

ADBI-JFSA-OECD Roundtable on Insurance and Retirement Saving in Asia

25-26 April 2018
Tokyo, Japan

The purpose of this roundtable is to better inform policy makers and private sector participants in Asia of the policy analysis that the OECD is developing, and to discuss key issues in the Asian market with input from the JFSA, with the aim of sharing experience and good practices for the sound development of insurance and private pensions markets.

The Asia-Pacific region is among the fastest growing markets in the world for insurance and is responsible for an increasing share of global insurance premiums and assets under management. However, the level of insurance and retirement savings penetration remains low, leaving large numbers of individuals unprotected against both certain and uncertain risks in the context of important demographic and social changes in the region. The development of insurance and private pension markets provides an opportunity for the diversification of risk over time and among different participants.

The OECD's Insurance and Private Pensions Committee and its Working Party on Private Pensions have been developing work in the area of insurance and private pensions that addresses policy interests and emerging issues in these markets, and have been making policy recommendations based on evidence-based analysis.

Day 1 – Wednesday, 25 April 2018	
9:30-10:00	<p>Opening Remarks</p> <p>Masamichi Kono, Deputy Secretary-General OECD, Naoyuki Yoshino, Dean, ADBI</p> <p>Hiroshi Ota, Vice Chair, IAIS Executive Committee; and Deputy Commissioner for International Affairs, Japan Financial Services Agency</p>
10:00-13:00	<p>Session 1: Dealing with demographic change in the insurance and private pension sectors</p> <p>Many countries in Asia are experiencing dramatic or expected changes in their demographics – longevity accompanied by declines in fertility rates, and the ensuing transformation of societal age structures. While the insurance and private pensions sectors have coped well with these challenges so far, whether and how their business models adapt to these changes will require careful and regular observation. Given how these changes impact the assumptions and risks which insurers and private pensions operate on, regulators will need to consider how best to maintain their solvency given the limitations that may arise in underwriting and investment.</p> <p>This session will discuss the risks and opportunities that insurers and private pension are facing and how they are adapting their business models. How regulators are approaching these changes and what approaches are being taken will also be discussed.</p> <p>Moderator: Mamiko Yokoi-Arai, Principal Administrator and Head of Insurance, OECD</p> <p>Speakers</p> <ul style="list-style-type: none"> • Hayanari Uchino, Managing Director, Financial and Capital Market Research Department, Daiwa Institute of Research Ltd.

	<ul style="list-style-type: none"> • Lwin Oo, Deputy General Manager, Myanmar Insurance • Hideyuki Yoshida, Chairman, International Relations Committee of the Institute of Actuaries of Japan, CFO of Prévoir Vietnam Life Insurance Company and representing the International Actuarial Association
11:30-12:00	Coffee break
12:00-13:00	Session 1: Dealing with demographic change in the insurance and private pension sectors
	<p>Discussants</p> <ul style="list-style-type: none"> • Tetsuya Taniguchi, General Manager, Corporate Planning Unit, Government Relations Group, Dai-ichi Life Holdings Inc. • Nilesh Sathe, Whole Time Member, Insurance Regulatory and Development Authority of India • All regulatory participants are invited to make short interventions <p>Open discussion</p>
13:00-14:30	Lunch
14:30-17:30	Session 2: Advances in technology: how fintech and cyber risk are being addressed
	<p>The potential of technological advancement and innovation has been an important topic for insurance and pension regulators and supervisors in both developed and emerging insurance and pension markets, as these advancements can give the opportunity for operations such as better risk management, claims management, fraud prevention, customer experience and financial inclusion on the insurance side, and better platforms to provide options and information on the pension side.</p> <p>This session will discuss how these developments are impacting the business of insurance, its operations, and regulatory developments. Regulatory sandboxes have been developed in a number of Asian markets, so the outcome of such sandboxes could be discussed, as well as how InsurTech firms transition into the conventional insurance market. New technology is enabling better customisation of products that could lead to better risk awareness by consumers. However, the increasing use of technology creates exposure to cyber risk, a potential threat to products that rely on technology, as well as an opportunity for insurance markets.</p> <p>Moderator: Wawan Juswanto, Senior Economist and Special Adviser to Dean, ADBI</p> <p>Speakers</p> <ul style="list-style-type: none"> • Hiroshi Ota, Deputy Commissioner for International Affairs, Japan Financial Services Agency • Erwin Chak, Senior Manager, InsurTech Facilitation Team, Insurance Authority, Hong Kong China • Masakazu Masujima, Partner, Mori, Hamada & Matsumoto • Leigh Wolfrom, Policy Analyst, OECD
16:00-16:30	Coffee break
16:30-17:30	Session 2: Advances in technology: how fintech and cyber risk are being addressed
	Discussants

