

2018 Brokerslink Conference

Report



Brokerslink

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2018 Programme at a glance

Day 1: Partners & Affiliates only

Thursday, 11 October

Opening & Welcome Remarks

Jacqueline Legrand, Brokerslink CEO
Patrick Chan, Conference Chairman

Brokerslink Update

Jacqueline Legrand, Brokerslink CEO

Welcoming New Affiliates – Session I

Brokerslink Innovation

Jacqueline Legrand, Brokerslink CEO
Anne Collette, Brokerslink Director of Business Operations
Carla Alves, Brokerslink Director of Marketing & Communications
Jonathan Prinn, Ed Broking LLP Group Head of Broking

Welcoming New Affiliates – Session II

Innovation Turbine: How New Business Sectors Can Reinvent the Insurance Core Business

Jean-Marc Pailhol, Allianz SE Head of Group Market Management

Risk Management Forum

Asia Pacific Meeting

Gala Dinner

Day 2: Open Day

Friday, 12 October

Opening & Welcome Remarks

Jacqueline Legrand, Brokerslink CEO
Patrick Chan, Conference Chairman

Opportunities & Challenges Presented by the Belt & Road Initiative

Mr. Clement Cheung, CEO of the Insurance Authority of Hong Kong

AIG & Brokerslink: The Building of a Long-term Partnership

Ralph Mucero, AIG President Distribution Partners & Multinational Clients Personal Insurance Consumer Insurance
José Manuel Fonseca, Brokerslink Founder and Board Member

Moderator:

Isidro Garcia, Brokerslink Regional Director Asia Pac

Can China Save the Global Economy?

Mahamoud Islam, Euler Hermes Senior Asia Economist

Enlightenment To Macao After the Typhoon – Hato

Ivan Cheung, Fidelidade Macau Executive Director

Is There A Future for Health Insurance?

Jean Louis Davet, Groupe VYV Chief Executive

The Evolution of the Crisis Response Consultant

Greg Pearson, FocusPoint International President & CEO

Blockchain – The Future Is Now

Hélène Stanway, AXA XL a division of AXA Global Digital Leader

Customer Focus – Benefits of a Tripartite Relationship

Philippe Danielski, Head of Customer Focus for Zurich APAC

Baglietto, How To Build A Superyacht: A Long-term and Risky Process in the Luxury Industry

Michele Gavino, Baglietto CEO

Risk Management Round Table

Moderator:

Franck Baron, International SOS Group Deputy Director Risk Management & Insurance

Risk Managers:

Manuel Padilla, MacAndrews & Forbes Incorporated Director Risk Management
Suchitra Narayanan, Airasia Head of Risk & Insurance
Colin Chapple, Glencore PLC Insurance Manager
Gordon Song, Lazada Group Senior Vice President Group Risk and Internal Audit

Effort Is Effort

Mike Anthony, New Zealand Rugby Head of High Performance Manager

Closing Remarks

2019 Conference Announcement

Farewell Cocktail



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Welcome

It was a great honour to welcome the conference back to Hong Kong, Asia's world city. We value the friendship and business of everyone within the Brokerslink community and it was good to see so many familiar faces back here for the 10th conference.

Hong Kong is a city of great global importance with several mega-projects set to significantly benefit our local economy; a new state-of-the-art train station at West Kowloon has helped to establish a new multi-billion-dollar direct rail link between Hong Kong and the Chinese mainland. This project will open up the potential for millions more Chinese visitors to the Special Administrative Region.

At 55km, one of the longest and most ambitious bridge-tunnel systems in the world finally opened to the public on 24th October, connecting the cities of Hong Kong, Macau and Zhuhai.

Another megaproject - China's ambitious One Belt, One Road initiative - will help forge China's links to Africa, the rest of Asia and Europe. Our special guest, Mr Clement Cheung, the newly appointed chief executive of Hong Kong's regulator, the Insurance Authority, told the conference about the importance of this initiative and opportunities for the insurance industry.

It was a busy programme with a broad range of expert guest speakers from around the world, sharing their insights on many of the issues that matter to our industry both now and in the future. As always the event provided an important opportunity for our partners, affiliates, insurers and supporters to network, discuss opportunities and to learn about the latest developments and innovations within Brokerslink designed to enable our global broking company and network to thrive and grow.



The host of the 10th global conference, Patrick Chan, general manager for Nova Insurance and Brokerslink's Vice Chairman, welcomed over 250 representatives from 72 countries to Hong Kong, the city that played host to the first Brokerslink conference in 2009.

Brokerslink Conferences



Hong Kong
2009



Miami
2011



Singapore
2013



2010
Lisbon



2012
Madrid



For the 10th conference, Brokerslink returns to Hong Kong, the city that hosted the first global conference in 2009. Since then the organisation has grown significantly each year

250+
participants from

72
countries

23
sponsors

23
expert industry
speakers



New York
2015



Marrakech
2017



2014
Venice

2016
Amsterdam

2018
Hong Kong



13

new affiliates

28

risk managers
and market leaders

2nd

Risk Management
Forum

FocusPoint International's relationship with Brokerslink is focused on offering consistent, high-quality services that add value to your existing product offerings.

FocusPoint's market-leading travel assistance product CAP[™] is a travel membership service that enhances the experience of the traditional travel insurance plan. Our recent partnership with the Food Safety experts from Texas A&M positions us to deliver unprecedented food and beverage recall and contamination response capability to clients on a global scale. Our services seek to identify immediate opportunities to support your brokerage or affiliated business with:

- Cross marketing initiatives for CAP[™] Travel Assistance Membership within group travel, employee benefits, and individual personal accident protection
- Superior, cost-effective pre-incident mitigation and response services for kidnap and ransom, extortion and product contamination, recall risk exposure
- Global online crisis management preparedness training services

To learn more about CAP[™] Travel Risk Membership or how we can mitigate your client's risk exposure, please contact us at:

insurance@wwfocus.com

Brokerslink and FocusPoint International look forward to supporting the evolution of the Crisis Response Consultant, a critical corporate strategy for both organizations.

Chairman's Perspective; an interview with Grégory Allard

More than a network; a strategically important tool for independent brokers.

As Grégory Allard comes to the end his two-year tenure as Brokerslink Chairman, he tells us why Brokerslink is strategically important for independent brokers.

Grégory Allard is a passionate advocate for Brokerslink and its network of independent brokers.

Emphasising the key differences between Brokerslink and other global brokers, Grégory said: "The unique combination of an ownership structure of 55 shareholders each with a vested interest in its success, and the fact that we are all aligned to develop and deliver multinational business together while retaining the entrepreneurial spirit of each independent broker in the network."

He also emphasised the underlying strategic importance of Brokerslink to the network. "The world is truly global, so it is vital to have a global solution to be able to compete, Brokerslink supports us in client retention and helps secure new business."

"we are investors and directly involved, it is a deeper relationship."

Grégory stressed that Brokerslink is more than an association of brokers. "Many of us are shareholders with a commitment to the success of Brokerslink. We are not just members of staff or firms that will join and then drop our network membership, we are investors and directly involved, it is a deeper relationship."

As intermediaries, brokers need to establish and build key relationships at the client and carrier levels. Brokerslink, with its combination of global broking capabilities and strong local market knowledge and expertise, can offer distinct benefits to both. Grégory explained: "For clients, we are a credible alternative to the big global brokers because of our strong, day-to-day understanding of their needs and the backing of strong capacity partners and dedicated solutions and risk management expertise."

For insurers who, alongside the challenges of increased regulatory compliance and digitalisation, face a decreasing diversity of distribution

opportunities as a result of broker consolidation. For Grégory Brokerslink is key to helping global insurers maintain diversity and more balance in distribution.

The difference in approach and commitment to middle market business also sets Brokerslink apart from the large global brokers. Grégory explained: "These large brokers will use their best people and resources for their large multinational clients. They will not offer middle market clients the same service. This segment is our target audience, so we are able to support clients with the best people, who have the relevant experience and understanding to meet their needs." For Grégory, Brokerslink delivers an important advantage to brokers focused on this segment. Speaking from his own experience: "At Filhet-Allard, we use Brokerslink as a strategic tool to bring our multinational clients clear added value services."

The technology tools announced at the global conference are the 'bricks and mortar' on which we will continue to build Brokerslink. They provide the material proof, the evidence, that we are an aligned organisation and share common practices in the manage of global programme business to the highest level of service and quality.

Their impact and success are very much in the hands of partners and affiliates according to Grégory. Highlighting the importance of active use and involvement he said: "These are not 'one-way' tools, they are for us all to understand and actively use to maximise our capabilities for clients".

Although Grégory will hand over the chairman's reins to José Manuel Fonseca in January 2019, his passion for Brokerslink will continue. "I have always been very involved in Brokerslink both as a board member and as chairman, and this will continue," he was keen to stress.





Brokerslink in 2018

2018 has been a busy year for Brokerslink, and on the first day of the conference, partners and affiliates received an update on activities and a preview of the aims for the coming year.

The goal for Brokerslink is to transform into an agile organisation and a full-service broking company. This will be achieved by deploying a long-term strategy, grounded in the reality of the markets in which the company operates and delivering high value-added solutions to support partner and affiliate growth in their local markets.

“the value proposition is to give partners and affiliates an international profile and better visibility”

As part of the transition of Brokerslink from broking network to global broking organisation, the management team have done a significant amount of work to redefine the strategy and value proposition. This value proposition is to give partners and affiliates an international profile and better visibility, allowing them to benefit from a global footprint and distribution channel and access to international (re)insurance markets and unique products and solutions through Brokerslink's wholesalers.

Over the past year, Brokerslink has developed strong brand awareness and seen a growing interest from insurance companies. The Brokerslink model, with its global footprint and equity base together with a shared vision and the excellent in-house expertise that is available is a clear benefit to insurers. Brokerslink is capitalising on this interest by reinforcing the partnerships it has built with some of the largest global insurance companies. Building on these strong links is important and directly benefits the partner and affiliate brokers in the Brokerslink community.

“Brokerslink has seen a growing interest from insurance companies”

Throughout 2018, the network has expanded with the addition of a number of new affiliates: eight retail brokers in Africa and one in Indonesia. Also, two specialist wholesale brokers and two new specialist risk and insurance service providers. To support the growing network of affiliates, the Brokerslink central team has begun to establish regional committees to support the existing regional directors. The first committee to be set up is in the Asia Pac region and the plans to build others for Europe, the Americas and the EMEA region are progressing well.

