

The year of 2022 was another year marked by intense normative production by the insurance regulator, the Superintendence of Private Insurance (SUSEP), aiming at consolidating innovations for the (re)insurance sector.

SUSEP maintained the regulatory modernization of the last two years. For 2023, despite the political and economic uncertainties, it is expected a solidification of the new rules recently published, with the continued strengthening and development of the industry.

In this material, you will find the main regulatory updates in the SUSEP regulatory rules enacted in 2022, main judicial insurance aspects, and an outlook for 2023.

» REGULATORY PRODUCTION

+21 CNSP Resolutions

+30 SUSEP Circulars

+28 Public Consultations

OBJECTIVES: competition, contractual freedom, innovation, transparency, flexibility, reduction of regulatory barriers.

Result of Decree-Law No. 10,139/2019 – need for review and consolidation of normative acts. Economic Freedom Law – Law No. 13,874/2019.

» INTENSE REGULATORY ADAPTATION

Although high, the number of rules enacted in 2022 was slightly lower than in 2021.

Additionally, the year of 2022 was marked by an intense process of normative adaptation regarding the rules published in 2021.



Prudential Regulatory Framework / New Players and Distribution



Prudential / Solvency / Liquidity



Internal controls / Risk management and Audit



Control / Authorizations / Corporate Proceedings



Open Insurance

» REGULATION PLAN | 2022

TRANSPORT

Review of SUSEP Circular No. 354/2007, and review and consolidation of rules relating to Carrier's Civil Liability Insurance (CNSP Resolution No. 442/2022)

RURAL

Proposal for revision of Decree No. 5,121/2004, regarding to analysis and approval of Rural Insurance products by SUSEP for participation in the Subsidy Program to Rural Insurance Premium

SURVIVAL

Regulation review about coverage for Survival offered in personal insurance and private pension plans, for the purpose of promoting the market of annuities and the development of products that best meet the needs of consumers (CP 27/22, 26/22)

CORPORATE PROCEEDINGS

Regulation of CNSP Resolution No. 422/2021, with the proposal for amendment of the Circulars that regulated CNSP Resolution No. 330 (CP 23/22)

HOME

Update of current regulations about Home Insurance, aiming for greater clarity in the coverages offered and in their actual purpose before the consumers (CNSP Res. 447/2022)

SUPERVISION AND PRUDENTIAL MEASURES

Inquiry procedure administrative, under the terms of Art. 88, § 2nd, of CNSP Resolution No. 393/2020. Regulation of preventive prudential measures to be adopted by SUSEP intended to preserve the stability and solidity of the National Private Insurance System (CNSP Resolution No. 444/2022)

FINANCIAL INSTRUMENTS (IFRS 9/CPC 48)

Draft of studies and proposals aimed at implementation of CPC 48 - Financial Instruments (IFRS 9) and treatment of its effects on the measurement of liabilities insurance, pensions, reinsurance and capitalization (CP 08/2022)

SRO - OPERATIONS REGISTRATION SYSTEM

Continuity of actions of implementation of register for insurance operations, pension, capitalization and reinsurance in systems approved by SUSEP and administered by registrars accepted by SUSEP (SUSEP Circulars No. 655/2022, 673/2022, 675/2022 and 679/2022)

» 2022 – PRODUCTS

Continuing the process of simplifying regulations in products, SUSEP published the following main rules in 2022:

- **Warranty** – SUSEP Circular No. 662/2022
- **Personal (Risk / Accumulation)** – CNSP Resolution No. 439/2022 and SUSEP Circular No. 667/2022
- **Assistance** – CNSP Resolution No. 443/2022
- **Capitalization** – SUSEP Circular No. 656, CNSP Resolution No. 440/2022, CNSP Resolution No. 446/2022
- **Products Registration** – SUSEP Circular No. 657/2022
- **DPEM** – SUSEP Circular No. 658 and CNSP Resolution No. 435/2022
- **Extended Warranty** – SUSEP Circular No. 659/2022 and CNSP Resolution No. 436/2022
- **Stop Loss and Location Bond** – SUSEP Circulars No. 670/2022 and No. 671/2022
- **Air Carrier's Civil Liability Insurance** – CNSP Resolution No. 442/2022
- **Home** – CNSP Resolution No. 447/2022

