



Financial Services Commission
Mauritius

Speech by Ms. Clairette Ah-Hen, Chief Executive
in the context of the celebration of the 20th Anniversary of the
Insurance Institute of Mauritius
21 November 2014

Mr Jean-Yves Violette, President of the Insurance Institute of Mauritius

Mr Aakash Mishra, Acting President of the Insurers Association of Mauritius

Members of IIM and industry representatives

A very good evening to all of you!

It gives me an immense pleasure to be amongst you this evening as Guest of Honour to mark the 20th anniversary of the Insurance Institute of Mauritius (IIM). Let me first of all extend my warmest congratulations to the IIM for bringing together members of the insurance community to celebrate its existence of two decades.

The industry

The insurance sector in Mauritius has performed relatively well – with gross premium received for long term insurance business of over MUR 15 billion and over MUR 6 billion for general insurance business. Total assets for long term insurance business amounted to MUR 100 billion, and MUR 13 billion for general insurance business.

Our domestic sector consists of 7 long term insurers and 12 general insurers, 25 brokers, 285 agents and over 1,730 salespersons.

Alongside, we have a promising private pensions sector with around 90,000 members, in either occupational pension schemes administered by insurance companies or self-administered.

The insurance sector presents opportunities for employment and needs expertise ranging from underwriting, broking and claims, investment analysis, actuarial services and investigation, financial advice as well as marketing and administration. Like other service industry, the insurance industry depends on the reputation of the service providers and trust in the system. Expert knowledge, professional conduct and ethical behaviour are crucial for public confidence and hence the development of the insurance industry.

Insurance Institute of Mauritius (IIM)

In working towards its mission “*for the advancement of Insurance Education and Knowledge*”, the IIM plays a key role in the development of professionals who serve in this sector. With 87 members in 1994, IIM membership has now reached nearly 500 members, a clear indication of the importance of ongoing professional development in today’s evolving financial services sector. Our insurance professionals are conscious of the need to upgrade their skills and expertise in order to remain connected with their employer’s business and the expectations of clients.

The FSC Mauritius commends the contribution of the IIM in servicing the insurance industry and providing a common ground for professional education for players in the sector.

Allow me to furthermore congratulate the IIM for its relocation in the city centre in October to be facilitate interaction with its members.

Ladies and Gentleman,

As you are aware, the Financial Services Commission, Mauritius has carried out a number of initiatives in the last three years for the development of the Mauritius IFC. The FSC worked in close collaboration with various stakeholders in the different committees and groups. All the working groups agreed that one of the constraints to the financial services industry’s growth and diversification in terms of market, product and services relates to human capital. We’ll need to address this issue of competencies and lack of specialist skills and find solutions which will benefit all.

The Regulatory Framework

You will agree with me that we have, in Mauritius, a sound regulatory framework with the Insurance Act 2005. Being in line with international standards and benchmarked with the International Association of Insurance Supervisors (IAIS) insurance core principles, our regulatory framework provides for greater protection to policyholders and beneficiaries and for fair market conduct of players.

In respect of pensions, as previously mentioned, the FSC Mauritius worked in close collaboration with all stakeholders (*many of you present here*) to make effective the Private Pension Schemes Act 2012 (PPSA).

To maintain the reputation of Mauritius as a sound jurisdiction and economic sustainability, the FSC is mandated to respond to the new challenges faced by financial centres today and to ‘work out objectives, policies and priorities’ for the development of the financial services sector and global business.

Fair Market Conduct

As part of its Fair Market Conduct framework, following consultations with stakeholders, the Commission issued in October 2014 the Competency Standards and the Guidelines for Advertising and Marketing of Financial Products.

The Guidelines for Advertising and Marketing of Financial Products set the requirements for licensed entities in terms of their advertising function, and promotional roles and responsibilities vis-à-vis consumers of non-banking financial products and services. The aim is to promote responsible, ethical and professional conduct by operators in areas within the purview of FSC.

The Competency Standards formalise the minimum technical competencies in terms of knowledge and skills, key elements of the fit and proper tests, which specific licensees need to have. The Competency Standards apply to licensees and any of their officers and/or employees involved in:

- the provision of advice;
- the provision of intermediaries services; and
- the management and control function

In relation to the insurance industry, the competency standards focus on Insurance intermediaries, such as Insurance Salesperson, Insurance Agent, Insurance/Re-insurance Brokers and Broking Staff.

I wish to highlight and thank the IIM for their valuable input throughout the consultation process and for their collaboration with the FSC in the drafting of the Competency Standards relating to the Insurance intermediaries. I am confident that the Institute will play a key role in ensuring that the insurance sector is compliant with the requirements of these Competency Standards.

I am privileged to be given this opportunity to put on record the active collaboration of IIM in the 'FSC's Young Talent Competition' which aims to promote the understanding of financial services amongst our youth.

Challenges Ahead

The insurance sector is an important contributor to the overall financial services sector which is a vital pillar of our economy, today. Our financial landscape will always be subject to transitions as global standards and best practices continue to emerge. The growth of the sector depends largely on the role played by its main stakeholders.

The challenges are here and the Mauritius IFC is called upon to evolve and to adhere to international norms and requirements. I am confident that through on-going dialogue and cooperation of all stakeholders, the insurance and pension sectors will develop further and continue to be a contributor to the Mauritian economy.

May I take this opportunity to wish the IIM all the best!

Thank you for your kind attention.

Clairrette Ah-Hen

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