



ENHANCING  
LIFE INSURANCE  
REGULATORY  
REGIMES IN  
**ASIA**

Regional Symposium • November 1999



PROGRAM REPORT AND RECOMMENDATIONS

ENHANCING LIFE INSURANCE  
REGULATORY REGIMES  
IN ASIA

Regional Symposium • November 1999

PROGRAM REPORT AND RECOMMENDATIONS

ISBN No. 1 876238 19 4  
Australian APEC Study Centre  
Monash University City Campus  
Level 12, 30 Collins Street  
Melbourne Victoria 3000  
Australia  
[www.apec.org.au](http://www.apec.org.au)

## Contents

Forward	4
Acknowledgments	5
Executive Summary	6
Session I Global and Regional Regulatory System Challenges	8
Session II Business Perspective on Current Regulatory Regimes	10
Session III Emerging Life Insurance Product Changes: Pension System Developments and Impact on Regulation	12
Session IV New Regulatory Approaches	13
Session V Multilateral Agencies and Regulatory Changes in Life Insurance and Pension Systems	15
Session VI In Search of World's Best Practices for Life Insurance Regulatory Systems	17
Session VII Barriers to Change	19
Session VIII Future Steps	21
Symposium Speakers	23
Regional Regulators	24

## Foreword

In 1998, the Australian Commonwealth Treasury announced the creation of a Task Force to help assist the Asia Pacific region in recovery from the economic crisis. While recognising the considerable work that has been done by the World Bank, the International Monetary Fund (IMF) the Asian Development Bank (ADB) and South East Asian Central Banks (SEACEN) to support economic and financial stability in Asia, the Task Force aimed to identify specific areas where Australia could contribute to international reform.

The Task Force identified some key reforms to the international financial system and noted that the Australian government and financial institutions should cooperate in providing assistance to help develop regulatory systems in the Asia Pacific region.

In response to the Task Force request, the *Enhancing Life Insurance Regulatory Regimes in Asia Program* was developed. The program utilised the expertise housed in Australian government, private and university sectors to develop a unique initiative aimed at strengthening regulatory weaknesses in Asia's life insurance industry.

The *Enhancing Life Insurance Regulatory Regimes in Asia Program* was designed to take place in two tiers, consisting of a high level *Symposium* followed by a supportive *Training Course*.

Chief life insurance regulators from Fiji, SAR Hong Kong, India, Malaysia, the Philippines, Singapore, Thailand and Vietnam contributed to Symposium proceedings. The Symposium was strongly support by Australian regulators, including the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investment Commission (ASIC).

The Symposium took place on November 17th and 18th 1999 in Melbourne Australia.

This report comprises the outcomes statements and recommendations made by symposium participants.

The report and symposium papers are available electronically on the Australian APEC Study Centre web page on [www.apec.org.au](http://www.apec.org.au).

## Acknowledgments

The *Enhancing Life Insurance Regulatory Regimes Symposium* was developed as the first stage of a pilot project aimed at safeguarding the life insurance industry in Asia. The program was developed cooperatively by Australian Government Authorities, Industry Groups and University Bodies.

The principal planners of the program were the Australian Prudential Regulation Authority (APRA), Colonial Limited, AXA Asia Pacific Holdings, and the Australian APEC Study Centre housed at Monash University. The program was benefited by the advice and expertise provided by the Australian Commonwealth Treasury, the Australian Securities and Investment Commission (ASIC), and the Department of Foreign Affairs and Trade (DFAT).

The program was initiated by Mr Ken Waller, Group Senior Economic Adviser at Colonial.

The major sponsor of the program was the Australian Agency for International Development (AusAID). Other sponsors included Colonial Limited, AXA Asia Pacific Holdings and the Australian APEC Study Centre.

The following individuals composed the Advisory Committee for the *Enhancing Life Insurance Regulatory Regimes in Asia Symposium*: Ms Dhammika Amukotuwa, Principle Lawyer at ASIC; Mr Tony Anderton, Business Manager International at AXA; Ms Jo Bosben, Assistant Director of the Australian APEC Study Centre; Mr Bob Glading, Consultant at Ernst and Young; Mr Jules Gribble, Actuarial Consultant at Colonial; Mr Stephen Joske, APEC Manager at the Australian Treasury; Mr Alan Oxley, Chairman of the Australian APEC Study Centre; Ms Carol Quertier, Communications Manager at AXA; Mr Craig Thorburn, General Manager of the Diversified Institutions Division at APRA; Mr Ken Waller, Group Senior Economic Adviser at Colonial; and Ms Rose Webb, Director of International Relations at ASIC.

Key speakers in the Symposium included: Mr Alan Cameron, Chairman, the Australian Securities and Investment Commission; Prof Ian Harper, Melbourne Business School, Australia; Dr Knut Hohlfeld, International Association of Insurance Supervisors, Switzerland; Senator Rod Kemp, Assistant Treasurer of Australia; Mr Rodney Lester, Actuary and Insurance Executive, World Bank; Mr Raymond Ong, Assistant Director, Life and Actuarial Division, Insurance Department at the Monetary Authority of Singapore; Mr Andrew Penn, Chief Executive of AXA Asia Pacific Holdings International; Ms Julie Rogers, Senior Banking Sector Specialist, Asian Development Bank; Mr Peter Smedley, Group Managing Director and CEO of Colonial Limited; Mr Graeme Thompson, Chief Executive Officer, the Australian Prudential Regulation Authority; and Mr Alan Wong, Insurance Commission, SAR Hong Kong.

The sponsors of the program are particularly grateful to the Senior Regulators from Fiji, SAR Hong Kong, India, Malaysia, the Philippines, Singapore, Thailand and Vietnam for contributing their expertise and experience to the proceedings.

The program was organised and managed by the Australian APEC Study Centre. The management staff was led by Ms Jo Bosben, Assistant Director of the APEC Study Centre. The sponsors would like to acknowledge and thank Mr Tim Thornton, Program Development Officer, and Ms Andrena Gorman, Project Officer, both of the Australian APEC Study Centre for their work on this program.

This report is based on an edited compilation of speeches and moderators' notes. The report has been written by Ms Jo Bosben, Assistant Director of the Australian APEC Study Centre. If you have questions or comments, please contact the Australian APEC Study Centre on telephone: 61-3 9903 8757, facsimile: 61-3 9903 8813, or email: [apec@arts.monash.edu.au](mailto:apec@arts.monash.edu.au).

