



2017 IAFICO Global Forum for Financial Consumers

Financial Consumer, Society and Global Development

Date : November 3-4, 2017

Venue : Fudan University, Shanghai, China

Host : IAFICO

China InsurTech Lab, Fudan University

Financial Research Center, Fudan Development Institute

Organizer : SKK University

(Center for Insurance & Pension Research)

Sponsors : China Insurance and Social Security Research Center
, Fudan University

Korea Deposit Insurance Corporation

Korean Institute of Health and Society

Poznan University of Economics and Business

Mass Media Sponsors : MK Daily, Korea

21st Century New Group Shanghai Insurance

STCN

Shanghai Financial New

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Annual Conference Committee 2017

President		
Qinghai Yao	Insurance Society of China	China

Committee Members		
Xian Xu	Fudan University	China
Zhijie Zhao	Insurance Society of China	China
Hongrui Zhu	Fudan University	China
Tao Wu	Fudan University	China
Hanjia Lyu	Insurance Think Tanks	China

Executive Committee

Hong Joo Jung (Chairperson)	SKK University	Korea
Kyung Joo Lee	Hongik University	Korea
Man Cho	KDI School	Korea
So Jung Park	Seoul National University	Korea
Mi Soo Choi	Seoul Digital University	Korea
Hong Mu Lee	Waseda University	Japan
Satoshi Nakaide	Waseda Universtiy	Japan
Mariko Nakabayashi	Meiji University	Japan
Xian Xu	Fudan University	China
Dongmei Chen	Fudan University	China
Tsai-Jyh Chen	National Chengchi University	Taiwan
Ahcene Lahasasna	INCEIF	Malaysia
Rofikoh Rokhim	University of Indonesia	Indonesia
Sankarshan Basu	IIM	India
MZ Mamun	University of Dhaka	Bangladesh

Board of Directors

Hong Joo Jung(Chairperson)	SKK University	Korea
Jung Hai Yoon	Inha University	Korea
Chang Hi Han	Kookmin University	Korea
Kyung Joo Lee	Hongik University	Korea
Man Cho	KDI school	Korea
So Jung Park	Seoul National University	Korea
Sang Wook Nam	Seowon University	Korea
Mi Soo Choi	Seoul Digital University	Korea
Tae Hyung Oh	Pukyong National University	Korea
Sung Sook Kim	Keimyung University	Korea
Chul Choi	Sookmyung University	Korea
Jeong Sook Kim	Jeju National University	Korea
Chang Hi Han	Kookmin University	Korea
Sang Rim Lee	Mokpo University	Korea
Jai Seop, Lee	Government Employees Pension Service	Korea
Jung Hyun Sohn	SKK University	Korea
A-Reum Choi	SKK University	Korea
You Kyung Huh	Virginia University	USA
Hong Mu Lee	Waseda University	Japan
Satoshi Nakaide	Waseda University	Japan
Mariko Nakabayashi	Meiji University	Japan
Xian Xu	Fudan University	China
Dongmei Chen	Fudan University	China
Tsai-Jyh Chen	NCCU	Taiwan
Cherie Chen	Cass Business School	UK
Ahcene Lahasasna	INCEIF	Malaysia
Rofikoh Rokhim	University of Indonesia	Indonesia
Sankarshan Basu	IIM	India
MZ Mamun	University of Dhaka	Bangladesh

Secretariat

32516 Dasan Hall of Economics, SKKU, 25-2, Sungkyunkwan-ro, Jongno-gu, Seoul, Korea

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Words of Invitation



The International Academy for Financial Consumers (IAFICO) is a professional academic organization established by scholars from numerous Asian countries, and is focused on the internationalization of financial consumer research and the protection of financial consumers. IAFICO will hold its 2017 Annual General Meeting, the Global Financial Consumer Forum, at Fudan University, Shanghai, China.

Since the 2008 Financial Crisis that originated in the US, research into financial consumer protection and related areas has been actively conducted throughout the world, in particular, by Korea. Through the extraordinary efforts of Korean Consumer Organizations, financial consumer protection requirements were included in the G20 Summit Declaration in 2010, the world's first Academy of Financial Consumers was established, and regulations and supervisory reforms benefitting financial consumers were formed in Korea.

Along with that, Professors from Korea and other Asian countries established IAFICO in December 2014 as a platform for international cooperation and development concerning the internationalization of research into financial consumer protection, sharing international model cases, and enhancing financial consumer welfare. The 2017 General Meeting will feature academic and policy papers regarding global trend in Financial Consumer Protection and Supervision in Finance, Financial Inclusion and Social Security, and Fintech and Consumers in addition to pure academic papers on Financial Consumers.

Regarding financial consumers, sharing experiences and information across the border will contribute to global stability and co-prosperity, as well as each country's financial system and socio-economic development. As the UN Development Summit set "The 2030 Agenda for Sustainable Development" in September 2015, the role of the financial department can be very important for the process of putting agendas into essential for economic, societal, and environmental development. We hope for a high level of interest and participation of IAFICO scholars, domestically and abroad, as well as international organizations, government and regulatory agencies, and consumer groups.

October 2017

Hongjoo Jung

President of the IAFICO

Professor, SKKU Global Insurance and Pension Research Institute, Korea

General Information

- Venue



Fudan University
Handan Campus
Room 106 /Room 209,
Think Tanks Building
No.220 Handan Road, Yangpu District,
Shanghai 200433, China

復旦大學
邯鄲路校區
復旦大學智庫樓106 / 209
上海市邯鄲路220號
200433, 中國



· Registration Fee(+Membership Fee)

Regular Member: US\$100 (+US\$50)

Student Member: US\$50 (+US\$50)

Non-Member: US\$250

Bank Information : Wooribank, 1006-901-439342

* Journal, Lunches(Nov 3-4) and Dinners(Nov 3) are included.

· Lunches, Dinner

November 03 Luch	Room 106, Think Tanks Building, Fudan University
November 03 Dinner	Cafeteria, Fudan University
	* Please follow the students who are going to show you a way to the place.
November 04 Lunch	Room 106, Think Tanks Building, Fudan University

Forum Schedule at a glance

November 3	
Time	Venue : Room 106, Think Tanks Building, Fudan University
9:00–10:15	Opening Ceremony & Keynote Speech Hongjoo Jung (Chairperson of BOD, IAFICO) : Opening Announcement Sharon Tennyson (Professor, JOCA/Cornell University, USA) : Congratulatory Remark Qinghai Yao (Chairman, Insurance Society of China) : Keynote Speech 1 Sangho Kim (Chairman, KIHASA, Korea) : Keynote Speech 2 Photo session
10:30–12:00	Consumer Protection and Supervision in Finance
12:00–13:30	Lunch
13:30–15:00	Financial Inclusion and Social Security
15:00–16:50	Fintech and Consumers
17:00–17:30	General Meeting (Regular Member)

