

INSURANCE AND
PRIVATE PENSION
REGULATION AND
SUPERVISION
AUTHORITY
STRATEGIC PLAN

Istanbul

2024-2028

CHAIRPERSON'S FOREWORD

Our Authority was established by the Presidential Decree No. 47 and became operational in 2020. Since then, it has been carrying out its activities with the mission of protecting the rights and interests of the insured, participants and other persons and institutions in the sector, establishing a market order that will enable persons and institutions to carry out their activities safely and effectively, and contributing to the development of our financial markets in cooperation with our domestic and international stakeholders.

Operating within a long-term vision is a requirement of strategic wisdom, and strategic planning is the most critical stage in this process. In this regard, our strategic plan for the period 2024 - 2028 is based on the vision of the Twelfth Development Plan "A stable, strong and prosperous Türkiye in the Türkiye Century that is environmentally sensitive, disaster resistant, producing high added value based on advanced technology and distributing income fairly" and the vision of our Authority "Within the scope of our country's "Türkiye Century" vision and "Istanbul Finance Centre" target, by focusing on the protection of the rights and interests of the insured and participants, to be an independent regulatory and supervisory authority that ensures that our insurance and private pension sector operates more effectively, efficiently and in accordance with international norms, increases its inclusion with participation insurance and is taken as a reference". In defining our strategies and objectives, we have been guided by our core values of independence, professional competence and merit, respect for people and fairness, transparency and accountability, predictability, sustainability and technology orientation.

As detailed in our plan, we have set strategies and targets to establish a healthy and sustainable competition in the sector, protect the insured and participants, increase the insurance coverage rate, effectively regulate and supervise the market, and enhance our institutional capacity. Within the scope of our strategies, in the next five-year projection, we aim to implement several actions to establish confidence and stability in the sector, regulate legislation in line with international standards, encourage the development of new products and services to increase coverage and include more people in the system, raise awareness of insurance and private pensions, and improve the effectiveness of our supervision, monitoring, and enforcement activities.

One of our objectives in our strategic plan is to increase the institutional capacity of our Authority. To achieve this objective, we are planning to increase the Authority's recognition among international insurance and private pension organisations, closely monitor international developments in this field and get into action accordingly, review our business processes to use public resources more efficiently by taking advantage of the innovations brought by technology, stay up-to-date with legislative regulations outside our jurisdiction concerning the activities of the Authority and to have the ability to take immediate action when necessary. In addition, to increase our institutional capacity and ensure its continuity, it is important to recruit new personnel and provide in-house training programmes to develop our staff capacity in quality and quantity as well as to improve the physical working conditions to enhance the efficiency of our employees.

It is my hope that the IPRSA Strategic Plan, our Authority's road map for the next five years, will serve as a guide for all our stakeholders. I am convinced that this plan will benefit our sector and our country, and I thank all my colleagues who contributed to its preparation.

DAVUT MENTEŞ
CHAIRPERSON

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ABBREVIATIONS

AES:	Automatic Enrolment System
DDAS:	State-Supported Trade Credit Insurance
MoU:	Memorandum of Understanding
PPS:	Private Pension System
SMEs:	Small and Medium Sized Enterprises
TARİİM:	Agricultural Insurance Pool Corporation
TCIP:	Turkish Catastrophe Insurance Pool
TFRS:	Turkish Financial Reporting Standard
TSB:	Insurance Association of Türkiye ((Association of Insurance, Reinsurance and Pension Companies of Türkiye)

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OVERVIEW

MISSION

To protect the rights and interests of the insured, participants and other persons and institutions in the sector, to establish a market order that will enable persons and institutions to carry out their activities safely and effectively, to contribute to the development of our financial markets in cooperation with our domestic and international stakeholders, and to establish an effective regulation and supervision system to ensure this mission.

VISION

Within the scope of our country's "Türkiye Century" vision and "Istanbul Finance Centre" Target and by focusing on the protection of the rights and interests of the insured and participants, to be an independent regulatory and supervisory authority that ensures that our insurance and private pension sector operates more effectively, efficiently and in accordance with international norms, increases its inclusion with participation insurance and is taken as a reference.

CORE VALUES

1- Independence: means that the organisation fulfils its duties and authorities without receiving instructions from any authority, using the resources allocated to it freely within the procedures and principles set out in its own budget and without being subjected to propriety supervision.

2- Professional expertise and merit is the execution of the activities under the authority and responsibility of the organisation with its expert and competent human resources based on the principles of merit.

3- Respect for people and fairness is the organisation's respectful approach to all stakeholders related to its field of activity, approaching them equally without any discrimination, being open to communication, and valuing different thoughts and opinions.

4- Transparency and accountability means that the organisation informs its stakeholders about its activities through various communication tools.

5- Foresightedness: is the organisation's ability to take early measures for a stable sector by following global and national economic developments.

6- Sustainability is the organisation's ability to use its resources effectively and efficiently, on time and on the basis of cost-benefit approach.

7- Technology orientation: means following the developments in information technologies and utilising them at the highest level and in the most accurate way in the activities of the organisation.

SITUATION ANALYSIS

INTERNAL ANALYSIS

In this section, our institutional framework and organisational structure are presented and our human, physical and financial resources are analysed and evaluated.

1. INSTITUTIONAL FRAMEWORK (LEGAL OBLIGATIONS AND LEGISLATION)

The Insurance and Private Pension Regulation and Supervision Authority (the Authority) was established by the Presidential Decree No. 47 dated 18.10.2019 on the Organisation and Duties of the Insurance and Private Pension Regulation and Supervision Authority in order to carry out the duties related to the regulation and supervision of the insurance and private pension sectors. Provisional Article 1 of the Decree No. 47 stipulates that the first Board meeting shall be held within 15 days following the appointment of the Board members and the Authority shall be deemed to have been established on this date. In this respect, the Authority was officially established on 05.06.2020, when the first Board meeting was held.

Article 3 of the Decree No. 47 entitled "Establishment" stipulates that the Authority shall independently fulfil and use the duties and powers assigned to it under its own mandate, that its decisions shall not be subject to propriety supervision, and that no organ, authority, body or person may give orders or instructions in order to influence the decisions of the Authority. Furthermore, the same article stipulates that the Authority shall freely use its financial resources within the framework of the Decree No. 47 and the relevant legislation, to the extent required by its duties and powers and within the procedures and principles set out in its budget. The head office of the Authority is in Istanbul.

According to Article 4 of the Decree No. 47, the duties and powers of the Authority are as follows:

- a) To carry out the duties and powers related to insurance and private pension as stipulated in the Road Traffic Law No. 2918 dated 13.10.1983, the Individual Pension Savings and Investment System Law No. 4632 dated 28.3.2001, the Agricultural Insurance Law No.5363 dated 14.6.2005, the Insurance Law No. 5684 dated 3.6.2007, the Turkish Commercial Code No. 6102 dated 13.1.2011, the Catastrophe Insurance Law No. 6305 dated 9.5.2012 and other legislation,
- b) To draft and implement the legislation on insurance and private pension, and to monitor and guide its implementation by the relevant parties,
- c) To take measures for the development of insurance and private pension practices in the country and for the protection of the insured and participants, to implement these measures or to have them implemented by the relevant institutions and to monitor their implementation,
- ç) To carry out examinations, supervisions and investigations concerning persons and institutions operating in the field of insurance and private pension,
- d) To prepare consolidated reports on insurance, private pension and other related financial markets by examining and taking into consideration the developments in the country and abroad, to participate in studies on these matters and to give opinions, to examine and evaluate the

- information, documents and papers received, compiled and submitted to the organisation and the results obtained from supervisions and monitoring in order to contribute to the formation of decisions to be taken on insurance, private pension and other related financial markets,
- e) To carry out and steer and give opinions about all kinds of research and other studies related to the legislation and practice in its field of duty.