## Executive Summary

The life insurance industry has become an important component of financial system operations in the Asia Pacific region. Prior to the Asian crisis, life insurance had become the fastest growing insurance business in the world. However, the Asia crisis highlighted significant weaknesses in the industry in Asia, and in regulatory standards and practices that apply in the region. Those weaknesses put at serious risk the long-term savings of many people in Asia and they raised serious questions about how the regulatory environment might be strengthened.

The *Enhancing Life Insurance Regulatory Regimes in Asia Symposium* provided a forum for dialogue between regional regulators and senior industry representatives. During two days of discussions, participants were able to:

- exchange information on regulatory systems and the differences that exist between countries;
- examine industry concerns regarding some aspects of existing regimes in Asia;
- assess the main objectives of regulatory systems; and
- explore new core principles that are becoming common in many countries in the world.

The Symposium marked the first time that representatives from international insurance companies met directly with senior regulators from Asia to examine ways in which financial management could be improved through regulatory reform and technical training of regulators and supervisors. Participants included 23 senior regulators from Australia, Fiji, India, the Philippines, SAR Hong Kong, Malaysia, Singapore, Thailand and Vietnam, as well as representatives from Colonial, AXA, the Investment and Financial Services Association (IFSA), the Asian Development Bank, the World Bank and the International Association of Insurance Supervisors (IAIS).

The Symposium highlighted the following themes:

- the importance of sound standards of corporate governance;
- the impact of globalisation and electronic communications on life insurance regulation;
- the role of external auditors;
- the role of the actuary;
- processes of identifying and managing risk;
- establishing and enforcing prudential regulation and market conduct standards;
- the use of capital markets; and
- the blurring and convergence of products.

Symposium participants examined the important role that life insurance companies play in form of financial system intermediation in facilitating domestic savings. As key mobilisers of national savings and venture capital, need for life insurance companies to maintain solvency was viewed as critical.

Industry representatives in the Symposium provided insights into the changing international environment of insurance company operators. Speakers indicated that allowing foreign providers to operate in a country could in many ways strengthen local financial systems. Standards, such as actuarial and accountancy standards, from developed economies could be transferred. Industry representatives also highlighted the importance of competition to fair and stable financial systems and the crucial role of consumers. The need for regulators to focus on macro management in industry to ensure solvency and capital adequacy was stressed.

Symposium participants agreed that existing regulatory arrangements in Asia tend to be weak and overly prescriptive. Participants stressed that the regulatory system in developing Asian economies has been made vulnerable by narrow and change-resistant regulatory strategies.

In search for new frameworks, symposium participants compared different regulatory systems

*The Symposium marked the first time that representatives from international insurance companies met directly with senior regulators from Asia to examine ways in which financial management could be improved through regulatory reform and technical training of regulators and supervisors.*

*Life insurance markets throughout Asia have come to represent an important vehicle for long-term savings.*

*The challenge in financial system management is providing opportunities for effective cost delivery and innovation while also maintaining a sound prudential regime for the protection and interests of the general public.*

currently in operation. Participants focused on regulatory policies that free up markets while strengthening financial systems. International standards and practices as outlined by the International Association of Insurance Supervisors (IAIS) and the World Bank were examined for this purpose.

*The regulatory framework is dependent on the individual characteristics of the country – One size does not fit all.*

Focusing on the life insurance sector, participants examined regulatory weaknesses that contributed to financial system vulnerability in Asia during the crisis of 1997-98. Principally, these weaknesses were prudential regulation and standards of market conduct.

A move towards internationalisation of regulation, similar to that that has taken place in the banking sector through the Basel Committee on Banking Supervision, is emerging in the life insurance sector. While accepting that one regulatory framework will not fit all jurisdictions, it was generally agreed by symposium participants that a set of internationally agreed-to standards and practices would be of benefit. The IAIS, which has established itself as the international standards setting body in the area of insurances and whose standards have been adopted globally in over 100 jurisdictions, outlined the types of standards that will serve to safeguard life insurance systems. They include:

- licensing criteria;
- adequate solvency measures and technical provisions;
- regulation of investment;
- standards of corporate governance, particularly relating to boards of directors;
- actuarial training and resource standards; and
- monitoring standards for the reinsurance business.

In implementing more effective regulation, regional participants stressed that there are barriers to change in all economies. These include:

- inconsistency of data and definitions of information collection;
- new technology – the challenge posed to regulators, and in some instances national boundaries, due to the Internet;
- lack of exchange of information between regulators in different financial sectors; and
- inadequate levels of resourcing and funding available to regulatory authorities to improve knowledge, training and standards.

*Ongoing and specialised training in the area of insurance regulation and supervision will serve to stabilise Asia's finance system and strengthen regional relations.*

The Asia Pacific region is rapidly changing. To address specific capacity building requirements of officials in their regulatory agencies, senior regional regulators in the Symposium outlined the types of issues they would like incorporated into specialised training courses. The highlighted issues were:

- macro economic and structural policies essential to financial system stability and crisis prevention;
- international best practice and IAIS Core Principles in the area of life insurance;
- the problems associated with guarantees to policy holders;
- the role of the actuary; and
- e-commerce and insurance regulatory issues.

Regional regulators stressed that the process of meeting long-term training needs and human resource development will require ongoing support and cooperation between industrialised and developing economies.

The recommendations made in this Symposium were used to help shape the second stage of the *Enhancing Life Insurance Regulatory Regimes in Asia Program* – a practical and intensive two-week training course for officials from regional regulatory and supervisory agencies.

## Session I

## Global and Regional Regulatory System Challenges

The Asian economic crisis has helped to focus governments and international business on the importance of international financial stability and best practices in prudential regulation. The phenomenal growth of the life and non-life insurance sectors over the course of the past ten years in developing Asian economies has brought the question of regulation of insurances to the forefront of public discussion. There is increased interest in raising the standard not just of prudential regulation but also of transparency in the marketplace in general.

*(Mr Peter Smedley, Group Managing Director at Colonial Limited)*

This Symposium is a wonderful opportunity for government, business and consumer representatives from throughout the region to work collaboratively, sharing their experiences and knowledge. It is an ideal forum to develop best practices in regulation, and to build the Financial Services industries of the future. AXA are tremendously excited to be involved in this landmark event.

