

December 12, 2023

**TozziniFreire.**  
ADVOGADOS

**SUSEP'S  
REGULATION  
PLAN 2023-2024**

Recently, the Federal Insurance Commissioner (SUSEP) published the Regulation Plan for the year 2023 to 2024, with studies and public inquiries promised for the year end 2023 and with an outlook for 2024.

The Plan has been expected since the beginning of 2023 and was the result of a dialogue between many players and the regulator, also involving other economy sectors and Ministries, according to SUSEP.

The nine main topics include the following: **(i)** Insurance, New PAC ("New Growth Acceleration Program" provided by the government) and Neoindustrialization; **(ii)** Environmental Transformation; **(iii)** Nacional Policy for Access to Insurance; **(iv)** National Reinsurance Policy; **(v)** National Cybersecurity Policy; **(vi)** Authorization; **(vii)** Prudential Regulation; **(viii)** Conduct Regulation; and **(ix)** Supervision Instruments. The main highlights of the topics, according to SUSEP's agenda, are listed below.

The main highlights of the topics, according to SUSEP's agenda, are listed below.

## HIGHLIGHTS 2023

### First and Second Semester of 2023

#### Insurance, New PAC and Neoindustrialization

- i. Studies with insights from the final report of the Group: "Insurance, New PAC and Neoindustrialization";
- ii. Studies to prepare a technical document about guarantee insurance, in addition to the new regulatory framework on guarantee insurance (SUSEP's Circular No. 662/2022).

#### Nacional Policy for Access to Insurance

- i. Review of the regulation about survival coverage offered in life insurance policies and private pension plans, with the purpose of enhancing the annual fees market and developing products that better meet the consumers' needs.

#### Prudential Regulation

- i. ORSA (Own Risk and Solvency Assessment) regulation and capital management within the scope of the insurance market;
- ii. Performance requirements, duties, and responsibilities of the fiduciary agent in issuing a Letter of Insurance Risk (ILS).

## HIGHLIGHTS 2024

### First Semester of 2024

#### Insurance, New PAC and Neoindustrialization

- i. Consolidation of a regulatory framework related to Civil Liability Insurance for Cargo Carriers, after Law No. 14,599/2023 was approved.

#### Environmental Transformation and Supervised Markets

- i. Implementing the indications from the final Report of the Insurance and Ecological Transformation Working Group;
- ii. Drafting a Resolution to define products of green insurance that covers risks related to environmental transformation and provide climatic, environmental, or social benefits to the society.

#### Nacional Policy for Access to Insurance

- i. Resolution to regulate the structure of Universal Life Insurance.

#### Reinsurance – Main Topics

1. Improving tax conditions for local reinsurers.
2. Study about the national retention of reinsurance premiums and the role of reinsurers on long-term investments.
3. Comparative study on the behavior of reinsurers in the insurance market, with claims control clause and other instruments.

#### Nacional Cybersecurity Policy

- i. Civil Liability Insurance of Cyber Risks and Guarantee Insurance of Cyber infrastructure.

#### Authorization

- i. Regulating the audit of SPOC's financial statements by an independent auditor registered with the CVM (Securities and Exchange Commission), as well as sending the independent audit opinion to SUSEP.

#### Prudential Regulation

- i. Review of CNSP Resolution No. 388/2020, modifying the definition of "prudential group" to include subjective criteria that allow SUSEP's supervision to change the composition of the group, and change CNSP Resolution No. 416/2021, and Susep's Circular No. 650/2021;
- ii. Regulation of requirements from the remuneration policy within supervised bodies.

#### Conduct Regulation

- i. Study of consumer amounts retained in supervised bodies;
- ii. Review of regulation about registration of products, including a chapter about suspension of products (SUSEP's Circular No. 657/2022);
- iii. The brokerage commissions must be informed to the insured, when requested (addition to article 4 of CNSP Resolution No. 382/2020);
- iv. Regulation of Law No. 14,652/2023 to involve participants of open complementary pension plans and personal insurance's insured.

#### Supervision Instruments

- i. Regulating the implementation and conduct of administrative investigations for infractions and Chapter IV of CNSP Resolution No. 393/2020, and supporting any possible implementation of administrative proceedings;
- ii. Study about the discipline of the controlling power and the economic group as criteria for investigation and penalties.

### Second Semester of 2024

#### Insurance, New PAC and Neoindustrialization

- i. Development of rules about the rural insurance premium subsidy program (PSR), with technical support from SUSEP and the Rural Insurance Management Committee (CGSR);
- ii. Study: insurance and infrastructure investments – new designs of guarantee insurance and debentures.

#### Nacional Policy for Access to Insurance

- i. Study with a proposal about the Nacional Policy for Access to Insurance and with alternatives to increase people's access to insurance products and social security.

#### Nacional Cybersecurity Policy

- i. Undertaking a study to adjust the insurance supervised market on cyber systems to the National Cybersecurity Policy.

#### Authorization

- i. Regulating the positions in statutory bodies at companies and entities supervised by SUSEP;
- ii. Monitoring for impact assessment;
- iii. Drafting rules for the transfer of portfolio between supervised entities, in line with CNSP Resolution No. 422/2021.

#### Conduct Regulation

- i. Capitalization study to verify if is necessary to review the current regulatory framework;
- ii. Drafting rules from the study provided on the first semester of 2024.

#### Prudential Regulation

- i. Partial update of the subscription risk capital factors for individual life and pension plans;
- ii. Review of CNSP Resolution No. 432/2021, in order to allow operations with related parties, aimed at financing supervised entities;
- iii. Development of study about current regulation with IFRS 17, aimed to map any needs of adjustment to increase transparency for interested parties and reduce regulatory costs.

#### Supervision Instruments

- i. Development of a study about the legal and economic efficiency of administrative proceedings according to constitutional provisions;
- ii. Review of CNSP Resolution No. 393/2020 and SUSEP Circular No. 549/2017;
- iii. Review of legislation regarding administrative proceedings;
- iv. Development of study about administrative agreement on sanction proceedings;
- v. Inclusion of serious misconducts related to the registration of insurance transactions, private pension plans, capitalization, and reinsurance.

**BÁRBARA BASSANI**

**Insurance and Reinsurance**

bbassani@tozzinifreire.com.br