



Business

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MITBA eyes 50% share of non-motor general insurance

PETALING JAYA: Malaysian Insurance and Takaful Brokers Association (MITBA) expects continued product innovation and value-added services to push its brokers' share in the non-motor general segment to 50% within three years from the current 36.9%.

Chairman Mohamad Abdullah said it aimed to introduce more innovative conventional and *syariah*-compliant products for the many uncovered areas, including insurance coverage for farmers as well as the information technology sector.

"The insurance broking industry is expected to register a premium of RM2.3bil this year from RM2.1bil last year," he said yesterday.

Mohamad said this at a media briefing on the insurance broking industry in conjunction with the soft launch of the association's new name.



Mohamad Abdullah (right) and Anika Insurance Brokers Sdn Bhd acting chief executive officer Vicky Rajaratnam at the briefing.



MING, KH & ASSOCIATES SDN BHD (480503-L)
Public Relations • Communication Strategies

Suite 9-7 (Unit 9 - Level 7)
The Boulevard Offices
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Tel: +603-2287 6700
Fax: +603-2287 6701
Email: service@ming-kh.com.my

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Previously known as Insurance Brokers Association of Malaysia, its new name is intended to reflect the inclusion of *takaful* brokers, as Malaysia is the global hub for *takaful* development.

According to Mohamad, Bank Negara 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.

Going forward, MITBA wanted to change the public's perception that brokers were expensive, said Mohamad.

He said many were not aware that brokers in Malaysia were essentially licensed insurance professionals approved by Bank Negara and “represent the interest of the buyer, not the insurance companies”.

MITBA was independent and objective when it came to proposing solutions for buyers, Mohamed said.

He added that it acted as the collective voice of the industry with the clout to negotiate with insurance companies worldwide to get lower premium rates and wider coverage for its clients.

Currently, MITBA has 38 members comprising 29 composite, four *takaful* and five conventional insurance brokers.

Last year, the total premium for the non-motor general insurance market in Malaysia stood at RM5.65bil, said Mohamad.