*(Francois De Meneval, Chief Executive International – AXA Asia Pacific Holdings)*

Mr Graeme Thompson, Chief Executive Officer of the Australian Prudential Regulation Authority (APRA) introduced the session by giving an overview of the type of regulatory reform that Australia has undergone through the 1990's. He concentrated on the impact of the Wallis Inquiry, conducted at the request of the incoming Liberal Government in 1995 that created the Triple Peak approach to financial system regulation. The inquiry recommended that prudential regulation be separated from management of monetary policy and market conduct issues. The Reserve Bank of Australia remained responsible for monetary policy, however, the responsibility of prudential management of banking, securities and insurances was placed in the hands of a newly created authority – the Australian Prudential Regulation Authority. APRA's principle goal is to ensure the financial soundness of an institution's capital base.

The Australian Securities and Investment Commission, on the other hand, became a national institution responsible for regulation of securities and consumer protection issues in 1991. The organisation has evolved through the 1990's, and as noted by Mr Alan Cameron, Chairman of the Australian Securities and Investment Commission (ASIC), the Commission now monitors and regulates superannuation schemes in Australia.

The speakers highlighted four main issues that have led to significant regulatory changes in the Asia Pacific region, including Australia, and that will challenge future regimes. These issues are:

1. the internationalisation of regulation;
2. the impact of globalisation and technology on financial products and markets;
3. the role of the Board and management of financial institutions; and
4. market conduct and disclosure to customers.

Although the process internationalisation has impacted on the structure and operations of banks and securities institutes around the world for some years, in many ways it was the fallout of the Asian economic crisis that demanded that international groups and agencies focus on international financial stability and best practice standards in prudential regulation.

As noted by Graeme Thompson, the interest of regulatory agencies is now extending beyond banking to insurance and reinsurance. The international agencies in question, including the International Association of Insurance Supervisors, are concerned with raising the standard of prudential regulation and with promoting transparency in the market place about the condition of insurers. The ultimate interest, he stressed, is in the contribution that regulatory changes can make to the overall health of financial systems.

Symposium participants agreed that internationalisation of financial regulation could improve prudential regulation and lead to enhanced market conduct standards. However, they stated that other issues, such as accountancy standards within regional regulatory institutions, must be strengthened to ensure that transparency is deliverable.

*The internationalisation of financial regulation has altered the way banking business is conducted around the world. On one hand it has created challenges for cross-boarder relationships, and on the other hand it has demanded that markets operate in an open and transparent manner.*

*We can without any hesitation call the challenge of the century – the revolution brought about by rapid advancements in electronic communications and the resulting e-commerce.*

Although it was once the case that financial products possessed unique and individual characteristics, globalisation – or the internationalisation of financial systems – has altered this. Where once the characteristics could be based on the nature of the product being sold, the company selling the product or the specific regulations applied to that product and company in question, there is now a blurring of boundaries between products and services.

The falling-away of distinct boundaries that surround both financial products and companies is referred to as convergence. Many factors can account for this universal shift in the way financial products are bought and sold, such as changes in exchange rate deregulation that have encouraged foreign investment opportunities in most jurisdictions. As discussed by both Graeme Thompson and Alan Cameron, the benefits of increased competition in financial markets around the world have been reduced costs and greater product innovation. For example, several financial services (such as combination banking and life insurance or superannuation arrangements) can now be offered in the same product and these products can now straddle different regulatory regimes.

Symposium participants highlighted two key regulatory challenges that relate to the blurring of traditional boundaries:

- the challenge to national sovereignty as rapid advances in technology enable products to be purchased in parts of the world where they are not regulated and may not be recognised; and
- the challenge for regulators to be equipped to deal with a growing array of financial system complexities, such as regulatory arbitrage, risk management, double-gearing of capital and cross selling of products.

Regulators should view the increased size and sophistication of financial firms as a challenge and an opportunity. The challenge presents itself for reasons such as the difficulty in monitoring activities across borders and the need for improved risk measurement and management practices. The opportunity to regulators includes the prospect of enforcing stronger internal risk management procedures among management staff and Boards of Directors.

Symposium participants supported the concept of self-regulation among companies for two reasons. Firstly, it enables financial institutions to act as aids and support to the prudential system in operation. Secondly, it helps to avoid the “one size-fits-all” model of regulation, wherein risk profiles are not specially tailored to a company’s unique business operations.

Effective regulation of financial systems protects against systemic risk while also ensuring the best interests of consumers are met. As outlined by Alan Cameron, consumer protection is important to the efficient operation of financial markets for two central reasons. Consumer protection provides a level of confidence to consumers enabling them to invest their funds in particular products. It also promotes economic growth by enhancing the free flow of investment capital through financial markets.

Symposium participants acknowledged that the assurance of sound markets and adequate consumer protection will require that regional regulatory authorities address competition, disclosure, and market conduct standards issues in determining regulatory policy.

*As organisations become bigger, and the number of financial services they perform and products they sell increase, the need for more effective regulation also grows.*

*Consumers are best served when the markets supplying them with financial products and services are highly competitive and innovative while at the same time being subject to sufficient controls.*

## Session II

## Business Perspective on Current Regulatory Regimes

The most significant changes that have affected how insurance companies conduct business and design products in the past twenty years are due to changes in the way people live. This includes increased life expectancy, income growth and poverty reduction, and improved levels of education.

*(Mr Rangachary, Chair of the Insurance Regulatory Authority of India and Session Chair)*

Session II enabled the business perspective to be heard by regional regulators and in this way provided the opportunity for business-to-regulator direct discussion. Two of Australia's leading life insurance investors in Asia presented on their experiences and assessments of the major trends that confront the life industry in the Asian region. The presenters were Mr Andrew Penn, Chief Executive International from AXA Asia Pacific Holdings and Mr Peter Beck, Group General Manager for Strategic Development at Colonial Limited.

*The primary objective of any company is to maximise the wealth of its owners.*

If the goal of any company is to ensure that its owners make profits on investments, than as stressed by Andrew Penn, the goal for insurance companies, wherein the consumers and the owners are often one in the same, is to ensure that owners and consumers make profits and that the interests of both are protected. However, he also noted that the convergence of interests between the shareholder and the consumer has not necessarily lessened the need for effective regulation.

*In Australia, we have seen a significant increase in the amount of regulation surrounding the conduct of agents in the market.*

Because provision of timely and accurate information to the consumer is often not enough to ensure that the consumers interests are best met, the role of the intermediary becomes crucial. The intermediary – the individual who gives advice to the consumer on the types of products and services that would be suitable for them – is required by international standards to possess relevant and up-to-date knowledge and expertise and act with integrity when advising consumers on purchases. Legislation exists in Australia to guide the behaviors of intermediaries in the insurance industry. Also in operation in Australia is a Code of Practice for insurance agents and brokers. Although Codes of Practice exist in countries throughout Asia, they are enforced to varying degrees.

