

# **Inauguration Ceremony of the Insurance Complaints Bureau (ICB)**

**23 Jan 2018**

## **Speech by Dr Moses Cheng, Chairman, Insurance Authority**

Pamela<sup>1</sup>, Stuart<sup>2</sup>, ICB General Committee Members, distinguished guests, ladies and gentlemen,

I feel extremely privileged being invited to join you this evening at the inauguration ceremony of the new Insurance Complaints Bureau (ICB). On behalf of the Insurance Authority (IA), I'd like to extend my heartiest congratulations to the new ICB.

Equally, I would like to congratulate policy holders as well. The changeover to the ICB provides policy holders with a convenient, effective and easily accessible platform for resolving all insurance-related disputes of monetary value. Hopefully, in the next quarter, this one-stop shop will further extend its services to offering free mediation services for non-claim cases of monetary value.

Hong Kong's insurance industry has experienced substantive growth in recent years. The total gross premiums in the first three quarters of 2017 amounted to \$363.2 billion, representing a year-on-year increase of 11%. While we are encouraged by this remarkable performance, we have never forgotten our great responsibility to safeguard the interests of the insured public.

Insurance is the delivery of a promise in the future, and the industry's sustainable development hinges on policy holders' trust and confidence, which can be reinforced with adequate and effective protection of consumers' interests. For the IA, as an insurance regulator, our top priority is to protect the interests of policy holders.

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<sup>1</sup> Mrs Pamela Chan, ICB Chairman

<sup>2</sup> Mr Stuart Harrison, HKFI Chairman & ICB General Committee industry member

Since our establishment in December 2015, the IA has been working hard to step up our efforts in this regard. Through prudential regulations, we have set out to enhance on the corporate governance of insurers and laid the groundwork for the introduction of a Risk-based Capital Regime to strengthen the regulatory infrastructure.

We are also working closely with the Government to set up a Policy Holders' Protection Scheme, which will provide a safety net for policy holders in the event of an insurer's insolvency. We are proactively exchanging views with the industry and aim to launch the Scheme in 2019.

In mid-2019, we will be directly regulating insurance intermediaries and implement a statutory licensing regime to offer more comprehensive protection for policy holders.

Insurance products come in a vast variety of features with specific terms and conditions. Disputes and complaints may easily result if such details are not clearly communicated to prospective policy holders. Among these products, the soon-to-be-launched life annuity scheme by the Hong Kong Mortgage Corporation and the hotly debated Voluntary Health Insurance Scheme will bring challenges not only to the industry, but also to the IA and the ICB. We must therefore be well prepared and extra vigilant.

The protection and promotion of the rights and interests of policy holders involve more than just regulation and enforcement. Passion and perseverance are two salient elements that are absolutely essential.

Undoubtedly, these two qualities are well demonstrated by the ICB's inaugural Chairman, Mrs Pamela Chan. For the past decades, she has devoted herself to promoting public welfare and consumer rights and protection, including 22 years of service at the helm of the Consumer Council.

Ladies and gentlemen, 2018 heralds a new start for the ICB and a new chapter for policy holder protection in Hong Kong. I'm confident that the ICB, under Pamela's eminent

leadership, will continue to join hands with the IA and make a significant contribution to enhancing the policy holders' protection framework.

Thank you and have a great evening.