



Canadian Insurance Services Regulatory Organizations

Strategic Plan 2019-2022

Contents

Foreword.....2

About CISRO.....3

Provincial and Territorial Jurisdictions.....3

Current CISRO Initiatives.....4

Strategic Initiatives6

Foreword

On behalf of CISRO member jurisdictions across the country, it is my pleasure to introduce CISRO's Strategic Plan for the period of April 1, 2019 to March 31, 2022. This plan highlights the evolution of our organization in recent years, and I thought some historical information would help position the final result included in this document.

CISRO was created in the mid 1990's as a conduit for communication among the member jurisdictions. For the most part, that mandate has continued throughout CISRO's existence. That said, CISRO has completed three significant co-operative national projects:

- Development of the original Life Licence Qualification Program (LLQP), culminating with the program launch in 2003;
- In conjunction with the Canadian Council of Insurance Regulators (CCIR), development of the Canadian Insurance Regulators Disciplinary Actions (CIRDA) database, which launched on December 1, 2013 and centralized licensee disciplinary decision documents on a national level; and
- The implementation of a modernized LLQP in January 2016, which updated and harmonized the pre-licensing life education program across the country.

When it came time to complete our next strategic planning exercise after the latter two projects, it became apparent that we needed to first review the mandate of our organization – to confirm a future direction for CISRO. That exercise has paved the way for the following evolutionary changes:

- In 2017, we formally established an Executive Committee to help guide the operations of the organization.
- We are currently piloting a Secretariat, hosted by the Financial Services Commission of Ontario, to provide the necessary support to increase both the effectiveness and efficiency of our organization.
- In early 2018, we agreed to collaborate with CCIR on projects that involve both insurers and intermediaries. The first set of joint initiatives is outlined in the plan that follows.
- As we began work on this strategic plan, we realized that we needed to formalize a stakeholder communication strategy. With that in mind, we included a formal stakeholder consultation to help complete this strategic plan. I want to thank those stakeholder organizations who took the time to contribute to this effort.

I also want to thank our member organizations, who turned their minds to both the evolving mandate of our organization, as well as the completion of this plan. I think the result positions us well to continue the evolution of our organization moving forward.

Ron Fullan
Chair,
Canadian Insurance Services Regulatory Organizations (CISRO)

About CISRO

The Canadian Insurance Services Regulatory Organizations is a forum of Canadian regulatory authorities who are dedicated to consistent qualifications and conduct of business standards for insurance intermediaries.

Mission

To collaborate on initiatives that support a consistent approach to consumer protection through the regulation of insurance intermediaries.

Vision

Consumers across Canada are well served by competent, ethical and professional insurance intermediaries.

Provincial and Territorial Jurisdictions

The following are the regulatory organizations responsible for oversight of insurance intermediaries in Canada.

- Insurance Council of British Columbia
- Alberta Insurance Council
- Insurance Councils of Saskatchewan
- Insurance Council of Manitoba
- Financial Services Commission of Ontario
- Registered Insurance Brokers of Ontario
- Autorité des marchés financiers (Québec)
- Chambre de l'assurance de dommages (Québec)
- Chambre de la sécurité financière (Québec)
- Financial and Consumer Services Commission of New Brunswick
- Office of the Superintendent of Insurance of Nova Scotia
- Office of the Superintendent of Insurance of Newfoundland and Labrador
- Office of the Superintendent of Insurance of Prince Edward Island
- Office of the Superintendent of Insurance of Northwest Territories
- Office of the Superintendent of Insurance of Nunavut
- Office of the Superintendent of Insurance of Yukon

Current CISRO Initiatives

CISRO is currently engaged in several initiatives related to insurance intermediaries:

- **Life Licensing Qualification Program (LLQP) Governance** – CISRO maintains governance over the LLQP through a standing committee that is responsible for the day-to-day administration of the Program, including responding to enquiries and concerns from participating jurisdictions, insurers, course providers and other stakeholders. It is the primary contact with the educational service provider and makes recommendations to CISRO members on strategic initiatives and course providers. This committee is overseen by all CISRO jurisdictions that use the LLQP.
- **General Insurance Licensing Qualification Review** – CISRO has struck a committee to review the educational qualification requirements for licensing of general insurance (also known as “property & casualty” or “other than life” insurance in some jurisdictions) agents and brokers across Canada, with the aim of making recommendations regarding a harmonized approach to licensing education.
- **Fair Treatment of Customers** – In September 2018, CISRO and the Canadian Council of Insurance Regulators (CCIR) released a joint guidance on fair treatment of customers.¹ CISRO members will focus on monitoring the implementation of the guidance by intermediaries.

This working group is currently:

- Working in conjunction with insurance industry associations on issues related to oversight of intermediaries; and
 - Reviewing financial regulation around the world to consider what aspects might be applicable to Canada.
- **Travel Insurance** – In May 2017, the CCIR issued a position paper on travel health insurance products, which included several recommendations to enhance consumer protection. CISRO members formed part of that CCIR Travel Insurance Work Group, and will continue to monitor industry’s progress on implementing reforms.
 - **Segregated Funds** – In December 2017, the CCIR issued a position paper on segregated funds with recommendations related to full disclosure of fees and performance, the delivery of the Fund Facts document for subsequent transactions, risk classification methodology, oversight of sales, needs-based analysis, updating of client records and know-your-product due diligence requirements. In June 2018, the CCIR also released a model disclosure document for segregated funds.

¹ [Guidance: Conduct of Insurance Business and Fair Treatment of Customers](#) (September 27, 2018)

CISRO members have joined with the CCIR on the working group to implement the disclosure document and the other recommendations. The Segregated Funds Working Group is now reviewing other potential gaps related to segregated funds and mutual funds.

- **Communications Strategy** – CISRO is developing a comprehensive communications strategy that will allow it to better engage stakeholders.

Strategic Initiatives

PRIORITIES		
Cooperative approach to regulation of financial services and insurance technology	Cooperative approach to the oversight of intermediaries	Formalization of inter-jurisdictional information sharing protocols
OUTCOMES		
<i>A regulatory system that adapts quickly to innovation in the insurance market place so that consumers’ interests are adequately protected regardless of the type of insurance product or method of distribution.</i>	<i>Harmonization of regulatory oversight to facilitate supervision and accountability of intermediaries.</i>	<i>Enhanced ability to share confidential information between jurisdictions facilitating collaboration and cooperation on matters that involve multiple jurisdictions.</i>
PLAN OF ACTION		
<ul style="list-style-type: none"> ➤ Work with CCIR and other regulatory authorities across sectors to develop a framework for coordinated research, information sharing, and the regulation of emerging technologies. ➤ Stay current with insure tech developments and the potential implications on insurance distribution and claims services. ➤ Assess impacts on consumer privacy created through data mining and data sharing with third parties. ➤ Consider ways to assist consumers in becoming better informed about the products they are purchasing and those from whom they are purchasing products. ➤ Consider how to manage cross-jurisdictional challenges. 	<ul style="list-style-type: none"> ➤ Collaborate between and within jurisdictions on the application of the Fair Treatment of Customers guideline. ➤ Consider the development of national practice standards for intermediaries. ➤ Work in conjunction with the insurance industry on issues related to oversight of intermediaries. ➤ Review financial regulation around the world to consider what aspects might be applicable to Canada. 	<ul style="list-style-type: none"> ➤ Determine what barriers exist to developing and signing agreements between jurisdictions. ➤ Execute agreements as allowed by provincial legislation. ➤ Encourage continued information sharing discussions with other financial services regulators.