2. ORGANISATIONAL STRUCTURE

According to Article 5 of the Decree No. 47, the Board is the decision-making body of the Authority and consists of five members appointed by the President of the Republic, one of whom is the chairperson and one is the deputy chairperson. The President of the Republic appoints the chairperson and the deputy chairperson at the same time. The chairperson of the Board is also the chairperson of the Authority. Accordingly, the current chairperson, the deputy chairperson and the members of the Board have been appointed by the Presidential Decree No. 2020/245.

Article 7 of the Decree stipulates the duties and powers of the Board as follows:

- a) To make regulations and take decisions on matters related to insurance and private pension, falling within the scope of the duties and powers of the Authority granted by this Presidential Decree and other relevant legislation,
- b) To determine the strategic plan, performance criteria, aims and objectives, service quality standards of the Authority, to establish its human resources and labour policies, to determine the service units of the Authority and their duties,
- c) To discuss and decide on the budget proposal of the Authority prepared in accordance with its strategic plan, aims and objectives,
- ç) To approve the reports showing the performance and financial status of the Authority,
- d) To discuss and decide on proposals for the purchase, sale and lease of immovable property,
- e) To perform other duties assigned by laws and Presidential decrees.

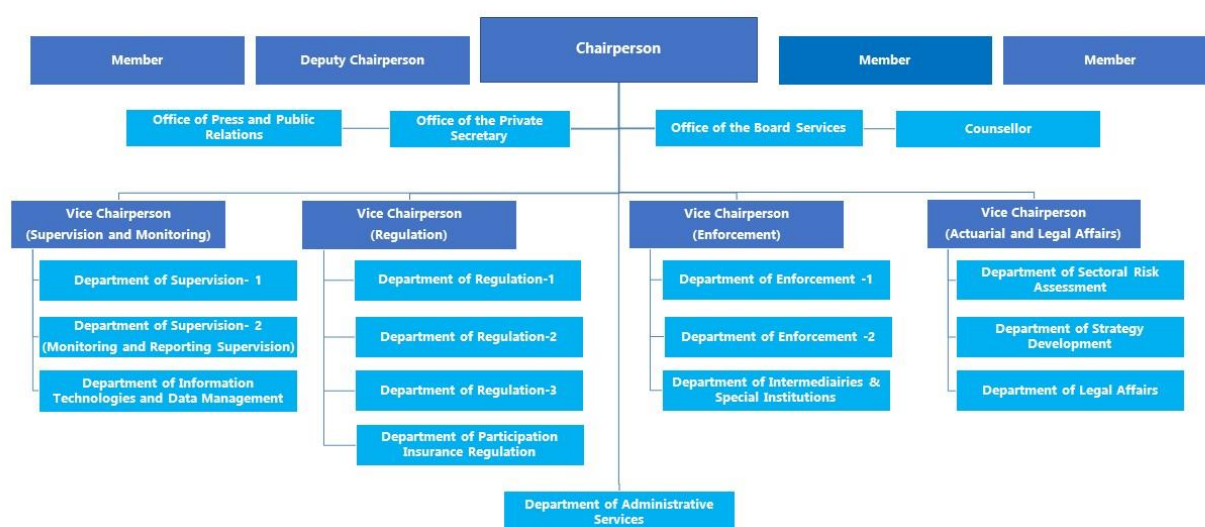
The organisational structure of the Authority is determined by the "Regulation on the Organisation of the Insurance and Private Pension Regulation and Supervision Authority" published in the Official Gazette dated 16.10.2020 and numbered 31276, which was prepared based on the Decree No. 47 and Article 12 of the Decree. Accordingly, the Authority consists of the Insurance and Private Pension Regulation and Supervision Board and the Office of the Chairperson. The office of the chairperson consists of the chairperson, deputy chairpersons and service units. The chairperson is the top executive of the Authority and is responsible for the general management and representation of the Authority. The service units are as follows:

- a) Regulation Departments
- b) Monitoring and Enforcement Departments
- c) Supervision Departments
- ç) Department of Intermediaries and Special Institutions
- d) Department of Sectoral Risk Assessment
- e) Department of Strategy Development
- f) Department of Legal Affairs
- g) Department of Management Services

- ğ) Department of Information Technologies
- h) Office of Press and Public Relations
- i) Office of the Private Secretary
- i) Office of Board Services

Currently, there are 15 departments. Pursuant to the Organisation Regulation, the vice-chairpersons and heads of departments are appointed by the chairperson. In order for the service units to fulfil their duties, the chairperson may appoint a sufficient number of group heads and determine the division of duties between the group heads. The organisation chart of the Authority as of the date of publication of the Strategic Plan is shown below.

Diagram 1: Organisation chart of the Authority



3. HUMAN RESOURCES

Staff competence is of great importance in terms of analysing the problems of stakeholders and producing fast and accurate solutions as well as the relevance and efficiency of the Authority's activities. The primary and continuous services required by the duties and authorities assigned to the Authority with Decree No. 47 and other legislation are carried out by the professional staff consisting of Insurance Experts and Assistant Insurance Experts and other personnel. The Authority's staff members are subject to the Civil Servants Law No. 657, unless otherwise regulated by the relevant legislation.

According to the additional article 41 of the Law no. 657, the Authority may employ Insurance Experts and Assistant Insurance Experts who are entitled to conduct research, analyses, inspections, supervisions, examinations and investigations within the framework of the procedures and principles determined by the regulation. For this reason, one of the main objectives of the Authority is to increase

the number of professional staff in the coming periods and to implement measures to improve the professional skills and motivation of existing and future staff.

As of the date of publication of the Strategic Plan, a total of 169 personnel, including 4 vice chairpersons, 1 advisor, 11 heads of departments, 40 heads of groups, 7 insurance experts, 58 assistant insurance experts and 48 other personnel are employed by the Authority. Of the personnel, 13 have high school diploma, 6 have associate degree, 121 have bachelor's degree, 9 have master's degree from abroad, 16 have master's degree in Türkiye, 2 have master's degree from both Türkiye and abroad and 2 have doctorate degree.

The recruitment, training, and duties of professional staff are regulated by the 'Regulation on Professional Staff of the Insurance and Private Pension Regulation and Supervision Authority. According to the Regulation, the professional staff is responsible for fully and completely fulfilling the duties assigned to the Authority by the Insurance Law No. 5684 dated 3.6.2007, the Individual Pension Savings and Investment System Law No. 4632 dated 28.3.2001, the Presidential Decree No. 47 and other relevant legislation, following the legislative amendments in the field of duty of the Authority, conducting studies on legislation development, expressing their opinions and suggestions on the aspects of the legislation that are not working in practice, contributing to the preparation and discussion of draft legislation, contributing to the determination of the necessary measures to be taken for the development of the country's insurance and private pension practices and the protection of the insured and participants, conducting research, analysis, inspection, supervision, examination and investigation. It is expected that professional personnel adhere to codes of ethics and conduct, maintain confidentiality, and act with fairness and impartiality.