*In recent years many Asian economies, including Singapore, Malaysia and Hong Kong, have moved to adopt international standards for assessing assets and reserves. So too have these countries moved to introduce the system of an Appointed Actuary to reflect accurate pricing and reporting standards.*

In his presentation, Mr Peter Beck directed attention to importance of reporting standards within financial institutions, particularly insurance companies. Attention was called to the need for accurate reporting of profits within a company and the adoption of measures to ensure that proper evaluation of assets and liabilities takes place.

Symposium participants agreed that sound accounting and financial reporting standards are important. They acknowledged that a set of international standards would be useful, however they stressed that it is unlikely that national governments will agree to the absence of their own standards even when the international standards are accepted. Participants noted that further discussion would be useful to help overcome the costs associated with having to prepare two separate sets of financial statements, one set out according to corporate law regulations and the other set out according to prudential regulations.

Participants in the *Enhancing Life Insurance Regulatory Regimes in Asia Symposium* outlined several benefits can accrue to a country that allows foreign firms to operate within its national borders. Participants also noted that foreign operators and host regulators should consider certain regulatory issues when cross-boarder business takes place.

Benefits:

- The introduction of new technology and greater sharing of information;
- The opportunity to access alternative distribution systems;
- Increased competition that can help to drive inefficient or inept firms out of the market and lower prices for consumers;
- A greater choice of products to suit more consumers' needs;

- The potential to utilise cross border service delivery with corresponding regulatory cooperation between jurisdictions;
- The potential to lift regulatory and corporate governance standards of local firms.

Regulatory issues:

- Subsidiaries and branches should operate according the rules of the host country, with the possible exception of solvency requirements, which may require that the branch recognise the provisions of both the home and host jurisdictions;
- The effectiveness of an insurance group's operations in a foreign jurisdiction should be monitored by the regulators of the home country to prevent conflict between corporate structures and effective regulation;
- Information exchange and collaboration between host regulators and foreign insurance bodies should take place on a regular basis;
- When the cross boarder sale of insurances takes place directly between a company and an individual, host regulators and supervisors should check that the foreign operator is subject to acceptable prudential regulation and capital adequacy standards.

## Session III

## Emerging Life Insurance Product Changes; Pension System Developments and Impact on Regulation

Major changes are impacting on the life insurance industry in Asia arising from shifts in demographics in societies and the effect that this is having on policies relating to the aged and to the provision of incomes in retirement through mandated or voluntary pension systems.

*(Mr Alan Wong, Commissioner of Insurances, SAR Hong Kong)*

The markets that make up the Asia Pacific are undergoing rapid change. It is not simply the economic, social and regulatory differences that are impacting the shape of life insurance systems, but how each market addresses the challenges that it is facing. Principle factors that are influencing life insurance system restructuring in Asia include:

- longer life expectancies and changing family structures;
- increases in levels of affluence;
- increases in consumer awareness and sophistication;
- increases in competition from the opening of markets; and
- the introduction of new products and services.

Symposium participants discussed the types of insurance sector reform programs taking place in their jurisdictions and how products and services provided by companies must be shaped to meet the needs of rapidly changing societies. In particular, participants highlighted the need for alternative support structures to compensate for changes in traditional family units. Alternative systems of support include – public and private pension schemes, retirement and aged health care plans and long-term care systems.

Participants agreed that consumer confidence is vital to ensuring that long-term savings and investments generated through life insurance and pension schemes remain stable. For this reason, regional regulators stressed the need for insurance companies to respond to changing consumer needs and the need for regulators to establish competitive and well-regulated market environments.

It was suggested by Mr Ken Waller, Group Senior Economic Advisor at Colonial, that the region will move towards a more effective system of regulation as the process of macro-management replaces that of micro-management in regulatory authorities. He emphasised the role of open and fair markets in determining product structure as opposed to relying on specific product approval processes.

Symposium participants indicated that the types of public policy issues that will command close examination of regional regulatory authorities, governments, consumers and other key stakeholders are:

- The reform of pension systems;
- The prospect of private funding for health and education; and
- The development of long-term bond markets.

*How each country and its regulatory authorities deal with forces such as the speed of technological change, the globalisation of business, and the impact of trade and investment liberalisation regimes will affect the quality of financial services available to consumers.*

*The development of efficient systems presents opportunities and challenges to regulators and businesses alike.*

## Session IV

## New Regulatory Approaches

Regulators and supervisors are generally catching up with the innovative developments of financial institutions. Hence, the importance of operational controls, risk management procedures, rating agencies' transparency, market discipline and so on cannot be over emphasised. In Asia, the question is how much have such influences as well as general economic and social issues, already affected the regulatory requirements and supervisory techniques in financial systems, and particularly the life insurance industry, and what further changes are in prospect.

*(Mr Bob Glading, Consultant at Ernst and Young and Session Moderator)*

Symposium participants were asked to examine and compare new regulatory policies and strategies. The session used a moderator to set the scene for the breakout discussion groups, and facilitators to encourage interaction in these groups. Suggested discussion topics included:

- What are the key regulatory challenges ahead in your country and will there be any changes (or non-changes) to policy?
- What has been the impact of the Asian economic crisis on regulatory policy and frameworks in the region and specifically in your jurisdiction?
- How have globalisation, technology and competition affected domestic industries and regulatory regimes?
- How has the role of foreign firms in domestic industries impacted on competition with local players – what regulatory approaches are needed to manage this?
- How can the regulator best manage the interests of consumers and business?

A brief overview of the session revealed three main factors influencing the pressure for regulatory change through much of the world:

- the series of financial crises in a number of regions over the past ten years;
- the emergence of financial conglomerates both domestically and internationally; and
- the fundamental improvements in technology and communications.

In general, all participants showed a strong interest in the types of regulatory challenges that are happening in other countries. As suggested by one of the group facilitators, Mr John Maroney, Investment and Financial Services Association (IFSA) Spokesperson and Principal of Strategic Reform at Trowbridge Consulting, this in part reflects the participants' interest in the different stages of development of participating countries in this Symposium. It also reflects the need among regulators to have a reasonable shared level of understanding of each other's viewpoint before useful discussion of New Regulatory Approaches can take place.

