



THE WORLD BANK



IFC International
Finance Corporation
World Bank Group

Global Insurance Conference 2011

Developing Insurance in the Face of New Challenges

Capturing Solvency II and Market Inputs to Expand the Reach of Insurance

June 1-2, 2011

Preston Auditorium, World Bank Headquarters, Washington, DC

AGENDA

Wednesday, June 1

- 8:00-9:00 am** **Registration & Breakfast** *(MC Front Lobby)*
- 9:00-9:15 am** **Opening Remarks**
Lars H. Thunell, Executive Vice President, International Finance Corporation (IFC)
- 9:15-10:00 am** **Keynote Address: Shaping the Regulatory Environment in (Re)Insurance**
Speaker:
- *Carlos Montalvo, Executive Director, European Insurance and Occupational Pensions Authority (EIOPA)*
- 10:00-10:15 am** **Coffee break** *(MC Front Lobby)*
- 10:15-11:30 am** **Session I: The Road to Solvency II: The Regulatory View**
If regulations such as Risk-based capital, Solvency II, and the Swiss Solvency Test are implemented properly, it should create an environment in which the insurance industry can operate efficiently and promote financial stability and economic growth. The Solvency II framework is intended to act as a role model for regulatory modernization around globe, and is therefore of particular importance. Speakers from different regulatory bodies will discuss implementation of the Solvency II in their agencies. They will identify the key steps for implementation, including where they have succeeded and where they are encountering challenges.
- Moderator:** *Serap Gonulal, Senior Financial Sector Specialist, Non-Bank Financial Institutions, World Bank*
- Discussants:**
- *Craig Thorburn, Senior Insurance Specialist, Non-Bank Financial Institutions, World Bank*

- **Rob Curtis**, Director, Insurance Risk Advisory, KPMG
- **József Banyár**, Senior Advisor to the President, Hungarian Financial Supervisory Authority

11:30 am-12:45 pm Session II: Solvency II and its Implementation: Challenges for Market Participants

Speakers in this session will look at the effects that the implementation of increased Solvency II requirements will have on marketplace dynamics for private insurance and reinsurance companies.

Moderator: Rodney Lester, Consultant, Non-Bank Financial Institutions, World Bank

Discussants:

- **Tommy Persson**, President, Comité Européen des Assurances (CEA)
- **Thomas Schubert**, Head of Governmental Affairs, Munich Re
- **Mehmet Ogut**, Senior Manager, Actuarial & Insurance Solutions, Deloitte Consulting AG

12:45-2:00 pm

Luncheon

(MC 12th Floor Gallery)

2:15-3:30 pm

Session III: Trends in Catastrophe Insurance

- **Insurance and Climate Change:** *Historically, catastrophe losses have been highly volatile, with a strong upward trend. Global warming and the related higher risk of extreme weather conditions contribute to this trend. While climate change poses a significant threat to the insurance industry, it also offers enormous opportunities for (re)insurers to be part of the solution. The presenter will discuss how climate change can provide opportunities for innovation to the industry and how the industry is hedging against altered risk profiles stemming from climate change.*
- **Catastrophic Risks and Insurance:** *Developed countries often have advanced prevention measures in place and better infrastructure to limit the consequences of disasters. Economically, they also tend to purchase more insurance cover, which helps to finance the costs of reconstruction. The Earthquake in Haiti however was a stark reminder of the impact of sudden natural disasters, resulting in loss of life, disease, lack of basic necessities, and general property damage. The speaker will address how (re)insurers can help refocus the debate on risk management (e.g. building codes, access roads, emergency power supply) and the importance of contingency crisis plans (what have local risk profiles produced in terms of loss prevention concepts and disaster mitigation plans. How can developing countries also benefit from catastrophe insurance coverage? Can innovative catastrophe insurance solutions create more stability for (re)insurers in emerging markets?*
- **Linkages between Insurance and Safety & Recovery Networks:** *The catastrophe event has happened. Insurance companies will eventually pay out losses. Insurance penetration is still low, since people are not familiar with the concept and money may not be what people need first. How can the selection of (re)insurance companies play a role in providing assisting in recovery efforts?*