November 4	
Time	Venue : Room 106, Think Tanks Building, Fudan University
09:00–10:30	Academic Session 1
10:50–12:20	Academic Session 2
12:20–13:30	Lunch
Time	Venue : Room 209, Think Tanks Building, Fudan University
09:00–10:30	Country FCP Review Session 1
10:50–12:20	Country FCP Review Session 2
12:20–13:30	Lunch

Forum Schedule

November 3

Venue: Room 106, Think Tanks Building

SESSION

9:00–10:15

Opening Ceremony & Key Note Speech

- ♦ **Moderator:** Lijian Sun
(Director, Financial Research Center of Fudan University)

Opening Announcement

| Hongjoo Jung (Chairperson of BOD, IAFICO)

Congratulatory Remark 1

| Hanam Phang (Kookmin U., Former Minister, Korea)

Congratulatory Remark 2

| Sharon Tennyson (Professor, Cornell University)

Keynote Speech 1

| Qinghai Yao (President, Insurance Society of China)

Keynote Speech 2

| Sangho Kim (Chairman, KIHASA)

SESSION

10:30–12:00

Consumer Protection and Supervision in Finance

- ♦ **Moderator:** MZ Mamun (U.of Dhaka, Bangladesh)
- ♦ **Presentation**

Protection of Insurance Consumers' Rights and Interests in China

| Qing Luo (China Insurance Regulatory Commission, China)

Deputy Commissioner for International Affairs

| Eiichiro Kawabe (JFSA/FinCoNet, Japan)

The Progresses of Financial Consumer Protection in China

| Xiong Shu (People's Bank of China, China)

Consumer Unpleasant Experience and Complaints Behavior ; Evidence from Indonesia Financial Services Industry

| Melia Retno Astrini (U.of Indonesia, Indonesia)

The Role of the Insurance Ombudsman in Consumer Protection

| Jacek Lisowski & Piotr Manikowski (Poznan University of Economics & Business, Poland)

SESSION

13:30–15:00

Financial Inclusion and Social Security

- ♦ **Moderator:** Hanam Phang(Kookmin U., Former Minister, Korea)
- ♦ **Presentation**
 - Why has Ultra Microfinance been a Policy Success in Indonesia**
| Rofikoh Rokhim (U.of Indonesia, Indonesia)
 - Financial Consumers and Development in Lao PDR**
| Khanthaly Saenviayvong (Micro Finance Association, Laos)
 - Discretionary Mutual for the Underserved ; Business Model and Regulatory Framework**
| Siti Muawanah Lajis (Central Bank of Malaysia, Malaysia)
 - Policy Issues on Financial Inclusion and Social Safety Net in Korea**
| Sungin Jun (Hongik U./KAFC, Korea)

SESSION

15:20–16:50

Fintech and Financial Consumers

- ♦ **Moderator:** Xian Xu (Fudan University, China)
- ♦ **Presentation**
 - How Technologies are Reshaping Finance and Insurance**
| Frank Desvignes (CEO, AXA Lab)
 - Telematics and Usage Based Insurance (UBI)**
| Paul Qi (CEO, OK CheXian)
 - Consumer Protection in Fintech Payment System ; A Perceived Risk and Trust Perspective**
| Ida Ayu Agung Faradynawati (U.of Indonesia, Indonesia)

November 4

Venue: Room 106, Think Tanks Building

SESSION (A)

9:00–10:30

Academic Session 1

- ♦ **Moderator:** Mariko Nakabayashi (Meiji U., Japan)
- ♦ **Presentation**
 - The Willingness to Invest Under The New Compensation Limit of Investor Protection Fund in Capital Market ; Evidence from Indonesia**
 - | Wardatul Adawiyah (U. of Indonesia, Indonesia)
 - House Rich and Cash Poor ; Empirical Evidence for Korean Housing Pension Choices**
 - | Seungdong You (Sangmyung U., Korea)
 - Financial Performance of General Insurance Companies in Bangladesh ; A 2003–2014 Study**
 - | MZ Mamun (U.of Dhaka, Bangladesh)

SESSION (A)

10:50–12:20

Academic Session 2

- ♦ **Moderator:** Dongmei Chen (Fudan U., China)
- ♦ **Presentation**
 - The Effect of Marketing Channel on Market Discipline for Life Insurance**
 - | Tsai-Jyh Chen (NCCU, Taiwan)
 - Impact of RMI education on its Literacy among University Students in Korea**
 - | Minyoung Cho, Soyoung Lim, Bohyun Kim (SKKU, Korea)
 - From Intermediary Finance to Inclusive Finance ; A Broken Chain**
 - | Yonghwa Wang (Fudan University, China)

SESSION (B)

9:00–10:30

Country FCP Review Session 1

- ♦ **Moderator:** Tsai-Jyh Chen (NCCU, Taiwan)
- ♦ **Presentation**
 - Financial Consumer Protection in Canada : Triumphs and Tribulations**
| Robert Kerton (U. Waterloo, Canada)
 - Deposit Insurance System in Korea and its role for Consumer Protection**
| Seokjin Kang (Korea Deposit Insurance Corporation, Korea)
 - Financial Consumer Protection Institution in Korea**
| Mi Soo Choi (Seoul Digital University, Korea)
 - 〈Discussion〉 Junghyun Sohn (SKKU, Korea)

SESSION (B)

10:50–12:20

Country FCP Review Session 2

- ♦ **Moderator:** Hongmu Lee (Waseda U., Japan)
- ♦ **Presentation**
 - Financial Consumer Protection in Korea : Laws and Regulations**
| Youkyung Huh (U. of Virginia, Korea)
 - Financial Consumer Protection in Japan**
| Satoshi Nakaide, Hongmu Lee (Waseda U., Japan)
 - 〈Discussion〉 Junghai Yoon (Inha U., Korea)

Who's Who in the 2017 GFFC

November 3 9:00-10:15

Opening Ceremony & Key Note Speech



Hong Joo Jung

JUNG, Hongjoo has been teaching at SungKyunKwan University since 1991, immediately after obtaining his Ph.D degree in the area of Risk Management and Insurance at the Wharton School, University of Pennsylvania. Prior to that, he got a B.A. in Economics at Seoul National University, and a M.S. in Statistics at New York University. He has written over 15 books and 40 papers in distinguished academic journals with research interests focusing on financial consumer, risk management, and social security system. Professor JUNG has served as a member of advisory group at several governmental ministries of Korea in economy, finance, labour, education, information & telecommunication, and agriculture.

In the year 2010, Dr. JUNG organized the Korean Academy of Financial Consumer(KAFC), a legal entity registered at the Ministry of Strategy and Finance, with over 180 scholars and experts in finance, law, consumer science, or education, in order to analyze, educate, protect the financial consumers from an independent and professional perspective. As of April 2016, he serves as the chairperson of the International Academy of Financial Consumer(IAFICO), a platform of global research on Financial Consumers. He is also involved in research institutes in Waseda University Japan and in Fudan University China, while participating in editorial board of Journal of Consumer Affairs.