After a half-hour of small group discussions, regional regulators and industry representatives reconvened to review the highlights and key outcomes. As noted by Mr Bob Glading, the moderator of the session, similar themes and conclusions were made by each of the groups. The key outcomes of the group discussions are summarised as follows.

- Regulatory structures differ considerably throughout the region for various reasons. Symposium participants stressed that New Regulatory Approaches will need to take account of the different level of economic development that each country faces.
- Participants agreed that market conduct issues should be dealt with alongside prudential regulation in structuring new regulation.
- Participants noted that regulatory approval is required by many but not all countries for products and pricing before issue. They agreed that this might be dispensed with as the industry in Asia develops.
- Participants indicated that they regarded rating agencies as providers of additional information to the regulator, but stated that the agencies were not a requirement in most jurisdictions. The use/purpose of rating agencies was recommended for consideration in associated training activities.

*Regional regulators agreed that the challenge is to enforce sound standards and practices while also encouraging competition and innovation in financial systems.*

- Participants stated that while investment controls remain important, there are signs of some limited regulatory relaxation.
- Participants agreed that there will be many regulatory challenges arising from e-commerce. They recommended that this issue be picked up in future regional meetings and associated training activities.
- Participants stressed that the lack of properly trained actuaries in developing countries will inhibit effective regulatory system reform. Participants noted that cooperative efforts between regional universities may help to overcome this problem.
- Participants mentioned that while many reinsurance companies are licensed in Asia, they are often regulated and supervised differently than direct companies.

## Session V

## Multilateral Agencies and Regulatory Changes in Life Insurance and Pension Systems

A stable and vibrant financial system, one that intermediates between savers and investors, is fundamental to economic growth. Evidence shows that a problem ridden financial system can bring about an economic breakdown notwithstanding a country's high domestic savings rates.

(Mr Narasimham, Financial Analyst from the ADB)

Life insurance and pension systems form an important core of the contractual savings system in Asia. The pool of resources for capital formation comes directly from the life insurance premiums collected by insurance companies. As stressed by Ms Catherine Prime, Director of P & K Actuaries, P & K World (Australia) and Session Chair, it is the profitable investment of such resources that safeguards the future value of the policyholder's claims. Symposium participants agreed that for this reason, regulation of insurance companies is of paramount importance.

Ms Julie Rogers, Senior Banking Sector Specialist from the ADB, discussed the degree that developing member countries (DMCs) of the Asian Development Bank have been subject to different regulations ranging from activist and prescriptive to prudential. In some DMCs, a state monopoly runs the life insurance industry. The ADB has supported reforms of life insurance regulations in DMCs in moving from an activist to a prudential supervision system. With this goal in mind, the ADB has conducted significant policy dialogues with its DMCs to support movement in this direction. Representatives from the ADB in the Symposium indicated that the aim of these policy dialogues is to enhance the efficiency of the financial intermediation function of life insurance while protecting the long-term savings of the policyholders. Julie Rogers reviewed several technical programs that the Bank is running to assist life insurance regulatory authorities in selected countries in South and South East Asia.

Regulation of pension systems is closely aligned with life insurance. As outlined by the ADB and the World Bank, Asian countries have begun to implement different types of pension systems ranging from pay as you go (PAYG), to partially funded to fully funded public and private systems. Like the funds collected by insurance companies, the contributions collected by pension funds also form an important pool of resources by which to augment domestic savings. Prudential regulation and supervision of both pension and life insurance funds provides protection to contributors against losses arising from poor investment decisions and fraudulent practices.

Mr Rodney Lester, Actuary and Insurance Executive from the World Bank in his presentation discussed how multilateral agencies should support regulatory reform in developing economies by focusing in on solvency and liability standards. He suggested that the World Bank become involved in work to draft international standards in this area. He also highlighted the importance of licensing arrangements, on-site supervision and derivatives, which are already covered by the International Association of Insurance Supervisors' (IAIS) set of standards.

Following the separation of the World Bank's Financial Sector activities from its Infrastructure and Private Sector Development activities, three main program areas have evolved. These include:

1. reducing the vulnerability of financial systems and developing resilience;
2. increasing financial system efficiency and supporting the role of the financial sector in promoting growth; and
3. facilitating access to key financial services by the poor and by SMEs.

Although supervision is missing from this list, Rodney Lester indicated that the Bank's insurance unit and the International Finance Corporation (the private investing arm of the World Bank), will likely work cooperatively with other groups like the IAIS to address issues of good governance and to offer technical assistance.

*Closely aligned with the question of regulation of life insurance arises the question of regulation of pension systems.*

*The World Bank's active involvement in the financial sector is a relatively recent phenomenon. It follows growing recognition that there is a connection between the real sector and stable financial intermediation.*

*There is a need to consider strategic approaches to ensure fairness and competition.*

In responding to talks made by the ADB and the World Bank, Mr Hin-yiu Mok, the Assistant Commissioner of Insurances in Hong Kong, reflected on Hong Kong's development. He said that due to various policy reforms implemented since 1983 (when a comprehensive regulatory framework for the prudential regulation of the insurance business in Hong Kong was introduced) the prospect for life insurance and pension business in Hong Kong is now optimistic. He indicated that multilateral agencies have helped to contribute to effective prudential regulation of life and pension industries there.

Mr Raymond Ong, Assistant Director, Life and Actuarial Division, Insurance Department at the Monetary Authority of Singapore (MAS), commented that Singapore is moving towards a 'lighter-touch' model of regulation and supervision. MAS is encouraging a greater degree of self-regulation by companies and is promoting an Appointed Actuary regimes that stresses good corporate governance, high actuarial standards and improved levels of disclosure.

Mr Mark Pierce, Assistant Secretary of Services Trade, Intellectual Property and Electronic Commerce at the Department of Foreign Affairs and Trade in Australia, questioned how multilateral agencies might help to address regulatory issues through trade groups. However, he stressed, and other participants agreed, that regulation should not necessarily restrict trade.

## Session VI

## In Search of World's Best Practices for Life Insurance Regulatory Systems

Similar to the 'Core Principles for Effective Banking Supervision' and the 'Objectives and Principles of Securities Regulation', the International Association of Insurance Supervisors (IAIS) has developed 'Insurance Core Principles' for insurance supervision. They have been supplemented by a Guidance on Insurance Regulation and Supervision for Emerging Market Economies and several more detailed supervisory standards and principles papers, covering for example licensing, on-site inspections, derivatives, asset management and conduct of business. The IAIS is continuing this work in order to maintain efficient, fair, safe and stable insurance markets for the benefit and protection of policyholders.

