

**Updates on the Implementation of
the Insurance Companies (Amendment) Ordinance 2015**

A. Overall progress

- As reported at the last meeting of the Working Group, we are implementing the Insurance Companies (Amendment) Ordinance 2015 (“Amendment Ordinance”) in three stages.
- The provisions of the Amendment Ordinance necessary for the establishment of the independent Insurance Authority (“IIA”) (i.e. Stage 1) has come into effect on 7 December 2015. According to the Amendment Ordinance, IIA is now automatically renamed as the Provisional Insurance Authority for the period from its inception to the disbandment of the Office of the Commissioner of Insurance.
- IIA held its first meeting on 29 January 2016 to discuss issues relating to the corporate governance of IIA, including the drawing up of internal guidelines, its organisation structure, the establishment of three committees to assist IIA to discharge its statutory duties and its corporate plan for 2016-17.
- The three committees are –
 - (1) Corporate Affairs Committee
 - (2) External Affairs Committee
 - (3) Audit Committee
- The meeting also discussed the appointments to the two Industry Advisory Committees (“IACs”) on long-term business and general business respectively. The IACs, which will be appointed by the Financial Secretary to advise IIA on industry-related issues, will comprise practitioners from different lines of insurance business and experts from related fields such as consumer protection, compliance and accountancy.
- IIA will adopt a phased approach to staff recruitment. In the first phase, IIA will recruit a team of in-house staff to assist in taking

forward some urgent administrative work such as staff recruitment, finance, information technology, general administration and public relations matters. In the second phase, IIA will recruit the top two-tier executives i.e. the Chief Executive Officer and other directorate officers. IIA will then proceed with the recruitment of officers on insurance-related duties and other supporting staff members.

B. Next step

- We will liaise closely with IIA on transitional issues and will keep the Working Group informed of the progress.

**Financial Services and the Treasury Bureau
15 February 2016**