

An aerial photograph of a tropical coastline. The foreground is dominated by a dense forest of palm trees and other lush green vegetation. A narrow strip of white sand beach runs along the edge of the forest, meeting the clear, turquoise waters of the ocean. The sky is a deep blue with a few wispy white clouds. The overall scene is bright and vibrant, suggesting a sunny day in a tropical location.

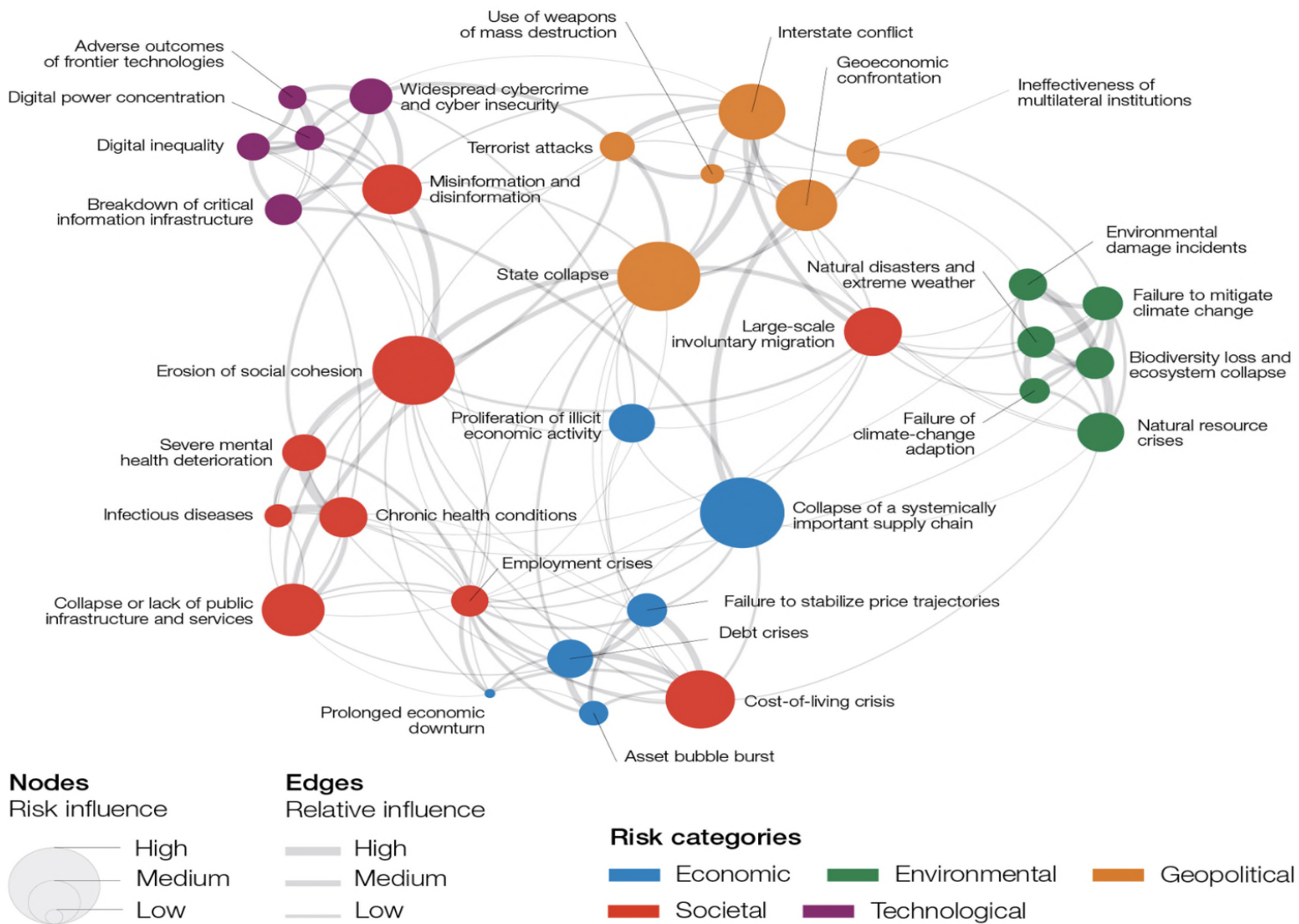
The Regulatory Landscape - A 2024 Update