*(Dr Knut Hohlfeld, Secretary General of the International Association of Insurance Supervisors)*

**I**n his presentation, Mr Craig Thorburn, General Manager of Diversified Institutions Division at the Australian Prudential Regulation Authority (APRA) discussed the regulatory powers of APRA, an organisation that now has prudential responsibilities for all financial institutions in Australia. He noted that APRA's principle aim is to protect policyholders.

Craig Thorburn outlined the role of APRA in addressing certain issues and asked symposium participants to consider how these issues are handled in their own jurisdictions:

- determining solvency and capital adequacy standards of the life insurance industry;
- ensuring financial stability within rapidly changing economic circumstances;
- maintaining market place flexibility innovation in the application of regulation; and
- promoting sound corporate governance standards by placing the onus on market participants.

It was predominantly accepted by symposium participants that a set of internationally agreed to principles (which outline the areas that an insurance supervisor should have the authority to control) and a set of internationally agreed to standards (which outline the most sound prudential practices in a specific area) could help enhance regional regulatory frameworks.

However, because of the different levels of development of financial sectors across the region in general, and the life insurance sector in particular, symposium participants discussed the wide differences in how insurance is regulated and supervised. The regulatory framework, they agreed, is dependent on the individual characteristics of the country. In this context, symposium participants suggested that it would be difficult to come to a definitive set conclusions regarding world's best practice.

As noted by Mr Steve French, General Manger of the Financial Institutions Division in the Australian Treasury, the outcomes of the session highlight the importance of having fair, competitive and efficient markets. This requires clear and transparent frameworks underpinning market operations – good regulation, not over-regulation. Internationally agreed to standards provide a guide towards good regulatory practice, but do not replace the need for sound fundamentals.

Mr Raymond Ong, Assistant Director of the Life and Actuarial Division, Insurance Department at MAS, said that one of the lessons that Singapore learned from the Asian financial crisis was that the statutory framework lacked the necessary flexibility required to cope with volatile markets.

Participants agreed that over regulation can constrain innovation, hinder economic growth and prevent improvements in living standards. Regional regulators noted that there are signs of some countries shifting to lighter supervision models and placing greater emphasis on self-regulation among companies.

International agencies are concerned with raising the standards of prudential regulation and with promoting transparency in the market place about the condition of a person or company offering insurance policies for premiums. Their ultimate interest is in the contribution that these improvements can make to the overall health of financial systems.

*In looking around the world, it is hard to identify any one best practice organisational structure for regulators. The overriding requirement is a regulatory system with integrity and power and a sound understanding of current developments in financial markets.*

*Symposium participants agreed that the promotion of fair markets will require clear and transparent regulatory frameworks within each jurisdiction.*

*Although no one model is likely to appeal to all jurisdictions, could a set of core principles and standards help to guide regulatory reform?*

The following checklist of good regulatory practices for the life insurance industry was developed by the IAIS and accepted by symposium participants.

- Market participants should be licensed.
- Market participants should satisfy basic 'fit and proper' tests set by the insurance regulatory authority.
- Careful attention should be given to standards of solvency and capital adequacy.
- Risk should be assessed on the basis of sound actuarial methods.

## Session VII

## Barriers to Change

The goal of improved supervision and regulation of life insurance companies will require that genuine effort be made on the parts of supervisors, regulators and insurers to exchange information freely and openly.

*(Mr Zakaria Ismail, the Director General of Insurances in Malaysia)*

Symposium participants noted that instability in the insurance sector in Asia could be attributed to a broad number of microeconomic and institutional failings. However, they stated these problems or failings are made more serious when the macroeconomic environment is also unstable, for example as a result of serious distortions in the real economy.

Ms Vida Chiong, Deputy Insurance Commissioner of the Philippines and Session Moderator, indicated that in the insurance sector problems might begin with mismanagement of an insurance company, wherein proper reporting standards are not kept and the incentive to act prudently is not in place. She said such problems are heightened in countries that do not have strong legal systems to enforce adequate standards of accountability among corporate bodies.

Symposium participants outlined three areas fundamental to effective insurance sector regulation wherein barriers to change exist:

1. the accurate and free exchange of information;
2. sound financial system infrastructure, such as accounting and actuarial systems; and
3. well trained professionals, including regulators, supervisors, accountants and actuaries.

To improve the exchange of information between regulators and industry, regional regulators discussed the types of consultation and reporting procedures required within and between their jurisdictions. For example, Mr Noravat Suwarn, Director General of the Department of Insurances in Thailand outlined the ad hoc approach to meetings which are called by the regulator on a needs be basis to address the financial situation, performance, ownership and governance of insurance companies in Thailand.

Mr Nicasio Tortona, Chief of the Licensing Division of the Insurance Commission in the Philippines indicated that the Commission held regular monthly meetings with all insurance industry groups and preferred a more bottom-up approach in terms of feedback and discussion provided to the company by the regulator.

All participants stressed the importance of information exchange through intra-regional meetings. Although meetings are held bi-annually between regional insurance regulators in Asia, Mr Zakaria Ismail, the Director General of Insurances in Malaysia, suggested that regional insurance regulators look to their banking counterparts who have been meeting for more than 20 years on an annual basis with a full time secretariat and which include the governors/chief regulators from each country in their meetings.

- Participants indicated that information exchange should be improved throughout the financial sector, between banking, securities and insurance sectors.
- Participants noted that efforts are being made to improve the consistency of data collection in Asia. They agreed that consistent data would allow benchmarking of countries and companies to occur and would contribute to the development of the industry.

Participants in the *Enhancing Life Insurance Regulatory Regimes in Asia Symposium* highlighted the importance of accounting principles and the role of actuaries and auditors.

As central sources of information needed by investors, regulators and other stakeholders, accounting systems must be able to make fair and reasonable assessments of a company's operations. Accounting systems should also be able to assess future prospects of a company and its products and services.

Symposium participants agreed that the quality of accounting services impacts on the effective

*Effective market place operations require the presence of free and open information exchange. Market discipline can provide the right incentives for companies to act prudently and in the best interests of owners and customers. However, symposium participants noted that when accurate and timely information is not made available, it becomes more difficult for bad performers to be disciplined.*

*The establishment and maintenance of a sound insurance system require that accounting and legal systems and financial markets form the basic infrastructure of an economy.*

management of a company and the ability of a company to meet the interests of consumers. Participants noted in discussion that the provision of accurate, timely and comprehensive accounting information, and information regarding accounting methods, will help support new insurance sector legislative arrangements. However, as pointed out by Mr Sada Reddy, Deputy Governor of the Reserve Bank of Fiji, the different stages of development faced by participating economies will influence the rate at which new methods and standards can be developed and enforced.