November 3 9:00-10:15

Opening Ceremony & Key Note Speech



Lijian Sun

Distinguished Professor, Fudan University; Director of the Financial Research Center, Fudan Development Institute

SUN Lijian received his bachelor degree in engineering from the School of Civil Engineering, Tongji University. He studied at Hitotsubashi University, Japan, from April 1993 to March 2000, and received his Ph.D. in business. He currently teaches at the School of Economics, Fudan University. SUN Lijian has won numerous awards, including the second and the third prizes of Excellent Academic Papers on the Research and Advocacy of the Deng Xiaoping Theory (Shanghai) respectively in 2004 and 2006, two third prizes of the 7th and 8th Excellent Academic Papers in Social Sciences and Arts (Shanghai) in 2004 and 2006, the second prize of Mr. Ann Tse-Kai Award of Excellent Papers on International Trade (National) in 2004, and the second prize of the 8th Decision-making Consultation Research Findings (Shanghai) in 2012.



Hanam Phang

Chaired Professor, Public Administration Dept., Kookmin University
Former Minister of Department of Employment and Labor
Former President of Korea Labor Institute
Ph.D in Sociology, U.of Wisconsin

Qinghai Yao



The party secretary and chairman of Insurance Society of China.

Mr. Yao is the party secretary and chairman of Insurance Society of China, researcher, doctoral supervisor and postdoctoral adviser ; Mr. Yao is an adjunct professor in University of International Business and Economics, Central University of Finance and Economics, Beijing Jiaotong University, and etc.

Mr. Yao used to work in the Discipline Inspection Group of the Central Commission

for Discipline Inspection in the financial system, the Supervision Bureau of the Ministry of Supervision stationed in the financial system, Insurance Management Division in the People's Bank of China, China Insurance Regulatory Commission and Insurance Society of China. He has successively served as division director of Insurance Intermediary Department in the Chinese Insurance Regulatory Commission, deputy director general of Hubei Bureau of China Insurance Regulatory Commission and now he holds the post of bureau-level cadre in China Insurance Regulatory Commission. Mr.Yao was a graduate of the Zhengzhou University and Renmin University of China ,majored in physics and philosophy, respectively. He had finished the course at the PBC School of Finance of Tsinghua University. In addition, Mr.Yao served as a postdoctoral researcher at Wuhan University.



Sangho Kim

Chairman, Korea Institute for Health and Social Affairs

Sangho Kim have studied economics at Erlangen-Nuernberg University in Germany. His major research area is social insurance (pension insurance, unemployment insurance and worker's compensation insurance). He is a president of KIHASA since 2015.

November 3 10:30-12:00

Consumer Protection and Supervision in Finance



Qing Luo

Deputy director of Insurance Protection Bureau, China Insurance Regulatory Committee.

Ms. Luo graduated from the economics department of Renmin University of China and got master degree of economics of Renmin University of China. She was a lecturer at the department of social science and humanities, Beijing medical university, and subsequently worked at the office of the economic committee of the CPPCC national committee and the general office of the state council. In August 2000, she entered the insurance supervision industry. She was the director of the office of the Beijing regulatory bureau of the China Insurance Regulatory Commission and the director of the office of personnel education, deputy director of the Beijing Bureau.



Eiichiro Kawabe

Deputy Commissioner for International Affairs
Financial Service Agency, Japan

Mr. Eiichiro Kawabe is Deputy Commissioner for International Affairs of the Financial Services Agency. He is in charge of dialogues on financial consumer protection and Global Financial Partnership Center (GLOPAC). He has held various positions in consumer protection issues, including Director of Consumer Policy Division at the Cabinet Office, Director of Consumer Information division, and Director of local corporation division at the Consumer Affairs Agency. Prior to his current position, he was Executive Vice president at National Consumer Affairs Center of Japan. His background is not only consumer protection area but also economic issues. He taught economics as an Associate Professor at the National Graduate Institute for Policy Studies from 2004 to 2007. Also, he worked as a Sr. Economist at the World Bank from 2000 to 2002. He holds Master of Science from the University of Tokyo (1988) and Msc in Economics from the University of Warwick (1995).



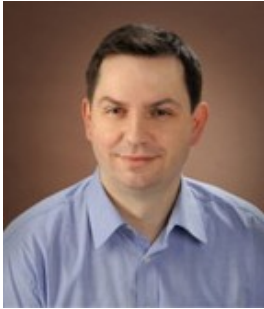
Xiong Shu

Deputy Division Chief, Complaint Handling Division of the Financial Consumer Protection Bureau of the People's Bank of China
Senior Economist, Government Lawyer



Melia Retno Astrini

Melia Retno Astrini is a Research and Teaching Assistant at Department of Management, Faculty of Economics and Business University of Indonesia. Melia received her undergraduate degree in Marketing Management from the same faculty where she worked now. Her research interests are in the area of marketing and consumer behavior, specifically financial behavior and financial decision-making. Outside of her professional works, she likes to learn new things, especially about big data and the use marketing analytics in creating marketing strategy.



Jacek Lisowski

Jacek Lisowski is Associate Professor and Head of Insurance Department at the Poznań University of Economics and Business in Poland. He holds a PhD in Economics/Insurance and a D.Sc. (postdoctoral degree/habilitation) in Economics/Finance/Insurance. Currently he sits on the Board of Governors of the Asia-Pacific Risk and Insurance Association (APRIA). He is also a member of several Polish industry organisations, including the Financial Sciences Committee of the Polish Academy of Sciences (PAN), the Advisory Scientific Committee of the Financial Ombudsman and Trade Credit Insurance and Surety Subcommittees of the Polish Insurance Association. From 2012 until 2016 he sat on the jury for the “CFO of the Year” competition organised by the Association of Chartered Certified Accountants (ACCA), Euler Hermes and Forbes Magazine. He sits on several Scientific Boards of industry journals such as *Insurance Review*; *Journal of Insurance, Financial Markets & Consumer Protection* and *Central European Review of Economics & Finance*, and on Supervisory Boards of several insurance companies including Allianz TUiR (Non-life), Allianz TUZ (Life), Allianz TFI (Investment Fund) and Euler Hermes TU. Between 2013 and 2016 he also served as a member of Allianz PTE Supervisory Board. His research is focused mainly on trade credit insurance, surety, financial management of insurers and challenges in the insurance market. His work has been presented at many international conferences and published in numerous recognised journals.



Piotr Manikowski

He is Associate Professor at the Insurance Department of the Poznań University of Economics and Business in Poland. He has PhD in Economics/Insurance and D. Econ. (postdoctoral degree/habilitation) in Economics/Finance/Insurance. He was a member of the Board of Governors of the Asia-Pacific Risk and Insurance Association (APRIA). He serves in several editorial boards as well as a guest editor of numerous journals’ special issues (on risk and insurance). His research has focused mainly on satellite insurance and underwriting cycles. It has been presented at many international conferences and published in several renowned journals.