In addition, new rules on the Ombudsman (CNSP Resolution No. 445/2022) + ADI No. 7,074/DF, which aims to revoke the large risks rule + new codification of lines of insurance and classification of coverage contained in insurance plans (SUSEP Circular No. 682/2022, which revoked Circular No. 535/2016)

» ESG | SUSTAINABILITY REQUIREMENTS


On June 29, 2022, SUSEP published Circular No. 666/2022, which provides for sustainability requirements (set of environmental, social and governance risks) to be observed by insurance companies, open complementary pension entities (EAPCs), capitalization companies and local reinsurers.

DEADLINES FOR ADEQUACY

SUSTAINABILITY POLICY:

	S1: Dec. 31, 2022;
	S2: Feb. 28, 2023;
	S3 and S4: Apr. 30, 2023.

SUSTAINABILITY RISK MANAGEMENT (EXCEPT REGISTRATION OF INFORMATION):

	S1: Dec. 31, 2023;
	S2: Feb.28, 2024;
	S3 and S4: Apr. 30, 2024.
	Registration of Information: until Jun. 30, 2024.

SUSTAINABILITY REPORT:

	S1: Jun. 30, 2024;
	S2, S3 and S4: Jun. 30, 2025.

Disclosure of the first sustainability report for the referred segments, relative to the base date of December 31 of the last year.

» OPEN INSURANCE | PHASES

OPEN DATA	SHARING OF PERSONAL DATA	PERFORMANCE OF SERVICES
<ul style="list-style-type: none"> ✓ Service channels ✓ Available products 	<ul style="list-style-type: none"> ✓ Customer and participants registration; ✓ Customer movements related to products; ✓ Electronic devices registration 	<ul style="list-style-type: none"> ✓ Access; ✓ Modifications; ✓ Payments or portability; ✓ Loss adjustment; ✓ Others...
Finished	Ongoing	Ongoing

CNSP Resolution No. 450/2022

Creation of SPOC (sales order processing company)
 +
 (absence of mandatory sharing for large risk products)

» ILS | LAW No. 14,430/2022 AND CNSP RESOLUTION No. 453/2022

GOALS

The Law aims at the development of the insurance sector, especially in large risks, with the reduction of the need for capital of (re)insurers and spread of risks as an alternative to reinsurance, in addition to the development of the capital, as there will be a greater diversity of investments.

SUMMARY

Inspired by the international market, the legislation enables the securitization of insurance risks, to the extent that the insurer may assign risks to the Special Purpose Insurance Company (SSPE), issuing the ILS, which will be a security. Through investment in the ILS, investors receive premiums and fees, but the financial return will depend on the materialization of claims (that is, it depends on how many accidents happen).

To learn more, read our newsletter available [here](#).

» CHANGES IN INSURANCE BROKERAGE | LAW No. 14,430/2022

Law No. 14,430, known as the “Securitization Law”, was published on April 8, 2022. Among several measures, the Law promoted changes in part of the legislation applicable to the insurance broker:

- Decree-Law No. 73/1966, which provides for the Private Insurance National System;
- Law No. 4,594/1964, which regulates the profession of insurance broker.

The changes came into effect on January 1, 2023.

» REINSURANCE AND RETROCESSION | 2022- 2023

REINSURANCE AND RETROCESSION

Review, consolidation, and simplification of the rules regarding reinsurance and retrocession operations, including the cession limit, coinsurance operations, operations in foreign currency, and insurance purchased abroad.

