

CICL CONNECTIONS

The Monthly Newsletter of Corp-EFF Insurance Company Ltd



THE LATEST FROM CICL:

Regulations - 2,3

THE IMPORTANCE OF INSURANCE REGULATIONS

Story by: CICL

The insurance industry is one of the largest global financial industries, contributing to the global economy's growth.

In the event of a loss, insurance provides future payments. As a result, it has been actively regulated for a long time. Because of the nature of the product, strict regulation is required to ensure insurers' solvency when claims are filed. In a nutshell, this is the big picture of insurance regulation.

Let us emphasize that the most important aspect of insurance regulation is ensuring insurers' solvency. The regulatory efforts in the area of consumer protection in terms of rates and policy forms help to achieve this goal. Of course, regulators protect insureds from fraud, unscrupulous agents, and white-collar crime while also ensuring insurers' ability to pay claims. Regulation is a difficult balancing act to master.



THE IMPORTANCE OF INSURANCE REGULATIONS

Regulations help secure the insurance sector

Uniformity in laws and regulations has not been achieved in the Eastern Caribbean Currency Union, which concerns market participants. The pending OECS Insurance Bill is expected to establish a common financial space for the insurance and pension industries.

To better understand how this bill can help us, we must first understand its context. A license issued under the new law, for example, will allow an insurer to exercise a passport right to operate in all territories that are members of the single market and economy.

Nigel Streete, Deputy Executive Director of the Grenada Authority for the Regulation of Financial Institutions best explains the objective of the Bill. "The harmonized Insurance Bill Project seeks to establish a single, integrated, efficient, and well-regulated insurance and pension fund market in the Eastern Caribbean Currency Union" (ECCU). This market will be governed by uniform IAIS2 benchmarked insurance legislation and overseen by a single well-resourced regulator, which is expected to significantly simplify and reduce the cost of insurance regulation in the ECCU,"

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REGULATIONS

THE IMPORTANCE OF INSURANCE REGULATIONS

Contact us to get a quote.

Regulations help secure the insurance sector

Despite these significant efforts to achieve uniformity, the unified bill has not become law, and each island territory is still regulated and operates independently.

For a quote, contact
Corp-EFF Insurance
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Corp-EFF Insurance adheres to regulations in each island territory where it operates in order to provide clients and prospects with ongoing assurances that their coverage investments are secure.

"We Take Away the Risk, You Are Insured"