

CHARTERED INSURANCE INSTITUTE OF NIGERIA

2021 INSURANCE PROFESSIONALS' FORUM

*Theme: The Nigerian Insurance Industry in the
Digital Age.*

**Hybrid Event held from Wednesday,
3rd to Saturday 6th November 2021**



Crucial Information

MEMBERS' BENEFITS

Knowledge and Skills

- Comprehensive Examiners Reports to Student Members
- Provision of Relevant Course Books
- Tuition Classes for Examination Students
- Opportunities to Win Examination Prizes and Awards in Recognition of Excellence in the Institute's Examination.

Social Benefits

- Opportunity to participate in the Institute's Social Programs i.e. Fitness Walk, Family Picnic,
- Opportunity to participate in the Institute's Religious Programs (i.e. Tasfir, Carol, e.t.c.
- Opportunity to enjoy special discounts at partner-hotels i.e. Park Inn by Radisson-Blu, Abeokuta, Ogun State; Transcorp Hilton, Abuja, FCT; Sheraton, Abuja, FCT, Chelsea (xxx), Abuja, FCT.

Group Life Benefits

- On death from whatever source, ₦500,000.00, will be paid to the member's named . beneficiary.

Professional Development

- Access to job opportunities through the CIIN Career Portal (simply send your CV to careers@ciinigeria.org . T & C applies)
- Access to attend the Institute's Professionals' Forum and other intellectually benefiting programs for Professional Development i.e. Conference, Seminars, Business Outlook, Executive Exchange Programs, e.t.c.
- Access to Institute's Journals, Conference Papers, Research Reports conducted by the Institute and Other Reports Received by the Institute.
- Providing opportunities to build leadership skills and give back to the Industry through serving in Committees of the Governing Council of the Institute.



Presented Papers

- **First Session:**

Insurance Development in a Digital World: Current Realities.

- **Second Session:**

Payment System and the Insurance Industry: The Viable Way Forward.

- **Third Session:**

Technology and Innovation in the Insurance Sector.

- **Fourth Session:**

Cyber Risks: Implication for Business and Insurance as a Business Solution.

- **Fifth Session:**

Work Life Balance - Total Well Being.

- **Communique**



Insurance Development in a Digital World: Current Realities.



Profile of Mr. Ekerete Ola Gam-Ikon



Ekerete Olawoye Gam-Ikon Ekerete is an Administrator, a Business Thinker and Customer Advocate. Currently involved in knowledge sharing and advisory services on Insurance, Risk Management, Strategy and Management, his working experience has been largely in the insurance industry at management and leadership levels with leading insurance brands where he participated and led actions in product development, marketing and business development, relationship management, mergers and acquisitions, strategy planning and execution, change management and customer experience management. Besides insurance, Ekerete has continued to be involved in consulting projects and capacity building assignments for financial services providers including banks (commercial, development, microfinance and mortgage), cooperative societies, renewable energy developers, agricultural sector actors and micro, small and medium enterprises (MSMEs) and government agencies.

He is the Founding CEO of Finterate Projects, a business-fitness consultancy firm and Co-Founder, Smart Coach Global Nigeria Limited, a progressive community of seasoned business coaches and brave entrepreneurs.

A 1988 graduate of Economics from the University of Calabar, Full Member of Nigerian Institute of Management (Chartered) since 2003, Certified Process Professional (2010) and Associate of Risk Managers Society of Nigeria (2019).





**2021
INSURANCE
PROFESSIONALS'
FORUM**

Topic:

“INSURANCE DEVELOPMENT IN A DIGITAL WORLD: CURRENT REALITIES”

Presentation By:

Ekerete Ola Gam-Ikon MNIM, CEO, Finterate Projects Nigeria





**2021 INSURANCE
PROFESSIONALS' FORUM**

About me

A Nigerian Insurance Personality

Administrator. Business Thinker. Customer Advocate

Mission

**“No Nigerian should go to work or
travel without INSURANCE”**

Risk is almost certain; so is Solution, certain most times.





Discussion Points

- BELIEVE – It's a Digital World
- Developments in Insurance – Glocal
- The Realities of Nigeria's Insurance Industry
- ASPIRE – Moments with a Digitized Professional





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BELIEVE – It's a Digital World





BELIEVE – It's a Digital World

A Digital World represents a shift from analog to digital system following a sequence;

It is about SIGNALS – Sound, Light, Pressure, Temperature, Radio Waves and more;

It involves Sampling, Quantization and Encoding.

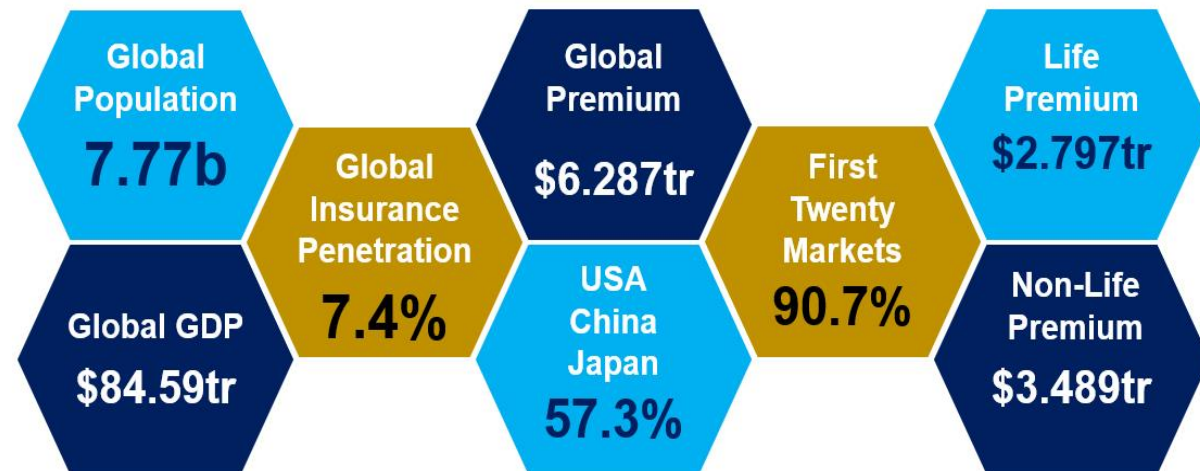
Why Go Digital? DATA

With Digitization, it is easier to process and store data, and you get more accurate and reliable data with minimal errors.





BELIEVE – It's a Digital World



Source: Swiss Re Institute, Sigma 3 2021





Why Go Digital? TRANSPARENCY

Did the world, faced with increasing threat from terrorism, economic espionage and social unrests “conspire” to go digital towards achieving more transparency and accountability?

From globalization to digitization and digitalization.



Why Go Digital? TRUST

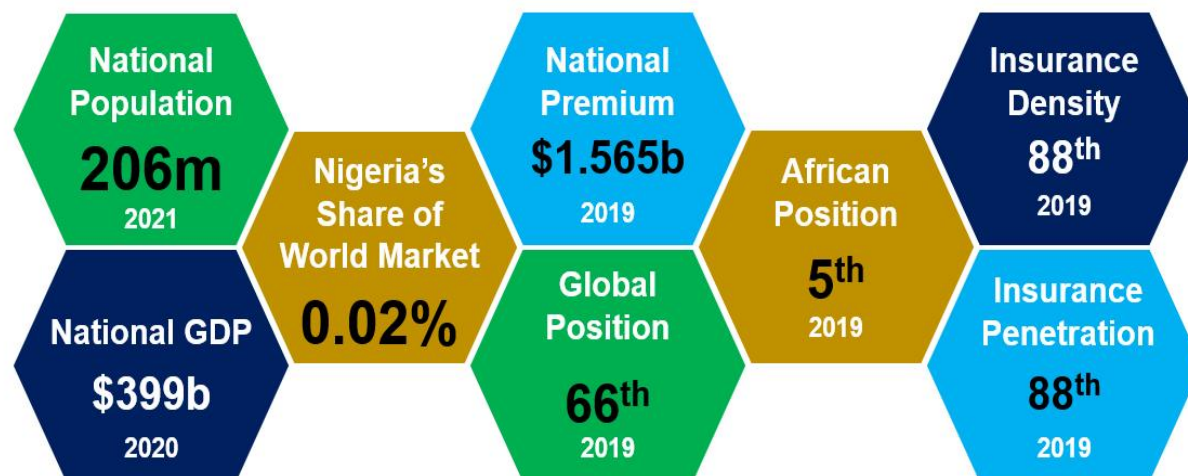
Did trust deficit increase amongst humans or we just gravitated towards relying more on machines and robots?





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BELIEVE – It's a Digital World



A Digital Nigeria Beckons!

Source: Swiss Re Institute, Sigma 3 2021

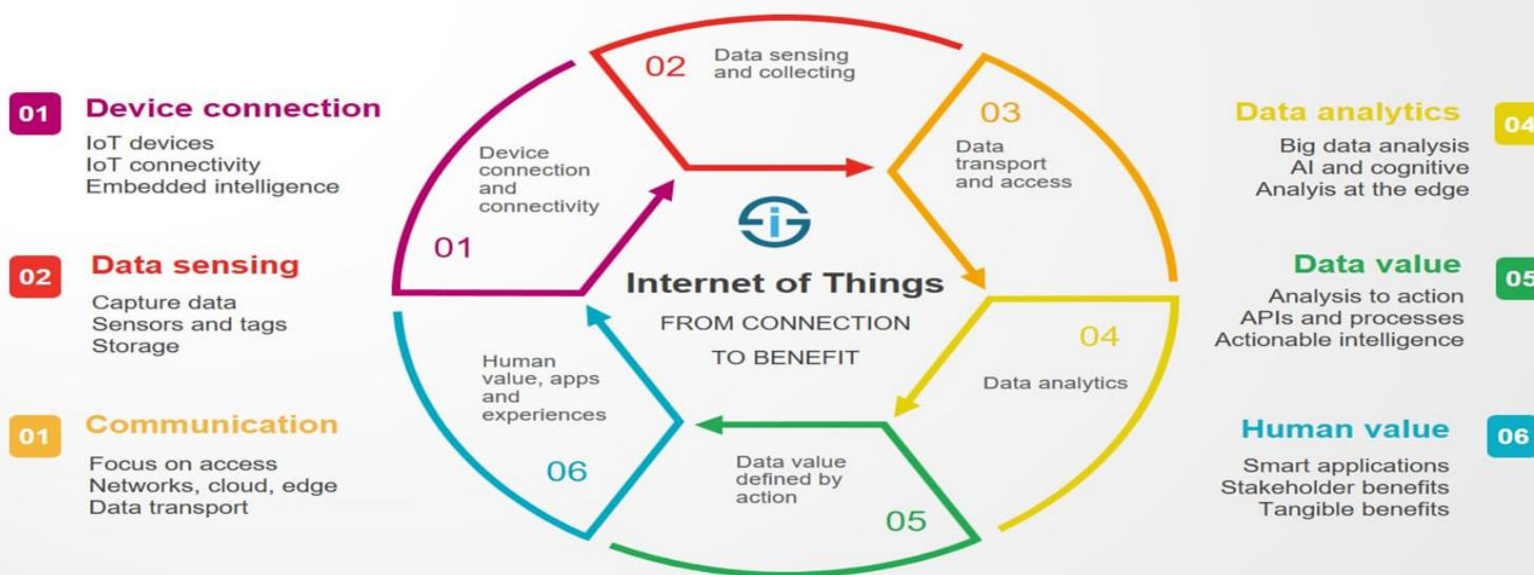




It all started with...

The Internet of Things

From connecting devices to human value





COVID-19: The Digital Disruptor

Work From Home

- Learning to work in a new way within a familiar environment without colleagues and security

Travel After Vaccine

- Insured travels by vaccinated persons are yet uncertain and waiting time can be engaging

Wait For “What Next?”

