Latin America Consultative Forum on InsurTech

“Digital Financial Inclusion”

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Carlos Gonçalves de Almeida
Technological Revolution
Digital platforms
(internet, smartphones)

IoT

Telematics / Telemetry

Big Data and Data Analytics

Comparators and Robot Advisors

Machine Learning (ML)
Artificial Intelligence (AI)

Distributed Ledger Technology (DLT)
Future?

“640 KB of memory in a personal computer is enough for anyone. 1 GB is too much space to store emails! In two years, the spam problem will be solved (2004)"

Bill Gates, founder of Microsoft

“I predict the Internet will soon go spectacularly supernova and in 1996 catastrophically collapse"

Robert Metcalfe, founder of 3Com, 1995

“Apple is dead!"

Nathan Myhrvold, then Technology Director at Microsoft, 1997
Context
**Strengths**
- Good dialog with overseen market representatives
- Dialog with newcomers on the market
- Dialog with peers (CVM, BCB, Previc)
- Participation in Fintech WG, Financial Innovation LAB

**Weaknesses**
- Limited knowledge of new players
- Little dissemination of the culture of innovation in SUSEP
- Slow change processes

**Opportunities**
- Expansion of financial and insurance education
- Inclusion of emerging clients
- New products
- Cost optimization – better prices

**Threats**
- Cyber-risks
- Little attention paid to risk jurisdictional precedence
- Personal Data Protection Act
- Draft bill on cooperatives and associations
Vision – SUSEP
Three Steps steering the Innovation Commission and Insurtech

1) First step: understand the expectations of industry representatives
   Main Result: Resolution № 319/2018 issued by the National Private Insurance Council (CNSP)

2) Second step: alignment with other watchdog entities in Brazil’s National Financial System (CVM, BCB e Previc)
   Main Result: regulatory sandbox study

3) Third step: strengthen links with insurtechs, individuals and institutions linked to innovation
   Main Result: organization of an event with elevator pitches from these players in November
Outlook
Supech

- Electronic Transactions Monitoring System (SIMEO): Draft Resolution completed (public consultation: 45 days) CNSP in December, with a proposed one-year grace period
  - Through the system, we can control the accumulation of capital, exposure, claim adjustment periods and reasons for refusing coverage.
**Difference in the Businesses**

• The digital revolution on the financial/insurance market was spurred by Fintechs and then Insurtechs.

• Financial Sector: Brokering Activities – Short-Term

• Insurance: Guarantor (accepts risks) – Long-Term.
Insurer
Sandbox
What will you create?
• Understanding regulatory bottlenecks hampering innovation: analysis from the standpoints of new players

• Applicability of Regulatory Sandbox – Challenges and Hurdles.
Thank you!
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