

CIRC Officially Launched the Classified Supervision System in 2009

Chinese version The China Insurance Regulatory Commission (CIRC) began from 1 January this year to implement the new classified supervision systems on insurance companies and insurance professional intermediaries.

As stipulated under the system, the CIRC will make a comprehensive appraisal and classification of all insurance companies in the beginning of each year based on the audited data of the previous year, and hence decide the supervision measures to be adopted on each company.

The CIRC will classify the insurance companies based on the monitoring index and the information obtained in daily supervision. The monitoring index on property insurance companies and life insurance companies is composed of five categories: solvency sufficiency ratio, corporate governance, internal and compliance risk index, capital operation risk index, business operation risk index and financial risk index. The classification of insurance professional intermediaries shall be based on the compliance and steadiness.

(Source: China Insurance Regulatory Commission)

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