

Advertorial



Your best insurance is an insurance broker



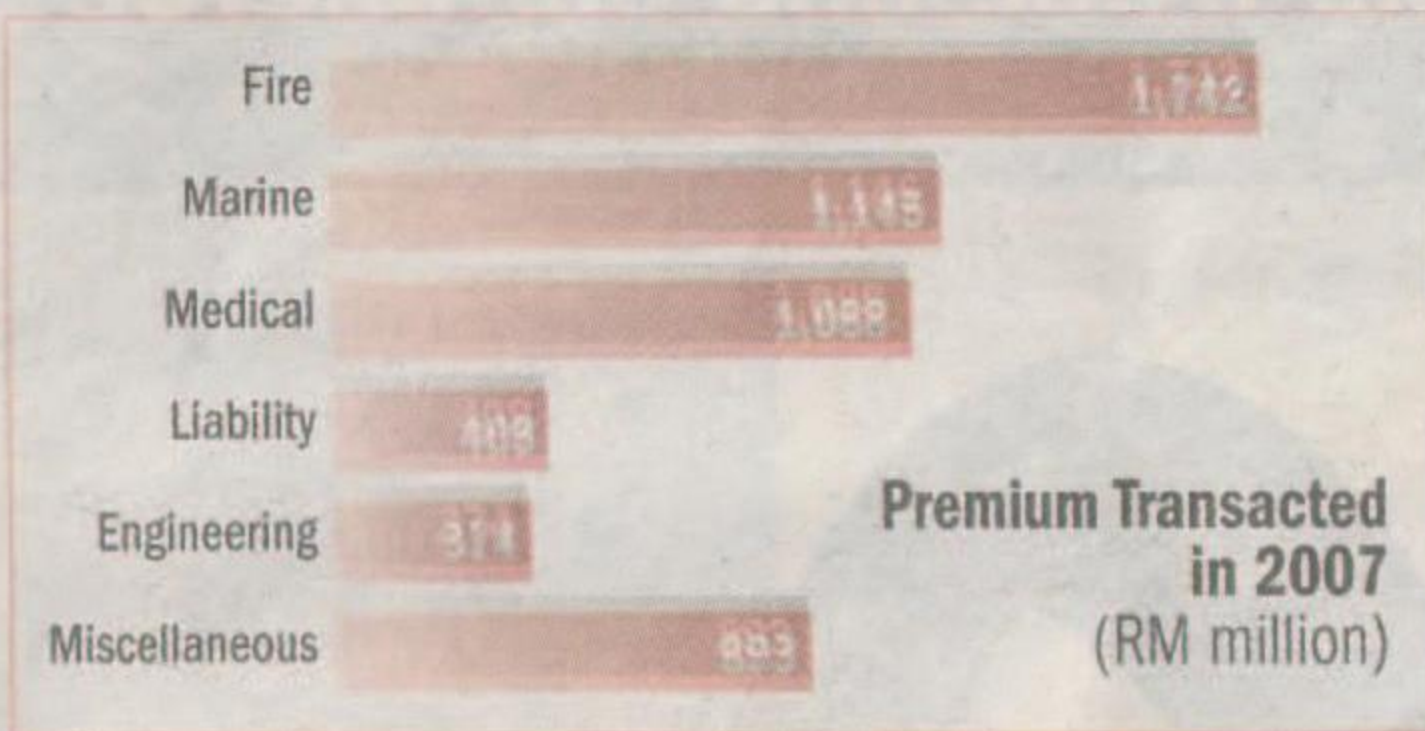
VISION

To be the organisation recognised for uplifting the professionalism of insurance and takaful brokers while growing their market share by promoting the vital services and benefits provided to insurance and takaful buyers.

MISSION

We are the sole organisation that upholds the highest standards of professionalism, conduct and practice for insurance and takaful brokers in Malaysia. We are the single platform of advancing the interests of brokers and enhancing awareness of their vital role in trade and commerce.

MOHAMAD: MITBA is optimistic that brokers would continue to play a big role in developing the country's insurance climate.



TOTAL NON-MOTOR GENERAL MARKET

share by bringing significant 'value-added' services to the consumers," he said.

