The Insurance Twin

A consumer-centric path for Open Insurance in Aotearoa New Zealand

Concept paper for discussion with MBIE, the Privacy Commissioner, and InsurTech NZ

Summary

New Zealand is approaching a decision point on Open Insurance. The current debate, framed largely around when and how insurance is designated under the Customer and Product Data Act 2025, treats insurers as the centre of the system. The data sits with them. Consent flows through them. The architecture is producer-led.

This paper proposes a different starting point. Open Insurance exists to benefit policyholders. The architecture should reflect that. We propose a consumer-controlled Insurance Twin: a digital representation of an individual's insurance position, populated from the carriers they have done business with, controlled by the policyholder, and used to manage cover, share data on demand, and reuse verified information across the market.

The Twin reframes Open Insurance from a data-sharing pipe between institutions into a portable, consented, policyholder-owned record. It addresses underinsurance directly, lowers the bar for carriers to participate, and provides a structural defence against offshore aggregators capturing the consumer relationship. It is consistent with international consumer-side data infrastructure (Singapore's SGFinDex, the EU MyData movement, Estonia's X-Road), and complements rather than replaces the current Open Insurance trajectory.

This is a concept paper. It sets out the idea, why it matters, and the principles a New Zealand model would need to honour. It does not propose technical design or commercial structure. Those follow agreement on the direction.

The problem with the current direction

The Deloitte and InsurTech NZ paper Exploring Open Insurance for Aotearoa New Zealand (April 2026) sets out a clear case for industry to engage early on Open Insurance design. It identifies real risks: offshore aggregators defining the model, insurers becoming balance-sheet utilities, prescriptive compliance regimes echoing the Australian experience.

The paper is right about the risks. It is less convincing about who the resulting system is for.

The proposed architecture has familiar features:

- Insurers hold the data and expose it via APIs.
- Consent is per-request, per-recipient, mediated through insurer systems.
- Third parties (insurtechs, aggregators, brokers) consume that data to deliver services back to the consumer.
- Modernisation of legacy core systems is treated as a precondition for participation.

Three problems with this design are worth surfacing.

1. The benefit accrues to the wrong place

Open Data legislation across the world is justified on consumer outcomes: better choice, lower cost, easier switching, more accurate advice, fewer protection gaps. In an insurer-

mediated model, those outcomes depend on insurers and third parties choosing to deliver them. The consumer is a passive subject of data flows they cannot see, audit, or pause without going back to each insurer individually.

2. Legacy core modernisation is set as a gating dependency

The current model assumes carriers will modernise their systems to expose APIs at the depth and quality Open Insurance requires. For most New Zealand insurers, this is a multi-year capital investment. The result is a long lag between regulation and consumer benefit, during which offshore aggregators with mature plumbing have a clear runway to enter the market.

3. Underinsurance is named, not solved

Cross-carrier visibility is the only honest answer to underinsurance, double cover, exclusions the consumer did not know they had, and lapsed policies they have forgotten about. No single insurer can deliver this view. None has commercial incentive to. An insurer-centric Open Insurance model perpetuates the fragmentation that produces the problem.

The proposal: a consumer-controlled Insurance Twin

An Insurance Twin is a digital twin of a policyholder's insurance position. It is opt-in, owned by the consumer, and populated from data the consumer is already entitled to under the Privacy Act 2020 and the Customer and Product Data Act 2025. The digital twin pattern is well established in industrial domains, with mature standards under Industrie 4.0 (notably the IDTA Asset Administration Shell) showing that the architectural concepts of a domain-specific, owner-controlled twin transfer cleanly to consumer-side data infrastructure.

It does four things:

1. **Aggregate.** On the consumer's instruction, request and receive structured data from carriers they have held policies with: current cover, historical policies, claims history, premiums paid, exclusions, sums insured.
2. **Verify and reuse.** Hold a consumer-controlled KYC and risk profile that can be presented to new carriers, brokers, or marketplaces with consent, replacing repeated re-collection of the same information.
3. **Reveal gaps and overlaps.** Provide a cross-carrier view that surfaces underinsurance, double cover, and material exclusions, and supports advice (human or AI-assisted) grounded in the consumer's actual position.
4. **Govern sharing.** Make consent granular, time-bound, revocable, and visible to the consumer in one place. The consumer sees who has what data, for how long, and for what purpose, and can revoke without contacting each recipient.

The Twin is not a new insurer, broker, or aggregator. It does not sell the consumer products. It is consumer-side infrastructure. Its closest analogues are SGFinDex in Singapore, MyInfo in the same jurisdiction, and the personal-data-store work being progressed under MyData and the EU's Data Spaces programme.

