

Opening Remarks by
Mr Stephen Yiu, JP, Chairman of the Insurance Authority
at the CIB Annual Conference on 26 October 2026

“Specialty Coverage - the Reason for Brokers to Exist”

Qianli¹, friends and colleagues from the Hong Kong Confederation of Insurance Brokers (CIB), ladies and gentlemen,

Good afternoon. It is my pleasure to speak at the CIB annual conference again.

The theme that you have chosen on specialty coverage and the contribution of brokers is more relevant than ever. Military conflicts in the Middle East has quickly turned the Strait of Hormuz into a chokepoint of global energy supply and a source of inflationary pressure that impact all aspects of our daily lives. Marine insurance is put into the limelight when some 400 hapless vessels remain trapped in the Persian Gulf with their cargos and seafarers, while war risk premiums soared to a historical high. The incident goes to show that multinational corporations, irrespective of their sizes and niches, must learn to cope with an increasingly complex and volatile risk environment that calls for bespoke mitigating plans. Although process automation and data analytics do offer us shorter response time and deeper insights, professional advice of brokers is still the defining factor of success in navigating through the treacherous terrain.

¹ Mr Qianli Shi, Chairman of CIB

Specialty insurance is also a cornerstone of our progressive transformation for sustained economic growth, anchoring on the role as an international financial, shipping, trading, and innovation and technology centre designated under the National 15th Five-Year Plan. Simply put, it is a strategic responsibility and a market imperative for Hong Kong to strengthen its finesses in mastering the art and science of specialty insurance. Let me elaborate further.

International Financial Centre

As an international financial centre, the mature capital market and robust financial infrastructures in Hong Kong are perfectly geared towards turbocharging the development of specialty insurance. For instance, we are leveraging the capital market to nurture an insurance-linked securities (ILS) ecosystem that can help bridge protection gaps and offer institutional investors with an additional and effective risk diversification tool. New initiatives in the pipeline such as the introduction of a legislative framework for protected cell company structures and a revised definition of eligible ILS investors should be able to accelerate the pace of enhancements. Meanwhile, official launch of the gold central clearing and settlement system as well as other developments on large commodities will ignite demands for specie insurance related to storage, refinery and transit of precious metals. My team at the Insurance Authority (IA) is already engaging with brokers to explore prospects arising from this exciting trend.

International Shipping Centre

Beyond financial might, Hong Kong is pivoting from a focal point of traditional port logistics to a provider of high-value maritime services. The commitment is manifested in commencement of operation by the Hong Kong P&I Club scheduled within this year and continuous expansion of the Marine Specialty Risk Pool launched in November 2025. With the Chinese shipping fleet manufacturing ranked at the top, Hong Kong has a lot to ponder on how it can better serve the country and present alternative solutions.

International Trade Centre

Moving to trade, Hong Kong is long recognized as a reliable gateway to the Chinese Mainland. Deploying unique advantages under the “One Country, Two Systems” principle, we have bolstered the number of captives set up in Hong Kong from four to nine within two years and enriched the mix to local multinational conglomerates as well as state-owned and privately-owned enterprises from the Chinese Mainland. Given that captives are risk management units at the core, brokers have an indispensable role to play in guiding their operations.

International Innovation and Technology Centre

Finally, Hong Kong is making some bold steps to upgrade its technological prowess and digital infrastructures by phased commissioning of data centres, computing power centres and research centres located in the Northern Metropolis. On the other hand, research projects and trial runs in commercial aerospace and autonomous driving are being rolled out. All these must be supported by specialty insurance and pulse-checked by experienced brokers.

Way forward

Looking ahead, the prominence of specialty insurance is set to rise. The IA Board has therefore decided to establish a dedicated working group on specialty insurance and welcome input from members of the CIB on targets and priorities. Since the Annual Conference of the International Association of Insurance Supervisors will take place in Hong Kong from 12 to 13 November 2026, I would like to conclude by urging you to register for participation and make use of the opportunity to exchange views with stakeholders from all over the world.

Have a fruitful and inspiring discussion for the rest of today. Thank you.