Professional personnel selected through competitive examinations shall serve as assistant experts for at least three years. The Authority ensures that the assistant experts are trained in the best way possible during their assistantship through general and special training programmes. In the training programmes, priority is given to objectives such as gaining experience and expertise on matters related to professional legislation, enforcement, examination and investigation, learning current international standards, techniques and principles, and gaining the ability to represent the Authority in the best way before all kinds of institutions, bodies and organisations. During the training period, it is ensured that the assistant experts learn the professional practice by being actually assigned to the departments. Practical work is carried out under the supervision of the relevant department heads. In order to be awarded the expert title at the end of the assistant expert period, candidates are required to write a thesis in their field of expertise. After the thesis is approved and accepted by the thesis jury, candidates are subjected to a qualification exam. The qualification exam consists of two stages, written and oral. At the end of all these processes, the professional staff members who receive the title of insurance expert are required to carry out regulation, monitoring and supervision activities related to the sector in the most competent manner.

4. PHYSICAL AND FINANCIAL RESOURCES

The physical conditions of the workplace are of utmost importance as they have a direct impact on the efficiency, performance, and motivation of personnel. It is worth noting that when the Authority began its operations in Istanbul, it was operating in two separate buildings. However, the Authority has since vacated these buildings and relocated all employees to a single address in the Ataşehir district of

Istanbul.

According to Article 16 of the Decree No. 47, it is essential that the revenues of the Authority cover its expenses. The budget of the Authority is prepared and adopted in line with the procedures and principles set out in the Public Financial Management and Control Law No. 5018 dated 10.12.2003. The revenues of the Authority are listed as follows:

- a) Revenues derived from the sale, leasing and operation of movable and immovable properties and their utilisation by other means.
- b) All kinds of donations, aids, wills and other revenues that will not affect the impartiality and independence of the Authority.
- c) Treasury aids from the general budget.
- ç) Revenues from the utilisation of the revenues of the Authority
- d) Revenues specified in other legislation

In paragraph twelve of Additional Article 5 of the Insurance Law No. 5684, which includes the provisions regarding the Authority, the following are listed as the revenues of the Authority:

- a) Participation fees collected from insurance, reinsurance and pension companies established in Türkiye and the organisations of insurance, reinsurance and pension companies established abroad in Türkiye and insurance and reinsurance brokers.
- b) Contribution shares transferred to the Authority by deducting from the amounts collected from insurance agencies and loss adjusters by the Union of Chambers and Commodity Exchanges of Türkiye as plate registration fee or dues.
- c) Registration, permit and licence service fees determined by the Authority.

In this context, the entire budget of the Authority for the year 2024, which is determined as 327,500,000.00 TL, will be met from the revenues stated in the Law No. 5684.

ANALYSIS OF HIGH LEVEL POLICY DOCUMENTS

1. TWELFTH DEVELOPMENT PLAN (2024-2028)

The measures in the Twelfth Development Plan (2024-2028) which are assigned to our Authority and the policies they are related to are as follows:

POLICY	MEASURE
349. The Private Pension System (PPS) will be made more attractive, the fund amount and the number of participants will be increased, the Automatic Enrolment System (AES) will be expanded to include employer contribution and fund diversification will be ensured.	349.1. A complementary pension system will be established to transform the AES into a second-tier pension system including employer contributions.
	349.2. Fund diversity in the AES will be increased to take into account the different risk perceptions and preferences of participants.
	349.3. Deductions in the PPS will be simplified and reduced.
	349.4. The funds of PPS participants who meet the age and year requirements will be optionally converted into long-term care coverage under the insurance product to be introduced during the Plan period.
	349.5. Students under the age of 25 enrolled in higher education institutions will be encouraged to participate in the PPS and remain in the system.
	349.6. As in the AES, people who retire from the PPS will be encouraged to receive their savings in the form of scheduled repayment or annuity insurance instead of withdrawing their savings as a lump sum.
378. Efficiency and product diversity in the financial sector will be increased.	378.7. The development of the insurance sector will be supported, and "Complementary Long-Term Care Insurance" will be introduced to cover care services for the elderly.
382. Practices and legislative infrastructure regarding participation finance will be developed.	382.5. Participation insurance regulatory infrastructure and ecosystem will be developed.
	382.6. The coverage of participation insurance and participation pension plans will be improved.
499. Practices for protecting farmers from risks and guaranteeing their incomes will be expanded and made more effective.	499.1. The scope of agricultural insurance will continue to be expanded on the basis of products and risks.

2. MEDIUM TERM PROGRAMME (2024-2026)

In the Medium Term Programme, the following policies and measures in the field of "Financial Stability" under the title of Macroeconomic Targets and Policies are under the responsibility of our Authority:

- Participation insurance legislative infrastructure and ecosystem will be developed, and arrangements for more effective and transparent implementation of insurance techniques compatible with participation finance principles will be put into practice.

- Private Pension System (PPS) fund types will be redesigned to generate more added value for participants' savings, arrangements will be made to increase state contribution returns and simplify deductions, and in this context, the attractiveness of the PPS will be increased and the amount of funds and the number of participants in the system will be increased.
- A complementary pension system will be established in which the Automatic Enrolment System (AES) will be transformed into a second-tier pension system with the contribution of employers.
- "Complementary Long Term Care Insurance" will be established.
- The following policies and measures in the field of "Disaster Management" will be adopted:
- Catastrophe insurance covering all disaster hazards will be developed and made widespread, and effective monitoring of declaration and payment of compulsory earthquake insurance will be ensured.
- Efforts will be made to popularise building completion insurance.
- In order to increase the quality of construction by realising the auto inspection role of insurance, the professional liability insurance of persons and institutions involved in the building inspection process and the building liability insurance of building contractors will be made widespread.

3. ANNUAL PROGRAMME OF THE PRESIDENCY OF THE REPUBLIC FOR 2024

In the Annual Programme of the Presidency of the Republic, the following policies and measures fall under the responsibility of the Authority.

Policy / Measure	Responsible / Co-operating Organisations	Activities and Projects to be Implemented
The Private Pension System (PPS) will be made more attractive, the fund amount and the number of participants will be increased, the Automatic Enrolment System (AES) will be expanded to include employer contribution and fund diversification will be ensured. (Development Plan, page 349)		
Measure 349.1. A complementary pension system will be established to transform the AES into a second-tier pension system including employer contributions.	Ministry of Treasury and Finance (R), Ministry of Labour and Social Security, Insurance and Private Pension Regulation and Supervision Authority, Social Security Institution	1. Good international practices will be analysed. 2. A Complementary Pension System (CPS) model specific to our country will be developed.

