



MULTAQA
QATAR
2009

Conference Summary

Authored by Dr. Kai-Uwe Schanz

Advisor to the Qatar Financial Centre Authority

BOUNDLESS OPPORTUNITIES

Preface

For the third consecutive year the Qatar Financial Centre has hosted a pre-eminent platform for leading insurance industry figures from the GCC region and abroad. We believe it is safe to say that MultaQa, the Arabic world for “Rendezvous”, has developed into a major element of the GCC region’s insurance events landscape.

A quick retrospective illustrates the progress we have made over the past three years. The inaugural conference in 2007 enabled our international audience to discover the wealth of insurance and reinsurance opportunities offered by the Qatari marketplace. Encouraged by a successful event, we extended the scope of MultaQa Qatar 2008 to showcase the potential of the GCC region as a whole and Qatar’s increasing weight in the regional marketplace.

This year’s conference programme was designed to strike an appropriate balance between short-, medium- and long-term opportunities and challenges. The impact of the global crisis did obviously feature prominently on our agenda. At the same time our speakers and delegates were determined not to lose sight of the long-term fundamentals which will continue to shape the regional insurance and reinsurance marketplace once the global economic turmoil has receded: Above-average economic growth, driven by energy prices which are likely to rebound in the near-term; massive government-sponsored infrastructure projects (which are being continued by most countries despite the current global recession); and the favourable demographic structure of the region – to name just a few of the many powerful drivers of sustainable growth.

This report summarises the speeches, panel contributions and main insights from MultaQa Qatar 2009. It covers a wide spectrum of strategic issues, ranging from the prospects for local companies in the era of globalization, the pivotal role of a strong local talent base, capital and investment challenges facing local insurers and changes to the region’s overall risk landscape.

Through the publication of this report the Qatar Financial Centre Authority would also like to express its gratitude to all participants who actively contributed to a constructive and inspiring dialogue. And we obviously hope to entice interest among those regional and international industry executives who have not yet had the opportunity to become involved in MultaQa Qatar.

FETOOH AL ZAYANI

MD BUSINESS DEVELOPMENT - INSURANCE AND REINSURANCE
QATAR FINANCIAL CENTRE AUTHORITY (QFCA)



Conference Programme

Day One

-
- 08.00 Registration, Coffee and Networking**
-
- 08.45 Chairman's opening remarks**
Introduction to MultaQa Qatar 2009
Dr. Kai-Uwe Schanz, Principal Partner, Dr. Schanz, Alms & Company
-
- 08.50 KEYNOTE ADDRESS**
His Excellency Yousef Kamal, Minister of Finance of the State of Qatar
-
- 09.10 KEYNOTE ADDRESS**
The future of the GCC insurance market – Opportunities and Challenges
Dennis Mahoney, Chairman, AON Global
-
- 09.40 An update from The Qatar Financial Centre Authority**
Stuart Pearce, Chief Executive Officer and Director General, Qatar Financial Centre Authority
-
- 10.00 The QFC's insurance regime from the QFCRA's perspective**
 - Our approach to regulation
 - Developments to date
 - Thoughts on future developments**Michael Webb, Managing Director of Financial Sector Development and Policy, Qatar Financial Centre Regulatory Authority.**
-
- 10.20 Morning coffee and meet our exhibitors**
-
- 11.00 Regional CEO Debate**
Chair – Patrick Kenny, CEO, International Insurance Society
Panellists:
John Tan, CEO, Asia Capital Re Singapore
Ian Sangster, CEO, QIC International LLC
Graham Morrall, Head of Regional Distribution, Zurich International Life
Stephen May, CEO, Heritage London & Middle East
Duncan Buchanan, MD, Marsh Qatar
-
- 12.30 Lunch hosted by our exhibitors**
-
- 13.15 Qatar Clinics – interactive 'roundtable' sessions including:**
 - Education in Qatar – hosted by Robert Baxter, Qatar Foundation and Education City
 - How to set up at the QFC – hosted by Wayne Jones, Clyde & Co
 - ERM and Captives: An attractive option for regional corporate risk managers – hosted by Shaun Brook, SEO, Heritage Insurance Management [Bahrain] W.L.L. and Cyril Salibi, Managing Director, Aon Global Risk Consulting Middle East
 - Reinsurance: Establishing a new balance between international and regional players – hosted by Gail Norstrom, CEO, Gulf Reinsurance Limited
 - Compliance; How to cope with increasing regulatory requirements – hosted by Lisa Kelaart-Courtney, Director, CCL
-
- 14:30 Clinics end**