A particular focus for the Brokerslink team in 2018 has been on raising the organisation's profile within the risk management community. This has included attending a number of the key risk management conferences and events across the world – from AMRAE, the leading French risk management association's annual conference to RIMS in the USA, where the team hosted around 80 partners and affiliates.

Finally, looking to 2019, Brokerslink will focus on facilitating and supporting increased engagement and synergies across the network (you can read more on this later in the report); to help partners and affiliates to gain greater visibility in their local markets and build a steady stream of revenue for Brokerslink; and to further expand the network with focus on Africa and new areas of specialism. 2019 will no doubt be another exciting and successful year for the Brokerslink community.

Introducing innovation for partners and affiliates

Partners and affiliates attending the conference were given an exclusive first-look at new IT tools developed by Brokerslink

Carla Alves described Agora as a central online portal allowing Brokerslink partners and affiliates to share knowledge and ideas, access training and marketing materials and collaborate to develop new business opportunities. The portal will also share Brokerslink news, promote events and activities and highlight key wins and success stories. Through Agora, brokers will be able to quickly and efficiently access other brokers' lines of business and connect with teams anywhere in the world.

Alves highlighted one of the integral elements of Agora, the online marketplace. The marketplace hosts products, services and risk management solutions developed alongside specialist brokers, risk and insurance services companies and carriers. Partners and affiliates will also be able to access international and Lloyd's markets "quickly and easily" using TradEd, an insurtech platform designed by Ed Broking.

Anne Collette explained that the marketplace currently provides access to the following covers: cyber insurance, political violence and terrorism, classic and collector cars, kidnap and ransom, stock throughput insurance, aviation hull and liability, personal accident and war risks. Further covers will be added in due course.

As part of its investment in innovation, Brokerslink also announced the development of a multinational client management tool specifically designed to streamline the placing and administration of multinational insurance programmes.

This tool will allow partners and affiliates to manage all aspects of these processes, including the



communication of instructions, policy issuance and payment of local premiums and client reporting anywhere in the world from one dedicated online platform. The servicing broker will be able to work in local currency, make renewals and access data exposure all from a fully secure environment.

Alves and Collette stressed that these initiatives will be most effective through the collaboration of the global executives, who will be relied on to update their company details regularly, populate the portal with information and case studies and give the team any feedback or suggestions on improvements to the platforms to ensure that they can continue to meet the needs of the partners and affiliates.

TradEd – an innovative insurtech platform

One major component of Brokerslink's brand new online marketplace within Agora is access to open market via TradEd. Ed Broking's Jonathan Prinn explains: Jonathan Prinn, group head of broking for the reinsurance broker gave the conference an exclusive look at the new TradEd system and outlined how it would benefit brokers by helping them to place multinational business more efficiently.

Prinn quoted a large-scale survey of risk managers that found that 53% did not view transactional placement as really important and commented that "if we are simply a postbox between the carrier and the client, we have a serious problem in our role going forward". He talked of the very manual, time and labour-intensive processes that currently sit behind the placing of risks such as rubber stamping, emails

and queuing and explained that in response, Ed Broking developed TradEd, introducing the power of technology into the placement process.

Prinn went on to demonstrate the singular global broking system, which has been built to enable a better service to clients driven by greater efficiencies with carriers, easy access to insurance markets worldwide and lower costs which Prinn hoped would be passed on to clients in "a sustainable way".

The system is already live within Ed Broking and Prinn explained that in September, the company celebrated 6000 risks flowing through the system, Prinn concluded; "this is a live trading system and we're pleased to launch the retail portal of that as a significant and important component of the marketplace for Brokerslink."

New roles for José Manuel Fonseca and Steve Hearn

On the second day of the conference, it was announced that José Manuel Fonseca the CEO of MDS Group, and Steve Hearn, Group CEO of Ed Broking and soon to be appointed head of BGC Group's insurance division, would be taking up the roles of Chairman and Vice Chairman respectively from the start of 2019. Fonseca will replace Grégory Allard who stepped down at the end of his two-year tenure at the end of 2018, and Hearn will replace Patrick Chan.

Speaking of his appointment, Brokerslink founder Fonseca said;

“ I am proud to be taking on the role of chairman at such an important time in Brokerslink's development. When Brokerslink was founded in 2004, I wanted to create an alternative in market distribution. With the commitment and dedication of a fantastic team over the years, I have seen this vision become reality. We support a global network of committed local independent insurance brokers, helping them to deliver multinational capabilities with marketing-leading insurance products and risk management services, while ensuring their clients retain access to the wealth of local specialist knowledge that they are known and trusted for. ”



Hearn added;

“ As technology continues to revolutionise the insurance industry, as capital becomes increasingly fungible and as expertise becomes less concentrated in a small number of traditional geographic locations, access to the global spectrum of the risk management and insurance industries becomes more and more relevant for clients. During my time with Ed Broking, we have been proud to be a part of Brokerslink and firmly committed to the ideals of bringing global reach and local expertise to all markets served by Brokerslink partners and affiliates. So it gives me great pleasure to serve as vice chairman of this remarkable organisation and I'll work closely with José Manuel as we broaden both the geographic reach of Brokerslink, and also the range and depth of expertise we are able to deploy on behalf of clients across the globe. ”



New affiliates

As Brokerslink announces its expansion into Africa with the addition of 8 new affiliates, Ana Cristina Borges, Regional Manager MEA described the continent as an area of great opportunity and a natural fit for the global network.



Africa expansion

African insurance markets have not traditionally been associated with strong growth, but a combination of factors; growing political stability, increased foreign investment, a stronger economic outlook and investment in infrastructure, energy and crops has led to growing penetration and an increased need for insurance and reinsurance. Borges said, “in the near future, Africa is going to be one of the most important players.”

“Africa, the continent where we must be”

Brokerslink already had a strong presence with 10 affiliates across Africa but as Borges explained, the new additions represent a “strategic expansion” into French-speaking areas where the network already has a lot of clients and some strong existing relationships. Each new broker has an excellent portfolio, high standards of service and a strong profile in their local area, a perfect fit for the Brokerslink network which prides itself on choosing one retail broker per country trading on their local knowledge and expertise in that area.

“each region has its own unique risk landscape, requiring specialist knowledge and bespoke products”

The African markets present a marked challenge for business expansion, but one that the unique

structure of Brokerslink is well placed to deal with. Borges points out, “when we speak about the African countries, we are talking about such different things, they are regions with multiple different traditions, habits and cultures.” Against this backdrop it is impossible to create a single unified approach as each region has its own unique risk landscape and regulations, requiring specialist knowledge and bespoke products; “you can’t import products from Europe or from the States, that doesn’t work, it is fundamental to understand the culture, the traditions, the needs of the country and adapt.” For Brokerslink, having high profile and well-established affiliates in each of these new countries allows the network of partner brokers and affiliates access to specialist knowledge and tailored products that suit the needs of the region, the key is to “get local”.

“we are looking for expansion, in terms of service for local clients and special lines”

On her plans for the next year, Borges was clear; “we are looking for expansion, in terms of service for our local clients and of course special lines”. In Africa that means parametric insurance, crops, personal lines and energy, as well as core areas such as construction and casualty.



8 new African affiliates:

-  CCAR, Mauritania
-  Compendium, South Africa
-  Consass, Burkina Faso
-  Generalia Assurances, Cameroon
-  Générale de Courtage, Guinea Conakry
-  La Protectrice Assurance, Togo and Benin
-  Hoggar Assurances, Niger
-  WH Assureur-Conseil, Senegal

Focus on... South Africa

Bruce MacNair, Corporate Director of Compendium Insurance Brokers talks about becoming a Brokerslink affiliate

What do you see as the more important benefits of joining a global broking network?

BM: Joining an international broking network will give us access to brokers overseas as well as areas of expertise we may not be exposed to in South Africa. It will help our potential clients into the international market and enable them to establish themselves globally. It will provide an opportunity for other Brokerslink partners to access services and expertise that are unique to South Africa.

What is unique about the South African market?

BM: We're a pretty forward-thinking market with products placed on international standards, in that way it's relatively first world. A lot of the African markets are accessed via South African insurers, so it can be quite difficult for people outside of Africa to get cover here. We generally act as a gateway to the African market, especially for South African operations.

Certain covers are unique to South Africa, for example the South African Special Risks Insurance Association (SASRIA), a political violence/riot cover. As political riots cover is excluded under all standard insurance programmes, this non-compulsory Government-backed product can be bought separately through SASRIA. You can also buy excess layers, but you have to get special dispensation from SASRIA first.

What was the main driver for you accessing the network?

BM: It was a fantastic opportunity to get involved with a network without having to give up any ownership of the business. Also, it's good to have affiliates in our worldwide insurance market with a similar mentality of thinking about how our clients should be serviced.

Compendium is an independent company and although we are owned by Bidvest, we remain independent with independent clients outside of the business. A lot of those clients do have operations outside of South Africa, so it was mainly to give them access to the international markets.

How do you see Brokerslink supporting the development and continued growth of the business

BM: Compendium is a business with strong growth plans and expansion is one of our ambitions, both locally and in Europe, we're primarily domestic and commercial but are looking to grow in corporate insurance which will then have a direct impact on our Brokerslink appointment.

The Brokerslink model allows Compendium access

to worldwide markets and levels of expertise around the world that we're not necessarily exposed to, whether it's risk management, reinsurance, the retail side or the wholesale side. Having a network like Brokerslink behind us expands our portfolio as well which is a major selling point when we're tendering for business. From a reciprocal point of view, we can facilitate insurance in South Africa for the network partners. We've already seen instances where local insurance and collection of premiums has to be done within South Africa via a local broker so that negates any regulatory issues that the network may face.



Compendium 
INSURANCE BROKERS



MIR Brokers – Indonesia

Established in 1975, MIR been able to maintain its position as one of the top 3 brokers in the Indonesian market for many years, with a strong reputation for claims handling and a loyal customer base stretching back over twenty years. MIR deals in all lines of business and is a totally independent organisation, not affiliated with any other major company or broker.

Jacob Kosasih, Executive Director of MIR describes the market in Indonesia as crowded with major brokers often aggressively expanding their networks. Against this backdrop there is space for local brokers like MIR who have a wealth of local knowledge, loyal clients and proven reputation for excellent service, but they lack global branding, a strong international network and

the sharing of knowledge with other international partners. These were key drivers for MIR becoming a new affiliate, Kosasih explained, “to have significant growth going forward we need to do something different, in order for us to do this we need to have the kind of resources and support offered by an international network like Brokerslink” Knowledge and information sharing is also key for the broker, Kosasih explained that the ability to quickly find out about niche and new products, capacity changes and other information from international players was a big draw for MIR and something that will help them to become more dynamic as a business.



