

**The Inaugural Meeting of the Future Task Force of the Insurance Industry
14 December 2016**

**WELCOME ADDRESS BY DR MOSES CHENG
CHAIRMAN, INSURANCE AUTHORITY**

Nelson, Tony, Winnie, Annie, Future Task Force members, Distinguished Guests, Ladies & Gentlemen, Good Afternoon!

1. Welcome you all to this inaugural event of the Future Task Force of the Insurance Industry, established under the Insurance Authority.

2. This afternoon, I see so many familiar faces – people who have been working hard for higher standards and quality in the insurance industry, with the common goal of facilitating the sustainable growth of the industry and enhancing the protection for policyholders, a vision that everyone at the Insurance Authority carries in their heads and hearts.

3. The establishment of the Insurance Authority is the most important regulatory reform in the insurance industry since the passage of the Insurance Companies Ordinance in 1983, marking a significant chapter in the history of Hong Kong's insurance industry.

4. A week ago, the Insurance Authority just celebrated its first anniversary. Looking ahead, this one-year-old baby has much room to learn and improve. That is why we set up the Future Task Force and have all the experts and professionals here today.

5. The three discussion topics at today's meeting have indeed shed light on the priorities of the Insurance Authority. Fintech, or Insurtech, is happening and revolutionizing the insurance industry. There is no doubt about it. Technological advancement aside, it is still necessary to have a robust prudential regulation to maintain the stability of the industry. On this front, the Insurance Authority will be working closely with our industry counterparts to develop a suitable risk-based capital regime which seeks to better align the capital requirements of insurers with the risks they are bearing.

6. On image building, we are not talking about merely public relations, but projecting a proper image of the industry to the public. We must let the public know more deeply and fully the different aspects of the industry and how it operates. This would ensure that the industry would be fairly treated and respected by the community, and that you would be able to attract more talents choosing insurance as their career.

7. The purpose of the Future Task Force is to explore the future of the insurance industry. Apart from identifying socio-economic and demographic factors that will shape the insurance industry in future, the major tasks of this Task Force are to draw up recommendations to promote the sustainable development of the insurance industry and to protect the interests of policyholders.

8. I am happy to announce that, three working groups will be formed under the Future Task Force. Each working group will have its own scope, namely Fintech, Risk-based Capital Regime, and image building. Members of the Future Task Force are welcome to join any or all the working groups if you are interested. A reply slip is attached in the information kit that you have in hand for expressing

your preferences. I appeal to all of you for your support and participation in the working groups.

9. Without further ado, let's start our discussion topics and I look forward to exchanging with all of you in the coming floor discussion.

10. Thank you.