- With increased concerns about privacy and security, let's COVID-proof our businesses?





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Developments in Insurance – “Glocal”





Quote...

“Some people see a trend, and they see a threat. Innovators see the same trend, and see an opportunity.”

Jim Carroll, 25 Trends for 2025





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Developments in Insurance – Glocal

With the emergence of IoT, there came the IoT Value Chain which challenged the value chains of all industries including insurance. Every aspect has been affected, simply by DEVICES and DATA!

How insurance incumbents respond matters...





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Developments in Insurance – Glocal

New **threats and opportunities** were created by the “**Value Chains Challenge**” leading to **improvements** that have landed us squarely in a **Digital World**.





Developments in Insurance – Glocal

Some **Improvements** and **innovations** that have resulted from the
“**Value Chains Challenge**” constitute the world of **Digital Insurance**

Usage-based
Insurance

OnDemand
Insurance

Peer-to-Peer
Insurance

Smart
Insurance

#Wefox #Lemonade #Metromile #Next #PolicyGenius #Trov #Marshmallow #Zego #Instanda #ByBits #Digit

Instant
Insurance

Connected
Insurance

Index-based
Insurance

Embedded
Insurance

#AutoGenius #Curacel #Paddycover #Africover247 #TheInsuranceHub #Pay-U #Insurpass





Developments in Insurance – Glocal

Today, with digitization and digitalization, the principles of insurance are being stretched and the business of insurance is fast migrating from pure product logic and towards a more enlarged service model focusing on prevention and prediction of risks.

Marshmallow Founders explained thus...

marshmallow

"Traditional Insurers cash in on migrant drivers. In fact, traditional insurers cash in on a lot of people. Why? Because they work from a default position of distrust, and judge them based on impersonal and outdated systems. In short, the whole industry is broken. So we started Marshmallow!"





Developments in Insurance – Glocal

While digitalization will reduce costs, standardize and automate business processes, and reduce the reliance on manpower in insurance; it faces challenges relating to data privacy and cybersecurity.

Interestingly, the solutions lie within the digital ecosystems.

Does the law require that insurance companies should explain to policyholders how they will be using their personal data?



Sources: Google; Mcphersonllp





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The Realities of Nigeria's Insurance Industry



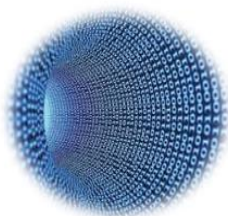


**2021 INSURANCE
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The Realities of Nigeria's Insurance Industry

Existing Customers

**Unused
Data**



95% of Useful Business Data Isn't Used

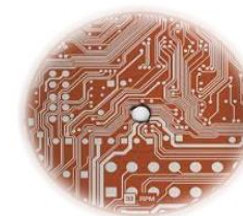
Source: Bismart

**The
Profession**

**The
Business**

**The
Policyholder**

Potential Customers



**Unknown
Data**

What you don't know you have may hurt

Source: Potato Headz





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ASPIRE – Moments with a Digitized Professional





Quote...

"In today's digital world,
every insurance business has
the potential to become a
Unicorn! It starts with you."

Ekerete Ola Gam-Ikon (2021)





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ASPIRE – Moments with a Digitized Professional

Characteristically, the Digitized Professional studies the way DATA is utilized within the ecosystem of interest, then determines how to onboard users and scale up.

Aspire to remake the Insurance Value Chain into Digital Insurance or Insurtech Value Chain!





ASPIRE – Moments with a Digitized Professional

1

**Analyze existing DATA
for behavior and trend**

2

**Create an ecosystem
for similar customers**

3

**Guide the similar
customers to design**

4

**Enable them to set
terms and conditions**

5

**Communicate actively
and monitor the habits**

6

**Maintain open and
supportive stance**





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ASPIRE – Moments with a Digitized Professional





ASPIRE – Moments with a Digitized Professional



Credit: Glasgow Life

As YOU aspire:

- Recognize the new skills you need to learn, and the old ones you need to unlearn;
- Understand how a digital or Insurtech company operates;
 - Know the partners you agree with;
- Appreciate and nurture the space you take.





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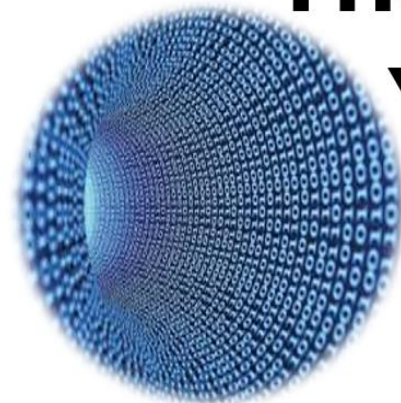
Parting Shot!





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Thank You



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Ekerete Ola Gam-Ikon MNIM,
CEO, Finterate Projects Nigeria



Questions and Answers Session





Thank you



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Chartered Insurance Institute of Nigeria

Payment System and the Insurance Industry: The Viable Way Forward.



Profile of Dr. Yele Okeremi



Yele Okeremi is the founding and incumbent Chief Executive Officer of Precise Financial Systems Ltd. A company he co-founded in 1994. He is an Adjunct Professor of Business Strategy at the Nobel International Business School Accra, Ghana.

Okeremi holds a Doctor of Business Administration degree from the Swiss Business School, Zurich, Switzerland having previously obtained a Master of Applied Business Research from the same institution. He also has a Bachelor of Science degree in Computer Science (With Economics) from the Obafemi Awolowo University and a Masters in Business Administration. He is an alumnus of the Wits Business School, Johannesburg South Africa and Harvard Business School, Boston, Massachusetts, USA where he completed the Owner President Management Program. He is also an alumnus of INSEAD Fontainebleau, France, where he completed the International Directors Program and obtained the Certificate in Corporate Governance.

Prior to PFS, he had served in various capacities at Inlaks Computers, Industrial Bank Limited (Merchant Bankers) and Ventura Savings and Loans Limited.

As a leading icon in software development in Nigeria, Okeremi is a member of the Presidential Initiative for developing the software industry in Nigeria and has previously served on the board of the Nigeria Information Technology Development Agency (NITDA). He is a past President of the Institute of Software Practitioners of Nigeria (ISPON) having previously served as Second and First Vice President and Chairman Legal and Legislative Committee of the Institute.

Dr. Okeremi has a passion for the development of intellectual capital of the black race and continues to advocate his position that irrespective of the conditions of the black man, the black man is by no means inferior in intelligence to anyone else in the world.



PAYMENT SYSTEM & THE INSURANCE INDUSTRY

The Viable Way Forward

DR. YELE OKEREMI

CHIEF EXECUTIVE OFFICER
PRECISE FINANCIAL SYSTEMS LTD.





THE HIGHLIGHTS



**Definition of
Payment
System**



**Relevance of
Payment
System**



**Outlook of
Payment
System**



**Outlook of
Payment System**



**The Viable Way
Forward**





DEFINITION OF PAYMENT SYSTEM

A payment system is any system used to settle financial transactions through the transfer of monetary value. This includes the institutions, instruments, people, rules, procedures, standards, and technologies that make its exchange possible.

(Wikipedia)

- Payment systems are indispensable to our lives as individuals and to the smooth functioning of the economy.
- They allow money to fulfill its role of accepted means of exchange when purchasing goods or services.
- If money is the lifeblood of modern monetary economies, payment systems are the circulation system.





RELEVANCE OF PAYMENT SYSTEM

A payment system is any system used to settle financial transactions through the transfer of monetary value. This includes the institutions, instruments, people, rules, procedures, standards, and technologies that make its exchange possible.

Monetary Value

- Premium
- Claim, etc.

Institutions

- Insurance firms

Instruments

- Traditional – drafts, cheques, cash, etc.
- Modern – cards, e-transfers, etc.

People

- Insurance Officers, Corporate and Private Customers

Rules, Procedures, Standards

- Conditions precedence to claims approval, signatories, etc.

Technologies

- Hardware devices – POS, ATM, Cards, etc.
- Software – Payment Apps, USSD Services, etc.





OUTLOOK OF PAYMENT SYSTEM *In Insurance Industry*

WHAT ARE THE BIGGEST PAYMENT SYSTEM RELATED CHALLENGES INSURANCE COMPANIES FACE TODAY?

Balancing between
Pervasive Digital
Touchpoints and Human
Advisor Interactions

Almost 49% of respondents said they place more trust in a human insurance advisor over an automated service.

By Accenture

Emerging trend of
Usage-Based Insurance -
for example: pay-as-you-
drive or pay-as-you-travel.

This means that in today's scenario, some insurance products are one-off or repeat, like travel insurance, but other products have a much more powerful lifespan. Life insurance, health insurance and home insurance are all examples of insurance policies that have the potential to last decades.





OUTLOOK OF PAYMENT SYSTEM *In Insurance Industry*

COVID 19 AFTERMATH

- Launch of on-demand and personalized risk-management offerings for individuals
- Need for business continuity cover
- Need for event-cancellation cover
- Need for pandemic insurance

DIGITAL FIRST BUSINESS MODEL DRIVEN CHANGES

- After decades of paper and manual processing, AI, data analytics and other emerging technologies are leading this transformation.

INSURTECH BUSINESS MODELS

- For established insurers, although advantaged with expertise and regulatory knowledge, it would be risky business to stay still.

A recent report by Coronation Research has rated insurance penetration in Nigeria at 0.31%, which is extremely low, even compared with countries with similar Gross Domestic Product per capita like India, with insurance penetration at 3.69%.

We believe proper adoption of Payment Systems holds the key to change this narrative.





FUTURE OF PAYMENT SYSTEM *In Insurance Industry*

2025 & Beyond for Payment Industry by PwC

42%

Increase in global cashless payment volumes

90%

of banks' useful customer data comes from payments

What is it for Insurance forms?

86%

agreed that traditional payments providers will collaborate with fintechs and technology providers as one of their main sources of innovation

89%

agreed that the shift towards e-commerce would continue to increase

42%

felt strongly that there would be an acceleration of cross-border, cross-currency instant and B2B payments





FUTURE OF PAYMENT SYSTEM

In Insurance Industry

TECHNOLOGY AND TRENDS TO WATCH?

Global cashless payment volumes are set to increase by more than 80% from 2020 to 2025, from about 1tn transactions to almost 1.9tn, and to almost triple by 2030, according to analysis by PwC



Payment Data
Privacy and
Cybersecurity



Digital Identity
Authentication



Central Bank
Digital Currency
(CBDC)



E-money
/Cryptocurrency



Customer
Communication
& Engagement



Open
Insurance

The like of Open
Banking





THE VIABLE WAY FORWARD

INSURANCE PAYMENT SOLUTIONS TO BOOST CUSTOMER EXPERIENCE



Deliver an omnichannel experience



Accept multiple premium payment methods



Enable recurring billing



Fast-track transaction times



Aim for Cashless Payment Enabling Systems



Think mobile-first digitalization





THE VIABLE WAY FORWARD

INSURANCE PAYMENT SOLUTIONS TO BOOST CUSTOMER EXPERIENCE



Partner with Or
Acquire Insure-
Tech Businesses

Payment
Systems to
Drive Insurance
Inclusion &
Trust



Questions and Answers Session





Thank you



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Chartered Insurance Institute of Nigeria

Technology and Innovation in the Insurance Sector.



Profile of Mr. Abiodun Aribike



Abiodun Aribike is the Deputy Director and Head of the Information Technology Unit of the National Insurance Commission.

He is a Chartered Member of the Computer Professional Registration Council of Nigeria(CPN) and a member of the Nigeria Computer Society(NCS).