Measure 349.2. Fund diversity in the AES will be increased to take into account the different risk perceptions and preferences of participants.	Ministry of Treasury and Finance (R), Insurance and Private Pension Regulation and Supervision Authority, Capital Markets Board (CMB), Pension Monitoring Centre	<ol style="list-style-type: none"> 1. Arrangements will be made to expand the universe of funds that employees in the AES can choose from. 2. Employees in the AES will be given the opportunity to invest in PPS funds through the Private Pension Fund Trading Platform. 3. Investment limitations of the Initial Funds offered in the AES and Standard Funds in the system will be reviewed.
Measure 349.5. Students under the age of 25 enrolled in higher education institutions will be encouraged to participate in the PPS and remain in the system.	Ministry of Treasury and Finance (R), Insurance and Private Pension Regulation and Supervision Authority, Higher Education Authority, Pension Monitoring Centre	<ol style="list-style-type: none"> 1. Implementation model proposals will be developed. 2. Necessary arrangements will be made in the PPS legislation.
Policy / Measure	Responsible / Co-operating Organisations	Activities and Projects to be Implemented
In order to increase financial literacy and financial inclusion, households and firms will be made aware of saving and digital platforms will be used to increase the level of knowledge on financial savings instruments, family budget and risk management. (Development Plan, page 352)		
Measure 352.1. Consultancy and training will be provided on household budget management, savings and investment instruments and risk management.	Ministry of Treasury and Finance (R), Ministry of Family and Social Services, Ministry of National Education, Finance Office of the Presidency, CMB, BRSA, Insurance and Private Pension Regulation and Supervision Authority	<ol style="list-style-type: none"> 1. Financial literacy training will be provided to university students attending training seminars organised by the CMB. 2. Financial literacy information will be provided at career days organised by universities. In addition, educational brochures introducing investment instruments will be distributed. 3. Within the framework of the cooperation protocol to be signed between the Ministry of Family and Social Services and the CMB, a training programme on financial literacy will be prepared for trainers within the Ministry.
Measure 352.2. In order to promote greater awareness of savings among households and firms, complimentary financial education materials will be provided via electronic means in a way to engage people from diverse educational, age, and income backgrounds.	Ministry of Treasury and Finance (R), Finance Office of the Presidency, CMB, BRSA, Insurance and Private Pension Regulation and Supervision Authority, Ministry of Industry and Technology, KOSGEB, TRT, TOBB, Relevant NGOs	<ol style="list-style-type: none"> 1. The Financial Literacy Portal will be made available free of charge. 2. Short public advertisements and/or digital content will be prepared to raise awareness on financial literacy. 3. Seminars will be organised to encourage companies to consider saving more.
Measure 352.4. Communication tools, including social media, will be used to raise awareness among young people and children about savings and investment. Role models will also be utilized for this purpose.	Ministry of Treasury and Finance (R), Ministry of Family and Social Services, Ministry of Youth and Sports, Ministry of National Education, CMB, BRSA, Insurance and Private Pension Regulation and Supervision Authority, BIST, Relevant NGOs	<ol style="list-style-type: none"> 1. Efforts will be made to organise educational and instructional activities aimed at raising financial literacy awareness among secondary and high school students.

Policy/Measure	Responsible/ Co-operating Organisations	Activities and Projects to be Implemented
Practices and legislative infrastructure related to participation finance will be developed. (Development Plan, page 382)		
Measure 382.5. Participation insurance regulatory infrastructure and ecosystem will be developed.	Ministry of Treasury and Finance (R), Finance Office of the Presidency	<p>1. Legislation will be prepared to provide a basis for the technical operations within the scope of participation insurance practices.</p> <p>2. Legislation will be prepared on participation insurance techniques and other issues related to the operation.</p> <p>3. The Regulation on Insurance and Private Pension Activities within the Framework of Participation Principles will be amended in order to regulate the technical operation to be followed within the scope of participation insurance practices.</p>

Policy/Measure	Responsible/Co-operating Organisations	Activities and Projects to be Implemented
The social security system will be supported by complementary pension and health systems in order to increase the welfare of retirees and provide additional health security to people. (Development Plan page 410)		
Measure 410.1. In order to enhance the sustainability of the General Health Insurance system, provide an alternative for people, and effectively utilize health service delivery capacity, the complementary health insurance will be promoted.	Ministry of Treasury and Finance (R), Insurance and Private Pension Regulation and Supervision Authority	<p>1. Legislative amendments will be made to expand complementary health insurance to optimize the utilization of health service capacity and offer people more affordable options for health insurance.</p>
Policy/Measure	Responsible/Co-operating Organisations	Activities and Projects to be Implemented
Practices for protecting farmers from risks and guaranteeing their incomes will be expanded and made more effective. (Development Plan, page 499)		

Measure 499.1. The scope of agricultural insurance will continue to be expanded on the basis of products and risks.	Ministry of Agriculture and Forestry (R), Ministry of Treasury and Finance, Strategy and Budget Presidency	1. Risks determined as a result of R&D studies, Scientific Advisory Board studies and actuarial calculations will be included in TARSİM coverage.
Policy/Measure	Responsible/Co-operating Organisations	Activities and Projects to be Implemented
Disaster risk transfer methods and financing opportunities will be improved. (Development Plan p.836)		
Measure 836.2. Catastrophe insurance covering all disaster hazards will be developed and made widespread, and effective monitoring of declaration and payment of compulsory earthquake insurance will be ensured.	Ministry of Treasury and Finance (R), Ministry of Interior, IPRSA, Disaster and Emergency Management Presidency (AFAD)	1. Legislative arrangements will be made to establish a Compulsory Catastrophe Insurance mechanism by expanding the scope of the Compulsory Catastrophe Earthquake Insurance System to include other hazards other than earthquakes.

GOALS, OBJECTIVES AND STRATEGIES

The goals, objectives, and strategies for the period 2022-2026 are presented below. These were developed based on studies aligned with the Authority's mission and vision, taking into account the needs of the insured/participants and the sector.

GOAL – 1	OBJECTIVES
G.1. To facilitate the development of the insurance and private pension sectors and promote a robust and sustainable competitive environment	O.1.1. Updating the insurance and private pension legislation in line with the needs of the insured/participants, the sector and international standards
	O.1.2. Carrying out the monitoring, supervision and enforcement activities in a transparent, accountable, predictable and dynamic manner
	O.1.3. Promoting participation-based insurance and private pension
GOAL – 2	OBJECTIVES
G.2. To protect the insured/participants and increase the rate of insured/number of participants	O.2.1. Ensuring product diversity in the insurance and private pension sectors, determining implementation standards and developing new domestic savings mechanisms
	O.2.2. Ensuring institutionalisation in the sector and increasing service quality
GOAL – 3	OBJECTIVES
G.3. To ensure market discipline and order in the insurance and private pension sectors	O.3.1. Increasing the effectiveness and level of compliance with international standards in supervision and monitoring activities
	O.3.2. Ensuring the effectiveness and continuity of the enforcement function

GOAL – 4	OBJECTIVES
G.4. To enhance institutional capacity	O.4.1. Increasing cooperation and mutual information sharing with national and international organisations
	O.4.2. Keeping the Authority up to date with the legislation concerning its fields of activity
	O.4.3. Improving and strengthening the IT infrastructure
	O.4.4. Enhancing human and physical resources, improving working conditions

GOAL - 1

TO FACILITATE THE DEVELOPMENT OF THE INSURANCE AND PRIVATE PENSION SECTORS AND PROMOTE A ROBUST AND SUSTAINABLE COMPETITIVE ENVIRONMENT

OBJECTIVE 1 – 1

UPDATING THE INSURANCE AND PRIVATE PENSION LEGISLATION IN LINE WITH THE NEEDS OF THE INSURED/PARTICIPANTS, THE SECTOR AND INTERNATIONAL STANDARDS

To promote healthy and sustainable competition and accelerate sector development, it is important to have legislation that is up-to-date and in consideration of new needs arising from changing social and economic environments and international standards. The legislative framework that ensures trust and stability could potentially enable the sector to integrate into international markets, increase the insurance penetration rate/number of participants, and provide insurance protection and pension assurance to more people.