Conference Programme

Day Two

08.30	Registration, Coffee and Networking
09.10	Chairman's recap Dr. Kai-Uwe Schanz, Principal Partner, Dr. Schanz, Alms & Company
09.15	KEYNOTE ADDRESS How to Manage the Insurance Cycle to ensure Long Term Profitability Robert Van Gieson, Chairman, Arch Insurance [Europe] Limited
09.45	KEYNOTE ADDRESS Boosting the efficiency of the financial services sector: The key role of technology and Qatar Insurance Services as a case in point Leonard Schrank, Former CEO of SWIFT and Board Member of QIS (Qatar Insurance
10.15	Morning coffee and meet the exhibitors
11.00	The regional risk landscape: Managing growing exposures Luc Albert, Managing Director and Market Unit Head - Switzerland, Mediterranean, Middle East, Benelux and Iberia – Swiss Re
11:30	Funding for Growth: The Capital Challenge Carl Bauer - Schlichtegroll, Co-Head of the European Financial Institutions Group, JP Morgan
Midday	Building a strong regional talent base: A prerequisite to sustainable growth in insurance Jon Morton, Director, Qatar Finance and Business Academy
12.30pm	Chairman's summary and closing remarks
12.45pm	Lunch

Day 1 – 15 March 2009



MultaQa Qatar 2009 was opened by conference chairman **Dr. Kai-Uwe Schanz**, Principal Partner of Dr. Schanz, Alms & Company in Zurich, Switzerland. He noted that the world has changed dramatically in the twelve months following last year's MultaQa. In the wake of the credit and financial crisis the world economy is in the grip of the most severe recession since the 1930s. However, as Dr. Schanz pointed out, the GCC region, in general, has weathered the storm so far. Regional economies continue to grow, albeit at a slower pace. The economic diversification strategies pursued across the region were starting to pay off. Dr. Schanz pointed to Qatar and its financial services sector as an example and emphasized that the Qatar Financial Centre now hosts over 100 international companies open for business in the country and the wider GCC region.

The morning's first keynote address was delivered by **H.E. Yousef Hussain Kamal**, Minister of Finance and Economy of the State of Qatar. The Minister pointed out that, in the GCC region, non-life insurance accounts for just one percent of GDP. This compared with 3% for the UK and 5% for the US. He also added that non-life insurance premiums generated in the GCC region contribute far less than one percent to the world's total. "The potential for growth is enormous", the Minister concluded.



H.E. Yousef Kamal stressed the Government's continued commitment to actively support the development of the local insurance and reinsurance markets as well as to help create a vibrant insurance hub for the Middle East. He highlighted three key initiatives which underpinned Qatar's aspirations. The first major project was the establishment of Qatar Insurance Services (QIS), a technology-based insurance system delivering integrated processing between insurance and reinsurance trading partners. The key objective of this initiative is to develop a world class trading and transaction infrastructure. So far, no other international insurance hub offers such facilities. "QIS is a unique opportunity to differentiate Qatar and the region from other insurance centers in the world", the Minister said.

A second major project mentioned by H.E. Yousef Kamal was the Qatar Finance and Business Academy (QFBA). The Minister reminded delegates that talent is the most relevant bottleneck for the development of insurance markets. "Financial capital can be raised, physical infrastructures can be built. But human capital such as actuaries and specialized underwriters is hard to come by", he said. Against this backdrop, the QFBA was currently being established to promote the local development of junior, middle and senior ranking executives and specialists. "I firmly believe that, over time, the QFBA will tremendously add to the attractiveness of Qatar, not just for doing insurance business locally but also as a springboard into the Middle East region as a whole", the Minister stressed.