November 3 13:30-15:00

Financial Inclusion and Social Security



Rofikoh Rokhim

Rofikoh Rokhim is an associate professor at the Faculty of Economics and Business, Universitas Indonesia. She holds a Ph.D in Economics from Université Paris 1 Panthéon-Sorbonne, France. She is one of the founding members of the International Academy of Financial Consumers. Her research interests include capital market, banking, small medium enterprises development, microfinance, financial inclusion as well as financial policy and regulation. Her work has been featured in many academic journals. Apart from academics, she is also serving as advisory board member in Permodalan Nasional Madani focusing in women empowerment, Yayasan Cinta Anak Bangsa, a non-profit organization focusing on youth drug prevention programs and Article 33 on social economic activities. She also contributes to Indonesian Transparency International as a volunteer researcher in Department of Research.



Khanthaly Saenviayvong

XMI's CEO

Khanthaly is a XMI's CEO since 2010 to currently, more than 21 years old working in rural mountainous area and a Microfinance consultant. Since 2009 holds a MA degree in Organization Development (OD); Majored in Microfinance Management from Southeast Asia Interdisciplinary Development Institute (SAIDI) School of Organization Development; Antipolo City, Philippines;



Sungin Jun

Professor, Hongik University
Ph.D in Economics (M.I.T)
Chairman, Korean Academy of Financial Consumers
Former President of KMFA (Korean Money & Finance Academy)

November 3 15:20-16:50

Fintech and Financial Consumers



Xian Xu

Xu Xian is Director of China Insurance and Social Security Research Center (CISSRC), Fudan University. He serves also as council member of the Insurance Society of China (ISC) and senior member of Accounting Society of China (ASC). He is also a research associate at Centre for European Economic Research (ZEW) in Germany. He obtained his Ph.D in economics from Karlsruhe Institute of Technology (KIT). His research focus includes insurance, disaster economics, risk management and insurance management. Dr. Xu has more than 40 publications on journals such as Geneva Papers on Risk and Insurance, International Journal of Climate Change Strategies and Management, Journal of Financial Research, Accounting Research and Insurance Studies. He has presided many key national research projects, such as projects supported by Ministry of Education, Shanghai Government, China Insurance Regulatory Commission.



Frank Desvignes

Leader in Fintech and Insurtech, 20 years of experience, Frank Desvignes, Founder of AXA Lab Asia, is connecting the Asian ecosystem of startups & Tech players to the Insurance world to design innovative strategic business models. Frank joined AXA in 2012. After leading the digital transformation of AXA in Mediterranean and Latin American regions, he created in 2015 the AXA Lab Asia in Shanghai to be closer to the most dynamic ecosystem of Fintech and Insurtech Startups.



Paul Qi

M.A. in Actuarial Science at Boston Univ.;
Bachelor of Engineering & Bachelor of Law at Univ. of Sci & Tech of China;
Worked as Senior Pricing Actuary at Plymouth Rock Assurance in Boston.



Ida Ayu Agung Faradynawati

Department of Management, Faculty of Economics and Business,
Universitas Indonesia

Ida is a lecturer and researcher at the Faculty of Economics and Business, Universitas Indonesia. She received a bachelor degree in Finance from Universitas Indonesia and a master degree in Money, Banking, and Finance from University of Birmingham. She is particularly interested in financial inclusion, infrastructure financing, and SME development topics. She has worked in various research projects with government and private companies. In her spare time, she enjoys cooking, watching movies, and catching up with friends.

November 4 9:00-10:30

Academic Session 1



Mariko Nakabayashi

Professor of Risk Management and Insurance, School of Commerce,
Meiji University, Japan.

She earned Ph.D in Commerce in 2002 at Meiji University. She wrote a lot about business ethics as a risk of corporation, specifically insurance companies. She is an active participant in, and heavily committed to the activities Asia Pacific Risk and Insurance Association(APRIA) as a President.



MZ Mamun

Professor, Institute of Business Administration (IBA)
University of Dhaka, Bangladesh

Dr. Muhammad Ziaulhaq Mamun, Professor, Institute of Business Administration (IBA), University of Dhaka, Bangladesh did his Bachelor in Civil Engineering, Master of Business Administration (MBA) in Management Science, MBA in general Management, and Ph.D. in Urban Development Management is a Post-doctoral Fellow of Urban Environmental Management Program of the Asian Institute of Technology, Bangkok. With more than 30 years teaching and research experience he

has specialization in the areas of risk, disaster, quality, and operations management. He has authored four books, edited one book and contributed in nine book sections. Dr. Mamun has over 145 publications (72 journal articles and 73 conference proceedings) in planning and management related areas. Dr. Mamun is awarded the most prestigious “UGC (University Grants Commission, Bangladesh) Award 2013” for his academic excellence in the area of Economics and Business Studies. He is two times winner of the most prestigious University of Dhaka Ibrahim Memorial Gold medal for his outstanding academic and research work.

November 4 10:50-12:20

Academic Session 2



Tsai-Jyh Chen

Tsai-Jyh Chen is a professor of risk management and insurance at the National Chengchi University (NCCU) in Taiwan. She received her Ph.D. from the Wharton School, University of Pennsylvania. She was the chairman of the Department of Risk Management and Insurance and the director of the Graduate Institute of Insurance at the NCCU. She also served as the director of English Taught Program in the business school of NCCU and the chapter advisor of International Honor Society Beta Gamma Sigma - NCCU Chapter. In addition to the academia, she provided services for the governmental and professional organizations, such as Ministry of Finance and Taiwan Insurance Institute. Dr. Chen has authored and translated several books and published many articles in academic and professional journals.

November 4 9:00-10:30

Country FCP Review Session 1



Mi Soo Choi

Mi Soo Choi has been teaching at Seoul Digital University since 2003, right after obtaining Ph.D degree in the area of Insurance at SungKyunKwan University. Her research interests include financial consumer protection, dispute cases of finance and insurance. Dr. Choi is a member of the board of directors of Korean Academy of Financial Consumers and the International Academy of Financial Consumers respectively.

November 4 10:50-12:20
Country FCP Review Session 2



Satoshi Nakaide

Prof. Dr. Satoshi Nakaide, LL.M

Satoshi Nakaide is a Professor at Waseda University, Tokyo. He is specialized in insurance law including insurance regulatory law and has published many articles and books on insurance. He was awarded with an academic prize on his book in 2016 as well as two other prizes on his co-authored books in 2012. Prior to taking the professorship, he was working for the Tokio Marine and Fire Insurance Company. He obtained LL.M. from University of London, LSE, Graduate Diploma in Legal Studies from Cambridge University and a higher doctorate degree of commerce from Waseda University.