The role and importance of an independent auditor was also raised in discussions. While participants agreed that internal and external audits of insurance companies are necessary to safeguard the interests of policyholders and broad requirements of the financial system, they indicated that a lack of professionally trained chartered accountants granted independent authority presented a barrier to change.

As noted by Mr Raymond Ong, Assistant Director, Life and Actuarial Divisions in the Insurance Department at MAS, in Singapore and throughout Asia, there is a strong need for professional guidance and for strengthening the local actuarial society. He indicated that redevelopment of the local valuation framework needs to take place.

Vietnam is at a very different stage of financial system development. As discussed by Mr Trung Tran Huy, Director of Insurance Supervision at the Ministry of Finance in Vietnam, the country is in the early stages of developing professional capabilities. As a first priority in building up its financial sector, the government has placed particular emphasis on development of actuarial skills.

In general, symposium participants felt that inadequate levels of resourcing and funding available to regulatory authorities in developing Asian economies are a problems that inhibit the development of professional skills of officials and regulatory standards in general.

*Financial system development is dependent on the skill levels of professions responsible for implementation and management of new financial regulation.*

## Session VIII

## Future Steps

Participants noted that financial system reforms throughout the world have tended to be borne from local crises. The challenge for Asia will be to maintain the momentum for reform once the pressures of the Asian economic crisis recede. The long-term stability of the region will depend on the implementation of effective regulatory policy to guide behaviors in both financial and corporate sectors.

*(Prof Kevin Davis, Colonial Chair of Finance at the University of Melbourne)*

**W**ith the return of growth in Asia following the economic crisis of 1997-8, the life insurance industry is predicted to grow at a strong and steady rate. However, as noted by participants in the *Enhancing Life Insurance Regulatory Regimes in Asia Symposium*, such growth will not be possible if sound regulatory and supervisory standards and practices are not implemented and enforced.

In considering the types of issues that will dominate the process of regulatory reform in Asia in the future, symposium participants, led in a review by Mr Bob Glading, a Consultant at Ernst and Young, created this list:

- The role of regulators in managing the interests of consumers and businesses;
- The importance of ensuring solvency and capital adequacy of industry;
- The process by which prudential standards are enforced;
- The use and development of capital resources;
- Macro economic and structural policies essential to financial system stability and crisis prevention;
- International best practices and International Association of Insurance Supervisors (IAIS) Core Principles in the area of life insurance;
- Understanding and promoting sound corporate governance, such as the roles of directors and managers in maintaining sound standards and practices;
- Overcoming problems associated with guarantees to policy holders;
- Establishing professional standards for actuaries, accountants, auditors, risk assessors;
- Establishing risk management procedures;
- The role of the actuary;
- The role of external auditors;
- The use of market discipline and market access as incentives for sound supervisory systems;
- E-commerce and insurance regulatory issues;
- Managing the impact of globalisation, technological change and competition on domestic industries and regulatory regimes;
- The role of foreign firms in domestic industries and competition with local players;
- Meeting changing customer demands regarding pricing and quality;
- Promoting innovation and competition in products; and
- Financing of regulators and regulatory institutions.

#### Recommendation number one

Mr Alan Oxley, Chairman of the Australian APEC Study Centre and Session Chair, indicated that one of the most important factors supporting sustainable economic development, including effective management of reform processes, is the continued investment in the human capital of a country. Symposium participants agreed that financial sector stability in Asia requires that individuals responsible for formulating and implementing life insurance regulation, and for protecting the interests of investors and consumers, are equipped with necessary skills and expertise.

Symposium participants recommended that specialised training programs be developed to help provide necessary expertise to supervisors and regulators in Asia. Programs should be developed on a needs-basis and targeted at different areas within life insurance regulatory authorities.

*One of the most important factors supporting sustainable economic development, including effective management of reform processes, is the continued investment in the human capital of a country.*

*The importance of regulator-to-regulator and regulator-to-industry meetings in the process of achieving effective regulatory reform in the life insurance sector cannot be over emphasised.*

#### Recommendation number two

The importance of regulator-to-regulator and regulator-to-industry meetings in the process of achieving effective regulatory reform in the life insurance sector cannot be over emphasised. Mr Rangachary, Chair of the Insurance Regulatory Authority in India, highlighted this point. Symposium participants agreed that annual regional meetings should be held at a high level to provide regulators with the opportunity to meet with other regulators and key industry group representatives to compare processes of economic and financial system reform and outline methods of safeguarding long-term savings through stable life insurance systems.

Symposium participants recommended that senior regional regulators endeavour to meet on a regulator basis together with senior industry representative to examine issues such as new methods of operational controls, risk management procedures, rating agency transparency, and standards of market discipline.

As the *Enhancing Life Insurance Regulatory Regimes in Asia Symposium* was developed as part of a two-stage program to address challenges in the area of insurance reform, senior regional regulators were asked to help shape the content of the associated training course.

The parameters of the training program were set out as follows:

- The course will be two weeks in length;
- It will take place in March 2000 in Melbourne Australia;
- It will be managed by the Australian APEC Study Centre at Monash University with input and advice from APRA, ASIC, AXA, Colonial, and Melbourne University;
- It will be funded principally by AusAID, with support from the Australian APEC Study Centre, Colonial and AXA;
- Nine Asian Pacific economies will be invited to participate, including China, Fiji, India, Indonesia, Papua New Guinea, Philippines, Malaysia, Thailand, and Vietnam. (Hong Kong and Singapore also will be invited to participate, however, in a different role than other economies);
- The senior regulators from each economy will nominate three junior to middle level regulator and/or supervisory officials for training course participation.

Symposium participants agreed that the most critical issues that should be examined in the two-week training course are:

- Macro economic and structural policies essential to financial system stability and crisis prevention;
- International best practice and IAIS Core Principles in the area of life insurance;
- The problems associated with guarantees to policy holders;
- The role of the actuary;
- E-commerce and insurance regulatory issues.

