

Section	Paragraph	Comments
General Comments		<p><General Comments></p> <p>We, the General Insurance Association of Japan, are grateful for this opportunity to comment on the AP. We would like to request the following from the viewpoint of clarification and ensuring transparency.</p> <ul style="list-style-type: none"> - In order to clarify the position of this AP, we propose adding "this paper does not set new standards or expectations.".(Please refer to the comment on paragraph 1.) - For the parts that refer to FATF standards, we propose adding which FATF standards are specifically referred to. (Please refer to the comment on Paragraphs 68, 71, 73, 80, 81, 83, 84, 87, 91, 92, 93, 94, 97, 101, 102, 103, 109, 114, 116, 117, 124, 126, 129, 134, 140, 141 and 143.) - The status of the case studies is unclear. For example, it is unclear whether the cases listed in Annex 1 and 2 are common cases of ML/TF in the insurance sector, or whether they list actual cases including rare ones. The positioning of Annex 1 and 2 should be clarified and, rare cases should be identified as "rare cases". (Please refer to the comment on Paragraph 18.)
1	1	<ul style="list-style-type: none"> • We agree that there are some items that should be dealt with by both life and general insurance in common such as compliance with TFS. However, as general insurance products mainly compensate actual losses, they are less considered to be utilized for money laundering and terrorist financing purposes than life insurance products. Therefore, as shown in paragraphs 1 and 6, we support that "this paper is primarily directed to life insurers and intermediaries". • While it is stated that "It is not intended to be exhaustive or prescriptive.", as described in our general comment, in order to clarify the position of this AP, we propose adding "this paper does not set new standards or expectations.".
1	6	<ul style="list-style-type: none"> • We agree that there are some items that should be dealt with by both life and general insurance in common such as compliance with TFS. However, as general insurance products mainly compensate actual losses, they are less considered to be utilized for money laundering and terrorist financing purposes than life insurance products. Therefore, as shown in paragraphs 1 and 6, we support that "This Application Paper is directed primarily to life insurers and intermediaries.".
2	12	As we commented on Paragraph 1, we understand that the general insurance sector should also address and take due care of TFS.

2.1	14	We would like to confirm what "(second hand) endowment policies" specifically indicate. (Please provide examples such as "transfer to third party".)
2.1	18	<ul style="list-style-type: none"> • We agree that there are some items that should be dealt with by both life and general insurance in common such as compliance with TFS. However, as general insurance products mainly compensate actual losses, they are less considered to be utilized for money laundering and terrorist financing purposes than life insurance products. Therefore, as shown in paragraphs 1 and 6, we support that "this paper is primarily directed to life insurers and intermediaries". We also agree that "ML/TF risks in the insurance industry may be found in life insurance and annuity products", as referred to in paragraph 14. • Contrary to the above, cases described as "Specific cases and examples of ML/TF are included in Annexes 1 and 2" in paragraph 18 include multiple general insurance related cases. It is unclear whether the cases listed are general cases of ML/TF in the insurance sector, or a list of actual cases including rare ones. In addition, the status of the case study is unclear. Although described as "Case studies" in Annex 1 and 2, it appears to be a simple list of cases rather than a case study.). The positioning of Annex 1 and 2 should be clarified and rare cases should be identified as "rare cases".
3	19	As we commented on Paragraph 1, we understand that the general insurance sector should also address and take due care of TFS.
6	49	As we commented on Paragraph 1, we understand that the general insurance sector should also address and take due care of TFS.
8	68	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
8.2	71	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
9	73	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
9	80	As noted in our general comments, with regard to the phrase "the FATF Recommendations provide that...", we propose adding reference to the specific FATF standards referred to in this particular part.
10	81	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
10	83	As noted in our general comments, with regard to the phrase "the FATF Recommendations recognise that...", we propose adding reference to the specific FATF standards referred to in this particular part.

10	84	As noted in our general comments, with regard to the phrase "according to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
11	87	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
11	91	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
12	92	As noted in our general comments, with regard to the phrase "the FATF Recommendations require...", we propose adding reference to the specific FATF standards referred to in this particular part.
12	93	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
12	94	As noted in our general comments, with regard to the phrase "according to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
13	97	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
14	101	As noted in our general comments, with regard to the phrase "the FATF Recommendations require...", we propose adding reference to the specific FATF standards referred to in this particular part.
14	102	As noted in our general comments, with regard to the phrase "the FATF Recommendations require...", we propose adding reference to the specific FATF standards referred to in this particular part.
14	103	As noted in our general comments, with regard to the phrase " The FATF has also crafted similar provisions in respect of financial groups.", we propose adding reference to the specific FATF standards referred to in this particular part.
15	109	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
15	114	As noted in our general comments, with regard to the phrase "The FATF Recommendations provide", we propose adding reference to the specific FATF standards referred to in this particular part.
16	116	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.

16	117	As noted in our general comments, with regard to the phrase "the FATF Recommendations require...", we propose adding reference to the specific FATF standards referred to in this particular part.
16	124	As noted in our general comments, with regard to the phrase "The FATF also require...", we propose adding reference to the specific FATF standards referred to in this particular part.
16	126	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
17	129	As noted in our general comments, with regard to the phrase "In order to meet the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
17	134	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
18	140	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
18	141	As noted in our general comments, with regard to the phrase "According to the FATF Recommendations", we propose adding reference to the specific FATF standards referred to in this particular part.
18	143	As noted in our general comments, with regard to the phrase "the FATF Recommendations require...", we propose adding reference to the specific FATF standards referred to in this particular part.
Annex 1	CS1	(General Comments on Annex) <ul style="list-style-type: none"> As described in our general comments and on our comments on paragraph 18, it is unclear whether the cases listed are common cases of ML/TF in the insurance sector, or whether they list actual cases including rare ones. The status of the case studies is also unclear. Although it is described as "Case studies" in Annex 1 and 2, it appears to be a simple list of cases rather than actual case studies. The positioning of Annex 1 and 2 should be clarified and rare cases should be identified as "rare cases".
Annex 1	CS16	This case is categorized as the "Source of funds", but we believe it is more appropriate to categorize it as "Agent oversight".
Annex 1	CS25	Judging by how the text reads, this case is not unique to the general insurance sector (general insurance companies / general insurance products), and is considered to be a case that can occur in other sectors as well. It is better to clarify the characteristic element for general insurance more clearly if there is such an element. Alternatively, it is more appropriate that the case be shown as an example / expression that is not limited to general insurance.