Abstract

November 3	10:30-12:00
Author	Eiichiro Kawabe, Financial Services Agency
Title	How is financial innovation viewed by banking supervisory officials of emerging economies ?
Abstract	<p>Financial Services Agency of Japan invites foreign financial authority's officials/central bankers as visiting fellows to Japan and provides a program which they can learn about Japanese financial market, regulatory/supervisory methods (GLOPAC Fellowship Program). Banking supervisory officials from 11 emerging economies participated in this program in the summer of 2017. We surveyed their views on recent financial innovation. Almost all of them considered that financial innovation definitely gave better products/services with lower cost, and would improve financial inclusion, especially the remittance and payment in rural area. However, they indicated that the potential risks were cyber-risks such as hacking personal financial data and financial crimes such as cross-border money laundering. Moreover, they suggested that financial providers, authorities and consumers would find it difficult to understand the feature and the risk of new services produced by financial innovation. Accordingly, they insisted that regional/international cooperation in information sharing and supervision was needed, as well as consumer education on new services.</p>

November 3	10:30-12:00
Author	Melia Retno Astrin, U.of Indonesia
Title	Consumer Unpleasant Experience and Complaints Behavior ; Evidence from Indonesia Financial Services Industry

Abstract

Since established in 2013, Indonesian Financial Services Authority (OJK) has issued several regulation related to consumer protection in Indonesia. The regulation set guidelines that need to be followed by financial institutions in providing their services comprising transparency, fairness, confidentiality, reliability, consumer data safety, and also a fast and affordable procedure for complaint and dispute resolutions. In amidst of the growing reports of bogus investments in the country, such regulation is very important to protect the interest of consumer in financial industry, as well as to support the growth of the Indonesian financial industry. The financial industry is still an industry that gets many complaints from the public. According to data from the Indonesian Consumers Foundation, throughout 2016 the agency has received a total of 781 consumer complaints and 1038 complaints, and 56% of those complaints are dominated by three main sectors - banking, housing and online shopping. This study aims to investigate the complaint behavior and unpleasant banking experience in Indonesia. The data were collected using self-administered questionnaire to a total of 200 banking customers. The findings identified the unpleasant banking experience faced by Indonesian customer. Then, we also perform analysis to examine the determinant of consumers' complaint behavior. This study is important to financial institutions and financial regulator to understand the consumer complaint behavior. For financial regulator, the study can give recommendation related to unpleasant banking experiences that have not been adequately addressed by Indonesian banking institutions. Moreover, the study also provides managerial implications to suggest ways for banks to manage customers' complaint and make improvement to increase customer satisfaction.

November 3	10:30-12:00
Author	Jacek Lisowski, Piotr Manikowski, Poznan University of Economics & Business
Title	The Role of the Insurance Ombudsman in Consumer Protection
Abstract	
<p>Provisions that provide consumer protection in insurance in Poland and EU countries are scattered throughout several legal acts. They are visible in Polish Civil Code (1964), Act on Insurance Mediation (2003)/Insurance Mediation Directive (2012), Consumer Rights Act (2014)/ The Consumer Rights Directive (CRD)(2011), Insurance and Reinsurance Activity Act (2015)/ Directive Solvency II (2009)/EIOPA Regulation (2010) as well as Act on the handling of complaints by financial market organizations and on the Financial Ombudsman (2015). There is no uniform set of rules governing consumer protection in insurance in Polish and EU law, but in some countries a special role is assigned to the Financial/Insurance Ombudsman. This article describes role of the Financial/Insurance Ombudsman from the institutional, the demand-side (consumers) and the supply-side (insurers) point of view.</p>	

November 3	13:30-15:00
Author	Rofikoh Rokhimm, U. of Indonesia
Title	Why has Ultra Microfinance been a Policy Success in Indonesia

Abstract

By Beginning of 2016, The Government of Indonesia through PT Permodalan Nasional Madani (PNM) has initiated the establishment of Mekaar, a state-owned financing product targeting the pre-prosperous micro business sector. Among all the local organizations that provide ultra microcredit service for the poor, Mekaar is considered as the nearest to the poor, since the program is targeted poor productive women with a credit amount of only IDR2 million or IDR3 million (US\$150-220) per person for 54 weeks. With its unique peer-lending model, Mekaar has successfully reach more than 800,000 customer in year and targeted to become 2 million in end of 2017, who come from various regions across Indonesia. The peer-lending model was originated from grameen bank; however, PT PNM has been successful in adjusting the peer-lending model with Indonesian culture and market including indoctrination program in favor of the Government goal such as pluralism, anti racism, loving nation, etc. In this article, we examine Mekaar's success story in penetrating Indonesian pre-prosperous market with ultra microfinancing. The information presented in this article is collected primarily from field observation to several Mekaar's branches and interview with the key person in those branches. First, we presented an overview of microfinance market in Indonesia to give a contextual background. Then, we evaluate Mekaar's target market, product and peer-lending model. We also evaluate the role of Account Officer who doing indoctrination program and as a facilitator between the lender and the borrowers in Mekaar's case and the way Mekaar's build their brand as a trusted lender among poor productive women in Indonesia. Finally, we discuss the performance of Mekaar using several criterias such as breadth of outreach, depth of outreach, and portfolio quality.

November 3	13:30-15:00
Author	Khanthanly Saenviayvong, Micro Finance Association
Title	Financial Consumers and Development in Lao PDR
Abstract	
MFA	: Microfinance Association;
Lao MFA	: Lao Microfinance Association;
MFWG	: Microfinance Working Group;
BoL	: Bank of Lao PDR;
MoHA	: Ministry of Home Affair;
BoD	: Board of Director;
ADA	: Appui au Développement Autonome;
GIZ	: Deutsche Gesellschaft für Internationale Zusammenarbeit;
UNCDF	: United Nations Capital Development Fund;
SME	: Small and Medium Enterprise;
MFI	: Microfinance Institution;

November 3	13:30-15:00
Author	Siti Muawanah Lajis, Central Bank of Malaysia
Title	Discretionary Mutual for the Underserved ; Business Model and Regulatory Framework

Abstract

Provision of insurance that meets the unique needs of society such as farmers, micro entrepreneurs or the SMEs can be hard to come by. Consequently a significant part of the society is financially excluded. To fill the gap, discretionary mutual can well be the alternative solution in providing the needed protection for the underserved. It is not quite an insurance protection where consumers buy insurance policies for a protection of certain risks. Discretionary mutual arrangement is a risk sharing scheme in which it serves a closed affinity group who share common interest and goal. The sharing of risk spirit establishes strong kinship among members to exercise prudence and proactive risk management. It is a new business model as it does not operate like a typical insurance set-up. It eliminates the involvement of agency/broker commissions and fees hence risk protection is accessible at affordable cost. This paper proposes for such model to be as introduced as a risk-sharing based micro-Takaful product (protection scheme in Islamic finance) and for it to be formally regulated so as to ensure optimum consumer protection. To this end, the paper will discuss the proto-type of the Shariah compliant discretionary mutual arrangement and envision the regulatory framework that will govern the scheme.