Symposium participants also agreed that certain background issues would be beneficial for consideration by training course participants, including:

- The operations of different regulatory systems with particular emphasis on prudential standards, solvency and capital adequacy;
- The use of market discipline and market access as incentives for sound supervisory systems;
- The relationship between regulators and supervisors in the insurance sector and in different financial sectors;
- The role competition plays in product design and pricing;
- The role of life insurance in long-term savings and the relationship to domestic economic development;
- The impact of the Asian Economic crisis on regulatory regimes.

*Macro economic and structural policies essential to financial system stability and crisis prevention are some of the most critical issues that should be examined in specialised training courses.*

NOTE: At the time of publication of this report, 25 senior supervisors and regulators have successfully completed the *Enhancing Life Insurance Regulatory Regimes in Asia Training Course*. The course took place in March 2000. Participants came from China, Fiji, India, Malaysia, the Philippines, Thailand, and Vietnam. Training Course materials can be obtained from the Australian APEC Study Centre website on [www.apec.org.au](http://www.apec.org.au).

## Symposium Speakers

Ms Dhammika Amukotuwa  
Principal Lawyer  
Australian Securities & Investment  
Commission (Australia)

Mr Peter Beck  
Group General Manager  
Colonial Limited (Australia)

Mr Alan Cameron AM  
Chairman  
Australian Securities & Investment Commission  
(Australia)

Ms Vida T. Chiong  
Deputy Insurance Commissioner  
Department of Finance Insurance Commission  
(Philippines)

Prof Kevin Davis  
Colonial Chair of Finance  
The University of Melbourne (Australia)

Mr Steve French  
General Manager  
Financial Institutions Division Commonwealth  
Treasury (Australia)

Mr Bob Glading  
Consultant  
Ernst and Young (Australia)

Prof Ian Harper  
Professorial Fellow  
Melbourne Business School (Australia)

Dr Knut Hohlfeld  
Secretary General  
International Association of Insurance  
Supervisors (Switzerland)

Senator Rod Kemp  
Assistant Treasurer  
Government of Australia (Australia)

Mr Tony Killen  
Group Managing Director  
AXA Asia Pacific Holdings (Australia)

Dr David Knox  
Director  
Actuarial Consulting Services  
PricewaterhouseCoopers (Australia)

Mr Rodney Lester  
Actuary and Insurance Executive  
World Bank (U.S.A)

Mr John Maroney  
Principal  
Trowbridge Consulting (Australia)

Mr Hin Yiu Mok  
Assistant Commissioner of Insurances  
Government of HKSAR (SAR Hong Kong)

Mr Raymond Ong  
Assistant Director  
Life & Actuarial Division, Insurance  
Department Monetary Authority of Singapore  
(Singapore)

Mr Alan Oxley  
Chairman  
Australian APEC Study Centre (Australia)

Mr Andrew Penn  
Chief Executive  
International AXA Asia Pacific Holdings  
(Australia)

Mr Mark Pierce  
Assistant Secretary  
Trade Negotiations Division Department of  
Foreign Affairs and Trade (Australia)

Ms Catherine Prime  
Director  
P & K Actuaries, P & K World (Australia)

Ms Julie Rogers  
Senior Banking Sector Specialist  
Asian Development Bank (Philippines)

Mr Edward Sin  
Senior Insurance Officer  
Government of HKSAR (SAR Hong Kong)

Mr Peter Smedley  
Group Managing Director  
Colonial Limited (Australia)

Mr Roger Steel  
Principal  
Trowbridge Consulting (Australia)

Mr Graeme Thompson  
Chief Executive Officer  
Australian Prudential Regulation Authority  
(Australia)

Mr Craig Thorburn  
General Manager  
Diversified Institutions Division Australian  
Prudential Regulation Authority (Australia)

Mr Ken Waller  
Group Senior Economic Adviser  
Colonial Limited (Australia)

Mr Alan Wong J.P.  
Commissioner of Insurance  
Government of HKSAR (SAR Hong Kong)

## Regional Regulators

Mr Pham Tuan Anh  
Ministry of Finance (Vietnam)

Ms Chumluang Chatsuwat  
Director of Life Insurance  
Ministry of Commerce (Thailand)

Ms Vida T Chiong  
Deputy Insurance Commissioner  
Department of Finance Insurance Commission  
(Philippines)

Ms Julia Duenas  
Chief Financial Examination Division  
Department of Finance Insurance Commission  
(Philippines)

Mr Sani Abd Hamid  
Acting Senior Manager  
Insurance Supervision Bank Negara (Malaysia)

Mr Zakaria Ismail  
Director  
Insurance Regulation Bank Negara (Malaysia)

Mr Hin Yiu Mok  
Assistant Commissioner of Insurances  
Government of HKSAR (SAR Hong Kong)

Mr Inia Naiyaga  
Chief Manager  
Financial Institutions Reserve  
Bank of Fiji (Fiji)

Mr Raymond Ong  
Assistant Director  
Life & Actuarial Division Insurance Department  
Monetary Authority of Singapore (Singapore)

Mr N. Rangachary  
Chair  
Insurance Regulatory Authority  
Government of India (India)

Mr Sada Reddy  
Deputy Governor  
Reserve Bank of Fiji (Fiji)

Mr Ng Nam Sin  
Director  
Financial Promotions Department  
Monetary Authority of Singapore (Singapore)

Mr K Subrahmanyam  
Insurance Regulatory Authority  
Government of India (India)

Mr K. Sathasivan  
Senior Manager  
Insurance Regulation Department  
Bank Negara (Malaysia)

Dr M. D. Sharma  
Adviser  
Financial Services Office of the Prime Minister  
Government of Fiji (Fiji)

Mr Edward Sin  
Senior Insurance Officer  
Government of HKSAR (SAR Hong Kong)

Mr Noravat Suwann  
Director General  
Department of Insurance  
Ministry of Commerce (Thailand)

Mr Nguyen Van Thanh  
Ministry of Finance  
(Vietnam)

Attorney Nicasio Tortona  
Chief  
Licensing Division Department of Finance  
Insurance Commission (Philippines)

Mr Trung Tran Huy  
Director of Insurance Supervision  
Department for Banking and Financial  
Institutions  
Ministry of Finance (Vietnam)

Mr Chatchawal Vayumhasuwat  
Senior Insurance Officer  
Department of Insurance  
Ministry of Commerce (Thailand)

Mr Alan Wong J.P.  
Commissioner of Insurance  
Government of HKSAR (SAR Hong Kong)

Mr Yeo Yew Teck  
Officer  
Life & Actuarial Division  
Monetary Authority of Singapore (Singapore)