IA Insurtech Initiatives in 2022

Future Task Force meeting
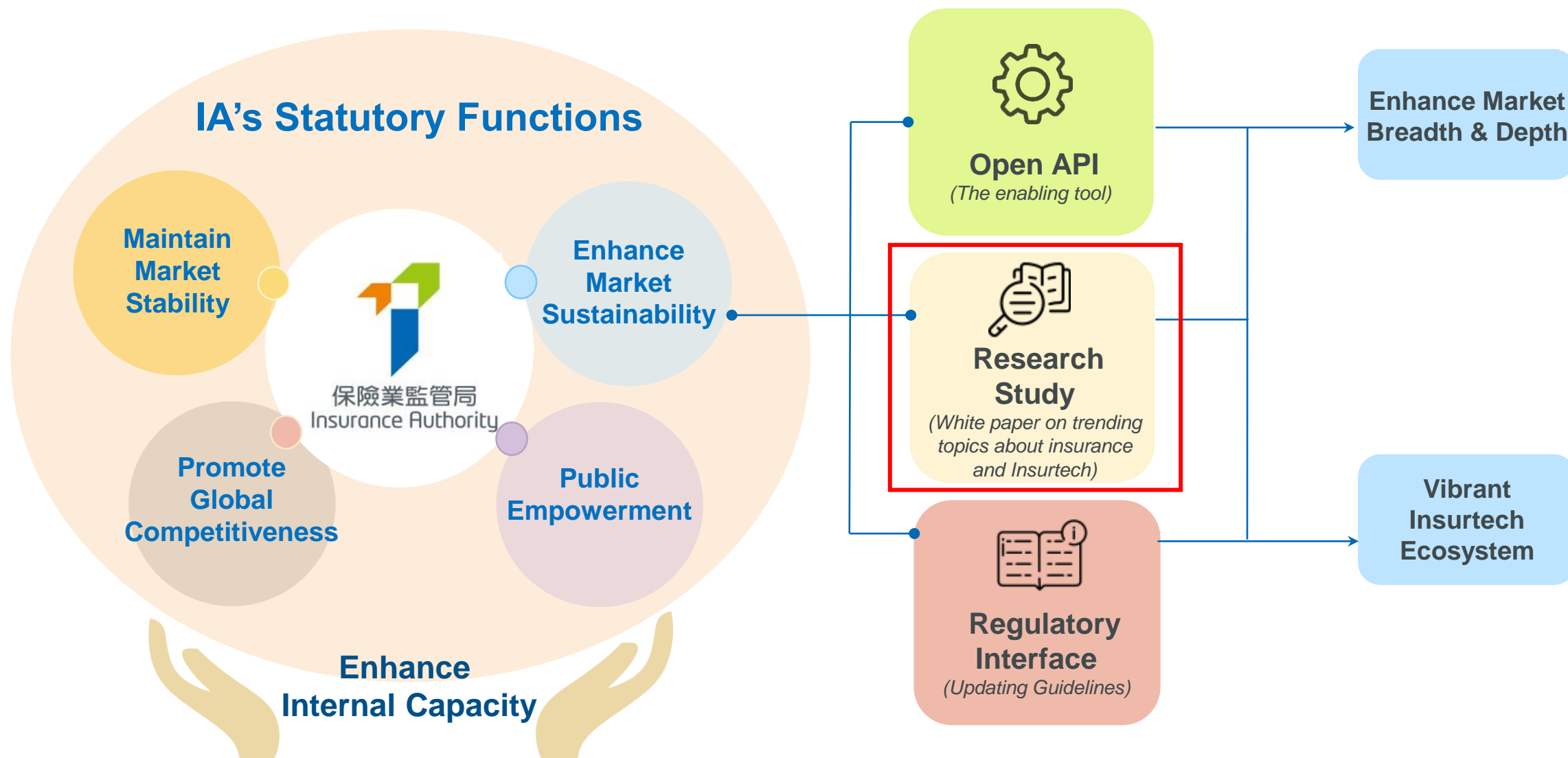
Mr Tony Chan

Associate Director, Policy and Development Division

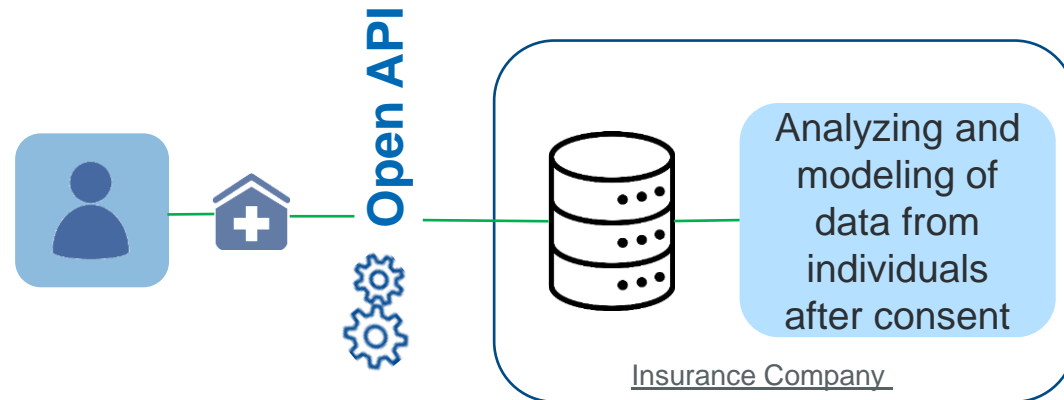24 March 2022

Upcoming IA Insurtech Initiatives in 2022

IA's Statutory Functions

Maintain Market Stability

Enhance Market Sustainability

Promote Global Competitiveness

Public Empowerment

Enhance Internal Capacity

保險業監管局
Insurance Authority

Open API
(The enabling tool)