Moderator: Loic Chiquier, Manager, Non-Bank Financial Institutions, World Bank

Discussants:

- **Ajay Narayanan**, Head - Climate Business and Sustainability Unit, Global Financial Markets, IFC
- **Eugene Gurenko**, Lead Insurance Specialist, Non-Bank Financial Institutions, World Bank
- **Jan Mumenthaler**, Head of Insurance Services Group, Business Risk Department, IFC

3:30-4:00 pm

Coffee Break

(MC Front Lobby)

4:00-5:30 pm

Session IV: Innovations in Agricultural Insurance:

Farmers around the world are benefiting from risk transfer tools such as weather insurance, which help them cope with natural catastrophes that threaten their livelihoods. Some of the world's poorest countries are exposed to significant risks in their agricultural sectors such as drought, pest and disease. Risk transfer solutions can be effective in creating a stable, resilient farming industry, thereby helping to foster growth. The speaker will focus on current innovative tools (and practices) in agriculture insurance and the supporting role of the GIIF.

Moderator: Martin Buehler, Principal Insurance Officer, Global Financial Markets, IFC

Discussants:

- **Olivier Mahul**, Program Coordinator, Disaster Risk Financing and Insurance, World Bank
- **Gláucio Toyama**, Director – Agricultural Insurance, Mapfre Brasil
- **Peter Maina**, Senior Program Officer, Global Index Insurance Facility (GIIF)
- **Heather Anne Miller**, Consultant, Access to Finance Global Agrifinance Advisory, IFC

5:30-7:00 pm

Opening Cocktail & Hors d'oeuvres Reception

(MC Front Lobby)

THURSDAY, JUNE 2

- 8:00-9:00 am** **Breakfast** *(MC Front Lobby)*
- 9:00 -9:30 am** **Keynote Address on the Increase of Sustainable (Re)Insurance Markets in Emerging Economies**
Speaker:
- *Rolf Hüppi, Founder and Chairman, ParaLife*
- 9:30-10:45 am** **Session V: Expansion of Insurance while Increasing Policyholder Protection Measures**
The main purpose of supervision and regulation is to protect policyholders from financial loss. The speakers will discuss how the following practices could protect policyholders.
- **Distribution channels: Overselling vs. Tailored Demand-Driven Products**
 - **Risk-Based Supervision**
 - **Policyholders' Protection Scheme**
- Moderator: Warren Isom, Executive Vice President, Willis Re Inc.*
Discussants:
- *Rodney Lester, Consultant, Non-Bank Financial Institutions, World Bank*
 - *Rana Tahboub, Acting Director-General, Insurance Commission of Jordan*
 - *Darrell Leadbetter, Chief Economist and Vice President of Financial Analysis and Regulatory Affairs, Property and Casualty Insurance Compensation Corporation (PACICC)*
 - *Sammy M. Makove, Commissioner of Insurance and CEO, Insurance Regulatory Authority, Kenya*
- 10:45-11:15 am** **Coffee Break** *(MC Front Lobby)*
- 11:15 am-12:30 pm** **Session VI: Islamic Insurance/Takaful**
On the surface, Takaful appears to be similar to the conventional mutual insurance concept. But upon closer inspection, the vast majority of Takaful companies today operate as stock companies. Unlike traditional mutual companies, Takaful companies are hybrid companies that are profit oriented and capitalized like any other ordinary stock company. We intend to give a perspective on the Takaful concept, structure, and practice, and its sustainability across new markets.
Moderator: Cetin Alanya, Managing Director, Dubai Group Insurance
Discussants:
- *Alberto Brugnoli, Founder and Chairman of the Board, ASSAIF, Italy*
 - *Zainal Abidin Mohd.Kassim, Senior Partner, Actuarial Consulting Sdn Bhd, Malaysia*
 - *Ajmal Bhatti, President and CEO, Tokio Marine Middle East Takaful, Dubai*