Classicus – Amsterdam & UK

Established in 2003, Classicus was one of the first HNW brokers in Europe and specialises in providing insurance solutions for high and ultra-high net worth clients including; classic cars, fine art, musical instruments and jewellery. The Lloyds of London coverholder also provides insurance solutions for galleries, museums and loan programmes internationally.

Owner of Classicus, Bart-Jan Kastrop (B-J) told the audience at the conference that he was “proud and honoured” that Classicus had been selected to join the Brokerslink network and explained his reasons for agreeing to become one of their newest affiliates; “being an affiliate gives us access to a global network to

service our existing clients who have international assets, it will also give us the opportunity to promote our products to Brokerslink partners and affiliates worldwide”. For Classicus, the benefits go in both directions and B-J believes the 60+ years of specialist expertise within the business will add real value to other Brokerslink partners across the network.

Looking to the future, B-J believes that being part of the Brokerslink network will be instrumental enabling the development and continued growth of the business, he finished; “I hope it will give us a better spread of business worldwide and allow us to grow in territories we would not be able to access without a local presence.”





Integra Global UK

Integra Global specialises in expat health insurance. Managing director Philip Catterton told the conference that the company prides itself on being “an uncommon business for uncommon people”.

Product lines

- Expats
- Marine professionals
- Individual health
- Family health
- Corporate health plans

Founded in 1999, Integra Global has local offices in the UK, Germany and Dubai as well as access to America, Hong Kong, the Middle East and Europe through its service partners. Catterton describes the expat community as a “community of exceptions”, with clients whose requirements do not fit into the normal insurance mould.

Since the company began, Integra Global has designed all of its products with the needs of this expat community in mind, and over time has become more specialised in the services it offers in addition to standard health risks. Catterton talked about the company’s security and natural disaster’ cover for clients who have been caught up in natural catastrophes and may not have access to the same resources as a local person. This cover can help people

getting into a safe environment or out of the affected country. In recognition of the unique challenges expats face in moving to a new country, the company has also developed an assistance programme that can help clients to cope with the expat lifestyle and the issues that can arise for them.

As a new affiliate, Catterton is enthusiastic about joining the Brokerslink community, he concluded; “we believe passionately in partnerships, this is why we’re so excited to be part of the Brokerslink family. We enjoy working with retail brokers, helping them to find solutions in the specialty area of expat health insurance.”



The evolution of the crisis response consultant

Greg Pearson, co-founder, president and CEO of global risk consultancy FocusPoint International, one of Brokerslink's newest affiliates, joined the conference to talk about the evolution of the modern crisis response consultant.

FocusPoint International is experienced in providing travel risk management and specialty risk consulting services with offices across the world including Argentina, Brazil, Canada, China, Colombia and South Africa. The consultancy has carried out operations in more than 120 countries across six continents and has over 400 specialist risk consultants and 5,000 global personnel.

“from service provider to business enabler”

Pearson explained that the role of the crisis response consultant has changed significantly over the years, evolving from service provider to business enabler. Historically considered a support role, the crisis response firm was traditionally kept on an exclusive retainer and the consultant would “sit around waiting for the phone to ring”. This is not the case anymore. According to Pearson, consultants have taken “leaps and bounds in technology and innovation, and they are deploying these initiatives to drive business resiliency and opportunity”, the consultant is now viewed as a true business partner.

Risk consultancy firms must adopt a new approach in order to thrive, Pearson explained; “it’s an intelligence driven effort today, it’s technology-driven, it’s partnering with brokers and underwriters throughout the lifecycle of the procurement of insurance, delivery of insurance and resolution of incident. He went on to highlight that in an increasingly interconnected world “we have an abundance of resources and information at our fingertips that we must use to ensure we’re informed, prepared, and if something does happen, we know where to go to get advice and assistance very quickly.”

“branching out”

Many crisis response firms have seen their activities branch out into duty of care in relation to travel risk. This means working with brokers and underwriters to ensure their clients have the knowledge, information and resources necessary to help mitigate mobility risks and ensure a timely response to medical and non-medical incidents that impact or have the potential to impact personnel during a period of travel.

Crisis response consultancies such as FocusPoint have had to evolve their offerings to meet the growing variety of risks associated with the modern world. Traditionally associated with kidnap for ransom incidents, Pearson explains that their expertise now extends to an array of potential



incidents including stock market volatility, fraud, corruption, bribery, political unrest, terrorism, piracy, workplace violence, theft of intellectual property, natural disasters, stalking, and identity theft. It also helps protect and potentially intervene in the journeys of leisure travellers, business travellers, international assignees and expatriates.

“the AirBNB of the travel assistance space”

The personal touch and strong relationships are still vitally important to the role: “you have to talk to clients and brokers; and help bring clients and potential clients to the broker. At the heart of this is a partnership rather than a service role.”

Pearson finished: “You have to have somebody ready to answer the phone, engage consultants and to identify the best facilities. We have innovated and are a disruptor in certain markets. We’ve been described as the Airbnb of the travel assistance space.”



Sid Garcia talks about sharing knowledge and aligning capabilities at the heart of Asia Pac's growth

The Asia Pacific (Asia Pac) region is the first to establish a dedicated committee to help build stronger ties between affiliates and partners and to increase awareness and opportunities for Brokerslink across this dynamic and evolving market.

Isidro Garcia, known to us all as Sid, has been Brokerslink's Asia Pac regional director for over 10 years. He took time during the global conference to talk about the new committee's strategic focus and his aims for Brokerslink in the region.

"An exciting time for partners and affiliates in the Asia-Pac region"

"It is an exciting time as we now have a structure in place that will enable us to move forward. The committee will play an important role providing more support for the partners and affiliates, helping to motivate them and generate ideas, and to increase the engagement with insurers across Asia Pac", said Sid.

Outlining the committee's objectives, Sid was clear about the importance of increasing awareness across the region. "It is important for us to improve awareness and the visibility of the organisation. We will be promoting the benefits of our unique structure to the market and insurers."

Sid believes building a clear understanding of the activities and opportunities in each country in the region is important to its success. "We want to improve the marketplace and information exchange to help the affiliates and partners gain a better understanding of each other's capabilities. It will be important to engage with the new Brokerslink platform Agora and to spread news, relevant information and market opportunities around the network."

Sid emphasised that the committee is also keen to build closer ties with

partners and affiliates by building the role of the global executive. "We are working with each country to encourage greater levels of engagement for the global executive. Currently, this role has been mainly about passing on information, but we want to expand it to include leveraging market opportunities, executing Brokerslink's plans and to support and engage with our insurer partners."

Talking about the middle market business opportunities in the region, Sid sees clear alignment with Brokerslink's capabilities.

"We are uniquely positioned to offer the flexibility the middle market business needs."

"Most of our partners and affiliates are independent and family-owned businesses; this is the strength of our model, building personal relationships." Sid adds: "As we expand in the region, we will be able to leverage this kind of personal relationship and, together with the support of our specialised brokers and insurer partners, be able to strengthen our position and reach in the middle market."

Global programme opportunities are an important opportunity that needs to be tapped in to. Sid explained: "We will be working with our partners in the terrorism and political violence areas to create dedicated facilities."

Cybercrime is also an area of focus, but not just in terms of coverage opportunities. Sid explained: "We need to look at building greater awareness and a better understanding of cybercrime to support clients and so increase sales. We plan to target dedicated technical and soft skills training for our junior level executives to support clients to understand this emerging area of risk."



Meet the Asia Pac regional committee:

Isidro (Sid) Garcia

Philippines

Patrick Chan

Hong Kong, China and Macau

Rohan Stewart

Australia

Irwan Iswara

Indonesia

Tushar Thakker

India

Allianz & Brokerslink

‘Clicking’ on global mid-corporate business

Nicolien Ketelaar, Head of Broker Business, Group Market Management & Distribution at Allianz SE, talks about the insurer’s global partnership with Brokerslink.

Our partnership with Brokerslink started about two years ago and coincided with the responsibility for broker distribution at Allianz moving to Group Market Management & Distribution, at the centre of the Allianz Group.

Alongside the established relationships we have with the large global broking companies, managed through Allianz Global Corporate & Speciality, we wanted to look at other opportunities to interact with brokers on a global level. While Allianz already had a focus on mid-corporate (mid-corp) business, we wanted to strengthen that, and it was clear that broker networks were the most logical point of entry.

Networks exist because the individual brokers have clients with multinational footprints. The brokers, being mid-corp companies themselves, can really connect with these clients and need to be able to provide a quality level of service abroad. Their clients need to feel they are being serviced by a company they can trust and that understands their needs. A key service element for this customer segment is to support them at the same level of ‘client intimacy’ and not by a large ‘global corporate organisation’.

Shared focus on mid-corporate clients

Brokerslink was one of the initial global partnerships we established. When we first met the team there was an immediate ‘click’. We shared a focus on mid-corporate business. A network is only as strong as all its individual members, and Brokerslink partners and affiliates are a mixture of strong mid-sized and some larger firms that share a vision and a passion about customer relationships. Their strength lies in how they work together and that is the opportunity we see with Brokerslink.

There are challenges in balancing the needs and interests of local brokers in individual countries and their relationships with local carriers and delivering a global solution that will benefit them; there needs to be a framework that can operate on a global level. Brokerslink’s move to establishing a global broking organisation was another reason for us deciding to partner with them. Being global we can look at specific opportunities and develop mutual innovations that can be leveraged more widely. For example, we share a strong interest in Africa. By connecting our respective people across the continent, we can share opportunities and duplicate successful ideas.

Mutual success

What was particularly heartening was the mutual desire to progress quickly. We all realised we wanted to move forward so we met Brokerslink’s leadership team to discuss multinational business following the global conference in Amsterdam in August 2016 and started work in January 2017. We were working to improve our multinational offering, so I have had calls with many placement teams in Brokerslink brokers to understand the needs of the customers as well as their own needs. It was great to get to know each other and real fun to do. It resulted in an improved value proposition for multinational business at Allianz. This shows just how much we wanted it to work and looking forward, we are working hard to encourage increased dialogue between both organisations.

We have a pragmatic approach to the relationship i.e. to be there where it makes senses and can add real value. I am seeing incremental changes and developments that demonstrate to me the relationship is working.



Innovation turbine:

How new business sectors can reinvent the insurance core business

Disruption might be an overused word, but Jean-Marc Pailhol, head of group market management at Allianz showed how quickly the pace and scale of disruption is increasing in almost every aspect of our lives and explained that brokers must keep up with insurance opportunities that accompany advances in innovation.