Research Study
(White paper on trending topics about insurance and Insurtech)

Regulatory Interface
(Updating Guidelines)

Enhance Market Breadth & Depth

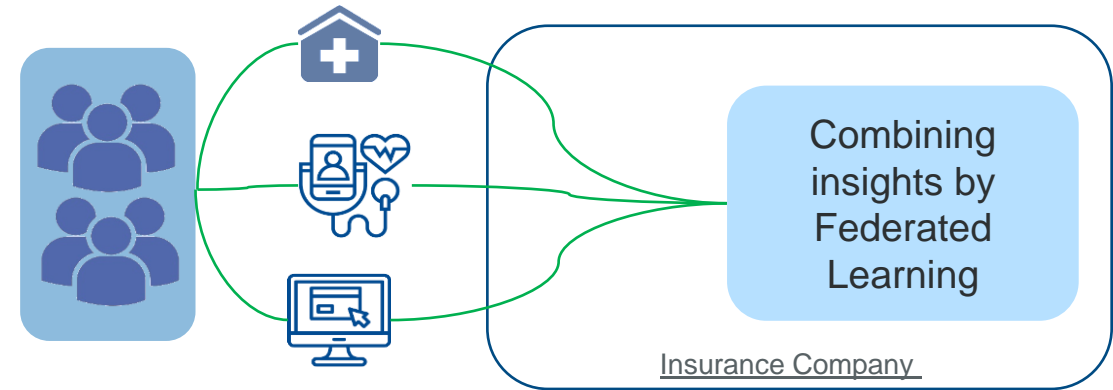**Vibrant Insurtech Ecosystem**

Opportunities to acquire alternative data are being created by Open API initiative

first step for insurers to get **access** to the alternative data ▶ **next step** for insurers to get better "**insights**"

	Open API Approach	Federated Learning Approach
Information Exchange Method	Between data provider and insurer with customer consent	Obtain insight from data provider without having to access private information of such data
Information Storage	Data of individual stored in Insurer environment after consent	No data is exchanged and stored, only insights are shared
Benefits	Insights are gained by analyzing and modeling of the data of individuals who offered consent	Insights sharing by data sources based on their data sets. No data is shared, just insights for machine learning are gained.
Regulatory Consideration	Data privacy and data protection mechanism based on consent	Using technologies to preserve privacy. To be discussed in the presentation

Sharing on use case examples by industry practitioners

Use Case #1:

Using alternative health data for developing innovative health insurance

Conceptual stage

Use Case #2:

Using alternative motor data for developing profile-based motor insurance
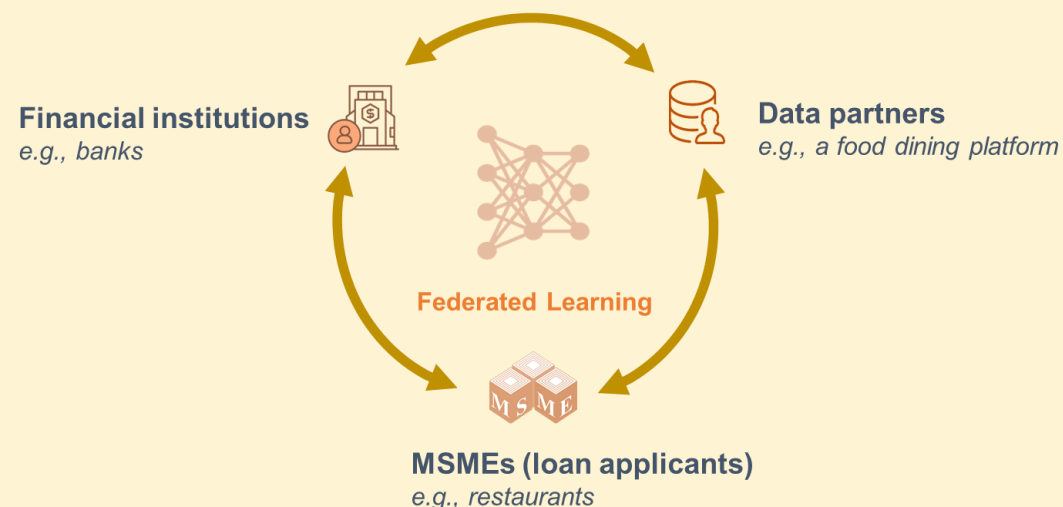
Conceptual stage

Use Case #3:

Whitelisting for identifying potential customers

Conceptual stage

Use Case #4:

Facilitating credit scoring for micro, small and medium-sized enterprises (MSMEs) financing

Financial institutions
e.g., banks

Data partners
e.g., a food dining platform

Federated Learning

MSMEs (loan applicants)
e.g., restaurants

Thank You