Updating the Insurance Law in accordance with the Present Conditions and International Practices:

The Insurance Law No. 5684 is a framework law and most of the issues are covered in the secondary legislation. The law needs to be renewed from end to end in a way to address the sector with a more holistic approach and to respond to changing needs. The Authority is planning to act on this matter.

Updating the General Terms and Conditions:

The insurance and private pension legislation consists of a variety of laws, regulations, general conditions, communiqués, tariffs, instructions, and circulars. Given the large number of subjects that require regulation and the constantly evolving needs of the sector, the need for regulation arises frequently. For example, the Turkish Commercial Code No. 6102 necessitated the updating of some general conditions of insurance.

Digital Transition:

The shift in purchasing habits due to digitalisation suggests that changes in the provision of financial products and services are necessary, as well as new regulations to support this trend. The Regulation on Activities to be Evaluated within the Scope of Insurance and Insurance Contracts Concluded at a Distance, which was published in June 2021, aims to clarify the framework of distance selling to meet the differentiated demands of consumers, as well as the needs of insurance companies and intermediary institutions. Additionally, the amendment to the PPS regulation has helped to harmonise operational processes in the system with the latest developments in digitalisation.

Efforts are underway to amend the legislation on the use of permanent data storage instead of printed forms and on e-policy, by taking into account the new opportunities offered by information and communication technologies and changing social needs. One of the studies carried out in this context is to enable the electronic creation of surety bonds issued for Surety Insurance in e-document format, thus preventing counterfeiting. As a result of these digital transformation efforts carried out in the sector, customers will be able to securely sign, store and access all documents involved in the transaction processes in digital environment; insurance companies will develop secure payment systems; and companies will increase transaction speed, reduce operational costs and prevent paper waste.

The internal systems regulation for the insurance and private pension sectors was updated and published in 2021 with a new approach, taking into account the basic principles of insurance. With the publication of the regulation, it has been put on the agenda to carry out legislative work on the information technologies of the insurance and private pension sector in the coming periods, with reference to the Information and Communication Security Guide published within the scope of the Presidential Circular dated 06.07.2019 and numbered 2019/12 and COBIT Standards.

Alignment with the International System:

The effective date of “IFRS 17 Insurance Contracts” issued by the Public Oversight Accounting and Auditing Standards Authority is 1 January 2023, and the effective dates of “IFRS 9 Financial Instruments” and “IFRS 15 Revenue from Contracts with Customers” will depend on the effective date of the above-mentioned standard. It is the expectation and goal of our organisation that the entire sector will be able to transition to these standards in a timely manner. Stakeholder input and transparency are important in managing the transition to the standards. In this context, technical committees have been set up in the TSB with the participation of all stakeholders to evaluate the process in all its aspects, and our Authority's assessments of the issues that may cause hesitation in the implementation of the standards have been shared with our stakeholders, taking into account the assessments made in the committees. In order to ensure the implementation of these standards by the insurance and private pension sector, the following regulations have been published by our

Authority.

- Regulation Amending the Regulation on Financial Reporting of Insurance, Reinsurance and Pension Companies published in the Official Gazette dated 13.05.2023 and numbered 32189,
- Communiqué on Presentation of Financial Statements of Insurance, Reinsurance and Pension Companies published in the Official Gazette dated 01.10.2023 and numbered 32326,
- Communiqué on Insurance Uniform Chart of Accounts and Prospectus in the Official Gazette dated 01.10.2023 and numbered 32326.

Due to the fact that the implementation change will require companies to invest in IT systems and that the amendment to be made in Article 16 of Insurance Law No. 5684 has not yet been made, it has been concluded that it would be appropriate to apply IFRS 17 in consolidated and individual financial statements as of 1 January 2025 in order not to cause any harm to insurance and private pension companies and other companies with partnerships/investments in this field. In order for companies to complete their preparations, the Circular on Reports to be Presented within the Scope of Türkiye Financial Reporting Standard 17 (TFSR17), numbered 2024/1 has been published, determining the content of the financial statements to be presented quarterly for the 2024 financial statements and their footnotes and explanations.

Our legislation aims to create a system that is compatible and equivalent to Solvency II, a risk-based capital regime applied in European Union countries. In this context, it is planned to set up joint working groups to analyse the impact on companies of the changes we will be making to our legislation with IFRS 17 and to ensure that these changes are well understood by companies. Following the implementation of IFRS 17, the plan is to first bring underwriting risk in line with Solvency II and then to regulate asset risk, taking into account the market risk approach, by assessing the impact of the IFRS 9 regulation. On the other hand, the results of the new risk management and actuarial functions defined in the Internal Systems Regulation will be analysed and companies' internal assessment mechanisms will be harmonised with Solvency II.

Also under this objective, in order to ensure the establishment and operation of new insurance, reinsurance and pension companies to be created in the insurance and private pension sectors in an institutionally and financially sound manner, legislative studies will be carried out on the establishment and operating principles of the companies, taking into account the needs of the sector and international best practices.

STRATEGIES

- Areas in need of regulation will be determined by evaluating the findings identified as a result of our Authority's supervision and monitoring activities.
- Areas where complaints and requests from policyholders/insureds/participants regarding practices are concentrated will be identified.
- Requests from sector representatives regarding the problems they encounter while conducting their business and transactions and the areas in need of regulation will be collected.
- Regulations enacted in the context of harmonisation with international standards in the fields

of insurance and private pensions will be reviewed and the need for amendments will be identified.

- Existing legislation will be reviewed to determine whether there are any issues that prevent companies from carrying out their business processes or service offerings using digital tools and whether there are any issues that do not respond to today's conditions.

OBJECTIVE 1 – 2

CARRYING OUT THE MONITORING, SUPERVISION AND ENFORCEMENT ACTIVITIES IN A TRANSPARENT, ACCOUNTABLE, PREDICTABLE AND DYNAMIC MANNER

In order to promote development and a healthy and sustainable competitive environment in the insurance and private pension sectors, it's important for the Authority to operate in a transparent, accountable, predictable and dynamic manner by closely monitoring national and international developments and engaging in mutual dialogue with all stakeholders. Indeed, Article 17 of Decree No. 47 contains provisions for the implementation of the Authority's activities within the framework of the principle of transparency and accountability.

In the insurance and private pension sector, which has experienced a notable increase in foreign investment in recent years, it is essential that the Authority carries out its supervisory, monitoring, and enforcement activities in a transparent, accountable, predictable, and dynamic manner. This will help to maintain the current investment trend and ensure the continued presence of foreign capital. For this reason, studies will be conducted in the coming years to ensure that supervision, monitoring, and enforcement activities adhere to international insurance and pension principles. The processes will be updated and standardized, and stakeholders will be informed about these activities through supervision, monitoring and enforcement guides. Upon completion of these studies, we will share the points we check, particularly in supervision and monitoring activities, with the sector.

STRATEGIES

- To ensure effective and efficient supervision, supervision plans will continue to be prepared taking into account risk assessments, previous supervision findings as well as the needs of the insureds/participants and the sector.
- Mandatory supervision activities will be determined by taking into account the dynamics of the sector in dialogue with stakeholders, prioritising the efficiency of resources.
- Projects to carry out supervision and enforcement activities on digital platforms will be implemented by taking advantage of the opportunities offered by digitalisation.
- In order to conduct monitoring activities in a more transparent and predictable manner, monitoring guidelines, reporting formats and user manuals will be developed in accordance with current legislation.
- Enforcement guidelines will be developed taking into account current legislation, sector needs and international standards.

