



9th AIDA Europe Conference, Zurich, 6-7 October 2022

Closing address

7 10 2022

Dear Delegates, dear Colleagues,

After two full days of brilliant keynote speakers, gifted and knowledgeable panelists, interesting dialogues, and a number of theatics addressed, I would like to thank all the parties who have made this conference happen and add to the above, the members of the Organising Committee and their associates, the AIDA Swiss Chapter - our hosts, our sponsors and our hotel.

In summarising the takeaways of this wealth of information and discussion, I may focus on certain key words that were heard in the keynote presentations of Moses Ojeishekoba and Peter Maurer, and in several panels:

- TRUST

Trust is vulnerable and needs to be reinforced. In the wider picture, geopolitical conflict is becoming more crucial as the consent between the big powers is evaporating. Conflict sources (there are over 600 armed active non-state groups) ever more exported conflict outside national borders while at the same time economies and regulation start becoming introverted in a de-globalisation trend.

Extreme poverty is increasing while climate change makes its clear mark and is present where there is massive displacement of populations in search of resources to cover basic needs. The discrepancy between poor and rich societies rapidly increases and creates unrest as through the social media the information flow is made easily available.

And this is appearing on a canvas marked by the scars of pandemic, and by financial volatility created by a mix of unclear components, including increasing interest rates, inflation and uncertainty as to the availability of energy sources, which societies perceive differently in the various areas of the world.

- RESILIENCE

Within this wider picture, the world of insurance and reinsurance is affected by the same problems. The (re)insurance industry is a strong stabilising factor helping societies

mitigate the effects of catastrophes and making recovery feasible and faster. The (re)insurance industry must be strong and resilient. The unstable patterns described create opportunities for further engagement of insurers.

After a decade of combined effort in response to the financial crisis the industry has indeed become more resilient. The waves of new financial regulation and capitalisation have now been endorsed. Next step, to improve regulation especially in the ESG context, by setting internationally applicable standards and metrics re measuring, benchmarking, and reporting performance. Regulators are working in this direction, while universal standards if achieved will support the financial and governance models of global undertakings, resulting in more affordable products for wider parts of the population.

Trust must be rebuilt by conveying clear messages. Insurers must clearly describe what they are offering and pass this message to their clients through clearly drafted policies. Indeed, a dedicated panel discussed some of the reasons why policy wordings are difficult to change.

- ECO-SYSTEMS

Eco-systems comprise the necessary factors and players which will make each system work and develop to its best.

In taking the cost of climate change, natcat, pandemic, governments have the lion's share. Insurance should come into play and increase the resilience of the societies. Engaging more players will help narrowing the protection gap.

On a more specific basis, a dedicated panel discussed the insurance eco-systems, their key components, and their relevance with the regulatory framework.

- INNOVATION AND TECHNOLOGY

Innovation and technology are weapons to improve sustainability and to address systemic threats. Innovation helped efficiently in the pandemic. On the environmental front, heavy investment must be made swiftly to realise the net-zero target.

On the regulatory/supervisory level, a large part of regulation shall have to be translated to machine-readable language to ensure conformity and swift implementation. Risks and pitfalls in transforming regulation into code were discussed in the context of the relevant AIDA Europe Young Authors Award winning chapter.

On a more technical context, re Covid19, a dedicated panel discussed the interpretation trends for policies in litigation, as to whether the pandemic is covered or not, and highlighted the particularities of the US and UK systems.

The dedicated panel on international sanctions spotted the differences between the regulatory and the contract liability. Sanctions are so multiple and have been imposed so fast that it is extremely difficult for (re)insurers to be compliant in all respects, all the more so when walls of non-transparency make tracing the UBO an oblique proposition.

- PROFESSIONALS TO STEP IN AND ASSIST

Societies need to engage and improve on these fronts. Professionals and technocrats are called to work together and offer their expertise to improve the regulatory and political decisions. Societal systems, from education to corporations, are called to provide equal chances and to endorse and include skills and talent from diverse social groups.

- CONCLUSION

It is the mission of insurance to embrace risk, and there are valid reasons for insurers to get fitter for the challenges of the future by activating talent and co-operation.

AIDA is a perfect platform to drive professional knowledge to this end.

Alkistis Christofilou

AIDA Europe Co-Chair