Pailhol began by talking about the evolution of drones' techno-systems and especially the emergence of public transportation autonomous drones. Allianz has started to insure the first pilots delivering autonomous drone taxi services. Pailhol explained that Allianz is already partnering with Volocopter and Ehang, autonomous drone companies and with ParaZero, a drone safety company which is making autonomous drone parachutes. To reinforce its profile and credibility in this new sector Allianz has invested in U.S. based company DRL (Drone Racing League) and co-created the DRL Allianz World Championship. The latest DRL Allianz World Championship started in September and is being broadcast in over 75 countries, including on ESPN and Sky Sports; the sport has already been watched by over 55 million fans; 170 million people have played drone racing online.

Allianz also works on several other techno-systems based on disruptive technology like clean energy generation, grid management, mobility solutions, smart health, alternative fuels and vehicles including autonomous cars, 3D printing and robotics.

Pailhol said brokers need to adapt their model to new generations of people. They need to transform their businesses proposal around digital to address the needs of the "digital natural" segment (aged between 18 and 30) and re-invent the businesses for the digital natives (aged below 18). He warned: "We are not on the same planet as those under 18 - we cannot understand their needs and



behaviour in the future; they are "mutants" and we need to reinvent our business model for them. For example, the young generation does not want to buy a car anymore, they want to use a vehicle. Due to this evolution in our future clients behaviours and needs, experts suggest that in the next 20 years, more than 50% of the individual cars could disappear." Jean-Marc Pailhol added "Understanding this evolution, we'll have to move our offers to create new solutions from B2C to B2B2C to insure the companies providing these new mobility solutions like the bikes or scooters-on-demand in mega cities".

The global insurer has for example partnered and invested with Cityscoot in Paris (will be verified) a company that rents electric motorbikes; when drivers pick up a scooter they are automatically insured by Allianz.

Collecting data on journeys will also be important. In China, one project has already collected over one million hours of data for buses using hydrogen fuel cells which will help insurers to work out the premiums of the future.

Pailhol explained that in a world of (semi)autonomous electric mobility, increased data and enhanced safety features, the future is about to become more about cyber risk and prevention and less about claims payment. The whole nature of liability could be about to change.

There is also the need for a large energy grid to support smart cities, such as the infrastructure needed for charging posts.

The regulations that are driving this changing world will also be important to monitor.

Pailhol left the stage with this message for brokers: "You need to understand what is happening. There will be a huge increase in competition. We are here to enable and facilitate this change. Come and partner with us."

The future at a glance

- Smart health
- Using nanotechnology to reduce fire risk
- (Semi) autonomous vehicles
- Passenger drones
- Electric mobility supply for smart cities

AIG & Brokerslink – building a long-term partnership

Sid Garcia, Brokerslink’s regional manager, Asia Pacific and chairman and president of Philippines-based Trinity Insurance Brokers, chaired a conversation between Ralph Mucerino, president, distribution partners and multinational clients at AIG and Brokerslink founder José Manuel Fonseca, group chief executive of MDS, on the history of the longstanding partnership between the two companies.

The relationship between AIG, one of the platinum sponsors of the 2018 conference, and Brokerslink started a decade ago when Fonseca invited then-CEO Nick Walsh to be the keynote speaker of the first global conference in Hong Kong in 2009. Fonseca explained, “we needed a star keynote speaker to attract people and credibility to the inaugural conference, a high-profile executive with a global presence.”

“AIG had a high degree of trust and confidence in Fonseca having worked with him previously”

Mucerino was instrumental in securing agreement for AIG to sponsor Brokerslink at that first conference, he told the conference that on a personal level, AIG had a high degree of trust and confidence in Fonseca having worked with him before. This, plus the opportunity to further expand distribution, were the key drivers behind the decision to continue to support Brokerslink, even during a turbulent period for AIG. Fonseca said; “AIG was the first insurer that really understood Brokerslink and supported us since our early days.”

Garcia then considered the future and asked Mucerino how AIG and Brokerslink could ensure another ten years of their successful, mutually beneficial partnership. “It’s open communication”, stated Mucerino, “we have to maintain an open line of communication about strategies and appetites, if we communicate and listen to each other we will better understand the needs of the people in this room, and marry those needs to the capabilities that AIG can provide.”



“trust, integrity, compassion, accountability, planning and adaptability”

In Mucerino’s book, he writes that the formula for success is “trust, integrity, compassion tempered with accountability, planning, the capability to adapt and last but not least, letting go of ego”. It is this approach that drives the close relationship between AIG and Brokerslink, Mucerino said; “I have seen egos take over common sense. It is about the clients’ needs. We need clarity, understanding, candour – and if you make a commitment – stick to it – you need the power of your conviction. Treat people like you would like to be treated.”

Garcia then asked about AIG’s and Brokerslink’s international reach. Mucerino commented: “AIG

has recently re-established its international division. Globalisation is here and initiatives such as China’s Belt and Road project will need companies with international reach.”

Fonseca added: “we are international by nature and have board members from across the world. Global insurers have been the pioneers of this internationalisation and we need to work with them closely.”

“We must not forget individual countries; we need to have the appetite for risk on a country by country basis.”

Fonseca concluded; “this is a long-term relationship and one that we want to build with others, other members and other insurers, it’s in our DNA.”





The Middle Market

The Middle Market is a hugely important segment for Chubb and it makes up a significant part of our business world-wide.

We define the Middle Market as companies with an annual turnover between US \$10 –500million and it is home to some of the most dynamic, innovative and exciting businesses in the world.

Securing continued growth in the Middle Market is one of our key strategic priorities and we will achieve this through our focus on superior products and service excellence, backed by underwriting discipline and expertise, and world class technology.

From a distribution perspective, Middle Market success is also reliant on developing and maintaining lasting relationships with national independent brokers such as those which make up Brokerslink.

We need brokers who are expert in serving the many and varied needs of the Middle Market, particularly those local regional brokers and big national family owned brokers which serve this sector so well across Europe, Asia Pacific and Latin America.

We know these brokers are looking for a partner, not just a provider. So we're dedicated to helping them demonstrate their insights and add strategic value for their clients.

These brokers have become successful by working closely with their clients and developing an in-depth understanding of their businesses and the risks they face – from the perspective of both threat and opportunity.

They forge relationships with companies which can last 20 years or longer. This level of customer retention is as significant as it is valuable because it is based around trust. It also means these brokers have a strong and lasting commitment to service.

Brokerslink brings together these partners and empowers them with a global reach. This is especially important for Middle Market companies as they seek growth

themselves, often operating within a multinational risk landscape which is evolving constantly. As such they need expert insights and support from their insurance partners to help them navigate safe passage.

For example, Chubb's Industry Practices service were created to meet this need, bringing together specialist capabilities in underwriting, claims management and multinational servicing into one client-focused proposition. Around the world, we have 30 Industry Practices covering everything from Technology, Life Sciences and Entertainment to Clean Technology, Real Estate and Wineries and we are developing more every year.

By working together, we can craft an integrated insurance solution that is backed by teams of dedicated underwriting, risk engineering and claims professionals across our specialised industry practices. These have been launched in response to segment growth and aim to ensure our capabilities and products align strategically to the evolving risks of each industry. These centres of excellence demonstrate our commitment to further developing our business, particularly among the Middle Market and ensuring we build on our offering in the areas that matter most to our clients.

Technology is driving much of the change in our world and Chubb is at the forefront of pioneering developments in the insurance industry.

We are making significant investments into this area to help our broker partners and customers operate more effectively through new platforms, digitally-enhanced underwriting, predictive analytics and even greater claims efficiency.

Through the advent of these new digital solutions and by developing even stronger alliances with our broker partners, we will all be better prepared to face the future, whatever it may bring.



Juan C. Andrade,
Executive Vice President,
Chubb Group, President,
Overseas General Insurance

Partnership built on trust, long-term thinking and innovation

Brokerslink and Swiss Re Corporate Solutions share a number of key things in common. We share a global reach with primary lead capabilities, a client-centric approach and focus on building a personal understanding of client needs and use this to identify the right solution for them.

Swiss Re Corporate Solutions is not an opportunistic player, when we choose a partner, we are fully committed to it. This is the foundation of our relationship with Brokerslink and the global network of partners and affiliates. Trust and long-term thinking are important factors in this relationship.

We work with Jacqueline Legrand and her team to support the execution of their global strategy, but we also operate at the local level. Swiss Re Corporate Solutions has local offices in every country covered by the network, so our teams work together to grow and lead the mid-market segment opportunities.

We recognise that it is very important to add value to Brokerslink, so we make our global capabilities, industry knowledge and expertise more accessible at a local level and focus on providing innovative risk solutions. Yes, the independent status of the network's partners and affiliates, is important but perhaps even more so is the relationship that we are developing with them. We are; building an understanding of what they need to successfully manage their clients and looking at how our expertise and knowledge and innovation solutions can support them and deliver long-term success.

Innovation holds the key

The Brokerslink network needs to bring value to their clients and we believe that innovation can provide a platform to do that. In today's changing risk landscape, innovation is non-negotiable. If we can build a close collaboration with brokers who are close to clients and can get them to understand how to address certain risks in a different way and not just through traditional cover, it will be an important opportunity for them to differentiate themselves.

Innovation in areas such as the development of parametric solutions and the protection of a corporation's intangible assets, will enable us to simplify insurance and respond effectively to the changing value chain for corporate clients. We will be working with Brokerslink and the partners and affiliates to help in sharing ideas and opportunities to maximise the potential that innovation can deliver.

Being part of the community

It is important to recognise that corporate insurance is 'personal', and Brokerslink partners and affiliates are very strongly connected to clients.

Brokerslink is a community with entrepreneurial DNA, a closeness and clear intimate and vested interest in making sure their clients' businesses grow and it's clear that they personally feel responsibility for their client. Swiss Re Corporate Solutions want to work with this community to foster a sustainable alternative to the larger distribution models. Our philosophy is 'we are smarter together' and we would like to replicate this with Brokerslink; to be their trusted partner, developing innovative solutions and growing together to deliver a best in class service to the clients.



Loredana Mazzoleni Neglén, Head Sales EMEA Managing Director Swiss Re Corporate Solutions talks about the factors driving success in its partnership with Brokerslink

“In today’s changing risk landscape, innovation is non-negotiable”

Conference Marketplace

The Marketplace is always one of the most popular features of the conference. Located close to the main conference room, each year it gives our sponsors the opportunity to showcase their products and services to Brokerslink's partners and affiliates from across the globe in a relaxed and informal environment.

The Marketplace helps to promote closer ties with our insurer and supplier partners and build future opportunities for multinational business across the network.

