



ROYAUME DU MAROC



acaps

Autorité de Contrôle des Assurances
et de la Prévoyance Sociale

GLOPAC Fellowship Program

Introductory Presentation

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I.

Introduction of ACAPS

II.

Overview of the Moroccan insurance market

III.

ACAPS' relevant projects in 2020-2021

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Regulatory supervisory framework

ACAPS is a fully independent body with supervisory and regulatory powers. ACAPS' missions consist mainly of:

- Regulation and standardization through the granting of licenses and/or authorizations and the introduction of market rules and operating standards;
- Supervision of the solvency of insurance and reinsurance companies and the financial sustainability of social welfare systems and organizations;
- Ensuring compliance with the rules applicable to each sector by the operators subject to its control;
- Protection of policyholders, affiliates, members and beneficiaries of rights;
- Monitoring business practices and investigating all the claims relating to transactions carried out by the entities subject to its control;
- Raising financial awareness and consumer's financial education;
- **Ensuring compliance with legal provisions in combating money laundering and terrorist financing;**
- Contributing to the financial macro-prudential supervisory framework.

Governance

ACAPS has a board and a chairman whose missions are as follows:

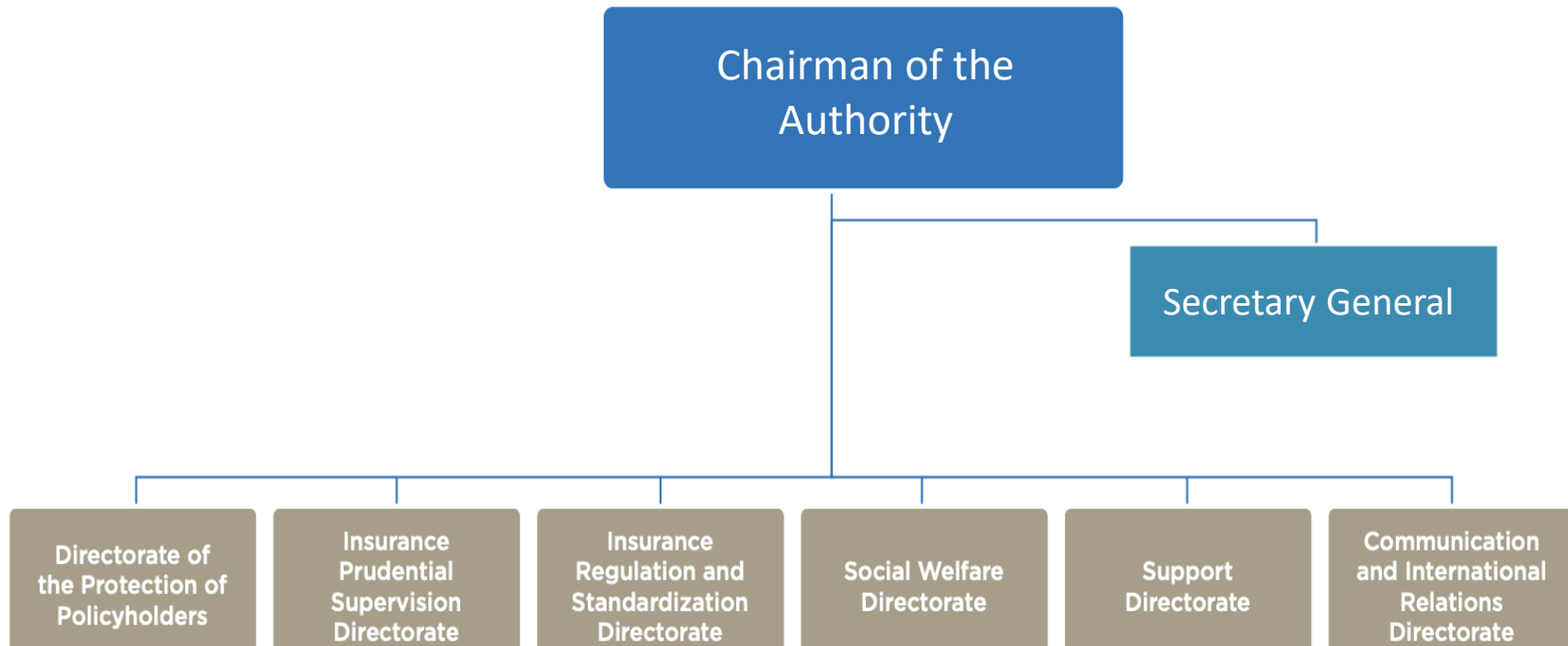
- The BOARD of ACAPS sets the general policy and deliberates on the main strategic, organizational and financial orientations. Among the powers conferred on the Board are the decision-making power regarding the granting of approval to the insurance and reinsurance companies and the approval of the statutes of the Social Welfare organizations. It also makes decisions on the main sanctions in the event of non-compliance with the laws and regulations applicable to establishments subject to the supervision of ACAPS.
- The CHAIRMAN ensures the proper functioning of the Authority and the proper execution of the decisions taken by the Board of Directors. After obtaining the opinion of the advisory bodies, where appropriate, he shall issue the circulars necessary for the execution of the Authority's missions and shall make all decisions on sanctions within the limits of his authority. The Chairman has all the powers necessary for the management of the Authority, with the exception of those explicitly vested in the Board of Directors.