As a third priority H.E. Yousef Kamal mentioned the regulatory and supervisory infrastructure. "We are committed to bringing the highest international standards of regulation to Qatar. This is a necessary condition to ensuring the stability and security of insurance providers and to maintaining and further promoting the trust of individual and corporate policyholders", he explained. The Minister also reaffirmed that, in due course, this commitment would lead to a unified approach to regulation, covering both domestic and QFC-based insurers and consolidating the regulatory functions for insurers, banks and capital markets.

"Excellent networking experience and I look forward to 2010"

Day 1 – 15 March 2009

The morning's second keynote speech was contributed by **Dennis Mahoney**, Chairman of AON Global. He first provided a comprehensive overview of the main issues affecting global insurance markets. As early as 2001, Mr Mahoney had pointed to a "perfect storm" scenario likely to hit the insurance industry: an increasing volatility of both sides of the balance sheet with underwriting as well as investment losses soaring. In 2008, this scenario had brutally materialized with significant natural and man-made catastrophe losses compounded by an erosion of financial asset values of up to USD 50 trillion, equivalent to one year's global GDP.



Mr Mahoney believed that "this massive capital destruction combined with a world that grows ever more risk averse suggests a major market dislocation at some point soon". Another contributor to firming insurance rates was the limited return potential on the investment side, with interest rates at rock-bottom levels, a particular challenge for an industry traditionally reliant on investment returns and capital gains.

Against this backdrop, the key question arose as to where the capital needed to replenish the balance sheets of the insurance industry should come from, particularly in view of huge natural catastrophe exposures for example in California, Florida and Japan.

Mahoney thought current and future market dislocations were a great opportunity for new market entrants, for example as providers of new capital. Qatar had the chance to develop into a new centre of excellence, complementing the existing markets of London, Bermuda, Zurich, New York, Dublin and others. He believed that there was the opportunity to create a true regional centre of excellence equipped with both substantial intellectual and financial capital, "indigenous capital", to serve the growing needs of the region but also, in due course, to be able to provide new capital to other regions.

Following Dennis Mahoney's speech delegates were provided with an update from the Qatar Financial Centre Authority, delivered by its Chief Executive Officer and Director General, **Stuart Pearce**. He started by referring to an important milestone in the growth of the Qatar Financial Centre, the licensing of Al Mal on 3rd December 2008, the 100th license issued by the QFC. Mr Pearce pointed out that the QFC was established to further develop and deepen Qatar's financial sector and to contribute to the growth of financial services in the region. In so doing it was raising standards in Qatar's financial sector. Pearce emphasized that the QFC must do so in harmony with - not at the expense of - Qatar's domestic financial sector. He believed that the expertise of international firms infiltrated and strengthened the sector as a whole, driving up demand for financial services and ultimately benefiting both domestic and foreign market participants. "The fact that 20% of our licensed firms are owned by Qatari interests demonstrates that the QFC is considered an opportunity by domestic players " he added.

"Very professional, effective and helpful"

Day 1 – 15 March 2009

Addressing Qatar's economic prospects Pearce said that the country, even though impacted by the global turmoil, was affected to a lesser degree on the back of its resilient energy based economy. He cited various surveys according to which there is subdued but steady optimism among companies based in Qatar. Finally, looking ahead, Pearce informed delegates that in October the QFC would be launching Qatar Finance – the Ultimate Resource, a joint venture with Bloomsbury Publishing announced in 2007, which was a unique printed and online financial knowledge and best practice platform for financial practitioners, academics and students and the business media. This would form the centre of a week of high level events in partnership with the FT, CNBC and The Economist.



