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本函檔號 OUR REF.:

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29 April 2013

Ms Connie SZETO  
Clerk to Panel on Financial Affairs  
Legislative Council Complex  
1 Legislative Council Road  
Central  
Hong Kong  
(Fax No.: 3529 2837)

Dear Ms SZETO,

**Panel on Financial Affairs**  
**Policy matters relating to the sale of travel insurance**

Thank you for your letter of 9 April 2013. The Administration's responses to the issues raised in the Hon. KWOK Wai-keung's letter of 15 March 2013 are set out below.

A person must pass the relevant examination, be appointed by an insurance company, and be registered with the Insurance Agents Registration Board ("IARB") as an insurance agent before he is allowed to sell travel insurance. All insurance agents (including those who are engaged in the sale of travel insurance) are required to attend a specified number of hours of training annually under the Continuing Professional Development Programme, and must comply with the Code of Practice for the Administration of Insurance Agents ("the Code") issued by IARB. Section 76(f) of the Code stipulates that an insurance agent has to "explain the cover afforded by each policy recommended to ensure that the potential policyholder understands what he is buying".

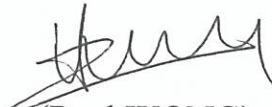
Therefore, an insurance agent is required to explain to a client the coverage and exclusions of a travel insurance policy so as to facilitate him to take out a travel insurance policy that meets his needs.

Given that individual travellers may have different considerations (e.g. whether they will take part in certain activities of a tour or whether they have arranged other insurance policies on their own), potential policyholders should take out appropriate travel insurance policies according to their own needs. In this connection, the Administration has been advising the public to take out travel insurance that suits their needs and travel itineraries through public education from time to time. The Government, the Travel Industry Council of Hong Kong (“TIC”) and the Travel Industry Compensation Fund Management Board have been encouraging the public to take out travel insurance that suits their personal needs before travelling abroad through Announcements of Public Interest in television and radio, broadcasting of promotional videos at public buses and promotional messages on the display panels in the compartments of the Mass Transit Railway. The Office of the Commissioner of Insurance has also published an educational pamphlet entitled “Travel Insurance – What you need to know” to help the public protect their own interests. The pamphlet reminds the public of the important points-to-note when taking out travel insurance, including the coverage and exclusions, for protecting their own interests. Furthermore, the Consumer Council has also been reminding and educating consumers through the Choice magazine on areas which they should pay attention to when taking out travel insurance.

The TIC has all along recommended travel agencies to remind participants of outbound tours to take out comprehensive travel insurance for appropriate protection against untoward situations during a journey. The Outbound Committee of the TIC discussed the day following the balloon explosion accident in Luxor, Egypt, and reminded members particularly of the following: (i) travel agents are advised to examine the risks of all the activities (including self-paid activities) listed in the itinerary leaflets of their outbound tours, and to clearly inform consumers of such risks, especially for high-risk activities, before they sign up for a tour; (ii) travel agents are advised to examine whether the scope of protection of the travel insurance arranged for tour

participants has covered all the activities in the tour, including self-paid activities; and (iii) if tour participants take out travel insurance on their own, travel agents should remind them to examine whether the scope of protection of their insurance policies has covered all the activities in the tour.

Yours sincerely,



(Paul WONG)

for Secretary for Financial Services and the Treasury

c.c.

Administrative Assistant to Secretary for Financial Services and  
the Treasury

Tourism Commission (Attn: Ms Ann CHAN)