

Press Release
Insurance Authority to take over statutory functions of
Office of the Commissioner of Insurance

Sunday, June 25, 2017

The Insurance Authority (IA) will take over the statutory functions of the Office of the Commissioner of Insurance (OCI) to regulate insurance companies with effect from tomorrow (June 26). The OCI will be disbanded on the same day.

The Secretary for Financial Services and the Treasury, Professor K C Chan, said today (June 25) that the establishment of the IA is the most important regulatory reform in the insurance sector in the past 30 years since the passage of the Insurance Companies Ordinance in 1983.

"Under the new regulatory regime to be administered by the IA, there will be an expanded scope of regulatory oversight over insurance companies. The IA will also take over the regulation of insurance intermediaries from the three existing self-regulatory organisations two years later, hence putting in place a more holistic and effective insurance regulatory system. The Government will continue to work closely with the IA to ensure a smooth transition to the new regime.

"I must also take this opportunity to extend my gratitude and appreciation to OCI colleagues for their exemplary efforts over the years in upholding the robustness of the insurance regulatory regime," he said.

The IA, a statutory body established by the Insurance Companies (Amendment) Ordinance 2015, is a new insurance regulator independent of the Government. The existing self-regulatory system for insurance intermediaries will continue in the meantime, allowing time for the IA to prepare the necessary tools, such as guidelines on conduct, for regulating insurance intermediaries. The IA is expected to take over the supervision of insurance intermediaries from the three self-regulatory organisations and establish a statutory licensing regime within two years from June 26, 2017.

Pending its relocation to the long-term office, the IA will continue to occupy the existing office of the OCI at 21/F, Queensway Government Offices

as its temporary office.

Members of the public may visit its official website (www.ia.org.hk) for more information about the IA.

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