

Agents key to raising awareness on the benefits of insurance

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INSURANCE representatives play a key role in growing the penetration level of insurance in Brunei.

According to Caroline Sim, head of Brunei branch for the Singapore-based insurance firm Great Eastern Life, insurance agents are the ones who can educate the public about the benefits of getting an insurance.

Sim said more Bruneians are now keen to buy insurance owing to rising literacy rate in the country and growing awareness of the importance of insurance.

"Distribution representatives play a key role (in educating the public about insurance). It is important that they build a long-term relationship with their clients and continue to provide consistent professional sound advice," she told *The Brunei Times*.

Sim said representatives need to offer recommendations based on what the client needs and must not be about "product-pushing".

She said Brunei's low rate of insurance penetration gives her company and the local insurance industry an opportunity to grow.

"Compared to other more mature Southeast Asian markets, Brunei's insurance industry is relatively small and less developed," Sim said.

Despite steady growth in gross premiums and total insurance assets over the last three years, penetration remains relatively low compared to other markets, she said, citing findings by the Sultanate's central bank Autoriti Monetari Brunei Darussalam (AMBD).

"This low penetration rate presents good opportunities for Great Eastern Life and I see growth potential in the insurance industry as a whole," she said.

The Brunei Insurance and Takaful Association (BITA) are working very closely with AMBD to improve financial literacy in the country to educate the public on the need for insurance, said Sim.

The recent launch of Takaful and Insurance handbook and National Financial Literacy Study by AMBD are "positive steps in



Caroline Sim, head of Brunei branch of Great Eastern Life, giving a brief speech during the company's Hari Raya's celebration held last Tuesday. *Picture: BT File*

the right direction," she added.

BITA members are setting up a financial literacy sub-committee to work on this and Great Eastern Life Brunei looks forward to participate in this initiative.

Great Eastern Life has been in Brunei since 1975.

Based on unaudited consolidated figures

compiled by AMBD, at the end of 2014, the total assets of the financial sector stood at \$22.4 billion, of which six per cent was attributed to takaful and insurance.

The takaful and insurance industry comprises four takaful operators, nine insurers, one broker, one adjuster and over 600 agents, according to AMBD.

The Brunei Times

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