



# Building a sustainable insurance industry through collective efforts

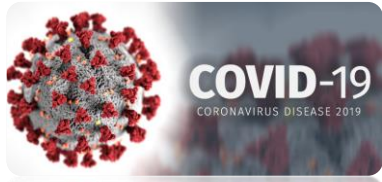
---

Clement Cheung  
Chairman, Asian Forum of Insurance Regulators  
CEO, Insurance Authority, Hong Kong

8 September 2021



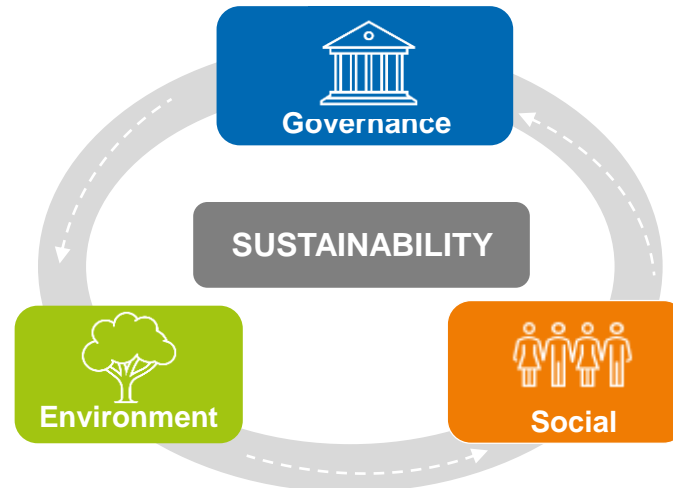
# Resilience and Sustainability Gaining Importance



Adverse impact of COVID-19 on the real economy and the global financial system such as lockdowns, supply chain disruptions, social distancing measures, etc.

Wake-up call for businesses and individuals to critically assess their exposure to similar risks and possible mitigating measures.

Increased awareness on building resilience and sustainability, causing importance to be placed on climate change and ESG.



# The Role of Insurance in Facilitating a Sustainable and Inclusive Recovery

**Climate change** is the greatest peril threatening mankind



**InsurTech** penetrates underserved markets, deepens inclusiveness and addresses **societal needs** on medical care and retirement planning.

## Multiple Roles of Insurance



# Role of Insurance Regulators and Regional Economic Integration



Supports efforts towards integrating climate risk considerations into insurance supervision



Inspires and supports insurance supervisors to promote inclusive and responsible insurance, thereby reducing vulnerability



Strengthens regional collaboration, prevents and mitigates cross-border risks, advocates the voice of Asia in the global market



- RCEP Agreement was signed on 15 November 2020 by the 10 ASEAN states, Australia, Mainland China, Japan, Korea and New Zealand.
- The Agreement covers about 30% of global population and GDP, 28% of global trade and 25% of global insurance premiums.
- There are potential synergies with the Guangdong-Hong Kong-Macao Greater Bay Area with total population of 86 million, total GDP of US\$1,669 billion, total trade of US\$2,051 billion and total insurance premiums of US\$152 billion.

# Recent Development in Hong Kong on Sustainable and Inclusive Insurance



## Collaborative Partnership

### The Green and Sustainable Finance Cross-Agency Steering Group

### Task Force on Green Insurance



## Remote On-boarding

- Insurtech Sandbox
- Industry-wide Platform



## Public Education

- Mortality Protection Gap Study
- Protection Needs Assessment Tool
- Thematic Sitelet



Public Education Materials:

- Mortality Protection Gap Study 2021 Synopsis**
  - Size of overall protection gap: HKD 6.9 trillion
  - Average size of protection gap: HKD 1.9 million per economically active adult
- Protection Needs Assessment**
  - Full version: evaluate your current and future protection needs (15 minutes)
  - Simplified version: evaluate your current protection needs (5 minutes)
  - Stages: 1. Your personal particulars, 2. Home purchase, 3. Marriage, 4. Childbirth, 5. Other family needs, 6. Wealth accumulation, 7. Other insurance needs.
- Which types of insurance do you need?**
  - Life Insurance, Critical Illness Insurance, Medical Insurance, Accident Insurance, Annuity, Fire Insurance or Home Insurance, Motor Insurance, Travel Insurance, Domestic helper Insurance.

**Thank You**

