



Opening Remarks by

Yang Mulia

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17th ASEAN INSURANCE REGULATORS' MEETING
40TH ASEAN INSURANCE COUNCIL MEETING

Date: 25 November 2014

2 Safar 1436

Venue: Indera Kayangan Ballroom
The Empire Hotel & Country Club
Brunei Darussalam

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

YM Puan Hajah Mahani bin Haji Mohsin
Executive Director of Insurance/Takaful and Capital
Market Supervision Division
As Chairlady of the Organising Committee
Of the 17th ASEAN Insurance Regulators' Meeting

YM Tuan Haji Osman bin Haji Md Jair
Chairman of the Organising Committee of the 40th ASEAN
Insurance Council Meeting and its related meetings

ASEAN Insurance Commissioners, Heads of Delegations
and Delegates

AMBD Senior Officials
Insurance and Takaful Executives
Distinguished guests
Ladies and gentlemen

**ASSALAMUALAIKUM WARAHMATULLAHI
WABARAKATUH
AND A VERY GOOD MORNING**

1. I am pleased and honoured to join you here today at the official opening of the 17th ASEAN Insurance Regulators' Meeting (AIRM) and the 40th ASEAN Insurance Council (AIC) Meeting. I wish to express my utmost appreciation and sincere thanks to the Organising Committee for inviting me to be the Guest of Honour.

2. I would like to welcome all distinguished delegates from overseas to our country. Brunei Darussalam is happy and honoured to host this important gathering of ASEAN Insurance Regulators and ASEAN Insurance Council again after six years.

3. I understand that several fruitful meetings and exchange of ideas have already taken place yesterday, and several meetings have been outlined over the next two days to discuss various matters.

Ladies and gentlemen,

4. In my address, I would like to touch on two areas which the AIRM and AIC can play an important role in the next few years.

Disaster Risk Financing and Insurance (DRFI) programme

5. First, the new millennium has witnessed few natural disasters that have impacted the economy especially evidenced by the closing down of SMEs, which resulted in increasing of

unemployment. Similar events have impacted the insurance industry as source of fund for recovery. It is timely that we are developing the Disaster Risk Financing and Insurance (DRFI) programme to increase the financial resilience of ASEAN countries to natural disasters; to strengthen the institutional and technical capacities of Member States to understand and implement cost-effective disaster risk financing and insurance strategies; to mitigate the risks and potential impacts of losses from such disasters; and to promote regional cooperation on DRFI.

Ladies and gentlemen,

6. An important initiatives which ASEAN regulators have worked on is the ASEAN unified insurance statistics with the assistance of the ASEAN Secretariat. I believe this serves as a useful platform to assist in data analysis in developing risk modeling tools that will aid policymakers with informed financial decisions on the correct pricing and loss reserves. Historical data might be lacking in ASEAN due to the rapid pace of development,

7. The involvement of the ASEAN Natural Disasters Research Works Sharing Committee or ANDREWS since 2007 as an avenue for exchanging information on the latest scientific research and development related to natural disasters. I hope this effort will not stop in fostering better collaboration and to keep ahead on the threats and risks posed by such disasters.

Insurance Penetration

8. Second, many of ASEAN insurance markets are still underdeveloped on both demand and supply side, resulting in low

insurance penetration rates. On this note, the Member states must work closely with the respective industry players to take further initiatives and approaches to develop their domestic insurance markets through financial literacy programme and to foster inclusive insurance arrangements, including microinsurance. Let me highlight that on the supply side, the aim of raising financial literacy level is a long term effort requiring strong and continuous commitment from the regulators and market players.

9. I took note of the ASEAN School of Young Insurance Managers (AYIM) which have been taken place for the past few days which focused on building the capacity of the key persons in insurance. This is again, what we are striving for on the supply side to be able to have the necessary expertise in this industry.

Ladies and gentlemen,

10. On the demand side, the insurance players should raise awareness against key risks to all stakeholders on unforeseen circumstances, possible solutions and insurance protection.

11. In light of these, we should also take initiatives to strengthen our cooperation with relevant organizations such as ASEAN Insurance Training and Research Institute (AITRI) and Asian Development Bank (ADB), to name a few, to achieve our objectives. I hope these institutions will continue their support to the ASEAN insurance regulators, in terms of current development and capacity building particularly on macroprudential surveillance techniques and risk management.

12. The Joint Meeting of regulators and the ASEAN Insurance Council, Council of Bureau, the ANDREWS and ASEAN Insurance Education Committee tomorrow will give you the opportunity to effectively discuss and deliberate further on issues of mutual interest. I wish you all fruitful discussions and deliberations which can be translated to viable and practical approaches in furthering regional cooperation in insurance.

Ladies and gentlemen,

13. Before I conclude, I would like to once again emphasize, given today's uncertain risk environment, regulators and the industry players will need to work closely together through this platform to address the issues in balancing supervision and industry development. I hope you will also continue to contribute to further progress in fostering greater understanding amongst all members and in achieving ASEAN Vision on insurance integration.

With the kalimah BISMILLAHIRRAHMAANIRRAHIM

I am pleased to declare the 17th ASEAN Insurance Regulators' Meeting and the 40th ASEAN Insurance Council Meeting open.

Thank you.

**WABILLAHIT TAUFIQ WALHIDAYAH WASSALAMU 'ALAIKUM
WARAHMAT ULLAHIWABARAKATUH**