

# Credentials

Insurance

FINANCIAL SERVICES

Markets for life insurance are concentrated in industrialized nations most notably: the U.S., Japan, the U.K., France and Germany. Cultural factors play a role in demand, as in Asia insurance is seen to be more of a priority for consumers. It is forecast that the higher growth areas will be outside Europe and the fledgling insurance market in China, in particular, is the focus of much interest.

**There are three overriding trends facing the insurance industry:**

- Regulatory Compliance
- Consolidation & Convergence
- Capital Management

**The drivers of these are:**

- Intense price competition
- Consolidation activity
- Regulations
- Globalization trends
- Innovation in technology
- Product delivery and distribution strategy

**Therefore key issues for the insurance industry to address are:**

- Growth and Business Development
- Efficiency and Cost Management
- Risk & Capital Management
- Governance and Reporting
- People Management



### **KPMG's Industry Focus**

Developments such as the U.S. Sarbanes-Oxley Act, Corporate Governance, Solvency II, Tax and IFRS (previously IAS), have far-reaching implications for the sector and give rise to an array of issues which need to be dealt with as a part of a coordinated approach.

### **Market Share**

KPMG member firms have almost 10,000 financial services employees worldwide. Our Global Insurance practice audits 25 percent of the world's top 50 insurance companies and provides services to a further 48 percent. KPMG has focused on the insurance industry for over 30 years. Around the globe, KPMG member firms have more than 3,000 insurance sector professionals. Our global insurance practice covers 80 financial centers around the world. We audit more of the leading European insurers than any other network of member firms.

Please visit [http://www.kpmg.com/financial\\_services](http://www.kpmg.com/financial_services) for more information on KPMG's Global Financial Services practice.

### **Thought Leadership**

All our publications are available free of charge in hard copy or by e-mailing [distributionpublications@kpmg.co.uk](mailto:distributionpublications@kpmg.co.uk) or in soft copy by visiting [www.kpmg.com/financial\\_services](http://www.kpmg.com/financial_services).

### ***Frontiers in Finance***

Published three times a year, this is KPMG's Financial Services flagship publication that brings together the insights of our member firm professionals around the world to provide informed perspectives on the critical issues facing banking and insurance organizations.

### ***Risk & Capital Management for Insurers – CAP Survey***

The insurance industry lags behind banking in efficiently and effectively managing risk and capital. KPMG International conducted a survey of 102 respondents from life, non-life, bancassurance and reinsurance sectors to gain an insight into capital assessment practices within the global insurance industry.

### ***The State of the Insurance Industry***

Produced by KPMG LLP in the US, this quarterly publication provides an overview of recent issues and trends, including company financial information, taxation, regulation, legislation and accounting standards. Additional information includes key market forces impacting the financial services industry.

### ***Study into the methodologies to assess the overall financial position of an insurance undertaking from the perspective of prudential supervision***

The European Commission embarked on a fundamental review of the European Solvency system for insurers (its Solvency II project), which is likely to have a major impact on the framework for insurance supervision in the EU. In order to facilitate this work, the DG MARKET commissioned KPMG International to undertake a study to inform the Solvency II project.

#### **KPMG's Insurance Insider**

KPMG's Financial Services practice recognizes the increasing demand for accessible, industry-specific information and value-added insights that can help you achieve a competitive market advantage. KPMG's Insurance Insider delivers focused, easy-to-access, industry-specific news, information, and analysis directly to registered individuals by e-mail.

The Insurance Insider uses a highly trained editorial staff to quickly identify and provide the latest information affecting your industry. The service's wide-ranging content includes accounting, tax, and regulatory issues; technology and consumer trends; management issues; and economic news, among other topics. Late-breaking news can be delivered to your desktop as it occurs and / or on a daily or weekly basis.

Signing up for Insiders is free - to subscribe, logon at [www.kpmginsiders.com](http://www.kpmginsiders.com).

#### **Sponsorships**

##### **International Insurance Society (IIS)**

KPMG member firms have established a strong relationship with the IIS, an organization of 1,000 members from over 90 countries. They provide information, education and networking opportunities for companies and individuals seeking contacts, cross-border exchanges and knowledge on a global scale. In 2005 KPMG International will be sponsoring their conference to be held in Hong Kong.

##### **FIDES**

KPMG member firms have for many years attended the FIDES conference held in Latin America, providing keynote speakers.

Other sponsorships include the World Insurance Forum held in Bermuda and the IAIS Insurers Supervisors Conference in Germany.



For more information on KPMG's Financial  
Services practice please contact:

**Brendan Nelson**

Global Chair

Global Financial Services

KPMG LLP (UK)

+44 (0) 20 7311 6157

brendan.nelson@kpmg.co.uk

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever or vice versa.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation

© 2005 KPMG International. KPMG International is a Swiss cooperative of which all KPMG firms are members. KPMG International provides no services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. All rights reserved. Printed in the United Kingdom.

KPMG and the KPMG logo are registered trademarks of KPMG International, a Swiss cooperative.

Designed and produced by KPMG's Global Markets Design Services

Publication number: 090505

Publication date: June 2005