OBJECTIVE 1 – 3

PROMOTING PARTICIPATION-BASED INSURANCE AND PRIVATE PENSION

Participation-based insurance and private pensions is an important area of development for accelerating the growth of the insurance and private pension sectors, and ensuring healthy and sustainable competition.

As part of the Medium Term Programme, it is our intention to continue supporting the Participation Finance Law which aims to transform participation finance institutions and establish mechanisms to support the sector.

Actions regarding the development of primary and secondary legislation infrastructures will be continued within the vision of creating an exemplary model at the international level. This will be achieved through regulations that promote effective and transparent implementation of insurance techniques in line with the principles of participation finance. In addition, within the framework of the Participation Finance Strategy Paper, efforts will be made to establish new institutions, such as the publicly managed Hajj and Umrah Fund, as part of the objective of increasing the diversity of products and services.

In this context, all kinds of incentives and guidance that will be provided in the coming years for the development of the participation-based insurance and private pension sector will contribute to the development of the participation sector in our country and will fill an important gap in meeting the product and service demands of people with sensitivities regarding participation insurance. At the same time, participation-based insurance will make significant contributions to increasing the insurance coverage rate in Türkiye.

STRATEGIES

- Information will be made available on the Authority's website to facilitate the process of establishing and licensing participation insurance/private pension schemes and to inform shareholders.
- In official and private meetings, workshops, seminars and conferences at national and international level (with international stakeholders, especially IFSB and AAOIFI), the potential of our country will be highlighted, focusing on cooperation and exchange of experiences in order to harmonise the participation insurance system in our country with international practices.

GOAL - 2

TO PROTECT THE INSURED/PARTICIPANTS AND INCREASE THE RATE OF INSURED/NUMBER OF PARTICIPANTS

OBJECTIVE 2 – 1

ENSURING PRODUCT DIVERSITY IN THE INSURANCE AND PRIVATE PENSION SECTORS, DETERMINING IMPLEMENTATION STANDARDS AND DEVELOPING NEW DOMESTIC SAVINGS MECHANISMS

In order to protect the insured and participants and to increase the insurance penetration and the number of participants, it is important to ensure product diversification in the insurance and private pension sector, to define implementation standards and to develop new internal savings mechanisms.

Concentration of premium production on certain products in the sector carries the risk that overall premium production may be adversely affected in the event of conditions that could adversely affect the product. Therefore, increasing product diversity will contribute to a more homogeneous and stable structure in the sector. While increasing product diversity, it is also important to take measures to prevent misinformation during the sales phase. Accurate information is important for increasing awareness of the sector, insurance awareness, confidence in the sector and ultimately the insurance penetration rate, and it will also enable the insured to make better use of their rights under the insurance contract. As insurance penetration increases, more people will be protected against possible future risks.

Expanding the scope of financial insurance:

As part of our goal, we continue to work with other institutions to make arrangements that will pave the way for the financial insurance sector to facilitate the real sector's access to finance and support the vitality of commercial life. In this framework, in addition to the changes made in the relevant legislation to facilitate SMEs' access to finance for the state-supported trade credit insurance scheme, work is underway on alternative insurance products to support the scheme for SMEs. In this context, the DDAS-Financing product, which facilitates SMEs' access to the credit they need to develop their activities, has been added to the state-backed commercial receivables system, which was implemented in 2019. Thus, the DDAS-Commercial product aims to enable SMEs to avoid receivables risk and better focus on their commercial activities by securing their trade receivables, while the DDAS-Financing product aims to help meet their financing needs. In addition to these schemes, the amendment made in December 2023 expanded the range of SMEs that can apply for products under the scheme and introduced a new product under DDAS-Commercial, which allows SMEs to apply more quickly and easily. Legislative work is underway to extend the DDAS-Financing product to cover natural catastrophes, with the aim of increasing the product's insured ratio when this work is completed. In order to broaden the scope of financial insurance, coordination studies are being carried out with other public bodies to extend surety insurance, and studies are being carried out to update the General Terms and Conditions in order to broaden the scope of building completion insurance.

Green transition:

Insurance plays an important role in minimising the economic losses caused by natural catastrophes, which have become worse with climate change and are expected to continue with increasing momentum in the coming years. In this context, the insurance sector has an active role to play in raising awareness and guiding people and organisations about these risks and how to mitigate their impact. New products aim to share losses that the insured cannot cover on their own through a pool structure and to minimise losses caused by catastrophic risks. Under the Catastrophe Insurance Law no.6305, in addition to compulsory earthquake coverage, TCIP can also provide insurance or reinsurance coverage (a holistic "catastrophe insurance") for natural disasters such as floods, landslides, storms, hailstorms, frost, avalanches and similar natural catastrophes when insurance companies are unable to provide coverage. In this direction, work on the integration of other types of natural catastrophes, especially floods, into compulsory earthquake insurance as additional cover is expected to be completed in the third quarter of 2024. In addition, income protection insurance, which also protects agricultural producers against losses due to yield reductions and price fluctuations caused by climate change, has been introduced nationwide for wheat as of January 2024.

In addition, with the entry into force of the Law on Approval of the Paris Agreement, published in the Official Gazette on 7 October 2021 and numbered 31621, our Authority will support products and/or services designed by the sector to prevent environmental risk factors such as climate change and natural disasters, inefficient use of resources, pollution, loss of biodiversity and ecosystem degradation; and in the field of green financing (green insurance), it will take the necessary steps to ensure that business models serving the low-carbon economy are insured under more favourable conditions. In this context, the Authority will continue to work to update the legislation, in particular the framework conditions, taking into account the risks involved, to increase the diversity of green insurance products and to promote these products.

Digital transformation:

With digital transformation, cyber-attacks have increased in all areas, and the demand for coverage for such risks in the market has become increasingly important. The aim is to update the legislation, including the general conditions, to include cyber risks, increase the variety of products for covering cyber risks and promote these products. Within the scope of digital transformation, the Proposal Platform for Insurance Intermediaries was launched, enabling insurance intermediaries to receive proposals for Compulsory Financial Liability Insurance for Motor Vehicles on Highways and to issue policies with these proposals on company screens.

Developing new domestic savings mechanisms:

Increasing awareness and recognition of private pensions is important not only to increase the number of participants, but also to ensure that participants effectively use their rights under private pension contracts and to increase the financial literacy rate, which is currently low. By increasing the number of participants, the total amount of funds and domestic savings will also increase. This will also improve the welfare of participants in retirement. Our Authority aims to make more people aware of and benefit from the advantages of private pensions. In line with the goal of broadening the base of private pension participants, an amendment was made in the law in May 2021 allowing people under the age of 18 to join the private pension system. In addition, it was made possible for private pension institutions that have made a pension commitment to transfer to PPS. The 2021 amendment also established the Private Pension Fund Trading Platform (BEFAS), which allows participants to invest in all pension funds offered in the system.

In January 2022, the law was amended to increase the state contribution rate from 25% to 30% in order to improve the welfare of participants during their retirement, and to allow state contributions to be paid for contributions exceeding the annual limit. In addition, it was made possible for employees over the age of 45 to join the AES on request.