This year, alongside 13 sponsors demonstrating their services, we introduced a brand-new feature; a virtual marketplace hosted on our innovative new partner relationship platform, Agora.

During the second day of the conference, brokers were given live access to the platform including the suite of dedicated covers developed with our strategic insurer partners, specialist and wholesale brokers and risk and insurance service providers.





Opportunities and challenges presented by the Belt & Road initiative

On the second day of the conference, newly appointed CEO of the Insurance Authority Hong Kong, Clement Cheung delivered his keynote address. Cheung shared a positive outlook for the insurance industry in Hong Kong, and then went on to focus on the opportunities presented by China's pioneering Belt & Road initiative.

According to Cheung, Hong Kong has 161 insurers and no fewer than 774 brokers for a population of 7.4 million people. With almost HK\$500 billion (over US\$60 billion) of premiums, it has the third highest insurance penetration rate in the world after the Cayman Islands and Taiwan. However, he noted that around 90% of these premiums are for life insurance and commented; "there is room for development for general insurance in Hong Kong, especially with the establishment of the regulator, and to promote the industry in the global market." Cheung also cited Hong Kong's independent judiciary, proximity to China, the instatement of the new regulator and its free economy as markers of the city's strength and some of the reasons why Hong Kong will play a key role in the Belt & Road initiative.

"room for development for general insurance in Hong Kong"

Cheung went on to describe the Belt & Road initiative in detail, he explained; "the Belt and Road project plans to connect Africa, Asia,

Europe and the Middle East, through marine and land routes. It will cover 65 countries with 60% of world's population and 30% of global GDP."

"The idea is to increase connectivity by building infrastructure; this will involve policy, trade, finance and people. The main objective is to build markets and create investments for further economic growth."

"building markets and creating investment for further economic growth"

The project was described by Cheung as a huge opportunity for brokers, insurers, banks, captive managers, trade associations and other stakeholders, with a great number of long-term projects requiring risk services. The complexity and variety of the risks involved means those with access to sophisticated facilities and a global network will benefit.

Research anticipates that construction phase premiums will be worth around US\$14 billion, while commercial lines in property, transportation, energy and other lines will be worth another US\$13.5 billion of premium.

Cheung noted that the Hong Kong government has increasingly been helping reinsurers and captives place business in the SAR by offering tax and regulatory incentives; meanwhile the Insurance Authority will take over full regulatory authority of intermediaries in the middle of 2019.

Delegates then learned first-hand of Hong Kong's plan to launch a platform to connect the city's insurance industry to opportunities to insure these projects connected with the Belt and Road initiative. The Belt and Road Insurance Exchange Facilitation platform will be officially launched in December 2018 at the Insurance Authority Asian Insurance Forum.

Cheung finished: "We [the regulator] have a mandate to create business and are independently funded from license fees and levies placed on Hong Kong premiums. We have an alignment with business and are a right touch regulator."

Belt & Road initiative in numbers

- US\$7 trillion invested by 2030
- 65 countries
- 60% of global population
- US\$14 billion in premiums during construction phase





Can China become the global economy's superhero?

Hong Kong-based Mahamoud Islam, senior economist at Allianz-owned trade credit insurer Euler Hermes, gave the audience his expert insights on the current state of the Chinese economy, with economic uncertainty creeping through the global economic system, he posed the question: “can China become our superhero and save the global economy?”

The size and scale of the country brings many benefits but also plenty of risks.

China's role in the global economy cannot be overstated, 1pp of current global economic growth is derived from China, compared with 0.7pp from the US and 0.5pp from the EU. Although China's growth has slowed over the last decade, its current GDP growth rate of 6%+ is still far superior to most countries.

Islam noted that while the volume of global trade is undergoing a turbulent period, it is still anticipated to grow 3.8% in 2018 and a further 3.6% in 2019, however, this is down from 4.8% in 2016.

Referring to the tough export tariffs imposed by US President Donald Trump, Islam said Euler Hermes believes the US is using the trade threat as a tool for negotiations and pointed to the recently renegotiated North American Free Trade Agreement between Mexico and Canada; the deal was signed by all parties after much heated rhetoric and public disagreements.

“by 2040 China's consumption could potentially match the US”

China's consumer growth is still strong, and the country is driving global imports; by 2040 China's consumption may potentially match the US. China is even cutting tariffs for products such as cars, textiles and agricultural product.

Islam provided the audience with the following positive signals: the rebalancing of the economy towards consumerisation; disposable income is growing c.7% year on year; the 'Made in China' 2025 manufacturing strategy; and the gradual opening of financial markets and the capital account.

The gradual internationalisation of the Renminbi (RMB) means China is more likely to buy and sell goods, lend and borrow, in its own currency in the future.

“China needs strong institutions to predict and monitor credit risk”

However, Islam cautioned that “this can become problematic, as further opening of the capital account could increase capital outflow; the key is to try and to do this in a safe and secure manner. China needs strong institutions to predict and monitor credit risk, it needs improved financial literacy and a healthier financial system, it has too much debt.” He added, “gradualism is needed to control pace of flows.”

China's grand Belt & Road initiative is another example of China opening itself to the rest of the world and the country is already spending billions on expanding marine, road and train links between Asia, Middle East, Europe and Africa.

“multiple opportunities for brokers, insurers and reinsurers”

China wants to increase connectivity, build telecommunications, transport infrastructure, open up capital flows, increase competitiveness and improve trade. The new routes will create multiple opportunities for brokers, insurers and reinsurers (see Clement Cheung page opposite).

Islam cautioned that China's future growth will depend on managing certain risks; financial sustainability, for example the current non-financial debt at a high level of 261% of GDP; navigating trade tensions with the US; unpredictable politics; and any diplomatic tensions around the Belt and Road initiative.

Can China become our superhero? Only time will tell.



Enlightenment of Macau after Typhoon Hato

Ivan Cheung, executive director of Fidelidade Macau spoke about one of the most damaging storms in Macau’s history and the lessons his country learned from the catastrophic weather event.

Cheung began by describing the events of August 2017, when Typhoon Hato, the most powerful storm in 53 years, hit Macau after first making its way through the Philippines and battering Hong Kong. The storm was so serious that the Macau Meteorological Geophysical Bureau hoisted its first no.10 tropical cyclone warning in 18 years.

The country sustained serious water damage to underground car parks, casinos, SMEs and low-lying seafront areas. The situation was so bad that over 1000 soldiers from Macau garrison of the Chinese People’s Liberation army was deployed to assist in disaster relief and cleaning up for the first time in Macau history.

“the most serious loss in Macau’s history”

The direct economic cost of the event was calculated at US\$1.13 billion with insurance losses of around US\$500 million, the most serious loss in Macau’s history. In 2016, property insurance made up 42% of the country’s US\$269 million GWP and Cheung explained

that it could take more than 5 years for property premiums to cover these losses.

Cheung described Typhoon Hato as a wake-up call and warned that; “climate change and global warming problems are upon us, we need to prepare now for any typhoons that may come in future.”

“lessons learned”

In the aftermath of the typhoon, the citizens, Government, insurers and reinsurers of Macau used the lessons they had learned from Hato to better prepare themselves for future serious weather events. Cheung outlined some of the practical steps taken by the Macau government to mitigate future typhoon damage, such as improving the regular updates and operational procedures of the observatory during typhoon; rethinking urban development, strengthening the country’s water supply system and becoming less dependent on Zhuhai (China) for electricity. He explained that insurers conducted reviews of their current underwriting especially with the extension of coverage, like landscape, tree, plants and contingent business interruption and the current retention level of their reinsurance treaties, and reinsurers need to review their exposures, catastrophic XOL protection and concentration of risk location.

This year Typhoon Mangkhut struck Macau. Described as a “super strong typhoon”, Mangkhut was greater in size and intensity to Hato but caused significantly less damage, with Macau suffering US\$34 million compared to the US\$500 million suffered in 2017.

Cheung commented: “We learned a lot from Hato; we closed casinos for the safety of employees, utilised water barricades, for example sandbags and wooden fencing, adhesive tapes were used to protect windows, an emergency disaster prevention team was deployed and overall there was better communication with the public”.

Cheung went on to outline several recommendations of his own; a large wall to the west of Macau to protect from flooding; improvements in drainage and urban development; exploring opportunities to insure with the Catastrophe Insurance Program of the city of Macau; implementation of robust business continuity plans in local enterprises. For insurers he advised revisions of their current property/whole account catastrophe XOL cover as well as revision of retention levels. For reinsurers, Cheung stressed the importance of providing advice and suggestions to insurers, especially in respect of water damage and revision of the current reinsurance treaty program for Macau insurers.



The business of building superyachts

Michele Gavino, chief executive officer of prestige Italian yacht-maker Baglietto joined the conference to give a presentation on the risky business of building a superyacht.

Gavino gave a short history of the business, which started in 1854 and today develops superyachts designed to balance tradition with innovation. Baglietto is one of the oldest boating companies in the world and joined major industrial conglomerate the Gavio Group in 2012.

The business, now in the superyacht “Top 20 Builders” list, employs 50 people and has design space and offices in La Spezia and Carrara in Italy, as well as in Fort Lauderdale and Tampa in the United States. Gavino stated Baglietto’s aim as being to “design and build tailor made, highly customisable yachts.”

“a limited market with a limited number of clients”

Recognising the oddity of the market in which Baglietto operates, Gavino commented: “our clients are millionaires and billionaires, it’s a limited market with a limited number of clients so the number of potential clients and number of sales is few”. Although still a relatively small market, according to the Sybass Economic Report, last year there was an 18% increase in the number of billionaires worldwide to 2,208 ultra-high net worth (UHN) individuals totalling US\$9.1 trillion, a record number.

Gavino went on to give a more detailed picture of the superyacht market. There are currently around

1400 superyachts in existence (from 40 to 60m) with another 140 superyachts in construction; the growth in the market is reflected by increases in the value of the production of Italian shipyards, a hub for yacht-building, 14% in 2017 and 12% in 2018 (expected).

For its part, Baglietto is in the process of constructing six yachts, each around 40m-60m which Gavino explained is the average size of yacht ordered by UHN individuals, he explained; “it is not just a matter of buying the superyacht, maintaining one can cost 1-2m Euros per year”.

“a long and complex process”

Building a superyacht is a long and complex process, Gavino explained that the various phases take place over several years and include the development of a proposal, the signing of a contract, building time, sea trials and finally delivery.