Stuart Pearce's commercial view was complemented by **Michael Webb**, Managing Director, Financial Sector Development and Policy, Qatar Financial Centre Regulatory Authority (QFCRA). Introducing the QFCRA's approach to insurance regulation applied to QFC firms, he stressed the regulator's commitment to a risk- and principles-based approach to regulation and supervision. The QFCRA maintained a continuous cycle of risk management which enabled it to regularly undertake the risk assessment and clarification of firms using a standardized methodology. "We also co-operate with other regulators with a view to branches or parts of a group being effectively supervised", he added.

Webb also elaborated on the four key areas of insurance regulation as performed by the QFCRA: prudential requirements for both insurers and intermediaries; conduct of business requirements (with an emphasis on protecting retail customers); requirements regarding internal systems and controls; and, last but not least, requirements relating to the protection of insurance and policyholder funds.



Webb finally addressed the proposed establishment of a single integrated regulator for Qatar's financial markets, a plan announced by the Government in 2007. The idea was to merge the regulatory and supervisory activities currently undertaken by the Qatar Central Bank, Qatar Financial Markets Authority and QFCRA into a single regulatory authority, the Financial Regulatory Authority (FRA). As mentioned in his keynote address by H.E. Yousef Hussain Kamal, the Government remained committed to a unified approach to regulation, covering both domestic and QFC-based insurers and consolidating the regulatory functions for insurers, banks and capital markets.

Day 1 – 15 March 2009



Following Michael Webb's presentation **Patrick Kenny**, CEO of the International Insurance Society, introduced one of MultaQa's traditional highlights – the regional CEO debate.

The panelists discussed the wide spectrum of opportunities and challenges presented by the region's insurance and reinsurance markets, in a global environment characterized by financial market dislocations and a severe economic recession.

John Tan, CEO of Asia Capital Re, kicked the panel off by highlighting the linkages and complexity of financial systems in a globalized environment.



In his view, the current global crisis demonstrated the necessity to adopt a holistic approach to governance and regulation which properly took into account both sides of the balance sheet as well as systemic threats that could arise from individual market participants.

Tan also reminded delegates of traditional virtues such as transparent pricing and a clear strategic focus on a core set of activities. He also called for an emphasis on long-term return rather than short-term compensation and warned against return expectations superseding the imperative of operating and underwriting discipline.

Ian Sangster, CEO of QIC International, maintained "that whilst insurance companies, in the Middle East region at least, have traditionally looked towards their underwriting departments to bring them to ruin, it was the advent of globalisation of the capital markets that brought devastation - of a swift and deadly disposition". In Sangster's view the capital markets had tried to separate the financial from the physical and had lost sight of the fact that the planet is only capable of producing and leveraging a finite amount of wealth, and we were only now experiencing the results of this mismatch.



Sangster concluded: "We must build business models that are both sustainable and moral – and that this should apply globally". From a more insurance-specific perspective, he believed that a main lesson from the current global crisis was that corporate risk managers should look at their company from a holistic point of view to ensure the financial health of the business.

Graham Morrall, Regional Head of Distribution, Zurich Life Emerging Markets, provided a concise overview of the main themes currently in the regional marketplace. Market dynamics were determined by an accelerating flight to security and quality, growing middle classes with private planning needs, including ways of coping with longevity risk, a mounting need for rigorous risk management in order to protect balance-sheets as well as the availability of talent at more attractive terms and conditions.



He provided three specific pieces of advice on how to cope with the current challenges and poor customer sentiment. First, rephrase the bad talk by helping financial advisors build a constructive dialogue with their clients; second, display product leadership and the ability to respond to customers' evolving needs and; third, redoubling customer education and market training efforts.

Day 1 – 15 March 2009

Stephen May, CEO Heritage London & Middle East, looked at the specific role of captives in the local market environment. He believed that captives had the potential to empower the local market by enabling local insurers to form effective partnerships with the buyer who was sharing in the risk. “Sharing in the risk enables the insurer to put more trust in the buyer and gives the insurer the confidence to retain more risk”, May said. He also expected that, with more premium retained locally, both in captives and in the local insurance market, reinsurers would pay more attention to the region. This would in turn lead to a more competitive reinsurance market in Qatar and therefore more competitive rates and terms – resulting in Qatar becoming a hub for these services.