12:30-2:00 pm

Luncheon Address on the Future of Bancassurance

(Preston Lounge)

Though bancassurance has traditionally targeted the mass market, banc assurers have begun to finely segment the market, which has resulted in tailor-made products for each segment. The quest for additional growth and the desire to market to specific client segments has in turn led some banc assurers to shift away from using a standardized, single channel sales approach to adopting a multiple channel distribution strategy. The speaker will discuss good practices in the bancassurance sector and the critical success factors going forward.

Speaker:

- **Harpal Karicut**, Deputy Regional Head Insurance, North America, HSBC

2:15-3:30 pm

Session VII: Motor Third-Party Liability Insurance - Transitioning from a Tax to a Benefit

Motor insurance is probably the most important type of insurance sold in emerging and developing countries and may be the first class of insurance with which the general public is acquainted. But in these countries, it is still seen more as a tax than a benefit in the public eye. The speaker(s) will discuss how to gain the trust of the motoring public and the main components of the transparent, efficient and equitably run MTPL system.

Moderator: Serap Gonulal, Senior Financial Sector Specialist, Non-Bank Financial Institutions, World Bank

Discussants:

- **Elisabeta Gjoni**, Chairperson, Financial Supervisory Authority, Albania
- **Ricardo de Sá Acatauassú Xavier**, CEO, Seguradora Líder dos Consórcios do Seguro DPVAT, Brazil
- **Selamet Yazici**, Deputy Director, General Directorate of Insurance, Undersecretariat of Turkish Treasury
- **Yves-Daniel Cochand**, Managing Director, Property & Specialty, Swiss Reinsurance Company Limited

3:30-3:45 pm

Coffee Break

(MC Front Lobby)

3:45-4:15 pm

Innovations in Life and Health Insurance

Speaker:

- **Alexander Preker**, Head of the Health Industry Group and Health Investment Policy Analysis, Investment Climate Advisory Services, The World Bank Group

4:15-5:30 pm

Session VIII: Linkage of Banks/Credit with Insurance:

- **Insuring the Financially Exposed/Underinsured**

At the Micro level, this topic of the session will focus on:

- *The prevalence of credit life as one of the most widespread form of microinsurance, which essentially provides benefits to the lender.*

- *The additionality of microinsurance as a mechanism to mitigate those risks that neither credit nor savings can address.*
- *Difficulties to reach out the insured for protection and not only the lender alone. Is Public awareness the obstacle? Would mandatory insurance of credit be satisfactory?*
- *The adequate insurance protection that Microfinance Institutions need against catastrophic risks.*
- **Political Risk Programs:**
Political Risk insurance can be a catalyst to successful contract completion, giving the sponsor of a project protection and financial security. How does the capacity look in Emerging Markets? How has your experience and the demand for your product changed over the past 2 years, and what can be expected in the coming year?
- **Ratings of Insurance Companies in Emerging Markets:**
In the developed world, the decision to buy insurance from a partner often includes some deliberation on the rating (as a proxy to financial strength) of the insurance carrier. In Emerging Markets, ratings are much less prevalent, not in the least due to the related cost. Would it be meaningful to expand the number of rated insurance companies in Emerging Markets? What could be a process to accelerate such development and how relevant would ratings be for markets with often an overabundance of carriers and limited public availability of financials?

***Moderator: Martin Holtmann**, Chief Microfinance Specialist, Global Financial Markets, IFC*

Discussants:

- ***Richard Leftley**, President and CEO, MicroEnsure*
- ***Gero Verheyen**, Underwriter – Reinsurance Syndications Group, MIGA - Multilateral Investment Guarantee Agency, The World Bank Group*
- ***Matthew Mosher**, Senior Vice President of Global Ratings, AM Best Company*

5:30 pm

Closing Remarks followed by a Cocktail Reception

(MC Front Lobby)