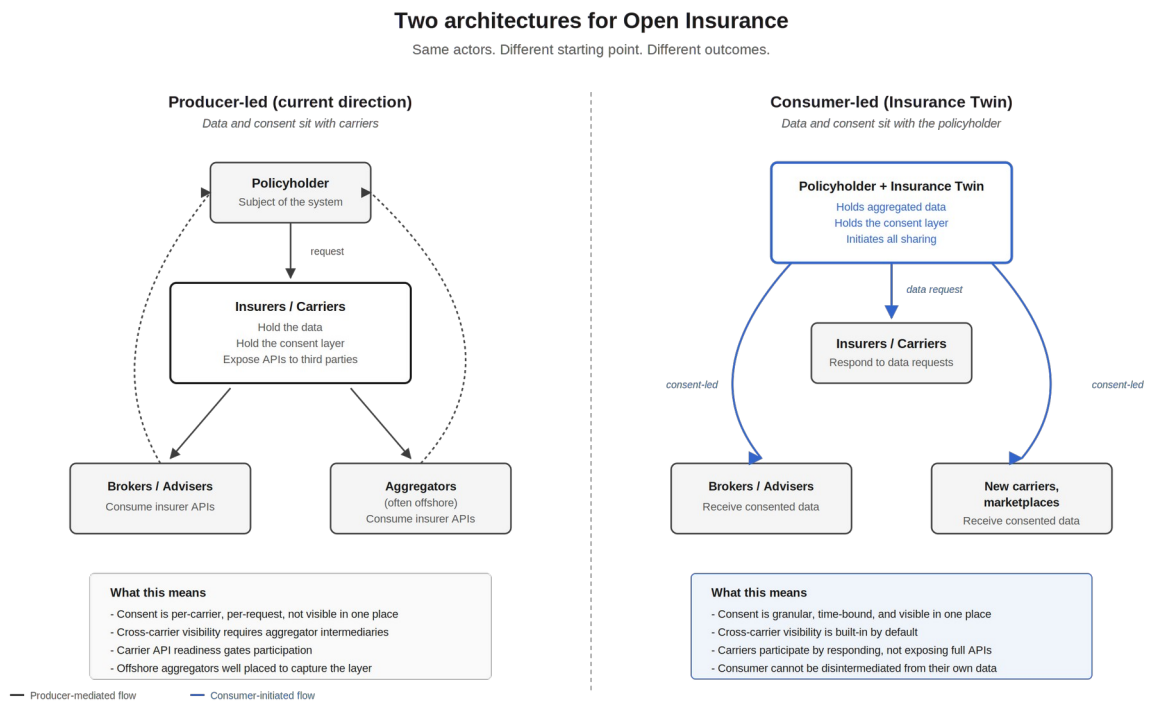

Figure 1: The architectural difference. The current direction places carriers at the centre; a Twin model places the policyholder there.

Why this is a better starting point

It puts the benefit where the policy intent says it should be

The CPD's stated purpose is consumer empowerment. A consumer-controlled Twin makes that empowerment real and visible. Consent stops being a click-through and becomes a managed asset the consumer can see and adjust.

It lowers the bar for carrier participation

Insurers do not need to expose a full real-time API surface to participate. They need to be able to respond to a structured data request from a verified consumer. They already have this obligation under the Privacy Act. Standardising the format and rails - rather than mandating new APIs across legacy estates - allows participation in months rather than years, and reduces the risk that small carriers, MGAs, and brokers are squeezed out by compliance cost.

It addresses underinsurance directly

Cross-carrier visibility is built in. The Twin is the first place a New Zealand consumer can see their full insurance position in one view. Cyclone Gabrielle exposed how fragmented this picture is when it matters most. A Twin is the structural answer.

It is structurally defensible against offshore aggregators

The Deloitte paper's central concern is that offshore aggregators with mature Open Data capabilities will define how New Zealanders' insurance data is accessed and used. A consumer-controlled, New Zealand-domiciled Twin with strong governance is the only architecture that genuinely answers this. You cannot disintermediate a consumer from their own data store.

It is compatible with the current direction

A Twin model does not replace insurer APIs. It changes their purpose. Insurer APIs become the means by which Twins are populated and kept current. The producer-side and consumer-side architectures coexist, and the consumer-side layer is what makes the producer-side useful.