November 3	15:20-16:50
Author	Ida Ayu Agung Faradynawati, U. of Indonesia
Title	Consumer Protection in Fintech Payment System ; A Perceived Risk and Trust Perspective

Abstract

Indonesia emerged as a big market for financial technology companies, with a sizeable population and growing mobile phone and internet penetration rates. The majority of the population are unbanked, with only 25% have bank account. Fintech rises as a faster, easier, and cheaper alternative to conventional financial products and services. The largest fintech sub-segment in Indonesia is payment systems, representing over 30% of overall fintech startup community. Consumer confidence and trust are essential to acquire and retain users and increase transaction volumes for fintech companies. Nevertheless, previous studies mentioned that the uncertainties and consumer perception toward risk have been considered as some major factors causing consumer to be reluctant to use digital payment systems. The aim of this research is to explore the elements of perceived risk and trust that shape the consumer behavior in Indonesia's fintech payment system environment. The paper employs the technology acceptance model (TAM) in the context of fintech payment system under security and privacy threat. The analysis relied on a sample of 250 respondents aged 23-37, that lives in Jakarta and Greater Jakarta area. Structural Equation Modelling approach was used for data analysis. This study provides some implications for fintech companies and regulators. Fintech companies can use the analysis on the key factors affecting consumer behavior to increase their market shares. The research findings also assist regulators to identify which area of consumer protection should be improved to increase consumer confidence and trust in fintech industry

November 4	Session A, 9:00-10:30
Author	Wardatul Adawiyah, U. of Indonesia
Title	The Willingness to Invest Under The New Compensation Limit of Investor Protection Fund in Capital Market

Abstract

Capital market is one of the essential elements and benchmarks of the country's economy (Karami, 2015). Capital market, especially stock markets perform many important functions. It performs an “act of magic” which is individuals provide funds to be invested in the long-term investment and many of whom wish to be able to withdraw it at will (Baumol, 1960; El-Wassal, 2013). A determinant of the decision to invest in capital market especially in the stock market is an assessment of the risk-return trade off given the existing data. Beside that, the other important factor in the decision to invest in capital market is investor trust. Many people, especially people unfamiliar with finance, need to have trust in the fairness of the game and in the reliability of the numbers to invest in it (Guiso, et.al, 2008). Investors' trust can be realized if they feel secure to do transaction in the capital market because there is a protection fund for their funds in capital market (Suharjo, 2011). Moreover, investors in good investor protection countries are willing to provide more funds to finance firms that could reduce the cost of capital and increase firm valuation (Cheng &Shiu, 2007).Several researches were conducted within the period of 2010 – 2012 in the preparation for the establishment of Investor Protection Fund in Indonesia. Finally, PT. Penyelenggara Program Perlindungan Investor Efek Indonesia (PPPIEI or ISIPF) was drawn up by the Notary as the company that administers Investor Protection Fund program at the end of 2012 and started to enforce institutions to implement on early 2014. In the beginning of implementation, the maximum compensation fund is Rp25 million per investor. However, after August 2015, the government increased the compensation limit of investor protection fund from Rp25 million per investor to Rp100 million per investor. This study aims to see the willingness of people, both existing investor and non-investor, to invest their money in capital market after the new regulation about new compensation limit of investor protection fund. The analysis relied on a sample of 250 respondents aged 23-50 that lives in Jakarta and the region near Jakarta. The result of this study gives some insights on people intention to invest under new compensation limit of investor protection fund in capital market.

November 4	Session A, 9:00-10:30
Author	Seungdong You, Sangmyung U.
Title	House Rich and Cash Poor : Empirical Evidence for Korean Housing Pension Choices
Abstract	
<p>Using reverse mortgages, elderly households can extract their housing equity in order to cover living expenses in retirement. But there is little evidence whether or not reverse mortgage are selected by “house-rich and cash-poor” elderly homeowners; with aggregate data which may lose information individual household-level information, recent empirical evidence study determinants of reverse mortgage choices only in the US. With an individual household-level data set, we provide empirical evidence for reverse mortgage choices in Korea; modelling after the US Housing and Urban Development (HUD) ’s Home Equity Conversion Mortgage (HECM), the Korea Housing Finance Corporation (KHFC) developed the program of tenure reverse mortgages, so-literally-called <i>housing pensions</i> in 2007. The data set collected by the KHFC that has been operating the program includes both 600 reverse mortgage borrowers and 2,000 non-borrowers. By analyzing elderly homeowners, we show that house and income poor elderly homeowners tend to use housing pensions. In a non-US country, we provide the empirical evidence for reverse mortgage choices. Rather than anecdotal evidence in countries of aging societies, the Korean empirical evidence in the reverse mortgage market could benefit policy makers who considers new products for elderly households.</p>	

November 4	Session A, 9:00-10:30
Author	MZ Mamun, U. of Dhaka
Title	Financial Performance of General Insurance Companies in Bangladesh ; A 2003-2014 Study

Abstract

The insurance industry of Bangladesh is extremely important for the growth of the economy. General insurance sector of the industry is contributing to the growth and development process of the businesses and property by protecting all variety of assets from the financial losses. This article is designed to analyze the financial performance of the general insurance companies of Bangladesh. A sample of 18 general insurance companies out of 46 (including the only government owned company Sadharan Bima Corporation, SBC) was considered for the study.

The study has considered a number of financial ratios for the performance evaluation of the insurance companies over a period of 2003-2014. In terms of net premium, there were no definite trends. Overall the only nationalized insurance company (SBC) has much higher premium earnings than all the private companies where on an average it earned around 1200% more premium than what the private companies earned on an average. The performance of Green Delta with regards to net premium is by the best in the private insurance sector. The other main source of income for the general insurance companies is the revenue they receive from the investing activities that they undertake with the money earned as premiums. SBC had the highest figures for both investment and investment incomes for the studied period. Average of SBC is more than double the average of Green Delta, the highest in the private sector. The closest to Green Delta is Pioneer.

Average investment has increased in the private insurance sector steadily during 2003 - 2007. Then onward there were sharp ups and downs in the average investment. SBC's investment growth has also been steady throughout the years. However, in 2013, Green Delta was close to SBC. Overall, the industry growth rate was steady. When analyzing the net claims, it is seen that over the periods 2003-2014 the net claims of most private insurance companies have increased significantly. The increase of course had some fluctuations but the overall trend was a rise in net claim. SBC has been incurring the most net claims and its average is 2543.18% more than the average of the private general companies.

Regarding APBT (annual profit before tax), SBC had a much higher figure than any of the private companies throughout the 2003-2014 period. Its average for the 11 years is almost 1200% of the average of the private general insurance companies. Green Delta has the highest average APBT in private sector. ROTA for almost all the companies was more or less consistent throughout the years. Most of the companies had their highest ROTA in 2008-2010. It can be seen that the average of the private

industries showed much more fluctuation than SBC. The relationship between net premium and net claims shows that the whole industry has a very strong correlation of 0.96. The correlation between share prices and APBT, it is found that 56% of the companies in our sample depict a negative relation between profit and share price. United Insurance Limited has the highest coefficient of correlation of 46.6%.