Furthermore, in order to enable participants to meet their financing needs without leaving the system, they are allowed to take out loans by transferring all or part of their claims, except for the state contribution from private pension contracts, through a transfer of claims agreement. In addition, in cases of house purchase, marriage, education and natural disasters, up to fifty per cent of the savings amount in the account can be partially paid without leaving the system; in cases of house purchase and marriage, up to twenty per cent of the partially paid amount, and in cases of education and natural

disasters, up to twenty-five per cent of the partially paid amount can be paid, limited to the amount in the State contribution account.

In countries where private pensions are well developed, different models are used to increase the diversity of instruments and to deepen the market. In order for Türkiye to make progress in this field, international best practices are being analysed and projects for applicable models and products are being prepared. In this area, one of the projects being worked on under the development plan is the establishment of a complementary pension system, in which the AES will be transformed into a second-tier pension system including employer contributions. Another project is the development of models for the implementation of practices to encourage students under the age of 25 enrolled in higher education institutions to participate in the PPS and remain in the system. On the other hand, following international activities and publications, effectively identifying the needs of our country and increasing the human resources working in this field and their capacity will be the activities to be carried out within the framework of this objective in the coming periods. Effective cooperation and coordination with other public institutions and organisations that may be involved in these activities is an important factor in achieving this objective.

Within the framework of this objective, legislative work will be carried out in the coming periods in order to spread private health insurance to the grassroots and to introduce long-term complementary care insurance for care services in old age in our country.

STRATEGIES

- Technical studies on the design of a holistic catastrophe insurance product will be carried out in coordination with TCIP.
- In coordination with TARSİM and the Ministry of Agriculture and Forestry, technical studies will be carried out to analyse the guarantees that can cover the losses that may occur as a result of reduced yields and fluctuations in product prices.
- Suggestions from sector representatives will be collected and arrangements will be made to introduce new products to the market to meet the needs of the insured/participants.
- Existing legislation will be reviewed to determine if there are any issues that may be an obstacle to increasing product diversity and that do not respond to today's conditions.
- Projects will be prepared for models and products that can be applied in the private pension sector.

OBJECTIVE 2 – 2

ENSURING INSTITUTIONALISATION IN THE SECTOR AND INCREASING SERVICE QUALITY

It is crucial to ensure the institutionalisation of the sector and to improve the quality of service in order to protect the insured and participants and to increase the insurance penetration rate and the number of participants. To this end, it is planned to make arrangements regarding all the business processes of the companies, in particular the information systems, in such a way as to protect the rights and interests of the insured. This will ensure that the business processes of the companies are adapted to the needs of the service, that the service is provided without interruption and that the applications are carried out in accordance with the defined standards.

Combating Fraud:

In line with our target, we will be strengthening the structure of the Technical Committee on False Insurance Practices, which was established at the Insurance Information and Monitoring Centre (SBM) in order to support and cooperate in the fight against false insurance practices, and to increase the efficiency and functionality of the Insurance Fraud Information Sharing System (SİSBİS) in coordination with the technical committee. In terms of legislation, by collaborating with the Insurance Fraud Prevention Bureau (SİSEB) established under the Insurance Information and Monitoring Centre, the effectiveness in this field will be increased through the Regulation on the Procedures and Principles for Detection, Notification, Registration and Combating of False Insurance Practices and the amendments to be made in other secondary legislation. Given the differing approaches to combating insurance malpractice among insurance companies and the difficulty of changing established sector practice, a comprehensive study is needed in cooperation with all relevant sector representatives and public institutions/organisations in order to establish a model for combating insurance fraud that fully meets the needs.

Minimisation and Rapid Resolution of Disputes:

Arrangements will be made to ensure a certain degree of standardisation in the business processes of companies. The objective is to determine the minimum criteria for the basic business processes of insurance, reinsurance and pension companies in order to ensure the establishment of control points both in the supervisions conducted and in the operation of the company, and to increase the quality of service provided. Furthermore, the format for publishing complaint statistics on the websites of the companies has been established. Currently, complaint statistics are reported by companies to the Insurance Association of Türkiye. These will be published on the websites of companies from 2024 onwards.

In addition, legislation will be updated to enable disclosures to be made through a permanent data storage device. Furthermore, we are currently working to enhance the efficiency of grievance units within companies and the process of reporting complaints to our Authority.

On the other hand, although the Insurance Arbitration Commission offers a practical alternative to the court process, enabling faster and easier results in insurance disputes, it is not yet well-known as an alternative judicial remedy. As a result, we are conducting legislative studies for the institutional transformation of the Commission within the scope of this goal.

Furthermore, studies are being conducted with stakeholders such as Insurance Association of Türkiye, Union of Chambers and Commodity Exchanges of Türkiye (TOBB) and the Insurance and Reinsurance Brokers Association to align the distribution channels of the insurance sector with the fundamental principles of insurance as set out by the International Association of Insurance Supervisors (IAIS) and the Insurance Intermediaries Directives implemented in European Union countries. Additionally, IT-based monitoring activities are being carried out to oversee the corporate and financial structures of these organisations, leveraging the opportunities presented by digitalisation.

- In order to enhance service quality, legal arrangements will be made regarding information systems and business processes of insurance companies.
- Necessary legal arrangements will be made to inform policyholders through electronic communication tools, about the exercise of their rights arising before and after the conclusion of the insurance contract.
- Within the scope of combating malpractices, the needs will be determined and regulations that can be made in this direction will be prepared.
- Efforts will be made to increase awareness on and reliability of the arbitration process as an alternative and fast judicial remedy. The Insurance Arbitration Commission will be reorganised and its legislation will be updated.
- Information-based monitoring will be conducted on the organisational and financial structures of insurance intermediaries.

GOAL – 3

TO ENSURE MARKET DISCIPLINE AND ORDER IN THE INSURANCE AND PRIVATE PENSION SECTORS

OBJECTIVE 3 – 1

INCREASING THE EFFECTIVENESS AND LEVEL OF COMPLIANCE WITH INTERNATIONAL STANDARDS IN SUPERVISION AND MONITORING ACTIVITIES

Improving the efficiency of the supervision and monitoring of the insurance and private pension sectors will contribute to the maintenance of discipline and order in the sector and to the reliable and sound operation and development of financial markets. In order to guarantee the continued effectiveness of the monitoring exercise, activities are underway to establish a unified and straightforward structure in which all data on the insurance and private pension sectors are consolidated by leveraging the informatics infrastructure of SBM and the Pension Monitoring Centre (EGM). The objective is to ensure data flow through a single channel, provide up-to-date and analysable data, establish a scoring infrastructure, produce standard reports based on these data integrated into information systems, and develop the Insurance Early Warning System (SEUS) used in the assessment of the risks of companies.

In line with the outcomes of the above-mentioned activities, the objective is to reinforce the risk-oriented and mutually reinforcing mechanism of supervision and monitoring functions. This will enable more effective supervision activities, expand risk and subject-oriented supervisions based on risk assessment outputs, increase the frequency of supervision missions, and enhance the use of information systems in supervision. Also within the scope of this goal, the alignment of supervision guidelines with international insurance basic principles and current legislation will be maintained.

STRATEGIES

- Supervision manuals will be updated in accordance with international standards and current legislation.
- IT-based supervision missions will be carried out in order to adapt to the digitalised world and to use existing human resources and time effectively.