Presented by Warrick Ward

CEO, Financial Services Commission Barbados

The current life and times of a regulator

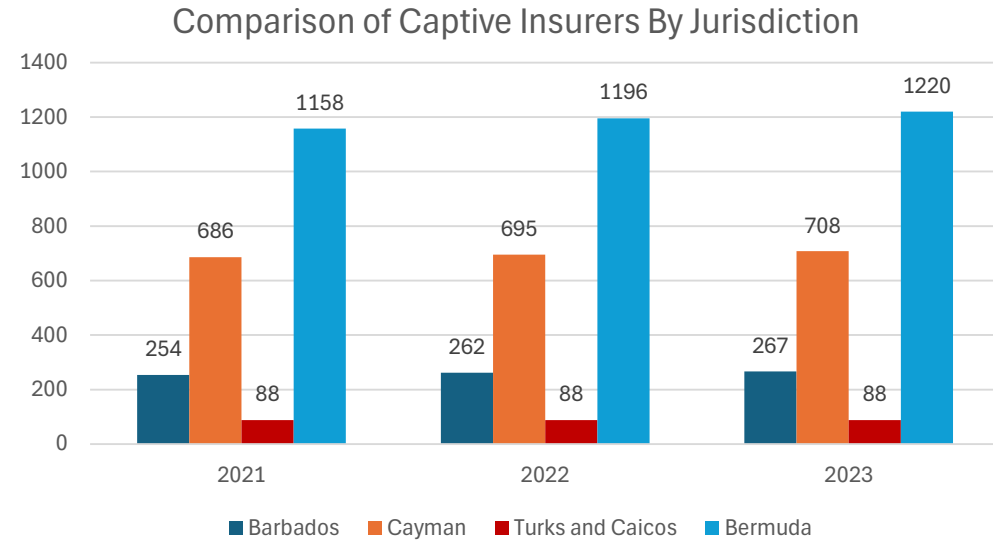
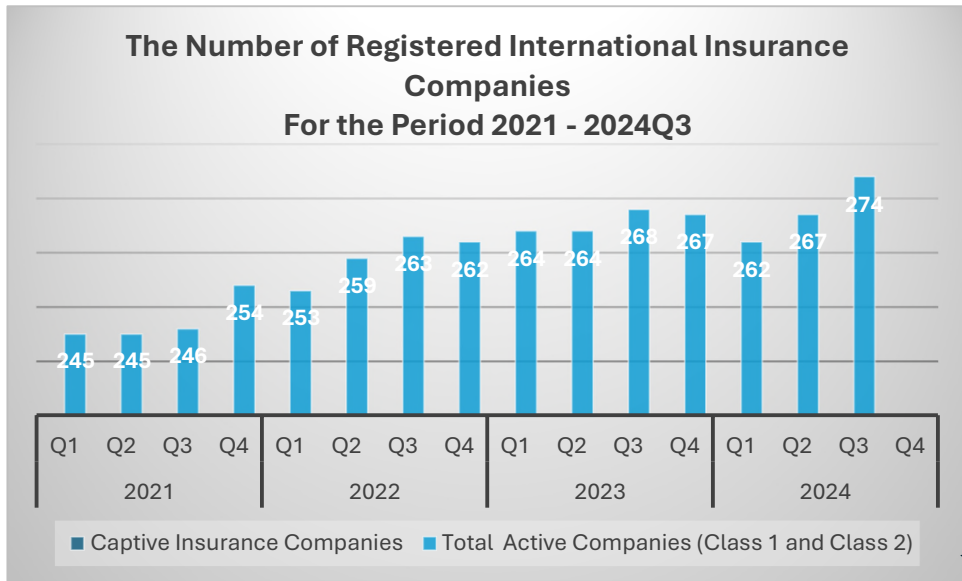
Global risks landscape: an interconnections map





So, how are we
doing?

So; how are we doing with the international insurance sector?



In 2024 there have been 7 cancellations thus far compared to 6 in 2023, 3 in 2022 and 7 in 2021

Mutual/Investment Funds

Jurisdiction	2019	2020	2021	2022	2023
Barbados	24	22	22	27	22
Cayman	10,857	11,896	12,719	12,995	12,802
Turks and Caicos	8	8	8	8	8
Bermuda	638	796	799	804	804

So; how are we doing more broadly?