The study also tried to see if companies that were in operation since 80s were financially doing better than the companies formed in the 90s and 2000s. When it came to net premium, the growth rates are erratic with no clear trends. However it has been seen that the growth rate for the companies formed in the 90s took a sharp rise in 2007. The older companies established in 80s have significantly higher net premium. For investment, the same pattern is seen. The company formed in the 1980s made significantly more investment than the companies formed in the 1990s and 2000s. However when it came to investment income, there has been many fluctuations. The companies formed in 1990 have had a huge boom in investment income in the year 2013 so much so that it overtook the companies of the 1980s.

As for the case of the net claims, the growth rate has been erratic. Companies formed in the 1990s incurred more net claims than the companies formed in the 1980s in the years 2011 and 2014. When it came to the overall profitability of the companies, the companies formed in 1980s did far better than the other companies with significant growth in their APBT during the year 2007. However, in recent years the growth rates for the APBT for all the companies have been close to each other. In the case of Return on Total Assets, the companies formed in the 1980's are actually doing worse than the companies formed in the later decades.

Overall it can be said that the general insurance sector is doing moderately well. SBC, being the only public insurance company, has a lot upper hand than the private sector. Among all the private general insurance companies there is variability in performance: Green Delta shows the best performance; whereas, Bangladesh National had the worst performance during the period of study.

November 4	Session A, 10:50-12:20
Author	Tsai-Jyh Chen, NCCU
Title	The Effect of Marketing Channel on Market Discipline for Life Insurance

Abstract

This paper intends to study the impact of marketing channels on market discipline for life insurance. Market discipline implies competitive equilibrium can be achieved when consumers can sensitively respond to the enterprise risks of insurers, so as to minimize governmental intervention. Since insurance consumption is usually induced by the insurance solicitors, the marketing channels may greatly affect insurance demand. The benefit of an insurance product is built on its solvency, which is directly related to the enterprise risks of insurer. Therefore consumers must select insurer carefully. When consumers can respond to insurer's risks sensitively, the insurer has pressure to operate soundly and maintain solvency. However, information asymmetry may deter market discipline because insurer may encounter adverse selection problem and the insured may face lemon-market problem. Previous literature suggests that the insurance agent and broker can improve the problem of adverse selection because they are easier to access customers than the insurer. It is unknown whether marketing channels can reduce the problem of lemon-market. Therefore this paper intends to study the impact of marketing channel on the consumer's knowledge of insurers and consequently the demand for insurance.

Market discipline is emphasized in the US and European insurance markets recently. Because insurance products become more complicated with the development of FinTech, insurance commissioners with limited resources cannot effectively monitor insurers and must rely on market discipline to keep sound operations. This study first analyzes the relationship between insurer's enterprise risks and the selection of marketing channels, and investigates the impact of marketing channels on insurance demand. Then the association between insurance demand and insurer's enterprise risks is discussed. The empirical study is based on the data of life insurance in Taiwan during years 2004-2013. With the techniques of multivariate statistics, this study specifies the measurements of enterprise risks for life insurers. Then the three-stage least squares simultaneous equations models (3SLS SEMs) are designed to analyze the impact of marketing channel on insurance demand and market discipline. It is expected that the empirical result can help to understand the effect of marketing channels on market discipline and develop the surveillance policies for insurance market.

November 4	Session A, 10:50-12:20
Author	Minyoung Cho, Soyoung Lim, Catherine Kim, SKKU
Title	Impact of RMI education on Financial Literacy among University Students in Korea

Abstract

This study measures the educational effectiveness of risk management and insurance related courses offered in universities and the factors influencing these impacts, based on the observation that university students are in dire need of financial education as they need to begin active and independent consumption activities based on their individual decisions as consumer. In this study, analysis was carried out based on sex, with a male group and female group, and by year, with a group consisting of 1st and 2nd year, and 3rd and 4th years forming a group. The analyses measures the differences between individual groups based on sex and year at university. The study measured educational effectiveness based on changes of the sub-constructs of educational effectiveness, which are attitude, knowledge and behavior. Furthermore, the teaching competency that directly and indirectly influence educational effectiveness were divided (professionalism, enthusiasm and interaction) and analyzed in order to determine their impacts on attitude, knowledge and behavior, which form educational effectiveness.

This study has its academic purpose in confirming that learner characteristics, teaching competency and characteristics of the educational environment could improve educational effectiveness for RMI education, and identifying the professor-student and environment-professor relationships that can improve the educational effectiveness of RMI education. Moreover, educational effectiveness was divided into attitude, knowledge and behavior to analyze the influence of the actions of the professor, which helps to stimulate the self-efficacy and achievement motivation of the student and ultimately create the most optimal series of actions for the professor and the most optimal educational environment to improve educational effectiveness.

November 4	Session B, 9:00-10:30
Author	Robert Kerton, University of Waterloo
Title	Financial Consumer Protection in Canada ; Triumphs and Tribulations

Abstract

Canada went through the worldwide financial crisis of 2007-08 without needing to use public funds to rescue a single financial institution. Year after year, assessments by the IMF have regularly praised the resilience of Canadian financial institutions. The triumph is attributed to the Office of the Superintendent of Financial Institutions, The Ministry of Finance and the Bank of Canada. Praise for the federal regulatory system includes well-funded agencies with staff “well trained in the expertise needed.” (IMF). A similar triumph has been achieved with financial literacy. On international tests of financial literacy like the OECD’s Program for International Student Achievement (PISA tests), Canada finishes in the top three. The World Bank points out that “The imbalance of power between consumers and providers is particularly marked in financial markets. In part, this is due to the complex nature of financial products and services which often have a deferred expected pay-off to the consumer and, in many cases, are purchased only rarely.” In 1998 a national inquiry (MacKay Report) concluded that “the current framework for consumer protection is not as effective as it should be in reducing the information and power imbalance between institutions and consumers.” In 2001 the Financial Consumer Agency of Canada was created to centralize regulations dispersed among many agencies. Plain language documents were a swift achievement. In 2012, action stopped negative option billing. Early action placed Canada in a leadership position in consumer protection lasting until several countries made vigorous responses to the 2007-08 crisis.

The tribulations in consumer protection rest in market conduct problems and if the welter of confusion caused by the tangle of federal and provincial laws (and lack of harmonization). An official study of redress in financial services pointed to failure on the fundamental task. Selling practices include hostile incentive schemes to motivate bank tellers to act against the consumer’s interest. Mutual funds were sold for six decades with hidden fees that encouraged sellers to sell offerings that were not of top quality from a consumer’s point of view. Further, many agents in the investment industry are successfully opposing a rule to act in the consumer’s best interest.

