



FINANCIAL SERVICES COMMISSION

Remarks at the Official Launch of the Insurance Association of Jamaica

Terra Nova Hotel
New Kingston

November 16, 2005

Brian Wynter
Executive Director

Chairman, distinguished members of the audience, ladies and gentlemen, good evening.

The Financial Services Commission (“FSC”) welcomes the Insurance Association of Jamaica as the new, single umbrella association of life and general insurance companies in Jamaica. JAGIC and LICA, separately, have in the past successfully represented the interests of the insurance industry with energy and determination. But this representation has not been a coordinated effort. In the current environment of global attention to risk management and to accounting and actuarial standards, it is clear that the general and life sections of the insurance industry face many of the same issues. This merger is therefore not only timely but appropriate.

The FSC values open and consistent dialogue with industry. We anticipate that the new association will bring about an increased awareness among its members about the importance of co-operation and compliance with regulatory codes and

guidelines. The FSC, while recognising its central role in **standard setting, enforcement and public education**, welcomes input from the IAJ and recommends that amongst its other objectives it should seek to play a key role in self-regulation of the industry.

We are looking forward to the IAJ's active participation in the establishment of local codes of conduct or best practice guidelines that would promote acceptable standards of service within companies. Existing insurance regulations while providing rigorous and detailed guidelines for some aspects of market conduct, are not, and I know that you will agree do not need to be, so developed that they cover all areas of possible abuse. We see the need for the IAJ, in its capacity as the industry association, to make a significant contribution in this area by setting industry standards in areas such as customer service, claims management and dispute resolution. We look forward to working with you on these and similar projects.

The Association also has a role to play in enforcement, which plays a powerful role in obtaining compliant conduct. In this respect you have some options in carrying out this function, which, by way of illustration, may include mechanisms such as compulsory membership requirements, formal accreditation and so forth.

As it relates to public education, the Commission is of the view that the IAJ has an important role to play in creating cost-effective marketing programmes that will enhance the knowledge of policyholders and members of the Jamaican public regarding the distinctive features of insurance products and how each

may or may not work to their advantage. I am very encouraged by what your President has said about your plans in this regard.

With all that said we again extend a warm welcome to the Insurance Association of Jamaica and challenge you to actively consider in your aims and objectives the key areas of **standard setting, enforcement and public education.**

Thank you.

Brian Wynter
Executive Director
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