	<ul style="list-style-type: none"> • Raymond Farmer, NAIC Vice President and Director, South Carolina Department of Insurance • Matthew Aire, Associate Director, Dubai Financial Services Authority • Kertu Fedotov, Insurance Policy Department, Ministry of Finance, Estonia • Kyaw Kyaw, Deputy Director, Financial Regulatory Department, Ministry of Planning and Finance, Myanmar • Yana Pureskina, Director of Financial Policy Division, Ministry of Finance, Russia • All regulatory participants are invited to make short interventions <p>Open discussion</p>
18:00-20:30	Dinner reception (Kazan Kaikan, 3 rd floor, Kasumigaseki Common Gate West Building)

Day 2 – Thursday, 26 April 2018	
9:00-12:00	Session 3: Growing climate change risk and how it manifests for insurance markets
	<p>The Paris Agreement in 2015 has raised awareness globally of what actions governments and corporates are taking to address the risk that climate change poses, both in terms of mitigation and adaptation. Insurers have a role in this conversation as both institutional investors and as providers of insurance coverage for disaster risks.</p> <p>Institutional investors, through their decisions on investment allocation, have the potential to influence the way in which some companies are operating. There have been many pledges by insurance companies to divest from fossil fuel industry, which is said to have reached GBP 15 billion in the last two years. In addition, institutional investors are seeking ways to incorporate ESG risks into their investment model.</p> <p>Climate change is expected to have an impact on the frequency and severity of natural disasters, which can result in devastating financial losses. Insurance coverage can ease the financial burden considerably, but there are a number of challenges involved in ensuring sufficient coverage of disaster risks, particularly in the context of a changing climate.</p> <p>This session will discuss how insurers are addressing climate change risk and what areas may require greater action by both insurers and regulators.</p> <p>Moderator: Mamiko Yokoi-Arai, Principal Administrator and Head of Insurance, OECD</p> <p>Speakers</p> <ul style="list-style-type: none"> ● Maryam Golnaraghi, Director, Extreme Events and Climate Risk Programme, Geneva Association (video presentation) ● Mike Kreidler, Commissioner, Office of the Insurance Commissioner, Washington State ● Jeremy McDaniels, Programme Manager, Sustainable Insurance Forum ● Neil Slater, CEO & Representative Director, Aberdeen Standard Investments (Japan) Ltd. ● Hiroko Urashima, Manager, Corporate Planning Department, MS&AD Holdings
10:40-11:00	Coffee break
11:00-12:00	Session 3: Growing climate change risk and how it manifests for insurance markets
	<p>Discussants:</p> <ul style="list-style-type: none"> ● Riswinandi, Head Executive, Non-Bank Financial Institution (NBFI) Supervision, OJK, Indonesia ● Don Forgeron, President and CEO, Insurance Bureau of Canada ● All regulatory participants are invited to make short interventions <p>Open discussion</p>
12:00-13:30	Lunch
13:30-15:30	Session 4: How to improve retirement savings
	<p>This session will focus on some of the main issues under discussion to improve the functioning of pension systems and thus improve retirement income. Some of the issues relate to the accumulation face such as approaches to reduce the cost of providing pensions, and the introduction of investment defaults and investment benchmarks. Other issues refer to the post-retirement face and</p>

	<p>relate to different approaches to pool longevity and investment risk at retirement. The latter includes discussing on the regulatory framework and capital reserving requirements.</p> <p>Moderator: Pablo Antolin, Head, Private Pensions Unit, Directorate for Financial and Enterprise Affairs, OECD</p> <p>Keynote Speaker</p> <ul style="list-style-type: none"> • Moshe. A. Milevsky, Professor of Finance, Schulich School of Business; York University, Canada <p>Speakers</p> <ul style="list-style-type: none"> • Darren Kennedy, Manager, CIPRs, Retirement Income Policy Division, Australian Treasury (video presentation) • Keyong Dong, Professor at the School of Public Administration & Policy, Renmin University of China • Shaun Goh, Director, Retirement Systems, Ministry of Manpower, Singapore • Srikanya Yathip, Acting Secretary General, Government Pension Fund (GPF), Thailand
15:30-16:00	Coffee break
16:00-17:00	Session 4: How to improve retirement saving: industry view
	<ul style="list-style-type: none"> • Thomas Cheong, Vice President of North Asia, Principal International • Sean McLaughlin, Executive Vice President and Chief Strategist, Prudential Life Korea • Chongson An, Head of retirement for Korea, Willis Towers Watson
17:00-17:30	<p>Closing Remarks</p> <p>Deputy Secretary General Masamichi Kono</p> <p>Dean Yoshino</p>