May felt that the overall opportunity for insurance in Qatar would expand greatly. Previously companies had run a lot of risk on their balance sheets (consciously or not). Captive formation provided a great opportunity to identify unknown risks, assess all risks, and mitigate them in the most efficient combination of retention and placement with the local market. Another supporting factor was that now it was possible to domicile captives within the Middle East.

May concluded that Qatar had everything it needs to develop into a top captive domicile such as a resilient economy, plenty of capital, world class legislation and a proactive and supportive regulator.



Duncan Buchanan, CEO, Marsh Qatar, pointed to the significant opportunities offered the region’s insurance markets. The growth potential was undisputed, foreign and domestic capital was expected to remain available to support premium growth and regulatory standards were improving rapidly. Despite the growing skepticism regarding globalization, especially in Western countries, Buchanan believed that the integration of the global economy represented a major opportunity for the GCC region’s insurance markets. “Globalisation promotes best practice and industry expertise and provides additional capacity”, he said.

Buchanan also addressed some of the challenges ahead, such as the limited talent pool, difficulty in attracting and retaining expert staff from abroad, underdeveloped service ethics and the slow progress towards establishing the single regulator.



During the **subsequent debate** there was a broad consensus that, the current crisis notwithstanding, the region offered significant opportunities even in the short-run. Economies were expected to continue to grow and risk aversion among private and commercial policyholders was on the rise. More controversial positions were adopted as to whether the crisis would help alleviate the endemic shortage of talent in the GCC region. Some speakers felt that the current “buyers’ market” would effectively ease the strain, with companies and recruitment advisors being swamped with CVs. Others warned that this short-term “supply shock” would do little to overcome the structural skills shortage as firms run the risk of attracting short-term oriented and opportunistic staff from abroad.

“Great example for other conferences”

Day 2 – 16 March 2009

The second day of MultaQa Qatar 2009 was opened by a keynote address from **Robert Van Gieson**, Chairman, Arch (Europe) on “Managing the underwriting cycle to ensure long-term profitability”. Van Gieson felt that “with all of this financial turmoil going on around us, the need for the insurance industry to focus on profitability has become even more urgent.” This urgency was supported by the fact that, in the past, the insurance industry had struggled to return a profit on the huge amount of capital at its disposal. Van Gieson gave a striking example: The US property & casualty insurance industry made an underwriting profit just 7 times during the past 36 years.



Elaborating on the reasons for this dismal performance, Van Gieson pointed out that all too often, the industry was its own worst enemy. “It has been said that 20% of the public make the purchases based on price; and the insurance industry sells the remaining 80% on price.” In his view, insurers focused almost exclusively on price savings or price reductions, promoting commoditisation. Rarely, if ever, it sold service or terms and conditions which added value.

Another reason for the industry’s uninspiring profitability record was the desire to write business which can be so great that underwriters get out-manoeuvred by their clients. “I personally focus the blame for competitive markets not on brokers, occasionally on individual underwriters and always on senior and board level managers”, he added.

And finally, Van Gieson blamed the poor development and deployment of information technology as another contributor to the insurance industry’s profitability issues. The traditional focus of IT in insurance had been regulatory and financial reporting, rather than utilizing it to help the process of underwriting.

In conclusion, Van Gieson reminded the audience of a lesson he learned many years ago: “Without consistent underwriting profit, there is no sound investment strategy that can or will generate a consistent, long term, profitable result”.



The morning’s second keynote address was delivered by **Leonard H. Schrank**, former CEO of the Society for Worldwide Interbank Financial Telecommunication (SWIFT) and a member of the Board of Directors, Qatar Insurance Services (QIS). As an experienced information technology expert and executive he elaborated on the role of technology in financial services.