Throughout the process, Baglietto faces a number of risks, not least the complicated supply chains featuring both global and local suppliers. Gavino outlined some of these risks which fall into broad categories; the market, the builder, the suppliers, the owners and force majeure. Risks include; geopolitical tension, bankruptcy of the owner, market volatility, the regulatory environment, fire and the intense competition in the market, as a result of the high cost and risk involved, Gavino summarised; “the paradox of yachting is that the more you sell the higher the risk of failure”.

Key risks

The market

- Market volatility
- Competition
- Global disintegration
- Regulatory environment

The builder

- Strategic decision with long term impact
- Yachts on speculation
- Shipyard capability and organisation
- Time and space constraints due to long construction time

The supplier

- Complex supply chain with irregular tack-time
- Late delivery of materials
- Risk of bankruptcy

The owners

- Irrational behaviour due to strong emotional components
- Change orders
- Risk of insolvency
- Death

Force majeure

- Fire
- Geopolitical tensions

WITH SUNU ASSURANCES

YOU PICK YOUR WAY WE TAKE THE RISK



◆ Countries of presence

◆ Countries in which the SUNU Group is being installed

Benin - Burkina Faso - Cameroon - Central Africa
Côte d'Ivoire - RD Congo - Gabon - Ghana - Guinea - Liberia
Mali - Mauritania - Niger - Nigeria - Senegal - Tchad - Togo

   SUNU Assurances



 www.sunu-group.com

Insurance, our business.

The 2nd Risk Management Forum took place during the 2018 Brokerslink conference in Hong Kong and ran in partnership with the Pan-Asia Risk & Insurance Management Association (PARIMA). The Forum was sponsored by SUNU Assurances and brought together 28 senior risk professionals and insurance market leaders from across the globe. The Forum encourages lively and interesting debate as those attending shared their thoughts and insights on some of the key challenges and opportunities currently facing risk managers.

BROKERSLINK

RISK

MANAGEMENT

FORUM



The Risk Management Forum was chaired by Franck Baron, group deputy director, Risk Management and Insurance of International SOS and Chairman of PARIMA. It provided a great platform for lively discussion across a broad range of topics, from the risk manager's relationship with the corporate c-suite, to the relevance and responsiveness of the insurance market to supporting risk managers. Also on the agenda were insurer and broker consolidation, Brexit and the need for innovation.

According to PARIMA, one of the most frequent topics raised by its members across the Asia Pacific region is a clear need to make risk management more connected to the top management within organisations. The Forum participants shared a range of thoughts and experiences around the topic of effective engagement.

Manuel Padilla, director, risk management at MacAndrews & Forbes Holdings Inc. highlighted the importance of proactivity in risks managers' corporate interactions: "Risk management as a discipline is a very important function in corporations, but risk managers need to let their senior management know that. You don't do that by waiting for them to come and ask you. We shouldn't be afraid to raise the issues, solve them and then say we fixed them".

Risk Consulting Group's president Jorge Luzzi agreed: "We should not be shy. We need to recognise that we are in a profession which, in some industries, is not totally understood. So we have an additional responsibility to help increase understanding and become a risk management pioneer, a 'preacher' about what we do."

No longer the bearer of bad news

Cecilia Cheng, general manager for governance & risk management at MTR Corporation Limited, spoke about the difficulties of selling in the importance of risk management when you are associated with bad news: "When things are going well, companies will not want to spend too much time and money on risk management. For some, risk is seen as the potential weakness in their workflow. They say, 'we are good, we have no risk'. I say this cannot be right, everything comes with a risk." She added: "We have to avoid being a 'blame ticker', we need to show that because of our involvement, we have captured risk issues and therefore, demonstrated our value."

The link between risk management and 'bad news' can be exasperated by risk managers themselves according to Gordon Song, senior vice president, group risk and internal audit, Lazada Group: "Risk managers need to fashion themselves as more than the bearers of bad news and have an opinion on every aspect of the business, as every business area has risk. Those who just sit in their corner waiting for something to happen will not have their leader's ears when they want to talk about risk."

Aligning with business strategy

Speaking the language of the executive board, understanding their motivations and what is driving their decision making, were all seen as important routes to increasing engagement.

Javier Mirabal, executive director at Fundalarys, emphasised this point: "Risk management is looking at the future and so are companies' strategic plans. Multinational companies in Latin



America are now using tools to align their strategic planning processes with those of enterprise risk management in order to help manage the future. They are using metrics such as KPIs and the Cambridge Indicator, and other strategic tools to produce a balanced scorecard to reflect the risks.”

The increasingly important role that technology plays in business also highlights the need for risk managers to be able to adapt to remain relevant. The availability of more data and use of data mining techniques can help the development of the profession. AirAsia’s group head of risk, Suchitra Narayanan, was clear on the opportunity: “Every change in our business will be technology based, so for me to be effective, I know I have to change my mindset and become a ‘digital risk manager’; I have to be technology-driven.”

Early intervention

Keeping track of corporate changes and developments, particularly across multiple countries, can be an issue. This can be further compounded if companies see risk management and insurance as an afterthought or a ‘tick box’ requirement, putting the risk manager in a difficult position. The Forum saw a common challenge when an insurance issue is identified during an M&A deal or during a new project, market or product launch. At that point the risk manager is seen as a blocker to progress. Therefore, being involved from the outset of these kinds of projects was seen as an important step forward for all parties. Jan Mumenthaler, the principal insurance officer at Insurance Services Group - Asia, saw earlier intervention as a way to enhance the role of risk managers: “We need to be enablers. Coming in

late to conversations can create a problem but if we have been involved earlier, we could add value.”

Getting a different perspective on risk

Getting the point across when time and technical understanding is limited can be a challenge, so risk managers are turning to different ways to explain complex situations and risks. According to Suchitra Narayanan, bringing the true risk owner into the boardroom conversation is an important way of ensuring there is an operational perspective provided alongside the risk managers’. “Engaging the c-suite is an important area but in a complex risk environment, it is beneficial to bring in other parts of the business. For each board meeting, I bring along someone from another part of the business to explain what they do in their words.”



The need for soft skills

The kind of relationship that risk managers have with their boards is dependent on much more than just exercising technical skills. The group were in broad agreement that soft skills were an area of weakness for many risk managers and needed to be addressed.

Maurizio Castelli, a senior consultant at Risk Consulting, PCA and representative of ANRA, the Italian risk management association, was clear on the benefit of developing soft skills: "Risk managers can sometimes be the first to be blamed if they do not have the right kind of relationship with the board but on the other side, in most cases, they do not have the soft skills needed to do this. We should really work to address this because communication is important if we are to address challenges of effective corporate engagement."

Executive director at PARIMA, Stacey Huang, supported this viewpoint and referenced some of the key ones included in a recent PARIMA study on what makes a successful risk manager in Asia. These included; being grounded and savvy; presenting a complex message simply to communicate it effectively; and being able to pull strings and bring people together to get things done.

Challenges in an evolving insurance industry

The impact and effects of consolidation across the insurance industry generated a healthy debate and raised a number of questions amongst those attending the Forum. Market consolidation, hardening rates, the challenges of finding the right coverage, changes in insurer appetite and reducing levels of technical expertise and experience, were all highlighted in the discussion.

Being able to maintain the right level of interaction and personal relationships with brokers and insurers was seen as important. However, the risk managers attending the Forum expressed concerns that changes across the industry were hampering opportunities to sustain these kinds of productive relationships.

The loss of skills and people as a result of consolidation highlighted not only the challenge of maintaining relationships but also problems with accessing proper technical underwriting skills. Furthermore, an insurer that once understood, assessed and adequately priced a risk can, following M&A, become the complete opposite.

Kelvin Wu, group assistant general manager risk management and insurance, International SOS, saw appetite change in relation to longer-term risks and clashes between first world sensibilities and the realities of emerging market needs as an issue. He referenced an example where an insurer may decide they are only going to write clean energy risks, yet some of the countries they write business in are reliant on coal and fossil fuel power generation.

The resourcing challenges of working with international insurers and global brokers were mentioned but events such as the Brokerslink conference which enabled risk managers to have meaningful discussions with their brokers from around the world all in one place avoiding the need to travel to a number of different countries were seen as positive developments.

Claims management was another area seen as becoming more difficult as a result of consolidation. With businesses evolving so quickly it is difficult to rely on the exact terms and conditions of a policy wording. What may be agreed terms on a policy one month can change and risks increase the next. To address this, risk managers saw it as crucial that there was a sufficient level of quality conversations taking place at the senior level of insurers to understand and address any grey areas in claims.

The reduced level of skills in claims departments, increasing workloads and a lack of conversation and collaboration between the underwriting and claims operations were all factors of concern. Risk managers want the claims manager in the room when being advised if a claim is going to be covered. But this is not always possible, whether because they are just too busy, or, in some cases, it is the insurer's policy to not have them involved.

When it comes to the payment of claims, the group was clear that more could be done to address the speed of settlement, highlighting that delays are not just frustrating, but can directly impact a business' ability to trade.

Pricing pressures

Another consequence of the competitive nature of the current market was the challenge for risk managers around adequate pricing of risk. Manuel Padilla explained: "20 years ago, a standard general liability policy was a minimum premium of US\$100k. That was the price, that was what the market bore and, assuming the technical rate was correct and there was a 60% loss ratio, everyone was making money. Then new players came in to the market and started to offer the policy for US\$50k, right there you know that that premium doesn't cover the loss ratio."

Brexit on the horizon

Like many business and industry professionals, risk managers are waiting to see what happens once the UK leaves European Union in March 2019. There was some comfort with the marketplace appearing to have compliant solutions in place at this point. However, there were questions around both the European regulators' long-term views of these arrangements and whether insurers would ultimately pass the cost of these solutions on to buyers.

The group expressed concerns that the approach of insurers would remain focused on achieving a

compliant solution to Brexit rather than looking at leveraging the opportunity to establish strong centres of excellence in alternative locations to help the underwriting of global risks.

Delivering value and remaining relevant

The ability of insurers and brokers to remain relevant was an important point of discussion. Maurizio Castelli's view was clear: "They are completely missing the challenge they face. From my perspective, the focus is still on pricing rather than providing innovative services and tools." He emphasised that a continual focus on price and competition was not going to solve the issue of insurers remaining relevant or their ability to come up with innovative solutions. "There are a growing number of risks that we face today that are not insured or insurable and the industry is gradually missing the point" he said.

Franck Baron echoed this: "There is an increasing appetite for corporations to be properly risk financed and the insurance industry is not responding to this need. For cyber risk, intangible assets, reputation and a growing number of other risks we do not yet see appropriate solutions available from the insurance industry."

