

RESERVE BANK OF FIJI



PRESS RELEASE

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NEW POLICY GUIDELINES FOR LICENSED INSURANCE COMPANIES

The Reserve Bank of Fiji has released *Insurance Supervision Policy Statement Number 10: The Role of Insurance Actuaries in Fiji* a policy guideline which will be effective from 1 November 2011 and is applicable to all licensed insurance companies.

Deputy Governor, Mr. Inia Naiyaga said that the policy outlines the minimum responsibilities of licensed insurers and their appointed actuaries during the conduct of the actuarial functions. An actuary is a professional trained in evaluating the financial implications of contingent events. Supervisory bodies such as the Reserve Bank of Fiji rely on the expertise of actuaries to assist in the supervision of the management of insurance business.

While most licensed insurers particularly life insurers do engage actuaries the policy formalises minimum reporting requirements and establishes the relationship with the Reserve Bank. Under the policy, the appointed actuary will investigate and prepare actuarial reports on the insurer's financial affairs, which will include a valuation of the insurer's liabilities. Arising from these actuarial reports and other statutory requirements, the actuary will provide advice and report to the insurer's Board and the Reserve Bank.

Compliance with the requirements of the policy will be assessed during the normal course of prudential supervision.

The Reserve Bank expressed its appreciation to the licensed insurers for their contribution and cooperation during the consultation and formulation of the policy guideline.

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