Schrank introduced one of the greatest success stories in harnessing technology for financial services: SWIFT, the industry-owned co-operative supplying secure, standardised financial messaging services and interface software to 8,000 financial institutions in 200 countries – an institution he ran as chief executive from 1992 to 2007. Founded in 1973 by 239 banks in 15 countries, SWIFT now counted 8,800 institutions in 209 countries as participants. It processed 15 million messages per day. The total daily transaction value amounted to US\$ 5-6 trillion. Against this backdrop, the Wall Street Journal called SWIFT “one of the dominant franchises of our network age.”

As key success factors of SWIFT Schrank identified the careful selection of the participating community, the definition of standards and the quality focus underlying all processes. In addition, he mentioned the incremental “one step at a time” approach adopted by SWIFT. His memorable summary: “You have to think big, start small, test quickly and scale fast!” Schrank also believed that this transaction principle could be successfully applied to QIS, a technology-based (re)insurance trade fulfillment system offered to local, regional and global insurance firms. Schrank believed that, as one of the QFC’s key projects, it would provide a very solid foundation for Qatar’s objective to become the region’s leading insurance and reinsurance centre. He further pointed out that QIS pursued a phased approach, initially focusing on placements, later on accounting and finally on claims. In his view, QIS had the potential to make the difference to the venerable insurance industry which, so far, had proven rather resistant to change. Schrank’s conclusion: “Maybe in a few MultaQa’s from now, we can celebrate the beginning of a “SWIFT for insurance”.”

Day 2 – 16 March 2009



The following presentation was delivered by **Luc Albert**, Managing Director at Swiss Re. Albert provided an overview of the changing risk landscape and the challenges associated with it. He first highlighted three main developments reshaping the global risk landscape: (a) the increasing complexity, driven by technological progress (e.g. biotechnology and nanotechnology), (b) the mounting inter-connectedness of risks, as a consequence of globalisation and economic integration and (c) the increasing severity of risks. To absorb ever larger risks, traditional insurance and reinsurance solutions needed to be complemented by capital market-based as well as government-sponsored solutions.

In Albert's view risk management consists of four main stages: identification, assessment, mitigation and adaptation. "We have seen a gradual evolution of risk management, from pure intuition to the application of quantitative tools to "clear thinking", a combination of intuition, quantification and business sense." He also reminded the audience of the frequently ignored fundamental benefits of risk transfer: on the individual level, policyholders had access to funds in case of an insured event, reducing volatility and uncertainty. Risk transfer also allowed them to take on economic risks without the need to set aside capital in liquid contingency funds. From a macro perspective, spreading large risks on many shoulders was expected to result in overall economic stability, benefiting society at large.

Albert provided one regional example to highlight the consequences of limited insurance penetration: Cyclone Gonu which swept across the Arabian Sea in 2007 as the strongest tropical storm on record. Economic losses amounted to US\$ 4 billion but only US\$ 200 million were picked up by insurers and reinsurers. The considerable gap between economic and insured losses reflected the GCC region's very low insurance penetration. Insurance premiums accounted for merely one per cent of the region's GDP. In Europe and North America, in contrast, the respective ratio exceeded 9%.



Carl Bauer, Managing Director and Co-head of the European Financial Institutions Group, JP Morgan, provided delegates with his thoughts on "Funding for growth – The capital challenge". As an introduction, he presented a chart illustrating the dramatic erosion of European insurers' market value. He pointed out that non-life insurers had generally been less affected than life insurers who managed significant investment portfolios and provided yield guarantees to policyholders which were difficult to meet in the current market environment.

Most insurers responded by de-risking their asset portfolios but still suffered a significant erosion of shareholders' equity, with drops by 20% and more frequently observed. Bauer identified five key challenges European insurers currently faced: asset impairments, liquidity management, Asset-Liability-Management, risk concentration and capitalisation, with most players facing acute capital pressures. Bauer stressed that not all of these challenges were relevant for GCC insurers, for example due to Sharia laws prohibiting interest-based financial products. Elaborating on capital management, Bauer explained that the current crisis challenged traditional capital management solutions such as hybrid debt, senior debt or rights issues. Against this backdrop, insurers looked into alternatives such as obtaining capital relief through adverse development covers and opting for reinsurance-like structures to reduce asset risk.