Governance

Alongside the higher-level governance bodies of ACAPS (The Board and The Chairman), two advisory bodies are provided in the law: the Regulatory Commission and the Disciplinary Commission:

- The REGULATORY COMMISSION issues an advisory opinion to the Chairman of the Authority regarding draft circulars and draft legislative or regulatory texts in relation to its scope of action. It also issues opinions on applications for approval submitted by insurance and reinsurance companies, mergers or demergers operations as well as on applications for approval of the statutes submitted by pension organizations or mutual pension companies.
- The DISCIPLINARY COMMISSION issues an advisory opinion to the Chairman of the Authority on certain sanctions and on the financing, turnaround or recovery plans submitted, as the case may be, by insurance and reinsurance companies or pension organizations.

Organizational Chart



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Key indicators

2nd	Market in Africa in terms of premiums (after South Africa)
3rd	Market in MENA region in terms of premiums (after the KSA and the UAE)
45	Billions MAD of premiums (5 billions of USD)
4,1%	Insurance penetration rate
22	Insurance companies
2	Reinsurance companies
+2 100	Insurance intermediaries (brokers and agents) and +650 insurance branch offices

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Risk based Solvency

- Implementation of regulatory framework for the supervision of the insurance sector based on the risks incurred by insurance companies ;
- Three pillars : Capital Adequacy, Governance, Reporting & Disclosure ;
- Compliant with the IAIS standards ;
- Adopted principles to implement the Risk Based Solvency framework in Morocco :
 - i) Proportionality ;
 - ii) Progressiveness of the implementation ;
 - iii) Consultation with the stake holders.

Risk based Supervision

- Implementation of a scoring mechanism of insurers based on the risks they are exposed to ;
- This mechanism will help us target the most risky areas when conducting supervision missions.

Takaful

- Implementation of a legal framework for the Takaful insurance and reinsurance. It defines the concepts of Takaful and establishes the basic principles governing the operations of this type of insurance.

CatNat

- Implementation of a scheme to cover the consequences of catastrophic events.

Other subjects

- Implementation of new mandatory insurance (construction sector...) or new products (microinsurance)...
- Digitalization...

IAIS Member Assessment Process (MAP):

- As an active member of various committees of the International Association of Insurance Supervisors (IAIS), the Authority strives to converge towards international supervisory standards. In this regard, the Authority has been selected in 2019 as the second pilot jurisdiction to undergo the IAIS Member Assessment Process (MAP), which consists of assessing the level of implementation of the Insurance Core Principles (ICP) in member jurisdictions of this international body.

- Initiated by the Authority in May 2019, this assessment is part of the Authority's strategy to align itself with international standards in order to strengthen its supervisory action and aims to achieve the following objectives:
 - To improve the understanding of ICPs and facilitate their implementation by the Authority;
 - To identify the main differences between existing practices and international standards;
 - To have recommendations and guidelines to strengthen the Authority's supervisory missions.

III- Relevant projects in 2020-2021

MENA FATF mutual evaluation:

