

To: Mr. Kim Tae-Hyun, Secretary General, Financial Services Commission, Republic of Korea

Cc: Chang Sung Gil, Director General for International Trade
Ministry of Trade Industry and Energy (MOTIE)

Kim Soo-bin, Deputy Director for International Cooperation FSC
Kim Min Jung, Senior Deputy Director, KORUS FTA Division, MOTIE

Date: August 13, 2020

Subject: Data Localisation

Dear Mr. Kim:

Thank you so much for your May 12th reply to the attached May 5th letter from the Global Federation of Insurance Associations about what we believe is a possible unintended data localization requirement for global reinsurers admitted in the Republic of Korea. We thank you for your concern regarding COVID and I am pleased to report my full recovery. I hope you and your staff are all well as your government has been extremely effective at this time of global pandemic.

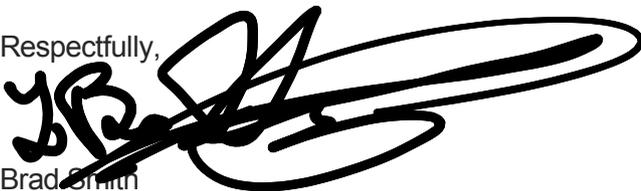
I also thank you for your acknowledgment of the importance of the products and services offered by insurers and reinsurers around the world. Now more than ever GFIA is committed to working with national prudential supervisors, the IAIS and other international institutions to find new ways that our risk protection products can serve the rapidly evolving societal and consumer needs of a fast-changing world. As a leader in regional regulatory expertise and market opening, we appreciate your openness to global industry concerns.

As you acknowledge receipt of GFIA's May 12th proposal to continue a dialogue and have kindly offered to listen to more detailed suggestions of the global (re)insurance to promote data transfer in a manner consistent with international best practices, I would propose we organise a virtual roundtable in the coming weeks to facilitate mutual understanding and a win-win outcome of our concerns. We acknowledge the July 2015 FSC revised regulations on the outsourcing of data processing, and the public concern generated by the 2014 leak by vendors to the domestic credit card industry. We look forward to working with you to find ways to address the public's concerns about data leaks.

It is my sincere hope that through dialogue and mutual understanding the intent of the July 2015 revised regulations can also address what we believe is an unintended barrier to efficient and needed reinsurance risk transfer in the prudential interests of Korean insurance consumers.

Thank you again for your consideration.

Respectfully,



Brad Smith
Chair of the GFIA Trade Working Group
BradSmith@acll.com

About GFIA

Through its 40 member associations and 1 observer association, the Global Federation of Insurance Associations (GFIA) represents the interests of insurers and reinsurers in 64 countries. These companies account for around 89% of total insurance premiums worldwide. GFIA is incorporated in Switzerland and its secretariat is based in Brussels.