An accomplished Information Technology Expert with over 25 years of experience in various fields of Information Technology ranging from Software, Hardware, Networking, Project Management, Cybersecurity, and FinTech.

He is a certified ITIL Specialist and Disaster Recovery/Business Continuity Professional with the EC-Council.

He has spent over 12 years in National Insurance Commission overseeing many cutting-edge Projects aimed at transforming the Insurance Industry in Nigeria. These cutting-edge projects cumulated in the launch of the NAICOM Portal System for the Insurance Industry. He is an ardent believer in Value chain delivery through Information Technology Platform.

He is interested in IT-Business Strategy in delivering great values in Organisational transformation.



DIGITAL TRANSFORMATION, TECHNOLOGIES AND INNOVATION IN INSURANCE

Presented By
Abiodun Aribike

@

The 2021 Insurance Professionals'
Forum



OUTLINE

- INTRODUCTION
- CHALLENGES FACING INSURANCE INDUSTRY IN A DIGITAL WORLD
- DIGITAL TRANSFORMATION
- TECHNOLOGY/INNOVATION
- WAY FORWARD
- CONCLUSION





INTRODUCTION

- Digital technology has taken the world by storm affecting, changing and improving the way things are done. It is disrupting traditional operating structures and Industries such as telecommunications, media, entertainment and consumer products have been impacted in the way they attract and retain customers.
- The Insurance Industry is currently lagging behind and needs to reassess its business model, re-evaluate their strategy and make the digital agenda a high priority. If this is not done it will be difficult to deliver on customers' expectations and new entrants, Insurtech Companies and leading digital competitors will take advantage of this weakness. It is time for Insurers to evolve and respond. This will require a different set of skills, culture and operating model.



Challenges Facing Insurance Industry in a Digital World

- ▶ Changing Customer Needs and Expectations
- ▶ The fast-changing digital space, systems, and technologies
- ▶ The need to reduce cost
- ▶ Data Reliability

Data available in silos across various computer systems and storage

Quality, Consistent and reliability Issues

There is a need to ensure the accuracy, completeness, appropriateness, relevance, consistency and reliability of data to enable its usage for decision making



Challenges Facing Insurance Industry in a Digital World Contd.

- ▶ Legacy Technology
- ▶ Workforce stuck in Analog Mode
- ▶ Dealing with On Demand Economy
- ▶ Competition from Insurtech

Full range of services, products, and information online 24/7

- ▶ Limited Resources



DIGITAL TRANSFORMATION

- The process of using digital technologies to create new — or modify existing — processes, cultures, and customer experiences to meet changing business and market requirements. This reimagining of business in the digital age is digital transformation
- Digital Transformation is the adoption of digital technology to transform services through replacing manual processes with digital processes or replacing older digital technology with newer digital technology
- It is the integration of digital technology into all areas of a business, fundamentally changing how an organization operates and delivers value to its customers.



DIGITAL TRANSFORMATION CONTD

- It involves creativity, innovation and new ways of doing things or doing old things differently with the use of technology rather than enhancing and supporting traditional ways of doing things digitally.
- The organization that will survive the 21st century must embrace digital transformation, therefore the Insurance Industry must leverage on technology and data for the transformation of its processes, drive its business, increase operational efficiency and improve its corporate outcomes.
- Examples of digital transformation/technologies includes cloud computing, business process management, portal technologies, artificial intelligence, robotics, mobile internet technologies etc

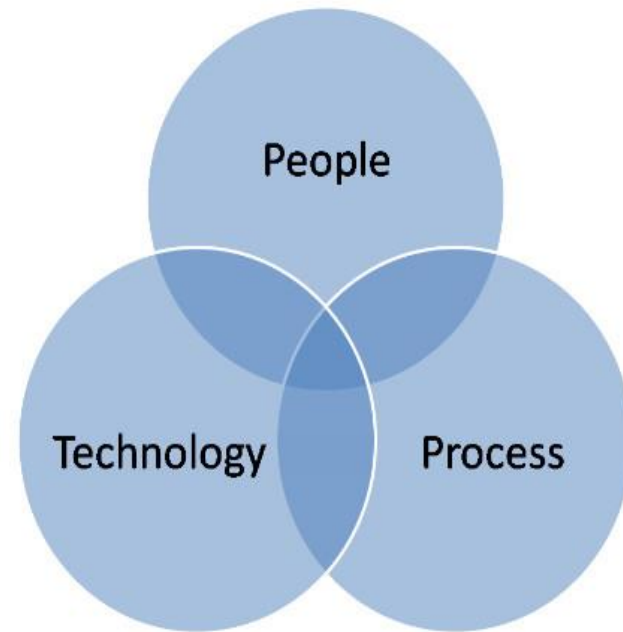


DIGITAL TRANSFORMATION CONTD.

- The Covid 19 Pandemic has accelerated the adoption of digital technologies as companies move their business online, staff work remotely from home and video conferencing and online meetings are part of the new normal. Technology based companies are declaring bumper profit while traditional organizations are laying off staffs and declaring bankruptcy.
- Digital Transformation involves different thinking, presents new opportunities, encourages innovation, creates new business processes and models, improves customer experiences and shifts organizational culture.



CORE ELEMENT OF DIGITAL TRANSFORMATION



THE ELEMENTS OF DIGITAL TRANSFORMATION

- Digital transformation marks a radical rethinking of how an organization uses technology, people and processes to fundamentally change business performance.
- The People, Process and Technology Framework is used for organizational transformation and management. To achieve organizational efficiency, there need to be a balance between the three and a good relationship maintained between them. The Right people to be involved, Right process defined and the Right technology to handle the load

A balance of the 3 drives actions. It is like a 3 legged stool, if one leg is out of balance, the stool wobbles



THE ELEMENTS OF DIGITAL TRANSFORMATION CONTD.

➤ PEOPLE

Are the most important part of the triangle, without people nothing works (Who will use, experience, qualification, attitude, Emotions, skills, politics,, buy in, change management, project champions)

➤ PROCESS

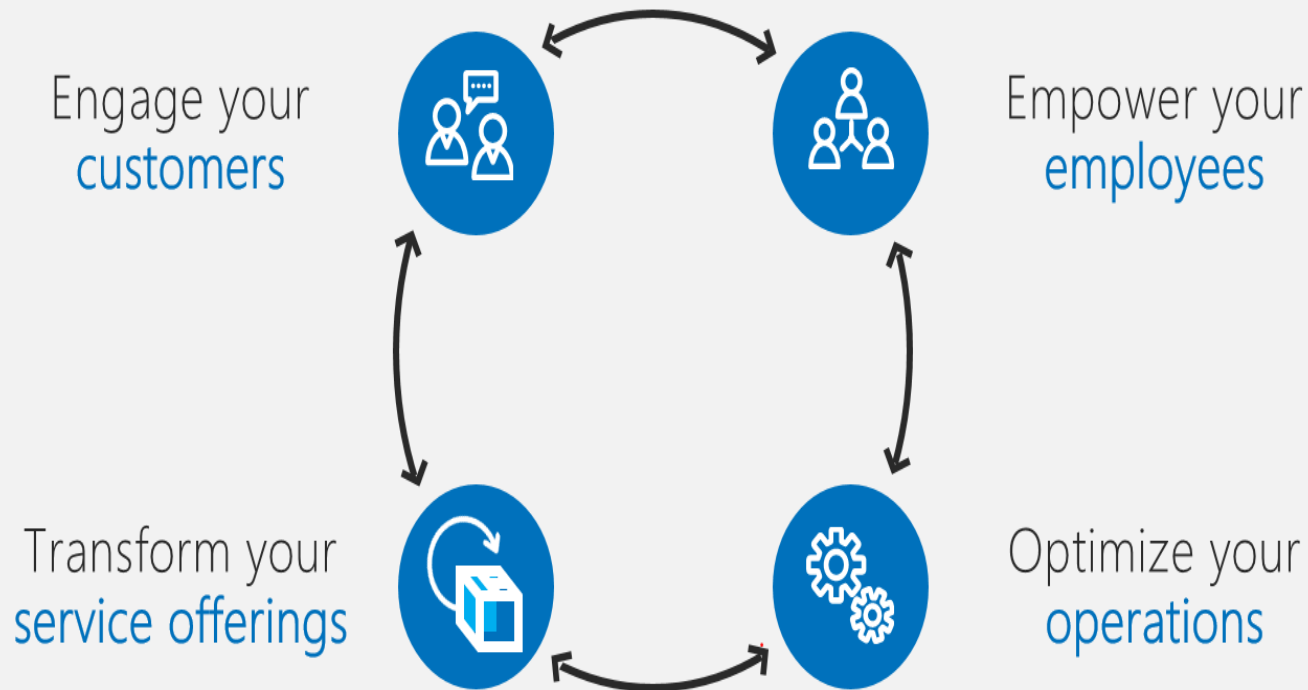
What do we do in order to deliver the expected value to our stakeholder? A series of actions and steps that needs to happen in order to achieve a particular outcome/goal, Processes are repeatable. They produce the same result every time, regardless of who is carrying them out. People are ineffective without processes in place to support their decisions Organizations restructure, technology changes and processes need to be re-imagined, improved or completely change in order to continue providing value.

➤ TECHNOLOGY

Technology exists to provide value to people. The technology must fit the organization and its changing needs. Technology alone does not solve all problems unless there are people and processes to support it.



FOUR PILLARS OF DIGITAL TRANSFORMATION



FOUR PILLARS OF DIGITAL TRANSFORMATION CONTD.

- **Engage your Customers** (improve experiences, Increase customer satisfaction,
- **Empower your Employees** (innovate, automate, data driven culture, working tools, developing new skills, Productivity tools
- **Optimize your Operations** (automate, improve, optimize
- **Transform Service offerings** (innovate, new business models



DRIVERS OF DIGITAL TRANSFORMATION IN INSURANCE

- Evolving customer behaviors and preferences
- Growth opportunities in new markets
- Increased competitive pressure
- New standards in regulatory and compliance
- Reduction in Cost



- ▶ Technology has disrupted and improved almost every major industry over the past 30 years and financial services is no exception. The Insurance Industry is seen as the digital laggard of the Financial services sector and there is a need for a quick adoption of technology for the transformation of the Industry. Most of our systems are presently focused on the product rather than the customer or service. The Industry can adopt the following technology
- ▶ The future of the insurance industry in the digital age lies in the adoption of a well thought-out strategy to implement new technologies including
 - Mobile technology
 - Artificial intelligence (AI)
 - Distributed ledger technology and Blockchain
 - Cloud computing
 - Internet of things



CLOUD COMPUTING

- ▶ Cloud computing enables the delivery of various services over the internet.
- ▶ Accelerate implementation of Digital Transformation
- ▶ Rapid and Easy deployment
- ▶ Flexibility and scalability of services
- ▶ Easy Data Management