Summarising the short-term prospects for insurers and reinsurers, Bauer was relatively optimistic about property & casualty insurers as these entities were least affected by the crisis amongst all insurers, continued to generate steady cash flows and showed reasonably predictable results. Life insurers, however, had to cope with more severe challenges as they experienced a major strain on both the asset and liability side of the balance sheet as well as negative effects on performance due to guaranteed products. Finally, he argued that reinsurers should benefit from the overall capital constraint and the increasing attractiveness of reinsurance as a contingent form of capital.

Bauer concluded by highlighting the specific opportunities for insurers and reinsurers in the GCC region. Takaful was set to grow massively in the light of low penetration levels and favourable demographics. Sharia compliant reinsurance was on the rise, as evidenced by the initiation of operations by major global reinsurers. And finally, a streamlining of regulations was expected to facilitate insurance growth going forward.

Day 2 – 16 March 2009

The morning's final speaker was **Jon Morton**, Head of the newly established Qatar Finance and Business Academy (QFBA), addressing the topic of "Building a strong regional talent base". In his introductory remarks he shared with the audience four key lessons learned from his vast personal experience as an executive in the learning industry. First, "It's all about delivering intellectual and *emotional* impact". The return on investments in learning would only be maximized if positive emotions and genuine enthusiasm on the part of learning individuals were generated. Secondly, "It's all about giving people the *time, space* and *permission* to think about their business and themselves". He argued that this may sound trivial but was often neglected in corporate learning environments. Thirdly, "It's all about individual learning accountability". The success of learning efforts primarily depended on individual efforts and the willingness to be held accountable. And fourthly, "It's all about designing around the current *and future* needs of the business environment, industry, organisation *and* individual". Any sustainably successful learning environment must take into account individual needs and preferences, in addition to organisational and strategic requirements.



Morton also shared the results of a number of meetings with stakeholders in the financial services community in Qatar. These meetings, conducted in the context of setting up QFBA, helped identify key domestic development needs in the area of learning such as benchmarking expectations of capability against international standards, the establishment of career structures, strengthening the motivation to learn and individual accountability, enhancing product knowledge and capability, improving the customer service mindset across all levels and developing the capability of senior leadership and management.

Morton expected the QFBA, a Qatar-based and Qatar-branded learning academy for the financial services industry, set up in partnership between Qatar Foundation and Qatar Financial Centre Authority, to make a major contribution to effectively addressing and meeting these development needs.

In his closing remarks, Conference Chairman **Dr. Kai-Uwe Schanz** shared his personal takeaways from MultaQa Qatar 2009: First, Qatar seemed to be "an economic pocket of resilience", based on robust gas and oil revenues, far-sighted development projects and a strong fiscal position. Second, the regional insurance markets continued to offer significant opportunities, even in the short-run, defying the global crisis. Risk awareness and aversion were on the rise and likely to boost demand for insurance solutions. And third, Qatar's determination and commitment to develop into a regional insurance hub seemed stronger and more credible than ever, as evidenced by the establishment of QIS and QFBA.

Schanz also addressed the skepticism such aspirations naturally spark, notably concerns that Qatar's domestic market and its potential might be too small to sustain a regional hub and Qatar might be coming rather late pursuing its financial services and financial centre aspirations. From the perspective of his home country, Switzerland, Schanz pointed out that the size and potential of the domestic market was not the most relevant determinant of a country's ability to develop into an international services hub or its ability to host and to groom leading global companies. He also reminded the audience that one of the key lessons learned from the financial crisis was that what used to be considered a first mover advantage can actually turn out to be a severe first mover disadvantage or, conversely, a late mover advantage benefiting those who pursue less aggressive and more cautious strategies.

"It was worth attending and a fantastic opportunity to network"