



Written Submission to the Panel on Financial Affairs  
In relation to the Panel Meeting on 4 July 2005 to discuss the  
"Proposed Introduction of a New Category of 'Travel Insurance Agents'"

The Hong Kong Confederation of Insurance Brokers is a professional association with 245 corporate members which is authorized by the Insurance Authority as an Approved Body of Insurance Brokers for purposes of self-regulation under the Insurance Companies Ordinance.

**IIQAS**

- The Insurance Intermediaries Quality Assurance Scheme ("IIQAS") promulgated by the Insurance Authority since 1 January 2000 is to "promote professional conduct and quality of insurance intermediaries" and to "further enhance the professional standard of insurance intermediaries so as to protect the interests of the insuring public".
- Entrance requirement through qualifying examinations and fulfilment of Continuing Professional Development ("CPD") are the two cornerstones of the Scheme.
- The objective of CPD introduced since 1 January 2002 is to ensure that "insurance intermediaries continue to possess professional and standard in providing advice and service to the policy holders and potential policy holders".
- The Scheme applies to all insurance intermediaries disregard of their scope of business or their being full-time or part-time.
- IIQAS is an enabling mechanism to promote professionalism and loosening of requirements to any individual group will disable the insurance profession.
- The driving purpose behind the introduction of IIQAS was the issue of consumer protection by ensuring high standards of professionalism and professional knowledge. It is vital that the interests of consumers be fully protected in all facets of insurance intermediary provision.

**Travel Insurance**

- Travel insurance, though a packaged product, is not simple.
- This type of insurance provides a variety of covers, including personal accident, medical expenses, personal liability, damage to own property, loss of monies or travel documents, loss of home contents, trip curtailment or cancellation, travel delay, emergency service including but not limited to evacuation and repatriation.



- It is essential for anyone advising on this type of product that they grasp the critical basic insurance knowledge through appropriate qualifying examination and CPD training so as to protect the interests of the insuring public.

#### **Regulations of Travel Agents Selling Travel Insurance**

- CIB supports the initiative of encouraging Hong Kong people to effect travel insurance cover for their protection.
- The general public will ultimately benefit if travel agents engaged in selling or distributing travel insurance are subject to appropriate and adequate regulation.
- The regulation should not be too onerous so as to prevent travel agents from providing a convenient service to travellers nor should it be too simple so as to compromise the insurance service that travellers as consumers expect to receive.
- In the long term, we are convinced that consumer groups would prefer seeing professional and capable travel insurance intermediaries who could provide quality service and advice to them than just convenient service.

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