MOBILE COMPUTING

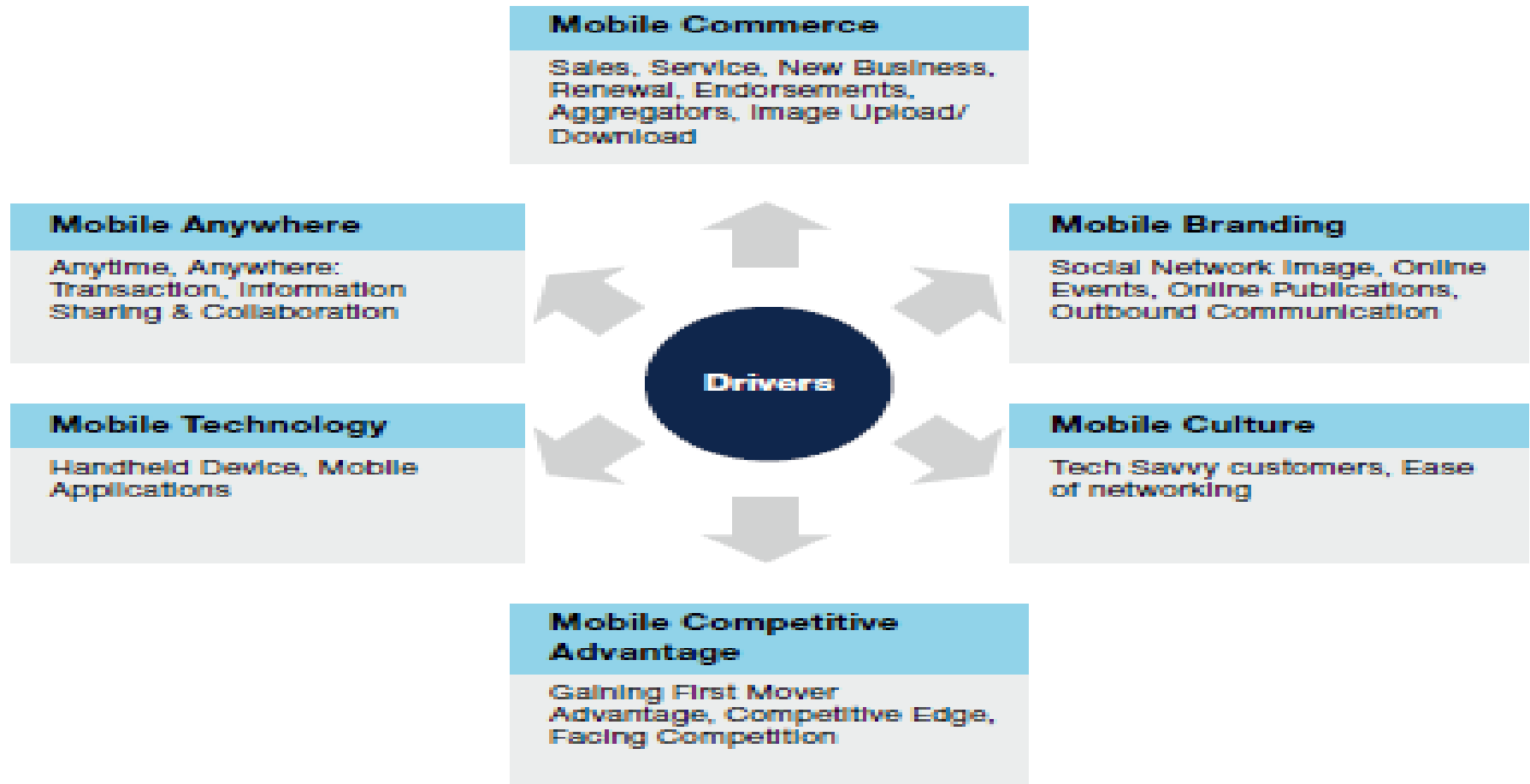
Nigeria as at September 2021 has 190,52014 active GSM Lines. About 90% of the population has mobile phones, 50% are connected to the Internet and 32% has a Smartphone.

The technology can be used to communicate, provide products and services. Smartphones can be used to engage policy holders, capture data, spot trends and provide tailored insurance products to customers. It will help in

- ▶ Marketing and Acquiring of Customers
- ▶ Enhancing Customers Experience
- ▶ Brings services near to the consumer
- ▶ Big data analytics



MOBILE TECHNOLOGY



ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING

It is the simulation of human intelligence processes by machines especially computer systems programmed to think like humans and mimic actions. AI will help in

- ▶ Speech, Voice and Biometric Recognition
- ▶ Innovative Products and Services
- ▶ Customize Products for Customers
- ▶ Fraud Detection and Categorization
- ▶ Risk Reduction
- ▶ Cost Savings
- ▶ Decision Making
- ▶ Competitive Pricing
- ▶ Claims Handling



BLOCKCHAIN TECHNOLOGY

The databases of many Insurance companies are large, proprietary, and static and is processed by separate, equally complex legacy applications. Such systems are highly costly to build, maintain and connect to. Many of the business processes that support these systems remain heavily paper-based, requiring a lot of trained staff. That makes them expensive and inefficient too, but also difficult for others to emulate. This can be replaced by distributed ledger technologies that offer great benefits in terms of cost, connectivity and transparency

Blockchain or distributed ledger technology (DLT) is a protocol for the exchange of values or data over the internet which does not require an intermediary. The protocol of blockchain technology is to create a shared, encrypted database of transactions and other information. It is a Distributed server to store static records and/or dynamic transaction without a central coordination by using a consensus based mechanism to check the validity of transaction.

It engenders trust and transparency as transactions are visible to all parties. It helps with

- Claims Register
- Fraud Detection
- Faster verification of transactions



BLOCKCHAIN TECHNOLOGY



Event-triggered smart contracts

- Automated claims
- Self-executing contracts
- Reduced fraud, improved customer experience



Increased back-end efficiency

- Decentralized, fully digital, safer markets
- Less human error, no data duplication
- Less processing delays, transaction costs



Disintermediation

- Decentralized carrier consortium
- Automatic identity validation
- Self-executed transactions



Better pricing and risk assessment

- Real-time, individualized
- Automatic data sharing for analytics and pricing
- Connected to IoT, Big Data, health trackers



New types of insurance

- P2P, shared economy, spot-insurance, hybrids
- More transparency, less costs
- Social media and crowdsourced oracles



Reaching the underserved

- Solves many microinsurance challenges
- Automatic construction of distributed database
- Better prices through simplicity and efficiency



INTERNET OF THINGS

- ▶ Internet of Things (IoT) involves the internetworking of physical devices, vehicles, buildings and other items (also referred to as "connected devices" and "smart devices"), embedded with electronics, software, sensors, actuators, and network connectivity that enable these objects to collect and exchange data. It is a network of smart devices connected to the internet.
- ▶ Due to the low cost of sensors, improved communication methods, and increased data processing power, insurers are increasingly leveraging the Internet of Things for various purposes, including identification of customers' needs and risks
- ▶ It includes wearables to monitor our health and smart devices in cars and consumer products in



INTERNET OF THINGS CONTD.

For insurers, the most impactful data streams and sources from the IoT are likely to include:

Wearable or personal technology: used to monitoring heart rate, steps walked and other health-related metrics

➤ **Sensors on objects:** including personal and commercial vehicles and shipping containers, that measure distances traveled, speeds and frequency and level of braking

➤ **Location-based sensors,** such as those in factories, warehouses, or offices and in-home sensors, including “smart thermostats,” security technologies, such as alarms and cameras, and industrial control systems.



INTERNET OF THINGS CONTD.

- ▶ All of these data types are potentially useful for the full range of products and lines of business, from commercial to life, property and casualty and health.

IoT enables the insurer to

- Establish direct, unmediated customer relationships based on direct access to objective and unfiltered data
- Gain more granular and precise understanding of who their customers are and how their needs change over time
- Individualize offerings of products, features and access options
- ▶ Accurate Predictive Analysis and Prevention of losses (alert before they occur)
- Analyze customers' data and identify their needs and risks
- Faster Decision Making



INTERNET OF THINGS CONTD

- Reduce the turn-around time for initiation of claims by tracing the exact location and circumstances responsible for the claim
- Use IoT sensors as warning systems, which can reduce the frequency and severity of claims
- Transform Policyholder service from being a customer-initiated activity to insurer-initiated activity



DATA ANALYTICS

- ▶ Data is the new oil and lifeblood of the digital age and it can be used massively for decision making across the insurance value chain and ecosystem and product development. We can gather data from customers information, Telematics devices, Smart phones, Social media, CCTV footage, Electoral rolls, Credit reports, Website analytics, Government statistic, Satellite data, Call Centers etc.
- ▶ Data Analytics helps companies in Customer acquisition and retention, Personalized Service and Pricing, Risk assessment, Cost cutting, Usage based Product Development, 360-degree Customer profiles, Improving Customer satisfaction, Fraud Prevention and Detection, Faster claims settlement, Underwriting Automation, Customized Policy offerings, Call Centre Optimization etc.
- ▶ According to McKinsey, data analytics-driven insurance firms are 23 times more likely to acquire customers, six times as likely to retain customers, and 19 times as likely to be profitable as a result. Data analytics will surely make the insurance sector reach new heights.



ADOPT NEW MODELS

- ▶ The on-demand economy has provided opportunities for On Demand Insurance model.
- ▶ This model provides for covering only those risks faced at a certain moment. For example provision of flight insurance to cover risks from take-off to landing, insure a car exactly from the moment it starts driving till it reached its destination.
- ▶ On-demand insurance allows policies to be purchased online without directly without human interface. There are generally no long-term contracts, no lengthen forms and no need to speak to a representative over the phone. It provides for Insurance by the hour, Insurance by the mile, insurance by stages of risk and Insurance as a service.. Premiums are paid in app and claims are typically filed using a mobile chat interface



USAGE BASED INSURANCE

Usage based insurance (UBI): implements the concept of writing the premium for auto-insurance based on usage and/or driving behaviour. It is a new business model introduced by auto insurers that more closely aligns driving behaviours with premium rates for auto insurance. Mileage and driving behaviours are tracked using Telematics with which the driver's behaviour is monitored directly while the person drives. The insurance company then assesses the data and charges insurance premiums accordingly. It will help them to enhance their claim handling capabilities and enable them to perform better customer segmentation



USAGE BASED INSURANCE CONTD.

► Insurance companies are implementing Usage-Based Insurance in two different ways:

► **Pay-as-you-drive (PAYD)** is low-mileage insurance where the insurance premium is calculated based on the number of miles or kilometres a vehicle has covered

► **Pay-how-you-drive (PHYD)** is a method of fixing the premium of the customer by assessing their driving style

► **Manage-how-you-drive (MHYD)** provides guidelines to drivers about best driving practices, leveraging on the data obtained on their driving behaviour from telematic devices



AUTOMATE PROCESSES

- ▶ Insurance companies can maintain a competitive edge by automating, improving and optimizing their business processes without compromising efficiency, quality, and response time. This will enhance employee productivity, speed-up processes, raise customer service levels, improve customer experiences, reduce operational expenses and increase operational efficiency.
- ▶ Processes like KYC verification, Customer Onboarding, Underwriting, Claims Processing and Policy Administration and Regulatory Compliance should be automated. For example, AI-powered underwriting solutions are already saving up to **97%** of the time and resources that were traditionally required, enabling the corporate underwriter to specialize in cases that require deeper thought and analysis.
- ▶ RPA (Robotic Process Automation) which reproduces human actions as closely as possible can be used to automate recurring IT tasks in the back office, front office and support levels and frees up to 30% of the user's time. Staff can therefore focus on actions with higher added value



PROVIDE BETTER CUSTOMER EXPERIENCE

- ▶ By its very nature, insurance is a complex industry. There are a large number of products, a multitude of intermediaries, complex pricing and underwriting models, and insurance events that are often highly bespoke to the claimant. Simplifying the customer experience is essential if insurers are to drive higher engagement and meet the expectations that consumers are experiencing in other sectors such as banking or retail
- ▶ The digital age has given rise to increasing customer expectations. It is time to walk in the customers' shoes and view the business from their point of view.
- ▶ We live in an experience Economy
- ▶ One Stop, Self Service, Online, Mobile
- ▶ Omni Channel, single view across various channels
- ▶ **Simplicity, ease of use, convenience, speed, transparency, personalization, and quality.**
- ▶ **Chatbots**



DEVELOP NEW PRODUCTS

- ▶ In the digital age, product innovation comes from an adequate understanding of customers desires, needs and wants (both emotional and practical) and the ability to quickly get those products to them through the most relevant channels. There is also a need to build innovation into the whole fabric of the Organization.
- ▶ Instead of building products to address an extensive set of risks, companies should design products in response to specific customer needs and challenges, some of which may not be obvious. Insurers should stay close to their stakeholders and continually deliver what customers need in the fast-changing digital world.
- ▶ In this digital age, Insurance organisations have to move away from a policy-centric approach to a customer-centric focus



DEVELOP NEW PRODUCT

- ▶ In the digital age, Intangible assets due to digitization and connectivity are overtaking the value of tangible assets in the corporate world but Insurance products are concentrated more on property and therefore natural perils, also personal lines, motor and small and medium-sized enterprises. Our products need to be risk based rather than peril based.
- ▶ While developing a new product we need to take into consideration increasing tech savvy customers, expectations for service everywhere at anytime in any channel, expectation to procure a product that can be activated and deactivated as needed and digital distribution



NEW CHANNELS OF DISTRIBUTION

- ▶ In order to reach new segment of the market, address new customer expectations and meet customers at their points of need in the digital age there is need to explore new channels of distribution of Insurance. While the agent/broker channels or the direct distribution models are not going away, there is need to expand distribution beyond traditional channels.
- ▶ There are increasing shift towards digital and remote-interaction tools, self-service and digitally enabling sales forces and enhancing the use of data and analytics.
- ▶ No insurer can afford to stick to a few favorite channel and to be competitive will need to adopt a multi-channel distribution strategy while being flexible in adopting the modern tools of technology and the internet in widening the boundaries of the distribution box



NEW CHANNELS OF DISTRIBUTION CONTD.

