



# IAIS

INTERNATIONAL ASSOCIATION OF  
INSURANCE SUPERVISORS

## 13<sup>th</sup> International Microinsurance Conference - Lima

# IAIS perspective on Mobile Insurance & Digital Technologies

**Peter van den Broeke**

IAIS Secretariat

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# Involvement of the IAIS

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## Why?

- insurance supervisors from more than 200 jurisdictions, constituting 97% of the world's insurance premiums
- Its mission includes protection of policyholders through the development of fair, safe and stable insurance markets
- Supporting access to insurance helps market development
- Access to insurance helps to close the increasing protection gap caused by increasing natural disasters and climate change

## How?

- **Proportionality**: promote a financially sound sector and adequate level of policyh. protection
- **Proportionality**: supervisory measures should be adequate to achieve the objectives; avoiding unnecessary barriers for insurance providers
- **Additional Guidance in Application Papers** e.g. Use of Digital Technology

# Work by IAIS on FinTech

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## General:

- Prepared the Report on FinTech Developments in the Insurance Industry (February 2017)
- Will establish a network of Fintech experts with insurance supervisors

## Financial Inclusion:

- Guidance on Use of Digital Technology in Inclusive Insurance
- Guidance on Product Oversight in Inclusive Insurance
- Issues in Index-based Insurances
- Guidance on Sales Channels in Inclusive Insurance (2018)

## Market Conduct:

- Identify issues around digitalisation of the insurance business model, focus on distribution, incl. benefits and potential risks to fair treatment and appropriate consumer protection
- Explore how personal and other information are used in conducting insurance business and its supervision, including its impact on consumers

# Challenges of Digital Technology for Supervisors (1)

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- Multiple authorities / supervisors involved
  - Precedence and competence issues
  - Cooperation issues
- Powers and skills of the supervisors
  - Issues around IT expertise
  - Outsourcing issues
- Licensing:
  - Additional conditions for digital processes
- Corporate Governance / Risk Management
  - Issues around knowledge and expertise board / management
  - Issues around adequate risk management
  - Issues around suitable ownership (e.g. if MNO)

# Challenges of Digital Technology for Supervisors (2)

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- Business Conduct:
  - Issues around advisory services
  - Issues around suitable products
- Financial soundness and financial integrity
  - Issues around handling client-monies (wallet; non-monetary values)
  - Issues related to anti fraud, money laundering, terrorist financing (including identification)

# Contact information

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Peter van den Broeke  
IAIS Secretariat

Telephone: + 41 61 280 8747  
Email: [peter.vandenbroeke@bis.org](mailto:peter.vandenbroeke@bis.org)

c/o Bank for International Settlements  
Centralbahnplatz 2  
CH-4002 Basel  
Switzerland  
Website: [www.iaisweb.org](http://www.iaisweb.org)