There is no escape from the conclusion that Canada’s triumphs with prudential matters and with financial literacy are based on clear missions that are well financed. In contrast, tribulations with market conduct arise from narrow mandates at the FCAC, the Office of Banking Services and Investment as well as the Office of

Consumer Affairs. Compared to agencies like OFSI, there is inadequate funding for the OCA, the part of FCAC dealing with market practices and redress, and the Fair Business office of the Competition Bureau.

With continued efforts to ensure that innovations are positive, and with measures to reduce fake online reviews, fintech offers promise by increasing the quality of offerings while lowering search costs. The digital world means that consumer protection needs more international cooperation than before but a reduction in financial scams will help consumers everywhere.

November 4	Session B, 9:00-10:30
Author	Seokjin Kang, KDIC
Title	Deposit Insurance System in Korea and its role for Consumer Protection
Abstract	
<p>Korea Deposit Insurance Corporation(KDIC) was established for depositor protection and financial stability as an integrated deposit insurer. KDIC insures 6 financial sectors : banks, securities companies, life insurance companies, non-life insurance companies, merchant banks, and mutual savings banks. KDIC provides deposit insurance coverage up to 50 million won(USD 43,478). As an agency responsible for depositor protection in Korea, KDIC has ex ante and ex post consumer protection schemes. Ex ante financial consumer protection is centered on monitoring risk to prevent financial institutions' failure and raising public awareness to minimize the loss of depositors. Ex post financial consumer protection is focused on minimizing depositors' inconvenience caused by suspension of financial transactions in times of financial institution's failure. KDIC is trying to develop deposit insurance system for consumer protection as the financial industry is changing rapidly, influenced by internet primary banks, digital currencies, block chain technology, and mobile payments. In response to these changes, it is necessary for the deposit insurer to make efforts, such as expanding covered products and educating financial consumers. As consolidation and diversification in the financial industry make financial institutions more vulnerable to systemic risk, KDIC has participated in interagency process to develop "recovery and resolution plan" for systemically important financial institutions. KDIC is seeking ways to build cooperation with the safety-net players.</p>	

November 4	Session B, 9:00-10:30
Author	Mi Soo Choi, Seoul Digital University
Title	Financial Consumer Protection Institution in Korea
Abstract	
<p>1. Financial Supervision Organization</p> <p>The Financial Supervisory Service(FSS) works to protect financial consumers in collaboration with various government consumer protection agencies such as the Korea Consumer Agency, the Korea Deposit Insurance Corporation, and the Fair Trade Commission.</p> <p>Consumer protection activities that the Financial Supervisory Service performs can be broadly divided into ex-ante and ex-post measures. Whereas ex-ante measures include activities such as enforcing proper contract provisions for financial products and due disclosures and providing counseling and financial education to consumers, ex-post measures refer to actions that are intended to rectify abuses and malpractices of financial institutions and bring remedy to consumers who have been harmed.</p> <p>2. Deposit Insurance Corporation</p> <p>Although Korea’s deposit insurance system(KDIC) has only been in operation for a relatively short period of time, it has shown remarkable growth and will continue to make a positive contribution to financial stability through the adoption of various devices and policies designed to further advance the deposit insurance system.</p> <p>The coverage limit of KRW 50 million is the total amount that a depositor can receive per institution. It is not calculated per type of deposit or per branch. “Per depositor” means not only individuals, but also corporate entities. If a depositor of a failed financial institution has an outstanding debt to the institution, the debt will be deducted from the deposit and the remaining amount will be protected.</p> <p>3. Dispute Settlement Organization</p> <p>The Financial Disputes Settlement Committee (FDSC) is a committee that has been created within the FSS specifically to help mediate and resolve financial disputes between consumers and financial service firms. Upon a consumer petition or in response to a consumer complaint, the FSS verifies the relevant facts and makes impartial recommendations so that both the consumer and the financial institution can mutually come to a resolution with resorting to often time-consuming and costly litigation through the court.</p>	

November 4	Session B, 9:00-10:30
Author	You Kyung Huh, Virginia University
Title	Financial Consumer Protection in Korea : Laws and Regulation

Abstract

As in the most industrialized countries, South Korea has introduced various types of financial services and enacted corresponding laws and rules. The main goals of the laws have changed over the decades along with the development of Korean economy. Previously, finance has played a subordinate role to support economic development in Korea, but recently, more laws have begun to acknowledge the rights of consumers and the means to protect them. Thus, recent revisions of the laws and rules show a strong propensity to increase and formalize various consumer protection provisions.

Currently there is no single general law overseeing all aspects of financial consumer protection. Rather, various financial consumer protection provisions such as mandatory disclosure requirements, duty to explain and prohibition of mis-selling or other unfair sales practices are scattered across sector-based statutes. For example, securities and derivatives are regulated by the Financial Investment Services and Capital Markets Act, deposits and savings by the Banking Act, insurance contracts by the Insurance Business Act, and credit card services by the Specialized Credit Financial Business Act.

Recently a government-backed bill on the “Foundational Law on Financial Consumer Protection” has been proposed. The Bill, among other things, for the first time in Korean legislative history formally introduces a new statutory definition of financial consumer and expands regulations and sanctions to enhance consumer protection. Most importantly, by combining numerous consumer protection provisions scattered in sector-based laws, it is designed to implement “the same function/same regulation principle” to reduce the potential for regulatory arbitrage opportunities.

November 4	Session B, 10:50-12:20
Author	Satoshi Nakaide, Hongmu Lee, Waseda U.
Title	Financial Consumer Protection in Japan
Abstract	

In our presentation on the book project, we will highlight the major points in the Japanese system on the protection of financial consumers. The protection of financial consumers is an important issue in Japan along with the development of various financial services and in the trend of rapid aging society in Japan. Our presentation will be along with the contents of the chapter on the Japanese system as under:

- Part 1 Financial Consumer
 - 1-1 General Introduction
 - 1-2 Population and Aging Society
- Part 2 Financial Consumer Protection System (software)
 - 2-1 Overview
 - 2-2 Consumer Contract Act
 - 2-3 Financial Products Sales Act
 - 2-4 Financial Instruments and Exchange Act
 - 2-5 The Act concerning the Protection of Personal Information
 - 2-6 Duty of Explanation under the General Law of the Civil Code
 - 2-7 Insurance Business Act
 - 2-8 Insurance Act
 - 2-9 Banking Act
 - 2-10 Laws restricting the Interest Rate for Loan
- Part 3 Financial Consumer Protection System (hardware)
 - 3-1 Consumer Affairs Agency (CAA)
 - 3-2 Financial Services Agency (FSA)
- Part 4 Ex-post Protection
 - 4-1 Financial ADR
 - 4-2 Protection in case of Bankruptcy of Financial Institution
 - 4-2-1 Bank
 - 4-2-2 Insurance Company
 - 4-2-3 Securities Company

Date : November 3-4, 2017

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