Economy	Business Entry	Business Location	Utility Services	Labor	Financial Services	International Trade	Taxation	Dispute Resolution	Market Competition	Business Insolvency
Bangladesh	74.08	66.91	62.10	64.01	61.45	53.86	56.36	41.90	42.65	40.39
Barbados	78.23	44.39	62.81	69.64	61.37	57.54	52.34	61.63	39.17	45.42
Bosnia and Herzegovina	55.73	63.83	59.58	69.87	56.41	68.65	46.92	49.92	52.23	61.23
Botswana	92.50	56.78	60.85	63.51	69.30	68.26	50.88	56.06	50.92	38.45
Bulgaria	92.08	71.51	81.10	68.72	68.56	75.82	59.96	68.78	64.34	66.40
Cambodia	43.80	49.00	64.45	68.44	86.03	57.68	58.60	61.76	33.09	19.63
Central African Republic	46.26	44.98	53.02	49.95	33.98	34.82	23.28	38.46	33.84	40.81
Chad	47.48	41.04	43.46	55.67	44.26	43.31	43.39	49.23	32.52	42.24
Colombia	88.62	72.38	74.99	62.08	75.19	54.02	57.71	72.85	64.84	74.49
Costa Rica	71.08	72.99	70.22	58.73	66.14	73.93	42.22	59.91	68.55	45.09
Côte d'Ivoire	63.82	44.21	58.87	69.28	42.19	51.08	53.39	61.44	34.68	50.44
Croatia	78.72	76.24	76.77	75.60	63.28	84.73	39.86	71.84	63.24	76.48
El Salvador	45.86	61.90	65.57	56.19	70.99	61.72	43.03	61.45	49.52	18.01
Estonia	90.75	80.40	72.72	68.89	61.54	85.59	70.72	80.24	64.69	79.22
Gambia, The	46.61	33.42	36.43	49.22	42.20	38.58	39.01	50.69	26.76	43.47
Georgia	80.08	83.01	73.08	83.46	74.97	76.72	68.51	82.09	54.93	75.65
Ghana	40.99	60.39	68.52	68.57	59.86	56.25	56.78	54.85	32.19	64.93
Greece	96.58	57.86	69.30	64.71	58.63	87.04	56.02	65.61	64.18	43.71
Hong Kong SAR, China	85.49	71.17	77.71	68.81	69.96	90.77	70.56	72.67	57.80	46.91
Hungary	85.81	73.52	64.45	81.87	80.70	78.23	59.35	75.20	63.17	65.75
Indonesia	63.72	68.09	70.55	72.20	56.51	64.58	59.91	64.24	52.34	56.96
Iraq	52.22	48.47	54.19	53.66	44.05	42.13	29.40	39.87	21.38	6.74
Kyrgyz Republic	64.83	67.37	71.92	54.35	70.62	60.65	46.59	62.54	52.70	52.31
Lesotho	76.44	45.93	56.05	62.69	54.30	61.39	60.19	50.10	25.53	37.02
Madagascar	62.35	42.44	35.04	50.68	50.66	54.83	51.66	47.71	39.90	35.77



Market Considerations

Key Market Themes

Economic Volatility:

Inflation and fluctuating interest rates will continue to impact the cost and availability of traditional insurance, driving more companies to consider captive insurance as a cost-effective alternative.

Natural Catastrophes:

Increasing frequency and severity of natural disasters will push businesses to seek more tailored risk management solutions, including captives, to better handle these unpredictable events.

Geopolitical Risks

Evolving geopolitical tensions and regulatory changes will influence the global financial landscape, making non-traditional risk-mitigation techniques attractive for multinational companies looking to manage diverse risks across different regions.

Technological Advancements:

The integration of artificial intelligence (AI) and advanced data analytics will enhance risk assessment and management capabilities within captives, making them more efficient and effective.

Social Inflation:

Rising litigation costs and increased claims severity, driven by social inflation and third-party litigation funding, will make traditional insurance more expensive and less predictable, encouraging the use of risk-mitigation structures.

Market Conditions

The ongoing hardening of the traditional insurance market, characterized by rising premiums and more restrictive policies, will continue to make captive insurance an attractive alternative for many companies.

Regulation



Increased regulatory requirements as a result of global risks



New requirements involving AML/CFT



Increased focus on governance and operational risk



Implementation of IFRS 17



Focus on market conduct

New Initiatives to the Regulatory Landscape



Recent Initiatives – The Impending Launch of a New FSC Website

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Regulator of non-bank financial institutions in Barbados

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Continued Review and Strengthening of Regulatory Frameworks

- a) Continued review of legislation within the relevant jurisdiction and reform as needed to improve enforcement frameworks as needed. New Investment legislation and work towards legislation dealing with innovative products and structures
- b) Creation of a framework to deal with innovative products
- c) Issuance of guidance documents on risks identified as impactful on the companies' operations in the non-bank financial sector. Coming soon Market Conduct; Operational Risk Management; Business Continuity; Capital & Solvency.
- d) Regular review of reporting requirements for registrants. Whether looking at the regular statutory reporting requirements or ad hoc requests for information from the regulator, the industries' cooperation in submitting relevant information allows for better assessment of the sectors and provision of information on risks and other issues that may benefit companies' abilities to meet customers' needs.
- e) Strengthening of research capabilities as a means of picking up on current and emerging risks that may affect industries either directly or indirectly.

Enhanced Systems

- a) Incorporation of digitalization efforts into the operations to allow for more effective provision of services including the ability to assess data submitted and to conduct the quantitative analysis needed to identify risk exposures to the sector. This also allows for better testing of risk scenarios as needed.
- b) Development of human resources to provide better quality service at a higher level.
- c) Review of existing processes to improve efficiency as a means of improving the services provided to registrants.
- d) Development of service standards to improve accountability of the regulator.

Stakeholder Engagement



FOCUS ON ENHANCED
COMMUNICATION AND ENGAGEMENT
WITH STAKEHOLDERS



EDUCATION OF PUBLIC AS AN
INCENTIVE TO REDUCE EXPOSURE TO
RISK



INCREASED COLLABORATION WITH
OTHER REGULATORS AND
INTERNATIONAL AGENCIES

Thank you for
listening!!

