



Address by:

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TAKAFUL AND INSURANCE DAY 2016

**Theme: "Securing Brunei Darussalam Future with
Insurance and Takaful"**

Date: 18 October 2016

17 Muharram 1438

Venue: The Airport Mall

BISMILLAHIRRAHMAANIRRAHIIM
Alhamdulillah Rabbil 'Alamin
Wassalatu Wassalamu 'Ala
Asyrafil Ambiya 'Walmursaleen
Sayyidina Muhammadin Wa'ala alihi
Wasahbihi Ajmain

YM Haji Osman bin Haji Md Jair, Chairman of the
Brunei Insurance and Takaful Association;

BITA Members

Senior government officials

Distinguished guests

Ladies and gentlemen

Assalamualaikum Warahmatullahi

Wabarakatuh

And A Very Good Morning

1. It gives me great pleasure to be able to deliver this speech on the occasion of the 2016 Takaful and Insurance Day.

Ladies and gentlemen,

Takaful and insurance has long been offered in Brunei Darussalam, primarily for asset protection and financial planning. However, it can also fulfil a vital role in supporting economic growth by providing the support and confidence in ensuring that risks can be mitigated or reduced. This is consistent with this year's theme of "Securing Brunei Darussalam's Future with Insurance and Takaful".

2. Globalisation has made the world accessible to all types of risks and challenges, and these risks are wide ranging, unpredictable and many. Issues such as demographics dynamics; scarcity of resources; climate change; and technology and innovation are

global challenges requiring a concerted effort in order for us to secure the future of our next generation.

Ladies and gentlemen,

3. We have recently heard about the devastation that follows in the wake of a natural disaster such as Hurricane Matthew; the impact of Zika virus outbreak to society; and the impact of cybercrimes to businesses and government offices.

4. These events have far-reaching consequences and can cost the global economy billions of dollar. In 2015, for example, Lloyds estimated that cyber attacks cost businesses as much as US\$400 billion a year. The World Bank estimated that pandemics can also cost US\$800 billion. This is where takaful and insurance can provide specialised protection, in the

form of cyber insurance, pandemic insurance as well as disaster risk insurance.

Ladies and gentleman,

5. I believe that our industry has the capacity to play a much bigger role in our society. As new risks emerge, takaful and insurance providers should be able to respond quickly to provide consumers with appropriate and adequate protection in terms of product and services innovation.

6. Demand for insurance and takaful should also be continuously cultivated through continuous awareness programmes such as this. Consumers must be made aware of the capability of the industry to provide financial protection for their loved ones, their property, assets and businesses.

7. Innovation and technology is changing the way businesses operate. Financial technology such as web aggregators and robo-advisers are enhancing access to products; whereas mobile applications have been developed to improve communication between the public and insurance companies.

8. Advanced analytics from data collection of customers' wearable technology can now be used to assess customer's health habits and risks. In a few short years, driverless cars may become more mainstream.

9. All of these advancements represent both an opportunity and a challenge to the industry. In the years to come, we believe the industry will undergo a significant transformation that will redesign the operating landscape of the industry. Local takaful and insurance companies, in particular, should take advantage of those opportunities and aim to grow to

a bigger scale by venturing into vast business prospects outside Brunei Darussalam. By enhancing the industry's productivity and positioning the local players in the international and regional markets, I believe the industry can contribute tremendously to achieving the country's goal to diversify the economy and sustain high growth.

Ladies and gentlemen,

10. At this juncture, I would like to congratulate BITA for the Essay Writing Competition, which I believe has given the opportunity for participants to express and share their insights to insurance and takaful. My heartiest congratulations also go to all the winners. I hope to see more of such initiatives that can generate public interest in the future.

11. I, once again, thank BITA for inviting me today.

12. To conclude, the future inevitably holds challenges and uncertainties for the industry. As we steer through these uncharted territories, it is important to remain anchored to our purpose and committed to our long-term goal of a sound, stable and dynamic insurance and takaful industry and for the industry to play a significant role in expanding Brunei Darussalam's economic growth and development.

With that, I thank you very much.

**WABILLAHIT TAUFIQ
WALHIDAYAHWASSALAMU'ALAIKUM
WARAHMATULLAHIWABARAKATUH**