

RESERVE BANK OF FIJI



PRESS RELEASE

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NEW POLICY GUIDELINES FOR LICENSED INSURANCE COMPANIES

The Reserve Bank of Fiji announced the issue of *Insurance Supervision Policy Statement Number 8: Minimum Requirements for Risk Management Frameworks of Licensed Insurers in Fiji*. The policy guideline which came into effect from 1 October 2010 is applicable to all licensed insurance companies, and was issued under its powers in the Reserve Bank of Fiji Act 1985 and the Insurance Act 1998.

Risk Management is the process of identifying, assessing, controlling and monitoring risks. The objective of the policy is to ensure that each insurer has in place a comprehensive Risk Management Framework that is aligned to the insurer's strategy and business plans and commensurate with its scale of its operations.

All insurers are now expected to have in place a Board approved Risk Management Policy that outlines the institution's approach to managing risk and the processes involved specifically including a defined Risk Management Strategy, management responsibilities and controls, and supporting policies and procedures that clearly identify, assess, mitigate and monitor identified risks. Compliance will be assessed during the normal course of prudential supervision.

The Reserve Bank of Fiji extends its sincere appreciation to the insurers for their contribution and cooperation during the consultation and implementation of the policy guideline.

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