While innovation is a watchword in many sectors across the globe, there was some scepticism that the insurance industry was currently able to fully understand and embrace the opportunities that new technologies can bring. The impact of technology, dealing with fast moving change across multiple industry sectors and the ever-present drive for innovation, were all seen as areas of challenge but equally recognised as opportunities for the insurance industry.

For Javier Mirabel, Blockchain would be a challenge for brokers: "When Blockchain is included in the placement and pricing processes, this will transform everything. Forget negotiation, everything will be in front of the parties in the insurance process."

Making a success of it

What do brokers need to do to address the needs of risk managers both now and in the future? Jorge Luzzi was clear: "Brokers who have more success will be those who provide new services and other ways to help the client." Manuel Padilla added: "The brokers who will last are those, like Brokerslink, that offer a service that is more than just transactional. They offer an interpretive service, gathering and vetting information. They ask the right questions and get through the mass of information to enable me to manage the risk."

The group was clear that for their future success, it would be important for insurers and brokers to remain relevant, to bring value and innovation and offer solutions that match the appetite for strategic risk transfer and consultancy that continues to meet the needs of clients.

NEXT BROKERSLINK RISK MANAGEMENT FORUM

BORDEAUX 17 OCTOBER, 2019

FOR MORE INFORMATION CONTACT:

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Development plans for 2019

Anne Collette, Director of Business Operations reflects on her first few months at Brokerslink, and the year

“When I joined Brokerslink in July I saw it as an exciting new opportunity, but with a lot of challenges! Our strategy is to continue to grow by empowering local retail brokers, making sure they have what they need in terms of the facilities, products and services they can provide to their clients. The challenge is to utilise the knowledge and skills we have as a large global group, deploying the expertise from our specialised brokers into our retail brokers to make sure they have not only the tools and knowledge, but also the training materials they need as well as access to increased capacity from top carriers. It is a win-win situation because if our brokers are geared to make more business, everyone makes more business and we grow and become a more solid global broking firm.

“products, services, facilities and software for the entire network to use”

The priority for my first month was to develop products, services, facilities and software tools for the entire network to use and access online in a very simple and efficient way. At the conference we launched Agora, an online portal which provides all partners and affiliates with a platform for communication, knowledge-sharing and access to real business products and services via an online marketplace.

This online marketplace will give brokers direct access to specific risks, details about the coverage, limits and conditions, as well as sales materials that they can then download to use with the final client. Over the coming weeks, as Agora becomes accessible to all of our partners and affiliates, I hope to have many quote requests for all the products we have online currently, knowing that the products we can

offer will continue to evolve. For example, the next product to be added to the marketplace is Active Assailant provided by SafeOnline, this product relates to the risk of any individual person carrying out a premeditated attack using a vehicle, explosive device or any handheld weapon. It is a topical subject particularly for entities that are open to the public. This policy does not request any political trigger to cover property damage and bodily injury losses sustained after this nature of attack.

“the biggest challenge is to get a deeper understanding of the needs of our brokers”

Over the next 6 months the biggest challenge for me is to get a deeper understanding of the needs of our brokers. We will be doing surveys, webinars and roadshows to promote everything that is already available on the online marketplace and give us an opportunity to get a better feel of the next steps for us in terms of potential business opportunities. As well as these initiatives, which will begin in 2019, we will continue to enhance our relationship with strategic insurers and have regional meetings for Europe, Africa and the Middle East, Asia Pacific, and the Americas.

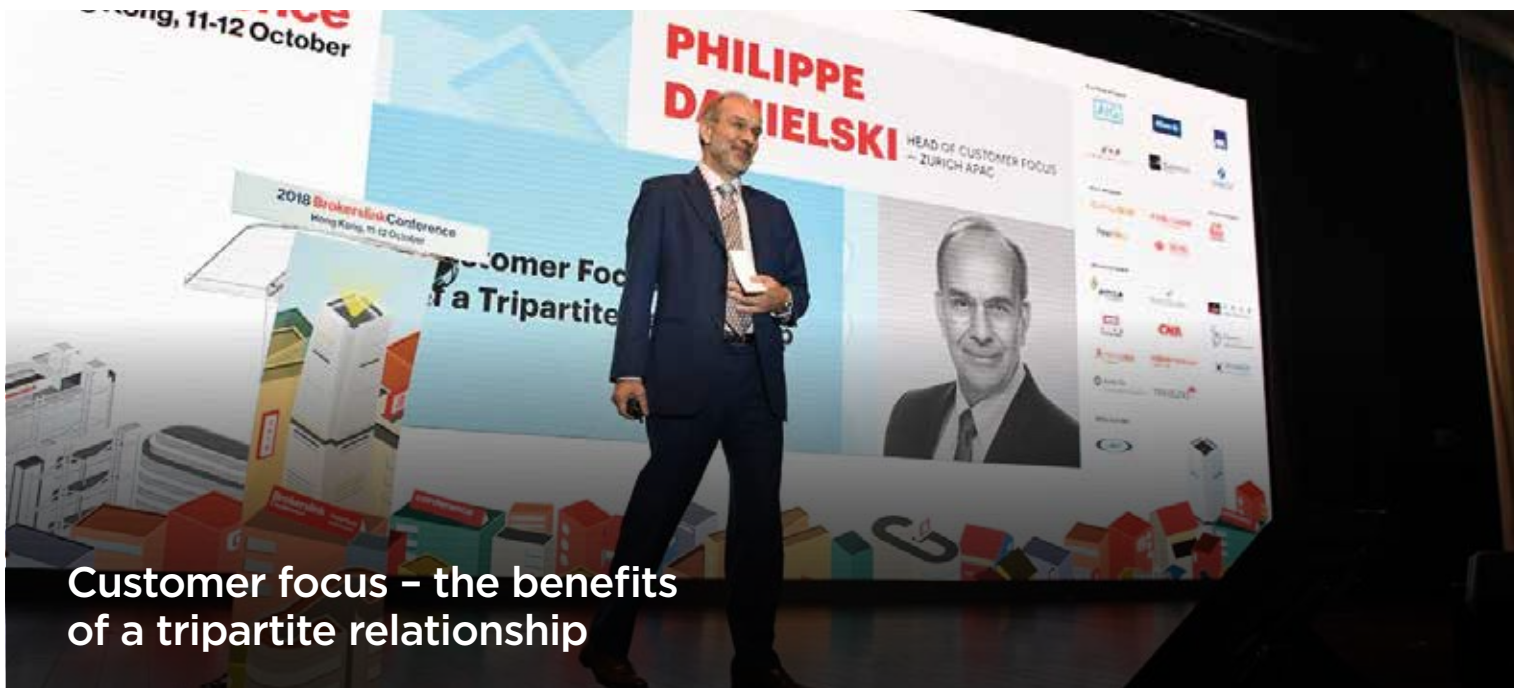
These developments will continue to fill gaps of expertise that we might need in some regions, and offer new facilities that might be interesting to develop worldwide.

“every broker is different and it’s lovely to see the cohesion between them”

I’m really enjoying my role with Brokerslink, it’s extremely interesting as every broker and risk consulting company is different and it’s lovely to see the cohesion between all the partners and affiliates. Some of them



have known each other for a long time and regularly do business together, but you also have the new ones coming in and being integrated very quickly because the atmosphere is so professional and friendly.”



Customer focus – the benefits of a tripartite relationship

Zurich's Asia-Pacific head of customer focus Philippe Danielski joined the conference to discuss how insurance has evolved from the “ultimate push product”, to one based on a more sophisticated customer relationship. One that relies on brokers, insurers and customers working together to form a beneficial tripartite relationship.

Danielski explained that at Zurich, “the customer is at front and centre, it is a matter of survival. Today's customers have a huge amount of power, they can easily Google you to learn more about you, and then listen to the opinions of their friends and families.”

“customers with great experiences are willing to pay more”

A recent report from global consultancy Bain & Co. entitled: ‘Are brokers and insurers working together to hear the customers?’ found that 86% of customers with great experiences will pay more; this can create 140% more spend and six times more loyalty; something any company would appreciate.

Zurich has been conducting its own research from over 37,000 customers across 23 countries. Over 1000 employees including more than 200 members of the leadership team and global CEO Mario Greco called customers to ask them about the customer service they receive at various touch points throughout

the life of the policy. They examined points on the customer journey such as service turn around, status updates, correspondence optimisation, communication skills, tele-claims, cancellation rescues and auto replies.

“simply pick up the phone”

Danielski said that the firm identified a series of customer pain points and then proposed actions to remedy them. One such solution is to simply pick up the phone to call a customer proactively, he explained: “We call our customers back if they have had a poor experience; retention rate increases 9% for detractors and 19% for the passives.”

In Australia, Zurich found that some customers were complaining that it was hard for them to buy the insurer's products. Zurich identified actions such as call-handler up-skilling, reworking questionnaires and improving soft skills of sales staff to improve the ease of purchase.

Customers can be divided into perspective customers, new customers, loyal customers and

most importantly of all – customer advocates. By also separating customers into detractors, passives and promoters, Danielski said firms can work out their net promoter score – the willingness of a customer to promote your products and services – by taking the percentage of promoters minus the percentage of detractors; the higher the better.

“a win-win situation for all parties”

In a direct challenge to the audience, Danielski said: “tell us how to improve, and how insurers can get in front of customers, for example when you win new business, we are happy to welcome them and talk about their relationship with us; this dialogue will lead to more business and greater retention.”

If brokers utilise some of the dynamics described there can be a “win-win” situation for customers, brokers and insurers alike, according to Danielski. He concluded; “the client is now at the centre, you cannot do the things you did in the past.”

Embracing the power of Blockchain

Hélène Stanway's fascinating presentation on Blockchain explained in simple terms what the technology is, why, and how it has been successfully used in marine insurance in a project known as InsurWave.

The global Digital Leader at XL Catlin, now part of AXA XL, a division of AXA, demystified Blockchain in insurance, presenting it as a digital ledger of assets that keeps a record of all transactions on a peer-to-peer network. A synchronised database means that all parties within that network have near real-time access to the same risk information. This decentralised and encrypted ledger has no single authority and is arguably more secure than other contracts.

In addition to the digital ledger of assets, Blockchain can also make use of SMART contracts which are traditional contracts, in computer code format. Where the asset data and contract data are both in digital format, this allows for the automation of activity within the contract, based on a set of rules.

One of the key benefits of Blockchain is that the information stored is a single version of the truth where the client, broker, insurer, reinsurer and other parties are all able to find the same version of the information they need. Every interested party is notified of contract and data changes at nearly the same time with no paperwork or reconciliation needed, making the transaction frictionless.

