

**'INSURANCE DAY 2011'**

**OPENING ADDRESS**

**Yang Mulia**

**TUAN HAJI MOHD ROSLI BIN HAJI SABTU**

**Managing Director**

**Autoriti Monetari Brunei Darussalam**

**18 October 2011**

**The Mall, Gadong**

**Brunei Darussalam**

BISMILLAHIRRAHMAANIRRAHIM  
ALHAMDULILLAH RABBIL ALAMIN  
WASSALATU WASSALAMU 'ALA  
ASYRAFIL AMBIYA E'WALMURSALEEN,  
SAYYIDINA MUHAMMADIN WA'ALA ALIHI  
WASAHBIHI AJMAIN  
WA BA'ADU

YM Madam Helen Yeo, Chairman of the General Insurance Association of Brunei Darussalam (GIAB);  
YM Tuan Chong Fu Li, Deputy Managing Director (Regulatory) of Autoriti Monetari Brunei Darussalam (AMBD);

Insurance and Takaful Executives;  
Senior officials from AMBD;

Distinguished Guests;  
Ladies and Gentlemen,

**ASSALAMUALAIKUM WARAH MATULLAHI WABARAKATUH  
AND A VERY GOOD MORNING**

1. I am delighted and privileged to join you here today to celebrate Insurance Day 2011. First and foremost, I would like to thank the General Insurance Association of Brunei Darussalam (GIAB) for inviting me to be the Guest of Honour for this event.-I am also pleased to note that "Insurance Day" was first declared at the 23<sup>rd</sup> East Asian Insurance Congress (EAIC), held here in Bandar Seri Begawan in 2006. I am proud that today after five years, Bandar Seri Begawan, along with the other member cities of EAIC continue to observe this important event and organize various activities to promote insurance for their respective Insurance Day celebrations.

Ladies and gentlemen,

2. The theme for this year's Insurance Day 2011 is "Act Now. Secure Immediately". In this regard, let us "**Act Now and Secure Immediately**" by adding what I call – 'another first' - as a simple gesture to uphold and support the noble aspiration of the Government of His Majesty the Sultan and Yang Di-Pertuan Negara Brunei Darussalam in promoting Islamic finance, in the context of Brunei Darussalam,

we could consider calling today's event "Takaful and Insurance Day". This, I believe will not only reflect closer collaboration of industry players both conventional and Islamic, but will also help to further boost collective efforts in promoting the industry and contributing to the economy as a whole.

3. In today's uncertain times, the risks that can befall a person or a business are endless. We have seen how climate change and natural catastrophes have brought large-scale devastation to many nations including Brunei Darussalam. We have also seen how accidents and other random events can deeply affect a society regardless of its status as a developed nation or a developing nation. Whether man-made disasters or natural disasters, in hindsight, we learn that certain losses could have been mitigated with the right takaful or insurance products. In this regard, this year's theme of "**Act Now. Secure Immediately**" is a compelling message that should go out to the masses from all walks of life.
4. Similar to other financial services, takaful and insurance requires adequate understanding by consumers and providers alike. Nonetheless, educating consumers is a challenge for most takaful and insurance market especially those with low market penetration. It is not a topic that can be learned overnight but, rather, it is a habit that should be cultivated from early years. Ideally, the public should perceive takaful and insurance coverage as the norm rather than as an extraordinary measure. To that end, consumer education is an effort that should be undertaken collaboratively by relevant stakeholders. That is why I am very pleased to note that GIAB, as well as the takaful operators, have worked very hard together to bring the Insurance Day Roadshow to fruition.

Ladies and gentlemen,

5. This roadshow can also serve as an ideal platform to bridge the perception gap between consumers, and takaful and insurance providers. However, I would like to stress here that the pursuit of premiums should not be the main focus of this exercise. Most importantly, takaful and insurance providers should ensure that their frontline staff and agents are well-versed in, and knowledgeable about, their products and processes. Customers must be adequately informed from the beginning all aspects of the products including the benefits, terms and conditions and most importantly, the exclusions and the related processes. Bearing in mind that a takaful or insurance contract is legally binding, the onus is for providers to take the time and care to ensure that customers are well-informed. In addition, agents and company staff should be sufficiently equipped to assess a customer's risks and financial position to ensure that the takaful and insurance products are sold in line with a customer's needs and within his financial capacity to service. By doing so, the risk of misselling, and under or over-insurance can be reduced.
6. The industry should also cultivate their relationship with customers throughout the duration of the policy and beyond. It simply cannot end once the takaful or insurance contract has been signed. A person's circumstances may easily change and they may unknowingly find themselves not fully protected or covered under their existing policy. Hence, after-sales service should be carried out proactively.
7. Our Takaful and Insurance Day today, provides an avenue for the industry to raise the profile of the takaful and insurance sector. To this end, companies must maintain good market conduct and undertake best practices at all times. In this regard, I would like to urge takaful and insurance providers to guide and monitor the activities of your respective intermediaries and agents, and where necessary, providers should take appropriate action against any misconduct. Regulatory intervention from AMBD can be called upon within the framework of the existing legislation.

Ladies and gentlemen,

8. Indeed, this year's theme "**Act Now. Secure Immediately**" is one that can also be applied to the industry as a whole. Therefore, I call upon the market players to **act now** and seriously consider measures that can be undertaken to address the issues mentioned earlier and to also enhance their existing working relationship and cooperation with AMBD and other stakeholders in order to **secure and consolidate** long-term, sustainable, growth for the takaful and insurance sector in the country.
9. Before I end, I would like to once again express my thanks, to GIAB for inviting me to this gathering. I would also like to congratulate the organising committee for its efforts in ensuring the success of this event. I also laud the participation of the companies involved in the Takaful and Insurance Day Roadshow. I wish everyone a wonderful and productive time and I hope this year's Takaful and Insurance Day will achieve its objective of better educating the public about the important role of takaful and insurance in their daily lives.

On that note, with the kalimah, **BISMILLAHIRRAHMAANIRRAHIIM**, I declare open the Takaful and Insurance Day 2011.

THANK YOU.  
WABILLAHIT TAUFIQ WALHIDAYAH  
WASSALAMU 'ALAIKUM WARAH  
MAT ULLAHIWABARAKATUH