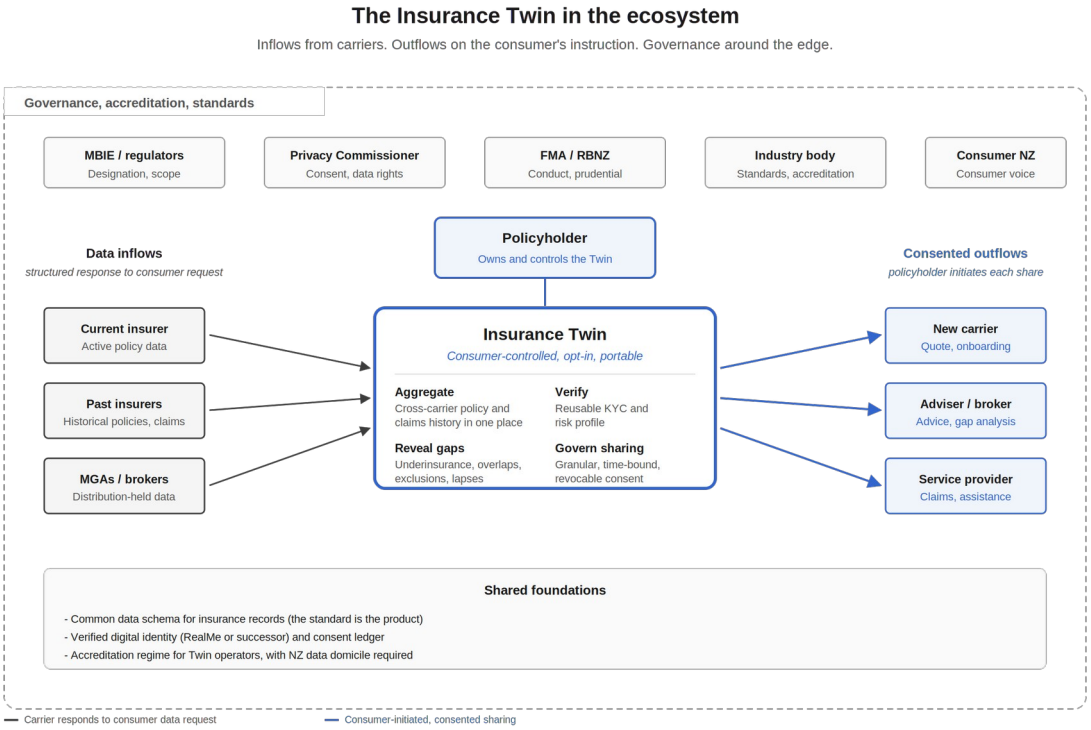

Figure 2: How the Insurance Twin sits in the ecosystem. Carriers populate the Twin in response to consumer requests. The consumer initiates every onward share. Governance and shared foundations sit around the edge.

Principles for a New Zealand model

If the idea has merit, the next conversation is about principles, not platforms. Six are worth agreeing on early.

1. **Consumer-controlled by default.** The Twin sits with the consumer. Any institutional access is consented, time-bound, revocable, and logged.
2. **Open standards, not a single platform.** The standard is the product. The platform is replaceable. Multiple Twin providers should be able to operate within a shared schema, consent model, and accreditation regime. Mature international precedents exist for both layers: the IDTA Asset Administration Shell for digital twin structure, and XACML attribute-based access control for granular, attribute-driven consent. New Zealand does not need to invent these from scratch.
3. **Locally domiciled.** Data and governance sit in New Zealand jurisdiction. This is the structural answer to offshore disintermediation and the only durable basis for consumer trust.
4. **Built for the vulnerable, not the average.** Default settings, assisted modes, and consent UX should be designed for low digital literacy and high-stakes life events first. If it works for them, it works for everyone.
5. **Use-case-led adoption.** Start with one or two real, painful problems where cross-carrier visibility changes the outcome. Disaster claims aggregation and life-event

coverage review are obvious candidates. Build the foundations under the use cases, not ahead of them.

6. **Commercially sustainable, not consumer-monetised.** Funding should come from the institutions that benefit from cleaner, consented data (carriers, brokers, regulators, government), not from selling consumer data or attention. Singpass and SGFinDex both demonstrate this works.

Risks and open questions

This is a concept paper, not an implementation plan. The risks are real and worth naming.

- **Carrier cooperation.** Carriers have no commercial incentive to populate someone else's twin with rich data. Either regulation mandates a structured response standard (the most likely path), or a strong enough carrot exists to bring carriers in voluntarily. International experience suggests both are needed.
- **Liability and accuracy.** If a carrier underwrites on Twin-supplied data that turns out to be wrong, who is accountable? Liability allocation across consumer, Twin operator, and carrier is a substantive design question.
- **Adoption.** SGFinDex took five years and government backing to reach 150,000 users in a country of 5.9 million. New Zealand consumer infrastructure adopts slowly. A forcing function (linkage to disaster response, KiwiSaver-style disclosure, RealMe integration) will likely be needed.
- **Vulnerable customers.** Granular consent can produce consent fatigue or paralysis. Defaults, assisted decision modes, and consumer-protection guardrails matter more than the technology.
- **Funding.** Consumer-side data infrastructure is hard to fund without becoming the thing it was meant to replace. The funding model has to be settled before the platform is built, not after.

Why this conversation, why now

Two things are true at the same time. The Deloitte and InsurTech NZ paper is right that early industry engagement matters. And the architecture being engaged on is being shaped by who is in the room. Insurers and large advisers are. Consumers and consumer-protection voices are not.

Insurance designation under the CPD is not yet decided. The window to introduce a consumer-side architecture into the design conversation is open and narrow. Once standards, governance, and accreditation regimes are set, they are difficult to change.

This paper is offered as a starting point for that conversation, not as a conclusion. The specific question worth putting in front of MBIE, the Privacy Commissioner, and InsurTech NZ is straightforward: should Aotearoa's Open Insurance design include a consumer-controlled Insurance Twin as a first-class architectural component, or only as an optional layer that third parties may build?

The answer shapes everything else.

About this paper

Prepared as a discussion document for MBIE, the Office of the Privacy Commissioner, and InsurTech NZ. The author is a member of InsurTech NZ and writes here in an industry

capacity, not on behalf of any single organisation. Comments and challenges are welcome and intended.