Some channels of distribution to consider are

- ▶ Web aggregators,
- ▶ Price/comparison sites,
- ▶ Selling through affinity groups,
- ▶ Bundling insurance with the product to be insured,
- ▶ Selling through ecosystems like smart homes and connected vehicles,
- ▶ Ecommerce,
- ▶ Bancassurance,
- ▶ Microinsurance, takaful,
- ▶ Digital tv/satellite selling,
- ▶ all centres,
- ▶ Insurance specific debit/credit cards, worksite marketing



FASTER CLAIMS PAYMENT

- ❖ New technology is already disrupting the claims processing and the industry is advised to invest in data-driven and analytics-enabled customer experience that incorporates artificial intelligence (AI) and other advanced technologies. This will transform claims from a necessary back-office function into a source of competitive advantage, market differentiation and increased customer loyalty.
- ❖ It is time to provide self-service, single point of contact, multichannel First Notification of Loss (FNOL), electronic submission of documents, digital claims status tracking, online self-scheduling tool for claims adjuster appointments, automated intelligent case management, automated claims management and automated settlement.



FASTER CLAIMS PROCESSING

- ❖ Drones and satellites are now used to survey damage and collect information about property damage to initiate claims before a homeowner makes contact. AI is used to scan claims for the likelihood of fraudulent behavior, while robotic process automation (RPA) can automatically pay claims that fall within certain risk and financial parameters. Chatbots are used to issue notifications to the policyholder regarding claims status and payment amounts and Voice analytics are now used to assess customer sentiment during phone calls, with appropriate classification and prioritization of resolution.
- ❖ Companies like LEMONADE in advanced countries are already offering insurance powered by AI, chatbots and behavioral economics — to renters and homeowners. Customers are guided by a chatbot through the application process in under a minute, and claims get paid that quickly as well and they are already well on their way to reaching 50% of the US population.



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE

LEMONADE

Lemonade, is an American insurance carrier offering homeowners and renters insurance. It is fully powered by artificial intelligence and behavioral economics. They are already well on their way to reaching 50% of the US population

Lemonade promises zero paperwork, instant everything and killer prices.

Lemonade uses bots, software that automatically performs simple tasks, to deliver insurance through its app and at lemonade.com. Consumers also file claims with the bot, which is authorized to pay claims instantly and without human intervention, creating an “delightful” insurance experience for customers which are often compelled to share the experience on social media. Lemonade’s renter’s insurance starts at \$5 a month and home insurance for as low as \$25 a month, which is up **to 80% cheaper** than its competitors while it takes less than 90 seconds to purchase it and only 3 minutes to get Claims paid

Lemonade takes a flat fee and gives back unclaimed money to social causes which policyholders care about



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE

DINGHY DINGHY

- ❖ Dinghy is a pay-by-the-second insurance provider who curates its policies, especially for freelancers and businesses.
- ❖ This online and mobile-first approach allows users to switch their policies on and off as they need it.
- ❖ Freelance insurance you can turn on or off, up or down instantly. No fees. No admin charges. Buy now, pay at the end of the month.

Zhong An

founded in 2013, it is China's online-only insurance company. Since inception, it has acquired 460 million users and written more than 5.8 billion policies.



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE CONTD.



BROLLY

- ❖ Brolly as the first insurtech advisory app in the UK to be powered by artificial intelligence, provides customers with vital insights into their own policies, coverage and rates.
- ❖ The company, founded in 2015, provides a free, personal insurance concierge service that can be accessed online or via app.
- ❖ The service informs users whether they are over-covered or under-covered and can recommend cheaper alternative policies that have the same coverage as users' previous insurance.
- ❖ It also offers a platform for users to manage their current policies, purchase policies online and contact insurers.



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE

BIMA MICROINSURER



BIMA distributes microinsurance through mobile operators. They operate where mobile telephony is high and insurance coverage is very low by providing insurance through mobile subscription. Provides pay as you go insurance and mobile health services mainly to people living on less than \$10 a day.

Policyholders register using their handset to fill in some basic identification details which process takes approximately 2 minutes. Premium payment is collected via automatic deduction of prepaid airtime credit; unlocking a new payment channel that makes insurance affordable and accessible. To claim, policyholders call customer support that will help them to file their claim which is paid in cash within 72 hours of the claim being completed.

BIMA is primarily licensed as an insurance intermediary and/or a licensed microinsurance provider, where applicable, and not an underwriter. Data is stored in Sweden which data protection regulation would apply.

<https://bimamobile.com>



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE CONTD.

MICROENSURE



- ❖ MicroEnsure, a company based in several African countries, operates on a partner-centric business model, collaborating with upwards of 70 insurance companies, 13 telecom partners, and approximately 90 financial-services providers and microfinance institutions to make insurance accessible to low-income clients and gain access to large existing client bases. About 85 percent of their clients have never had an insurance product before.
- ❖ MicroEnsure partners with cell phone carriers and offers basic life and health insurance as free add-ons to their mobile service. While coverage is minimal, it encourages customer loyalty for carriers, and helps MicroEnsure identify potential clients for premium-level accounts or other types of insurance. And the concept seems to be working: in less than one year, the company signed up more than one million customers in Ghana, and now serves more than eight million clients across the region.
<https://microinsurance.com>



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE CONTD.

NAKED



Naked, a fully digital player focuses on motor and home insurance in South Africa. They offer competitive prices to customers by reducing their operational costs through automation—boasting a three-minute process to get a quote and to sign up. They have differentiating features that could be activated through their mobile app—for example, CoverPause allows customers to reduce premiums for days they were not driving.

<https://www.naked.insure>

PINEAPPLE



Pineapple offers comprehensive personal insurance cover. Among other innovations, it allows customers to upload pictures of items they want to insure on a per-item basis, and image recognition is used to provide a quote within 60 seconds. Their motor insurance automatically gives 30% discount each month when you drive under 300km

<https://www.pineapple.co.za>



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE

▶ BLUE WAVE



Blue Wave in Kenya services the mass market, making microinsurance products accessible via mobile phone. Founded in 2019 with \$300 thousand in seed funding, Blue Wave generates revenue by collecting administration fees from every subscriber and a commission from each premium. The company partners with insurers and aggregators such as mobile network operators, as well as banks and microfinance institutions, to sell its products. It also leverages a mobile-based payments solution to reach customers. Solutions are offered in multiple languages, using simple terms, clear explanations, and avoid jargon to facilitate easy access.

<https://bluewaveinsurance.co>

▶ ACRE Africa



▶ ACRE Africa focuses on distributing microinsurance products throughout the agricultural value chain. Operating in multiple countries, it has an extensive agent network to distribute products and provide farmer education. It partners with a mobile money-agency network to facilitate payments and works with several financial institutions to facilitate access to microinsurance products. Already, ACRE covers about 1.7 million farmers in East Africa. Some of its innovative products include mobile-based weather-index insurance, hybrid-index and multiperil crop insurance, livestock cover, and a replanting guarantee.

<https://acreafrica.com/>



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE



► COMPAREIN

It is an online platform that enables customers easily subscribe for insurance service. They provide insurance comparison services across several leading Insurance Companies.

<https://https://www.compareinsurance.com.ng/>



► AUTOGENIUS

It is a platform that allows vehicle owners and operators to search for quotes from their preferred insurance Companies, compare prices and features and purchase auto insurance online.

<https://myautogenius.com/>



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE

► PADDY COVER



This insurtech offers health, vehicle, and house insurance. They offer a pay as you go Insurance enabling customers to pay their premium daily, weekly or monthly as the case may be. They also provide Vehicle Insurance Premium financing that allows customers to pay for their motor insurance premium upfront and spread the repayment over a 12 month period

<https://www.paddycover.com/>

► CASAVA



This is an insurtech company which allows individuals make small weekly and monthly insurance subscription payments via debit card or USSD or through their mobile airtime. Users can also adjust their payments based on their cashflow. They provide affordable, instant and simple insurance plans with amazing benefits, starting at N500. one of their products is Income Protection Insurance in case of Job losses or business closure.

<https://casava.co/>



EXAMPLES OF DISRUPTIVE INNOVATION IN INSURANCE

▶ CURACEL



Curacel's AI-powered platform enables insurers to automate claims seamlessly and also track fraud, waste and abuse. The platform allows clients/providers to submit claims and help them efficiently manage and process these claims. It allows insurers to automate and settle a number of claims, while freeing staff time for vetting only requiring human interaction for quality assessment.



INFORMATION SECURITY

- ❖ For all its meaningful advancements and innovation, the push into the digital age also brings with it a host of new challenges for companies. Key among these challenges is the Cyber Risk and security, Privacy and Data Security.
- ❖ There is the probability and opportunity for the technologies of the digital age to violate some basic principles of the information security and privacy by unregulated access to information and personal data, stored in different nodes of the global network.
- ❖ Our IT Infrastructure, Applications and databases should be protected against cyber-attacks. Our mobile devices, smart gadgets and applications are dependent on the internet and should be protected against identity theft, misuse of information, cyber-attacks and security breaches as hackers are constantly finding new targets and refining the tools they use to breach systems. Every organization is expected to find a balance between innovation and cyber and information security.



INFORMATION SECURITY

The issue of cyber security affects insurance in two ways:

First and foremost as any other company, even insurance carriers may be target of hacker attacks, given the huge amount of data stored;

Second, in terms of business opportunity. Cyber-risk policies will be one of the trends of the coming years.



DIGITAL TRANSFORMATION IN NAICOM

- ❖ Datacenter
- ❖ Local Area Network (LAN)
- ❖ Wide Area Network (WAN)
- ❖ IP PBX Telephony
- ❖ Servers and Storage
- ❖ Virtual Provisioning Service with Galaxy Backbone
- ❖ End User Infrastructure



DIGITAL TRANSFORMATION IN NAICOM

- ❑ Messaging and Collaboration
- ❑ Enterprise Resource Planning Software
- ❑ Electronic Document Management System
- ❑ The NAICOM PORTAL
 - The Insurance Policy System
 - The Licensing System
 - Regulatory and Financial Returns System
- ❑ Contact Center
- ❑ Complaints Management System



CONCLUSION

- ❖ The Insurance industry needs to catch up quickly with new technology, innovations, changing environment (from traditional to digital), developments and changing customer expectation. We are in the digital world and can no longer be playing the ostrich by being analogue operators. The only constant thing is change and there is need to quickly join the digital wagon to bring transformation to our industry





Thank you



www.ciinigeria.org



Chartered Insurance Institute of Nigeria

Questions and Answers Session





Thank you



www.ciinigeria.org



Chartered Insurance Institute of Nigeria

Cyber Risks: Implication for Business and Insurance as a Business Solution.