As a result of the rules placed in Public Consultation (No. 09 and No. 17/2022), 2023 will be a year of changes in reinsurance and retrocession, with new rules coming into effect on January 1, 2023:

CNSP RESOLUTION No. 451/2022

SUSEP CIRCULAR No. 683/2022

Emphasis on the risk transfer policy (complementary to the risk management policy, under the terms of the specific regulation that provides for the internal control system, the risk management structure and the internal audit activity, and must be aligned with its underwriting policy), which must be prepared by Dec. 31, 2023 by local insurers and reinsurers.

To learn more, read our newsletter available [here](#).

» INSURANCE MARKETS INITIATIVE (IMS) //

Insurance Markets Initiative (IMS), a group created by the Ministry of Economy, along the lines of the Capital Markets Initiative (IMK), to discuss incentive measures for the insurance market in Brazil.

The group, formed by public and private entities, aims to present to the next Government a list of projects for improvement regulation, in order to reduce the cost of operations, among which are:

- Permission to use open pension funds as warranty for credit operations;
- Making adjustments to performance bond insurance to speed up release, minimizing legal risks;
- The regulation of Insurance Linked Securities (especially regarding the fiduciary agent);
- The regulation of the self-regulation system for insurance brokers, besides encouraging the use of mediation by brokers.

» SUPERIOR COURT OF JUSTICE | PERSON AND DAMAGES INSURANCE //

In the judicial sphere, discussions involving damage and personal insurance were object of decisions rendered by the Superior Court of Justice (STJ). The main highlights are:

- 1/ Resp. No. 1.970.111/MG**
Initial term for the Statute of Limitation of the insured against the insurer (in insurance contracts in general)
- 2/ Resp. No. 2.004.461/SP**
Legitimacy of the policyholder (contractual obligations in channels distribution)
- 3/ Resp. No. 1.999.624/PR**
Life Insurance (drunkenness of the insured)
- 4/ Resp. No. 1.926.477/SP**
Inapplicability of the Code of Consumer Defense and Protection (CDC) in D&O Insurance Policy
- 5/ Resp. No. 1.504.344/SP**
Omission in D&O Insurance Policy
- 6/ Resp. No. 2.054.973/SP**
Initial term for the Statute of Limitation for subrogation by the insurer (cargo damages)
- 7/ Resp. No. 2.028.232/RJ**
Insurer's extrajudicial liquidation (commission paid to SUSEP)

» NORMATIVE OUTLOOK

- ✓ Continuity of the adaptation process to the new regulatory rules published in 2022 and sedimentation of the 2020/2021 innovations;
- ✓ Publication of NEW rules on (i) consolidation of procedures for filing corporate proceedings related to supervised bodies, reinsurance brokers, foreign reinsurers and representative offices of admitted reinsurers; (ii) private pension plan (VGBl and PGBl); (iii) supervised related parties; (iv) special regimes (such as fiscal direction); (v) final regulations for some products, such as transport; (vi) DPVAT (mandatory car insurance); (vii) self-regulation of brokers;
- ✓ Expectation for the 2023 regulation plan, especially regarding the points discussed by the IMS;
- ✓ Possible revocation of the Insurance Bill of Law with the new Government and possible repeal of some rules dealing with greater contractual freedom, as is the case of large risks.

» CHALLENGES AND OPPORTUNITIES

In general, they will remain the same as the previous year. The main highlights for 2023 are:

- ✓ **(RE)INSURANCE AND CAPITAL MARKETS**
(Insurance Linked Securities)
- ✓ **OPEN FINANCE [OPEN BANKING / OPEN INSURANCE]**
(New technologies, diversity in insurance distribution channels and marketplaces)
- ✓ **INFRASTRUCTURE**
(Legal framework for sanitation: promotion of the most diverse lines of insurance and new bidding law – Warranty Insurance)
- ✓ **AGRIBUSINESS**
(Rural Insurance)

» CONTACT //



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