- Ongoing projects will be completed to carry out supervision activities on digital platforms. Within the scope of this strategy,
 - The projects carried out to provide data flow from insurance and private pension sectors through a single channel will be completed.
 - Actuarial models and techniques will be developed, existing methods will be improved and calibration will be ensured.
 - The Insurance Early Warning System will be developed and put into practice, and the system will be calibrated every year.

OBJECTIVE 3 – 2

ENSURING THE EFFECTIVENESS AND CONTINUITY OF THE ENFORCEMENT FUNCTION

In order to guarantee discipline and order in the insurance and private pension sector and to ensure the reliable and sound operation and development of the market, it is vital to guarantee efficiency and continuity in enforcement. In this context, it is our intention to prepare enforcement guidelines in line with international standards and legislation with the objective of standardising the enforcement functions, including how to implement processes related to company establishment, share and portfolio transfers, changes of managers and administrative procedures related to the Authority's monitoring outputs. This will enable the relevant person or organisation to see which procedure (implementation steps) and obligations (documents to be submitted, etc.) they are subject to, as well as the continuity conditions depending on the content of the implementation.

An uninterrupted and continuous enforcement function will be possible by knowing which issues will be presented to the public authority and how,. Furthermore, analysing the current and robust data obtained from the sector through the monitoring function in a way that produces accurate results and effective scoring of the sector representatives will also contribute to the timely execution of the enforcement function with the right tools.

The Authority is currently revising the Financial Structure Regulation with the aim of expanding the scope of guarantees provided by insurance, reinsurance and pension companies. These guarantees are designed to protect the rights of the insured in the event of a potential financial weakness. The revised regulation will also require closer monitoring of companies on the basis of their financial structure, eliminate uncertainty regarding the weakening of financial structures and the liquidation of companies, and restrict companies from investing in risky assets. Updating the relevant legislation will further strengthen the legislative infrastructure of the enforcement function and contribute to increasing its effectiveness.

In order to ensure the efficiency and continuity of the enforcement function, studies will be carried out to restructure the complaint process flow of our Authority. In this direction, an effective coordination network will be established between the relevant service units of our Authority and the companies. Furthermore, discussions are underway with TUBITAK regarding the "Project on Measuring and Strengthening the Service Quality of Insurance and Private Pension Sectors with Artificial Intelligence Technologies" as part of the TUBITAK Public Artificial Intelligence Ecosystem 2023 call. The objective of this project is to measure the performance of the companies and to streamline the process after categorising the complaints and developing an effective reporting mechanism.

STRATEGIES

- Enforcement guidelines will be prepared by considering the needs of the sector, international standards and legislation.
- Efficiency and continuity in practices will be ensured by analysing insurance data more effectively and establishing an effective scoring infrastructure.
- "Process flow" of complaints against insurance companies and other organisations (intermediaries, loss adjusters, etc.) will be restructured and the process will be carried out more effectively and efficiently.

GOAL – 4 TO ENHANCE INSTITUTIONAL CAPACITY

OBJECTIVE 4 – 1

INCREASING COOPERATION AND MUTUAL INFORMATION SHARING WITH NATIONAL AND INTERNATIONAL ORGANISATIONS

This objective will be achieved by maintaining the Authority's relations, memberships, ongoing information sharing and studies with international organisations, while developing new relations. Following its establishment, the Authority initiated its membership to the International Association of Insurance Supervisors (IAIS) and the International Organisation of Pension Supervisors (IOPS). Cooperation agreements with the insurance and private pension authorities of the countries conducting supervision colleges were updated and memorandums of understanding (MoU) were signed with some countries for sharing professional knowledge and experience. Ensuring the cooperation of the Authority, especially with international professional organisations and insurance and private pension authorities of the countries, will ensure that Authority personnel, who carry out their routine work, are informed about international developments, actively participate in working committees and thus increase their level of professional expertise.

STRATEGIES

- Joint projects will be carried out in cooperation with insurance and private pension authorities of developed countries.
- In order to increase the international recognition of the Authority and to ensure the continuity of relations, information sharing with international organisations will be carried out regularly and the participation of personnel in the committees of these organisations will be ensured.

OBJECTIVE 4 – 2

KEEPING THE AUTHORITY UP TO DATE WITH THE LEGISLATION CONCERNING ITS FIELDS OF ACTIVITY

The Authority is currently conducting a number of studies with the objective of providing employees with timely updates on legislative changes and developments from other public institutions and organisations that are relevant to the Authority's activities. The studies also aim to coordinate the departments in a healthy way regarding external regulations that require the Authority's opinion. By achieving these objectives, the Authority will be better positioned to respond promptly to external

legislative changes.

STRATEGIES

- Legislative developments concerning the fields of activity of the Authority will be followed through various communication channels.
- Legislative developments concerning the fields of activity of the Authority will be announced internally via e-mail/intranet etc. communication tools.
- Regular coordination will be ensured within the units of the Authority on the legislative arrangements on which the opinion of the Authority is asked.
- Internal and external coordination of the legislative works carried out by the Authority will be ensured.

OBJECTIVE 4 – 3

IMPROVING AND STRENGTHENING THE IT INFRASTRUCTURE

In the field of information technologies, the Authority provides technical infrastructure support for projects carried out by relevant operational units. This enables them to carry out activities on digital platforms, ensuring continuity and increasing efficiency. It also facilitates restructuring of process flows and information systems, enabling the Authority to examine and finalise applications in the fastest and most efficient way. Studies will continue to be carried out within the planned and announced calendar.

In addition to these functions, the activities to be carried out include the establishment, operation and sustainability of an information systems infrastructure that is resistant to cyber-attacks and has a security structure compatible with the generally accepted standards on the subject. This will ensure the uninterrupted continuity of services in our Authority. Furthermore, the creation of workflow charts, process definitions and enforcement mechanisms, which are essential for the institutionalisation of organisations, will be carried out within the scope of this goal in the coming period.

STRATEGIES

- Systems and mechanisms in accordance with business continuity and disaster management policies will be established.
- Work-flow, process and enforcement mechanisms that optimise outputs and constraints will be established.

OBJECTIVE 4 – 4

ENHANCING HUMAN AND PHYSICAL RESOURCES, IMPROVING WORKING CONDITIONS

Given the high workload of the Authority, it is necessary that the number of personnel be increased and additional cadres be established in the coming years. In addition to increasing the workforce in quantitative terms, it is important to implement effective in-house training programmes and increase the training time per capita. Our Authority is a young organisation and it operates on a highly technical field, such as insurance and private pension. Training will enable the potential and existing human resources to specialise and extend their knowledge in their field of professional expertise. It is also

important that the personnel are informed about external training programmes related to the professional field, domestic and international postgraduate opportunities. It is therefore important to plan human resources effectively in order to produce predictable and positive results.

In addition, it is important to design the physical working environment in accordance with the operations and objectives of the Authority, using technological and other equipment that facilitate the way of doing business and use time efficiently. This will increase the motivation and success of the personnel. For this reason, efforts will continue to be made to improve the working environment and to comply with the developing and diversifying occupational health and safety standards in the coming periods.

STRATEGIES

- In-house training plans will be made in line with the needs analyses, annual reports will be prepared by providing feedbacks on the trainings carried out in order to monitor and evaluate the training process efficiently.
- An immovable property will be rented in accordance with the norm staff number of 357 people and the rented immovable property will be adapted to the standards of the Occupational Health and Safety Law No. 6331.
- Necessary works will be carried out in line with the needs and demands of the personnel by providing effective and efficient working conditions.