Profile of Mr. Dare Adeyeri



Dare is a veteran banker, management consultant, entrepreneur and business leader focused on strategies that drive business growth, efficiency and profit while leveraging technology and innovation. He is the CEO of New Usual Limited. He focuses on helping clients craft enduring strategies for driving innovation and global leadership; while also working with them to address their must-win battles. With about 30 years in diverse business and technical environments, Dare has expertise in technology, leadership, strategy, innovation, sustainability and entrepreneurship. He has played key roles in national strategy development for financial services, e-business and technology.

He has served on many industry committees including the National Identity Management Committee, the CBN-led Financial System Strategy (FSS) 2020, the World Summit on Information Society (WSIS) and Banking Industry Shared Services Committee amongst many others. He also assisted the Securities and Exchange Commission (SEC) to craft policy around Distributed Ledger Technologies and Cryptocurrencies.

Dare is a graduate of the MIT Sloan Fellows Program in Innovation and Global Leadership, holds an MBA from MIT and graduated at the top of the class. Recognized as an outstanding business leader, he is a member of the Executive Leadership Institute Class of 2015, a joint program of MIT Sloan, Harvard Kennedy School and Greater Boston Chamber of Commerce. He holds a Bachelor of Science degree in Computer Science and Economics from Obafemi Awolowo University. He is a Fellow of the Nigeria Computer Society (FNCS), Fellow of the Institute of Management Consultants (FIMC) and an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (HCIB). He is a doctoral candidate at the University of Waterloo.



CYBER RISKS: IMPLICATION FOR BUSINESSES AND INSURANCE AS A BUSINESS SOLUTION

DARE ADEYERI, NEW USUAL LTD.



AGENDA

PART 1: CYBER RISKS, AN INTRODUCTION

PART 2: IMPLICATIONS FOR BUSINESSES

PART 3: INSURANCE AS A BUSINESS SOLUTION



1. INTRODUCTION – CYBER RISK DEFINED

“Cyber risk is any risk associated with financial loss, disruption or damage to the reputation of an organization from failure, unauthorized or erroneous use of its information systems.”

- PwC



1. INTRODUCTION

Increased reliance on technology for self, business and society; applied for routine operations or for strategic uses has resulted in a significant shift in the global information security landscape

- New threats are emerging from internal and external sources
- Volume, Variety and Velocity in the era of Big Data

Volume – growing and tasking containment resources

Variety – flavours requiring a combination of tools and increasing business cost



1. INTRODUCTION contd.

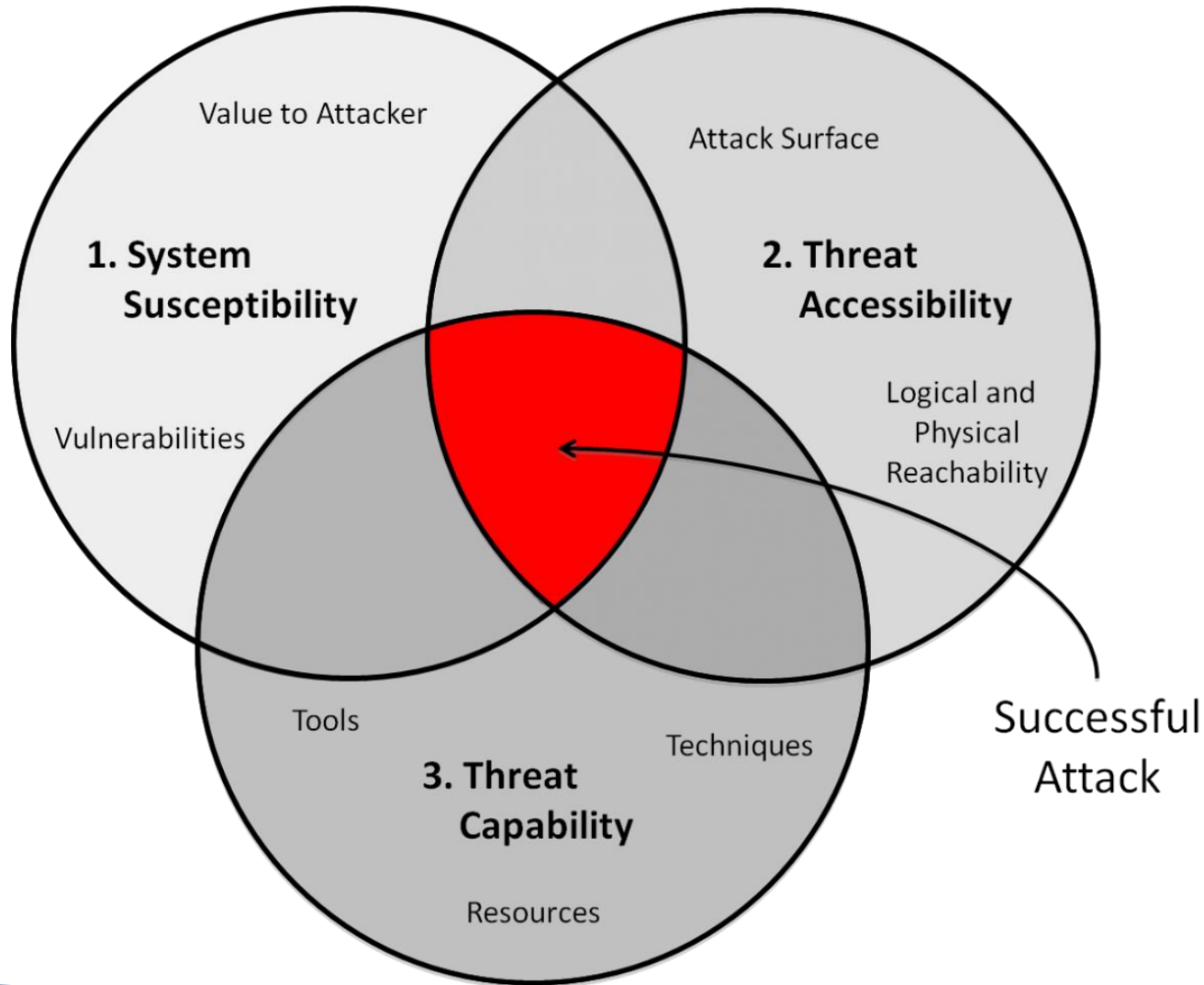
- Velocity – fast proliferation, enabled by readily available tools and increasingly efficient networks

Encouraged by:

- Internet
- Wireless networks such as Wi-Fi and Bluetooth
- Growth of 'smart devices such as smartphones, TVs and Internet of everything



1. ATTACK SUCCESS FACTORS



1. 2021 HIGH PROFILE CASES – Accellion Supply Chain Attack



- March 2021
- Accellion, a Security Software Company
- File Transfer System Breached and leaked online
- Confidential data was stolen from several large organisations like Singtel, The University of Colorado, The Australian Securities & Investments Commission, Morgan Stanley (July)



1. 2021 HIGH PROFILE CASES – Attack on the University of the Highlands and Islands



- March 7, 2021
- Scotland's University of the Highlands and Islands
- Cobalt Strike, a legitimate penetration testing toolkit was used for the attack
- Forced to close all of its colleges and research labs to students



1. 2021 HIGH PROFILE CASES – Acer Ransomware Attack



- March 20, 2021
- Acer, Computer Hardware Company
- Ransomware
- Stolen data leaked online
- Cybercriminal group Revil gave Acer Until March 28 to pay up
- Financial loss, ransom of \$50m USD paid
- Suffered another cyber attack in October at its India office



1. 2021 HIGH PROFILE CASES – Bombardier Data Breach



- February 2021
- Bombardier, aircraft manufacturer
- Data Breach of about 130 employees plus customers and suppliers
- Blamed on vulnerabilities of 3rd Party File Transfer Application



1. 2021 HIGH PROFILE CASES – Microsoft Exchange Server Attack



- March 2021
- Vulnerabilities in Microsoft's Exchange Server exploited
- Millions of clients affected including 60,000 private companies in the US alone and 9 government agencies

1. 2021 HIGH PROFILE CASES – CNA Insurance



- March 21, 2021
- CNA, large US Insurance company
- Ransomware, Phoenix Crypto Locker Malware
- Network disruption, email services, etc.
- Disrupted trading for a brief period.



1. 2021 HIGH PROFILE CASES – Australia's Channel Nine



- March 28, 2021
- Channel Nine, Australia's TV Network
- Disrupted several Sunday Broadcasts and shows
- Australian Parliament in Canberra also hacked same day
- Disrupted trading for a brief period.



1. 2021 HIGH PROFILE CASES – Florida's Water Supply



- February 5 2021; 1.30PM
- Florida Water Facility, Oldsmar, FLA
- Hacker remote broke into the computer system and increased the sodium hydroxide (lye) level in the water supply to dangerous levels



1. 2021 HIGH PROFILE CASES – JBS \$11m USD Cybercrime Ransom

- June 2021
- JBS Brazil, world's biggest meat processor
- Ransomware
- Affected Brazil HQ and abattoirs in Australia, Canada and the US
- \$11m USD paid
- Attributed to Revil, a Russian-speaking gang, described by FBI as one of the most sophisticated in the world



1. 2021 HIGH PROFILE CASES – The Colonial Pipeline



- April 29 – May 12, 2021
- Colonial Pipeline, US largest fuel pipeline
- Ransomware
- Single compromised password through a VPN account, which was no longer in use and did not use 2FA/MFA
- 100GB of data stolen in 2 hours
- IT Network compromised
- Attributed to DarkSide, another Russian gang



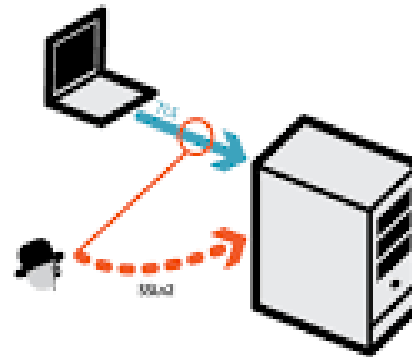
1. THE VULNERABILITY AND ATTACK LANDSCAPE

A vulnerability is defined as a fault, flaw or weakness in design, implementation, operation, internal control or overall governance of an ICT infrastructure.

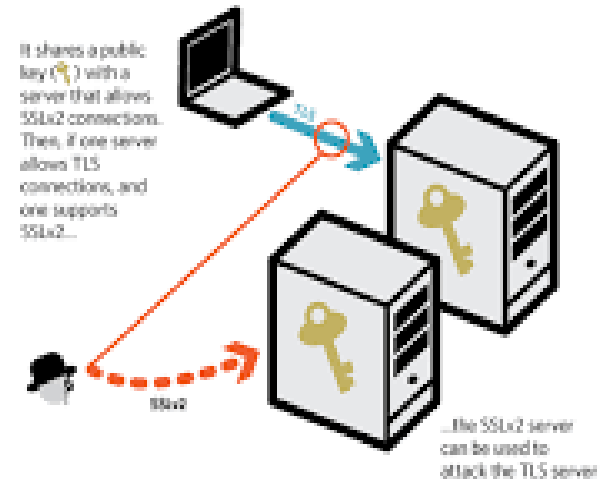
The range of vulnerabilities and attacks include the following:

- Backdoor
- Clickjacking
- Direct-access attacks and;
- Denial-of-service attack

A server is vulnerable to DROWN if:
It allows both TLS and SSLv2 connections



It shares a public key with a server that allows SSLv2 connections. Then, if one server allows TLS connections, and one supports SSLv2...