MITBA is optimistic that brokers would continue to play a big role in developing the country's insurance climate where only about 40 per cent of the population are insured.

With room to expand, the as-

sociation expects its members to grow their market share in the non-motor general insurance premium to 50 per cent with RM3 billion in premium collection in five years.

MITBA, or previously known by the acronym IBAM (The Insurance Brokers Association of Malaysia), is a statutory organisation formed

to represent the interests of brokers and ultimately insurance and takaful buyers.

MITBA, which will celebrate its 33rd anniversary today, provides brokers with an avenue to discuss and resolve issues of mutual interest.

The name change, Mohamad explained, was to acknowledge and recognise the role of takaful, or Islamic brokers according to the aspirations of the government, to turn Malaysia into a centre of takaful excellence in the Asia-Pacific region.

According to Mohamad, Bank Negara Malaysia had issued takaful licences to qualified applicants under the Takaful Act 1984 to strengthen the regulatory and supervisory framework of takaful brokers and enhance consumer protection.

Currently, MITBA has 38 members, comprising 29 composite brokers (who offer both conventional insurance and takaful broking), four takaful brokers and five conventional insurance brokers.

Moving forward, MITBA's aspirations are to highlight the importance and value of using insurance and takaful brokers to insurance and takaful buyers and playing a major role in nation building.

Representing the interest of insurance and takaful brokers, MITBA is a non-profit organisation that is neither an insurance company nor does it sell insurance products or represent insurance companies.

"We are the collective voice of the industry, significant enough to push for positive reforms. Moreover, we have access to regulatory and trade bodies both domestically and globally," Mohamad said.

"Our role is to elevate the status of insurance and takaful brokers through professional development and by establishing improved standards of qualification and ethical practice," Mohamad said.

MITBA also provides training technical advice, guidance on regulation and business support.

MITBA members embrace strict standards of conduct, professionalism, and practice to maintain the highest ethical standards and the utmost good faith, the foundation of insurance business, in all activities in which it is engaged.

The MITBA executive committee consists of nine elected representatives who are elected every two years during the annual general meeting.

To better manage and bring the organisation to another level, Mohamad said, MITBA plans to engage a chief executive officer to assist the management committee, namely in developing new areas.

In addition, sub-committees and special task force are established to look into a wide range of interests and allow members to discuss relevant topics with their peers, discover more about issues of importance and formulate business plans and strategies to further promote healthy market practices.

CONSUMERS today are faced with an avalanche of financial tools and wealth management solutions that picking a suitable insurance cover could be quite complicating.

With inflation putting pressure on prices of goods, consumers needs are also changing and hence decision making is made more difficult.

To seek the best financial protection from your risks and at the best possible price, you need an insurance broker to look after your insurance needs.

In a nutshell, insurance brokers offer customised solutions to cover each individual person or company's needs.

According to Mohamad Abdullah, chairman of the Malaysian Insurance and Takaful Brokers Association (MITBA), brokers are independent professionals, most suited to recommend the best solution for your insurance needs.

"Brokers represent you — the buyer — in coming up with the appropriate insurance packages to cover the risks. We sometimes recommend changes to existing policies or clauses to better suit each individual person or business needs," he said.

However, the role of insurance brokers in Malaysia has been somewhat under appreciated but this is something that MITBA wants to change.

Mohamad said many can benefit more by consulting insurance brokers who could customise a more cost-effective solution often without any extra charge.

"Brokers in Malaysia are essentially licensed insurance professionals, approved by Bank Negara Malaysia. As we represent the interests of the buyer and not the insurance company, we are independent and objective when it comes to proposing solutions," he said.

Unlike insurance agents that are authorised to sell only the products of the companies they work for, an independent broker, on the other hand, maintains relationships with several insurance companies.

He added that brokers usually do not charge buyers any extra fees as they earn brokerage from insurers.

"Going forward, MITBA wants to debunk the myth that brokers are expensive. In fact, insurance broking is an invaluable part of the insurance industry and we help to bring innovation to the industry and keep it competitive," he said.

Reflective of this, Mohamad revealed that the brokers' market share has been growing steadily.

"Currently, we have 36.9 per cent of the total non-motor general premium of RM5.65 billion and are confident that we can continue to grow our market