“no paperwork or inefficiencies”

Blockchain isn't a futuristic concept; Stanway went on to talk about a project she has been heavily involved in, that has embedded the technology into the insurance value chain. InsurWave was created by bringing together industry participants Maersk, Willis

Towers Watson, AXA XL and MS Amlin. This was supported by EY, Guardtime, Microsoft and Acord. Today, InsurWave supports marine hull insurance and facilitates more than half a million automated ledger transactions and helps manage risk for more than 1,000 commercial vessels in this first year.

InsurWave is not only Blockchain based, but also includes links to real-time sensor data from vessels that can indicate where ships are at any given time, their proximity to each other and the total exposures in any given location by combining the vessel locations to the asset register.

“a game-changer ahead of renewals”

The asset data can be viewed as a live dashboard of exposures and required action as well as the ability to drill down on a per vessel basis. Stanway noted that in a traditional hull insurance policy, approximately 7-10 data fields are received per vessel. Within InsurWave, there are already over 30 data points per vessel.

Stanway explained that one use of the technology was the automation of the calculation of war zone additional premium. The SMART contract “geofences” the war zone and will automatically calculate the additional premium due when the vessel is “geotagged” as entering and leaving the war zone. Based on this “geofencing” and vessel sensor data, the captain of the vessel can decide which route to take based on risk: either go through a war zone, with additional risk and therefore additional premium, or take a less risky route, by going around the war zone which may influence fuel consumption and duration of the journey.



Stanway described Blockchain as a game-changer for clients. If data is updated and synchronised across the client, the broker and the insurer throughout the lifecycle of the risk, the technology enables new insights and learnings and also raises the question of whether annual contracts are necessary in the Blockchain era.

In a video presentation shown by Stanway, AXA XL's chief information officer is quoted saying: “through the use of the Internet of Things and smart contracts, policies will be updated automatically to reflect the risks covered; this combination of technologies will help improve efficiency in claims assessment and payment. Those are tangible wins for our clients, no matter their industry. And with the platform going live, we are now ready to start working on opening it up to other insurance segments.”

“the future is now”

The hope for the InsurWave Blockchain is that it will be a catalyst for change within the insurance industry by providing a single version of the truth, thereby removing much of the friction and cost within the industry and increasing risk insights and client centric solutions. Stanway finished with a challenge to the audience, “if you want to be an industry pioneer and differentiate yourself among clients and peers, now is the time to start embracing blockchain!”



Is there a future for health insurance?

Jean-Louis Davet, chief executive of health insurer VYV and vice chair of the International Co-operative and Mutual Insurance Federation (ICMIF), gave conference attendees a fascinating insight into the megatrends connecting technology and health.

Davet told the conference: “everything is happening at the same time and we are now feeling the impact of society megatrends that have been on the horizon for a long time.” He argues that with the impact of these megatrends, technological advancements and significant shifts in the mindsets of citizens and consumer behaviour, the world is on the verge of a revolution that will affect all sectors of the economy.

“a real change in our global framework”

Davet then went on to outline some of the megatrends of our changing society;

- Healthcare expenditure has risen faster than the economic growth in most countries over the past 20 years.
- An ageing population impacting healthcare but also infrastructure and universal health coverage.
- Chronic diseases were identified as a risk 10 years ago in most major countries by the World Economic Forum but are now spreading across the world.
- Rising inequality of access to the latest medical technologies such as biotechnology resulting in a huge gulf between the “haves” and “have nots” and rising social tension
- The effect of global warming on health and healthcare costs
- The significant growth rate in international mobility

He commented that all of these contribute to “a real change in our global framework”

The combination of different advancements in technology are creating, in Davet’s words, a vortex, “it’s not a question of one technology, but a number of technologies all echoing one another, giving rise to exponential growth in innovation”. These technologies include nanotechnology, biotechnology, data science and artificial intelligence, quantum informatics, cognitive sciences and robotics.

“a leap towards the augmented human?”

The preoccupation with immortality is nothing new, but Davet explains that achieving this might become more realistic, outlining two different research paths that might bring us closer; firstly, combatting ageing through better control of health determinants using epigenetics and secondly, achieving digital immortality through the upload of our conscious minds to computers. Google is currently working on both of these roots to immortality through its California Life Company (Calico) labs and the Singularity University in the US. These will clearly have interesting implications for health insurers in the future.

Explaining where the opportunities for health insurers are, Davet highlights the international playing field giving insurers and brokers access to new distribution channels, new tools, new analytics and new spaces to evolve.

Davet concluded; “is the future depressing for health insurance? No! Although there will be better ways of calibrating and predicting risk, and you can improve predictions through health assessments each year, it is still a risk – which is good news for insurers.”

Brokerslink; a success story

José Manuel Fonseca, longstanding group chief executive of MDS Group and founder and Chairman of Brokerslink, spoke in Hong Kong about the key drivers behind the development of the global broking organisation.

The idea behind Brokerslink started when MDS, at the time a small captive broker for a large Portuguese conglomerate, was looking to protect the company's overseas investments.

Fonseca explained: "We were competing in a mature market with the big brokers. My group were already in 20 countries and we needed to support them. We talked with brokers in France, Spain and London."

Over a lunch, Fonseca shared his plans to formalise the union; he produced the logo and literature, everyone agreed and Brokerslink was born.

Fonseca explains: "It was originally very European. We organised conferences four times a year of around eight brokers. We built the network from the bottom up and we have got to know each other very well."

The group soon became aware it needed to expand beyond Europe.

Fonseca connected with the PanAsian Alliance and the ALINTER network in South America.

At a conference in Bangkok in November 2008 the network was formalised and merged under the Brokerslink brand. Fonseca described it as a "big deal at the time." In a further expansion, the US global broker Crystal & Co. joined. The first global conference was subsequently held in Hong Kong in 2009 and the rest is history.

Brokerslink now has affiliates in over 100 countries including every European country and almost every nation in Asia and South America. In Africa it has brokers in 30 countries with plans to expand further. The group has grown so much it manages around US\$40 billion of gross written premium.

More than a network

Describing the benefits of Brokerslink, Fonseca stressed that nurtured relationships make it very different to the global brokers.

Fonseca said: "It is critical to have easy access and to trust each other, especially when we are on different sides of the world.

"We have one retail broker in each country and don't have competition inside our markets, this creates the feeling of exclusivity. We can have two - if the specialisms are different - for example in the UK we have the central broker, Bridge and Safeonline, specialising in cyber risks.



"I want our brokers to have the resources of a big company but the attitude of a small company, with access to a wide range of expertise."

Consolidation

In a climate of intense market consolidation, Fonseca noted threats and opportunities for independent brokers.

Brokerslink has continued to develop and nurture strong strategic partnerships with AIG, Allianz, AXA XL, while smaller local insurers are also well supported.

Fonseca explained "clients are ready to work with good mid-size brokers who are creative and have local market knowledge. I want our brokers to have the resources of a big company but the attitude of a smaller one, with access to a wide range of expertise."

Fonseca concluded: "It has been a transformational process. All the brokers understand the power of the network. I get excited by success stories and great deals between brokers."

Effort is effort: the secret to sustaining success



Mike Anthony, Head of High Performance for New Zealand Rugby, closed the conference on a motivational note.

Anthony was appointed New Zealand Rugby's Head of High Performance in April 2018 after spending eight years identifying and developing emerging rugby talent, including the New Zealand Under-20 team and the New Zealand Schools' programmes.

"the right environment for sustained success"

The philosophy of the All Blacks (the New Zealand team play in an all-black kit) and other NZ Rugby teams is to help create the right environment for sustained success. The other critical element to this, is ensuring the players in those environments are supported by the right people.

He explained how it was important for a team to have a vision or theme that connected them. "We find out what motivates and drives [the players]. Their 'Why' or personal meaning is also important. This is what energises them.

He explained some of the pressures involved: "You are an All Black 24/7; it's a fishbowl: a small country with just four million people. The players are under scrutiny all the time. They have to learn how to deal with the pressure and expectation."

Reliving the success of the 2015 campaign when New Zealand won the rugby World Cup in England, he said the team performed on and off the pitch, engaged with fans, and the feedback was extremely positive from all those who had contact with the team.

"ruthless on the field and humble off of it"

He added: "All of our teams use the mantra 'team first'. You have to be selfless. The ideal is to be ruthless on the field but humble off of it."

New Zealand Rugby have developed a holistic approach with six pillars of development, including mental skills and personal leadership. It is also important for players to decompress, switch off and spend time away from the game and with their families.

There is also a sense of loyalty with New Zealand's players turning down significant offers from abroad to stay in the country. The players understand the privilege of playing for the All Blacks and that they are well cared for in the NZ system.

Commenting on identifying talent, Anthony said: "A major part of our recruitment focuses on a player's character. We first find out about them as people; they need to be coachable, have work ethic, show resilience, and demonstrate a competitive edge"

"We want them to grow on and off the field and focus on development rather than just winning."

"there are no silver bullets for success"

Finally, Anthony reminded the audience there are no silver bullets for success: "We have to continue to focus on the things we know make a difference, the 'big rocks.' We know that 80- 90% of what we do works, so it is about continuing to do these things well. 10- 20% we can play around the fringes and make some changes. It is important we don't keep things exactly the same just because teams are winning."

Special recognition for José Manuel Fonseca

As the 10th conference drew to a close there was still time for one last surprise as Paula Rios called to the stage Anthony Lim, founder and executive chairman of Acclaim and long-time partner of Brokerslink, to present a special award.

Lim began: “Brokerslink happened because of one man, I’ve seen him in action and he has the courage and the vision, and the tenacity to execute it and see it through. He travelled the world to sell the idea of Brokerslink, he evangelised about this global broker that can be an alternative to the global broking competitors.”

“This afternoon I would like us to all appreciate and recognise this man, who put his time, money, reputation and resource on the line to make this happen. I’d like to award a trophy, on behalf of all of us partners and affiliates of Brokerslink, to Mr José Manuel Fonseca”.

On joining the stage, Lim presented Fonseca with a special trophy in recognition of the years of dedication he has made to transforming Brokerslink from a European network, to a global broking organisation with a presence in over 72 countries.

On receiving his award, Fonseca said;

“Since the beginning, Brokerslink was really founded and built by you all. Any time a new organisation joins the network it improves and changes, everything that has been achieved, has been achieved by you all. I’m very proud of what Brokerslink has become; it’s a very participative company, we all collaborate, and the result is a mix of all our cultures, our DNA’s and that’s what we can feel when we’re together. The energy, the will, the happiness of being together, doing business together and friendship together, this is very much the thing that differentiates Brokerslink from other global organisations, so thank you all!”



Memories of Hong Kong



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