When taking key reuse into account, an additional 16% of HTTPS servers are vulnerable, putting 33% of HTTPS servers at risk



1. THE VULNERABILITY AND ATTACK LANDSCAPE contd

Others include:

- Eavesdropping
- Phishing
- Privilege escalation
- Social engineering
- Spoofing
- Tampering



1. THE VULNERABILITY AND ATTACK LANDSCAPE

- Backdoor
 - Secret method of bypassing normal authentication or access control mechanism
- Clickjacking
 - Tricking a user into clicking a malicious link or button. Also known as 'User Interface (UI) Redress attack
- Direct-access attacks
 - Gaining direct access in an authorized manner to copy data or compromise the system – installing worms, keyloggers, covert listening devices



1. THE VULNERABILITY AND ATTACK LANDSCAPE

- Denial-of-service attack (DoS)
 - Designed to make system unavailable to legitimate users. Two common methods involves entering wrong passwords many times consecutively until accounts are locked and overloading system or network capabilities until all users are denied access at once.



1. THE VULNERABILITY AND ATTACK LANDSCAPE contd.

- Eavesdropping
 - The act of listening to private conversation on a network, typically between hosts in a sneaky manner. Federal agencies such as FBI and NSA have been known to employ this method for their activities using programs such as Carnivore and Narus Insight.
- Phishing
 - An attempt to get users information such as usernames, passwords and credit card information through unlawful means using fake emails, websites or text messages



1. THE VULNERABILITY AND ATTACK LANDSCAPE contd.

- Privilege escalation
 - Here, an attacker with a restricted access acquires elevated privileges through illegal means, in some cases even acquiring root access
- Social engineering
 - Using illegal means to manipulating user behavior or convince users to disclose sensitive information such as usernames, passwords or credit card information

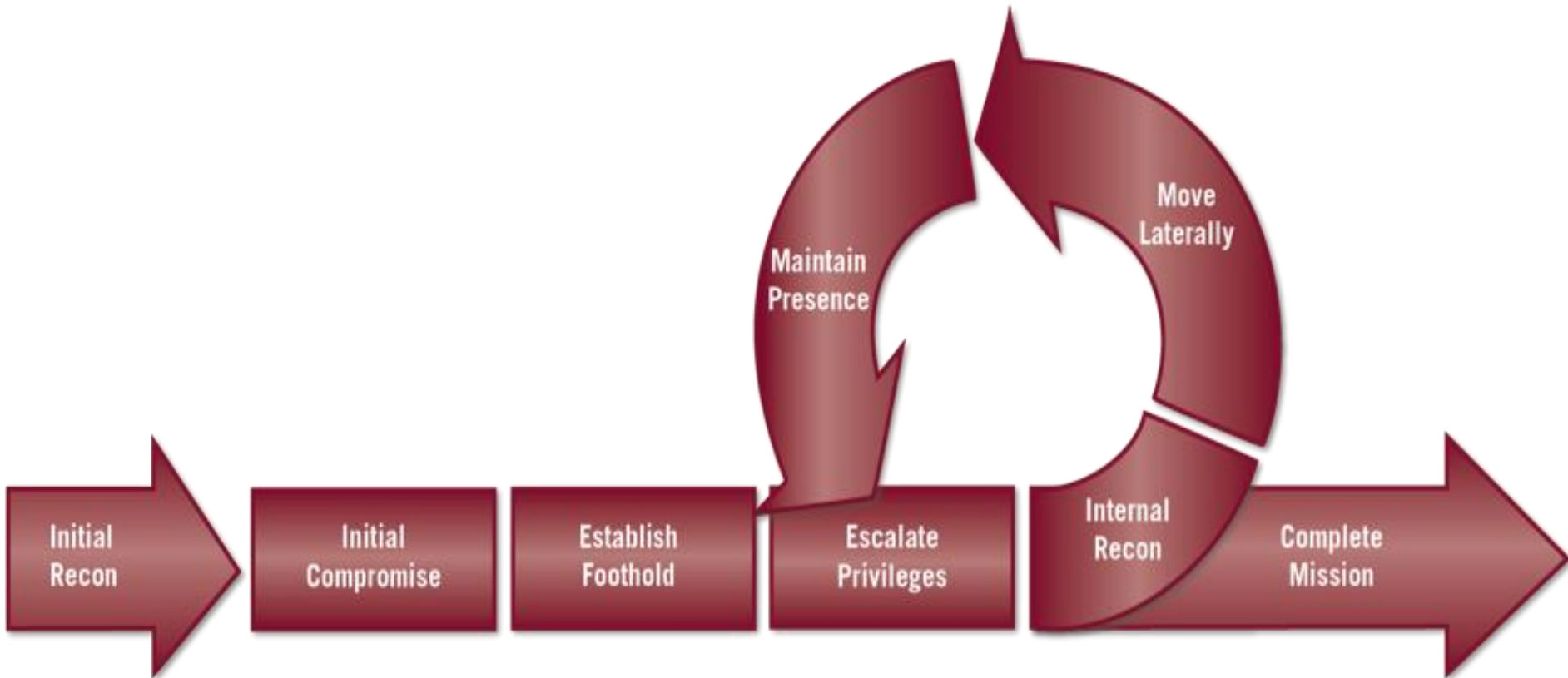


1. THE VULNERABILITY AND ATTACK LANDSCAPE contd.

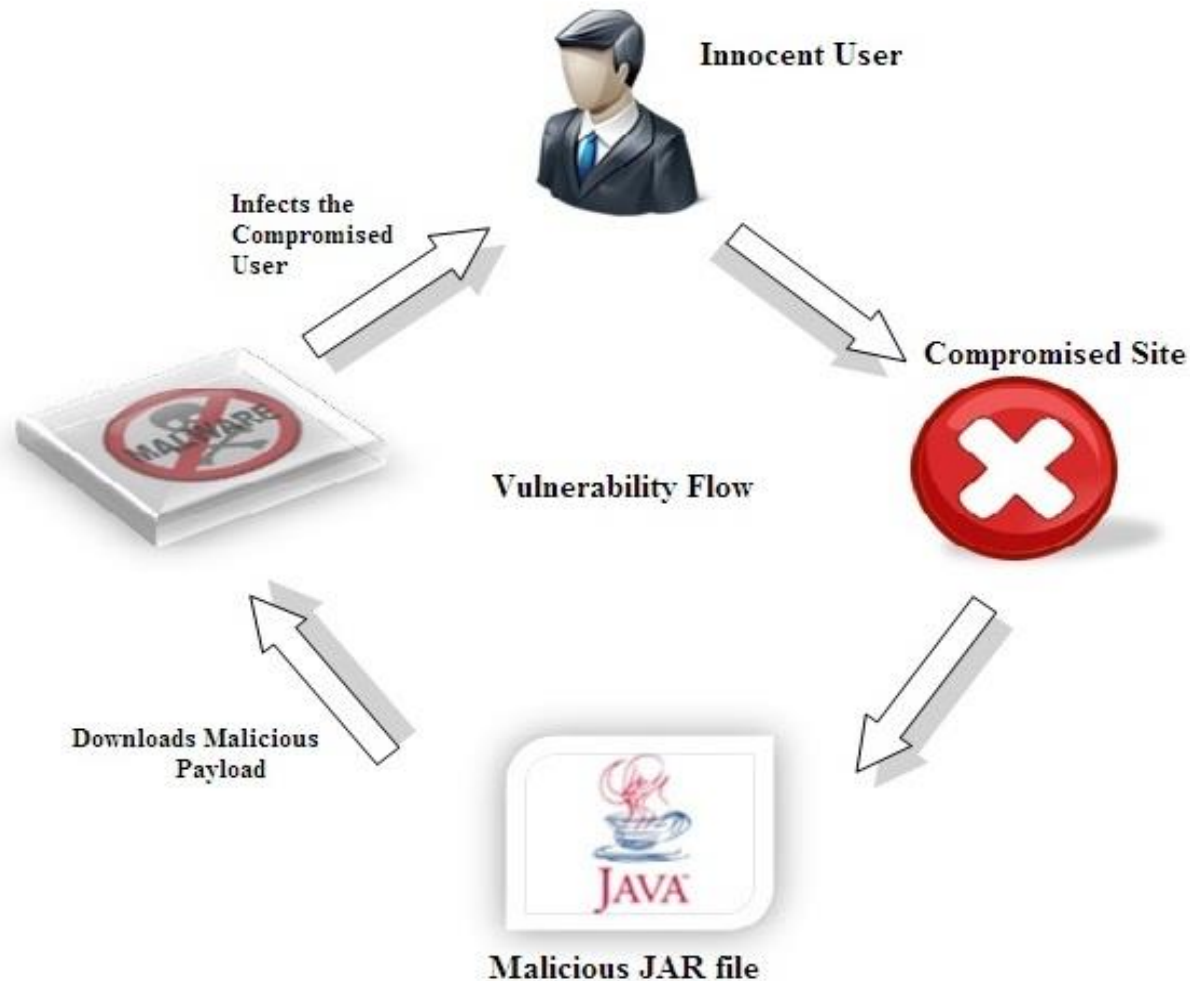
- Spoofing
 - Imitating legitimate systems to gain illegitimate advantage, a case of a system hoax
- Tampering
 - Malicious modification of data, products and services. Past examples include 'Evil Maid Attacks' and planting of surveillance capability into routers by security services



1. THE VULNERABILITY AND ATTACK LANDSCAPE contd.



1. THE VULNERABILITY AND ATTACK LANDSCAPE contd.



2. IMPLICATIONS



- Business Disruption
- Fraud
- Data Breaches
- 3rd Party Failures

2.1 BUSINESS DISRUPTION

Cyber attacks can disrupt business through:

- Malware (malicious code) that renders business website unusable
- Spam campaigns through emails
- Distributed Denial of Service (DDoS) that make website unreachable by customers and employees
- Viruses, worms and other unauthorized codes that harvest or delete critical information on organizations computing infrastructure



2.2 FRAUD

Cyber attacks cause financial losses and other damages through:

- Increased costs
- Lost revenue
- Reputational Damage
- Changed business practices
- Disrupted operations
- Stolen Intellectual Property



2.3 DATA BREACH



Data breaches through Cyber attacks can cause :

- Irreparable business damage
- Large fines
- Business downtime
- Large payout to customers (compensation)
- Cost of implementing new security measures
- Damage to brand reputation and customer trust

2.4 THIRD PARTY FAILURES

Risks from supply chain and other outside parties, with privileged systems access:

- Differing security standards and protection
- Used as conduit into the organization
- Access to employee and customer data
- Access to sensitive company data and intellectual property



3. INSURANCE AS A BUSINESS SOLUTION



Cyber risk is more prevalent than ever before, especially with COVID-19 and the era of working from home. No organization is immune and it is crucial to have a cyber insurance policy that covers:

- Network security
- Privacy liability
- Network business interruption
- Media liability
- Errors and omissions



3.1 NETWORK SECURITY

Covers network security failure including:

- Data breaches
- Malware infection
- Cyber extortion demand
- Ransomware
- Business email compromise (BEC)

Insure for:

- Legal expenses
- IT forensics
- Public relations
- Setting up helpdesk/call center
- Negotiation and payment of ransomware demand
- Data restoration
- Breach notification to customers, etc.



