photo from CIRC

*Officials from the CIRC engage in discussions with European counterparts regarding strategies for improving supervision of investments by insurers
25 September-1 October, 2013*

Results and Dissemination

- ✓ Gave Chinese delegates a reference framework which the CIRC will draw on when developing new investment rules, and when considering the possibility of relaxing investment restrictions.
- ✓ Deepened cooperation between European and Chinese insurance regulators which can be drawn on to improve the regulation and risk prevention in both markets.