

Press release

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FINMA to revise the circular on liquidity for insurers

The Swiss Financial Market Supervisory Authority FINMA is revising its circular on the liquidity of insurers. It is thus adapting the circular to the revised Insurance Supervision Ordinance and enhancing its supervisory practice on liquidity management and liquidity risk management. FINMA will conduct a consultation on this up to 12 July 2024.

The Federal Council revised the Insurance Supervision Ordinance (ISO) in 2023. In this context, it introduced annual reporting by insurers to FINMA on liquidity planning. These amendments took effect on 1 January 2024. At the same time, liquidity has also come under greater international scrutiny in insurance supervision in recent years.

In light of this, FINMA is completely revising its Circular 2013/5 “Liquidity – insurers”. It is thereby enhancing its supervisory practice on liquidity management and liquidity risk management and organising it into six subject areas based on principles: governance, liquidity management and planning, liquidity reserve, liquidity risk management, liquidity controlling and monitoring as well as the emergency concept in the event of bottlenecks. FINMA will conduct a public consultation on this full revision up to 12 July 2024.