3.2 PRIVACY LIABILITY INSURANCE

Covers:

- Privacy law violation

Insure for:

- Defense against class action litigation
- Funding potential settlement
- Legal expenses, fines and penalties



3.3 NETWORK BUSINESS INTERRUPTION

Covers:

- Lost profits
- Fixed expenses and;
- Extra costs

When the network of the organization or a 3rd party goes down due to a cyber attack (operational cyber risk)

Insure for:

- System failures such as failed software patches and human errors
- Security failures such as attack on 3rd parties



3.4 MEDIA LIABILITY INSURANCE

Covers:

- Intellectual property infringement, other than patent infringement

Insure for:

- Infringement due to online advertising, including social media
- Extends policy often covering printed advertising



3.5 ERRORS AND OMISSIONS

Covers customer disputes from:

- Negligence
- Breach of contract;
- Legal defense costs

Insure against claims for:

- Failure to perform
- Errors in performance

When a cyber event prevents an organization from fulfilling contractual obligations and delivering services to customers.



CONCLUSION

- Reputation
- Integrity

And don't forget to



Fix the integrity of the ICT
Infrastructure and the
reputation will fix itself



Questions and Answers Session





Thank you



www.ciinigeria.org



Chartered Insurance Institute of Nigeria

TOTAL WELL BEING



Profile of Dr. Adeoye Oyewole



Pastor Doctor Adeoye Oyewole is a consultant psychiatrist, life coach, mental health advocate, theologian and anthropologist. He Leads Lifecare Consult, a humanitarian consultancy initiative to care for and support people with mental health issues, behavioural and human development challenges.

Dr. Adeoye Oyewole is a lecturer at Ladoke Akintola University of Technology, Ogbomoso, Oyo State and has served in various capacities at the institution, including Head, Department of Psychiatry. He is an alumnus of the following institutions: University of Ilorin, University of Ibadan and the prestigious Nigerian Baptist Theological Seminary Ogbomoso where he bagged a Master of Divinity in Theology with specific concentration in Pastoral Care and Counselling. He is also a regular columnist with The Punch Newspapers where he writes on diverse issues on mental health, social anthropology and social development.

Dr. Adeoye is a Radio/TV presenter and has featured in many conferences and seminars within Nigerian, and the Western world as participant and resource person. He has written a number of books including "Eternal Life: Cure for our Greed".

Dr. Oyewole currently works with a number of rehabilitation centers to help young people heal and find their feet again after encounters with drugs and behavioural disorders. He is a member of Rhema Baptist Church, Oshogbo, Osun State.



TOTAL WELL BEING DR ADEOYE OYEWOLE



- OLDER SOCIETIES WERE HEALTHIER BECAUSE OF SANER LIFESTYLES.
- BY 1900, AVERAGE LIFE EXPECTANCY WAS 47 YEARS WITH LITTLE DIFFERENCES BETWEEN COUNTRIES.
- MAJORITY OF DEATHS THEN WERE DUE TO INFECTIOUS AND OTHER COMMUNICABLE DISEASES.
- AT THE TURN OF THE FIRST HALF OF THE 20TH CENTURY, INDUSTRIALIZED NATIONS MADE SCIENTIFIC ADVANCES TO STEM THE NEGATIVE IMPACT OF INFECTIOUS COMMUNICABLE DISEASES.
- BY THE MIDDLE OF THE 20TH CENTURY, THE NCDs BECAME A REAL BURDEN IN THE DEVELOPED COUNTRIES DUE TO LIFESTYLE CHANGES.



- IT WAS THEN CALLED THE DISEASES OF AFFLUENCE.
- DEVELOPING COUNTRIES LIKE NIGERIA STARTED HAVING UPSURGE IN NCDS IN THE LAST HALF OF THE 20TH CENTURY.
- DUE TO RAPID URBANISATION AND GLOBALISATION OF UNHEALTHY LIFESTYLES.
- DEVELOPING COUNTRIES LIKE NIGERIA HAVE THE GREATEST VULNERABILITY WITH THE LEAST CAPACITY TO COPE.



- **THEY ARE NON CONTAGIOUS, NON COMMUNICABLE.**
- **USUALLY LONGTERM, CAUSE DEATH, DYSFUNCTION, IMPAIR OVERALL QUALITY OF LIFE.**
- **INCREASINGLY BEING RECOGNISED BY W.H.O AS MAJOR CAUSE OF ILL-HEALTH, DISABILITY AND DEATH.**
- **A 2001 WHO REPORT INDICATED THAT NCDS ACCOUNT FOR 60% OF DEATHS AND 46% OF THE GLOBAL BURDEN OF DISEASE.**



- BY PROJECTION TO 2020, NCDS WILL CAUSE OVER 70% OF DEATHS AND 60% OF DISEASE BURDEN.
- NCDS HAVE BEEN ESTABLISHED NOT ONLY TO HUMAN HEALTH BUT ALSO TO DEVELOPMENT AND ECONOMIC GROWTH.
- RESPONSIBLE FOR 63% OF DEATHS ,CURRENTLY THE WORLDS MAIN KILLER.
- 80% OF THESE DEATHS NOW OCCUR IN LOW AND MIDDLE INCOME COUNTRIES LIKE NIGERIA.
- 50% OF THOSE WHO DIE ARE IN THEIR PRODUCTIVE YEARS.
- THE IMPOSED DISABILITY AND THE LIVES LOST ARE THREATS TO ECONOMIC PROSPERITY AND DEVELOPMENT.



- THESE CONDITIONS INCLUDE;
 - HEART DISEASES, STROKE, CANCER, DIABETES, CHRONIC LUNG DISEASES, RENAL DISEASES.
 - IDENTIFIED RISK FACTORS INCLUDE :
 1. HEREDITY.
 2. ENVIROMENT.
 3. LIFESTYLE.
- LIFESTYLE CHANGES ACCOUNT FOR OVER 50% OF NCDS.



- THE LIFESTYLE FACTORS REMAIN THE MOST MODIFIABLE OF THE 3.

- THEY INCLUDE:
 - TOBACCO USE, PHYSICAL INACTIVITY, HARMFUL USE OF ALCOHOL, UNHEALTHY DIETS.

- THEY INDUCE METABOLIC/PHYSIOLOGIC CHANGES:
 - RAISED BLOOD GLUCOSE ,CHOLESTEROL.
 - OVERWEIGHT, OBESITY.
 - INCREASED BLOOD PRESSURE.



- PROMOTION OF HEALTHY LIFESTYLES.
- DEVELOPMENT OF MECHANISMS TO PROMOTE HEALTHY LIFESTYLES.
- IMPROVING CLINICAL COMPETENCIES OF PRACTITIONERS.
- EARLY DETECTION.



- PSYCHOLOGY OF LIFESTYLE.
- PHENOMENOLOGY VS PSYCHODYNAMICS.
- LIFECYCLE – EPIGENESIS (ERIK ERIKSON).
- SELF TRANSCENDENCE THEORY (ABRAHAM MASLOW).
- THE CHALLENGE OF FAMILY PRACTICE OVER SUPRA SPECIALISATION.
- HEALTH PREVENTION AND HEALTH PROMOTION.



- THERE ARE MENTAL HEALTH ISSUES IN THE BACKGROUND:
 - MID-LIFE CRISIS.
 - ADJUSTMENT DISORDERS.
 - RETIREMENT DIFFICULTIES.
 - FEAR OF FAILURE, FEAR OF THE UNKNOWN.
 - IDENTITY CRISIS.
 - MARITAL CONFLICT.
 - WORKPLACE POLITICS.



- GROSS VIOLATIONS OF THE CONSCIENCE.
- FEAR OF VODOO OR WITCHCRAFT.
- OVERWORK – STRESS, EXECUTIVE BURNOUT.
- UNREASONABLE CREDIT.
- BUSINESS FAILURES.



- CONSULTATION OF THE PRIVATE LIFE.
- MENTAL STATE CLERKSHIP AND EXAMINATION.
- COUNSELLING ON ISSUES RAISED.
- MEDICATIONS - COMPLIANCE.
- REFERRALS.



- ANY BEHAVIOUR OR HABIT THAT CAUSES:
 - DISTRESS TO SELF.
 - DISTRESS TO SIGNIFICANT OTHERS.
 - DISTRESS TO SOCIETY.



■ MENTAL ILLNESS

- IS NOT ONLY CLINICAL BUT ALSO A **SOCIO-ECONOMIC, PSYCHO-SPIRITUAL ENTITY.**
- IS DESTRUCTIVE TO INDIVIDUAL CAPACITY TO BE RESILIENT, TO BE SELF AWARE , TO BE PRODUCTIVE AND TO BE CONTRIBUTORY.
- IS NOT JUST **AN EVENT** BUT **PRODUCT OF A PROCESS.**



■ **BIO-PSYCHO-SOCIAL MODEL BY ENGEL**

- **BIOLOGY – HEREDITY, BRAIN RECEPTORS, INJURY TO BRAIN, ILLNESS.**
- **PSYCHOLOGICAL – PERSONALITY/CONSTITUTION/ ID, EGO & SUPEREGO/THE SUBCONSCIOUS MIND (?SPIRIT).**
- **SOCIAL – CULTURE, NORMS, CONDITIONING, FAMILY LIFE.**



- BIOLOGICAL CORRELATIONS – HEAD INJURY, STROKE, CHEMICAL MODULATIONS, HEREDITY.
- PSYCHODYNAMIC CORRELATIONS - LONGITUDNAL EVENTS LIKE PREGNANCY, BIRTH, PARENTING, FAMILY, SCHOOLING, PHYSICAL ENVIROMENT, FEEDBACKS, INCENTIVES.
- REINFORCEMENTS,MODELLING, PARENTING MODEL, MENTORSHIP.



Questions and Answers Session



2021 COMMUNIQUE



COMMUNIQUE

Insurance Professionals and members of the Chartered Insurance Institute of Nigeria (CIIN) gathered at Park Inn By Radisson, Abeokuta, Ogun State, Nigeria from Wednesday 3rd to Saturday 6th November 2021 for her **"2021 Insurance Professionals' Forum"**.

The theme of the 31st edition of the Forum was **"THE NIGERIAN INSURANCE INDUSTRY IN THE DIGITAL AGE"**.

At the Forum, the following papers and topics were presented by Professionals within and outside the Insurance Industry:

1. Insurance Development in a Digital World: Current Realities
2. Payment System and the Insurance Industry: The Viable Way Forward
3. Technology and Innovation in the Insurance Sector
4. Cyber Risks: Implications for Businesses and Insurance

At the end of the conference, the following action plans were made to foster the continuous growth of professionalism in Digital transformation (Digitalized and Digitalization) the Nigerian Insurance Industry:



COMMUNIQUE - I

S/N	COMMUNIQUE	RESPONSIBLE PERSON(S)/ENTITY(IES)
1.	Insurance operators are to evolve, embrace change and digitize their processes to enable them meet customers' need and expectations.	NIA/NCRIB
2.	Regulator to encourage, support and facilitate the digitalization change in the insurance industry and provide guidance for other stakeholders.	NAICOM
3.	There is need for data analytics to promote digitization.	NAICOM/NIA/NCRIB/ILAN
4.	There is urgent need for adoption of Digital Sales Agents.	NIA
5.	To promote ethical standards within the Industry so as to earn public trust in services provided by operators.	CIIN/NIA



COMMUNIQUE - II

6.	To take advantage of the existing payment system in Nigeria with a view to promoting multiple premium payment methods such as USSD, Mobile App.	NAICOM/NIA/NCRIB
7.	The Forum called for the need for the professionals to secure the Insurance Industry space with Digitalization.	INDIVIDUALS/CIIN/CIFN
8.	The Forum recognise the need for professionals to learn and acquire new soft skills required to achieve Digital operations.	NAICOM/NIA/NCRIB/ILAN
9.	To assess or evaluate the impact of digitization on the operations of the insurance industry and take collaborative efforts to manage the risks exposures.	NAICOM/NIA/NCRIB/ILAN





Thank you



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Chartered Insurance Institute of Nigeria