

Insurance Regulatory Authority (IRA)

The Role of the Insurance Regulatory Authority in the development of the insurance industry in Kenya

**By
Thomas Victor Oduor
Consumer Education Officer**

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Background Information

- IRA established in May 2007
- Took up all the functions of the defunct Department of Insurance
- Governance structure
 - Board of Directors
 - Commissioner of Insurance /Chief Executive Officer
- Mandate
 - Supervise
 - Regulate
 - Develop



Regulatory Structure

GOVERNMENT
(MINISTRY OF FINANCE)

INSURANCE REGULATORY
AUTHORITY (IRA)

INSURANCE & REINSURANCE COMPANIES

INSURANCE
BROKERS

INSURANCE
AGENTS

MEDICAL
INSURANCE
PROVIDERS

OTHER
INSURANCE
SERVICE
PROVIDERS

THE GENERAL PUBLIC



Core Functions of IRA

- Supervise, regulate and control insurance and reinsurance business
- Formulate and enforce standards;
- Issue licenses
- Protect the interests of consumers;
- Develop the insurance industry;
- Ensure prompt settlement of claims
- Handle complaints



How Do We Regulate & Supervise?

Ensures the following:

- Compliance with the Insurance Act Cap 487
- Assess viability of applications for licensing
- Conduct fit & proper audit
 - Shareholders
 - Board of Directors
 - Senior management
- Conduct systems analysis and capital adequacy
- Have insurance products filed with it

Why IRA does all this?

- To make sure that insurer who promises you compensation now will actually be there when the misfortune arises
- To make sure that the insurer will not only be there but will be financially capable of compensating you
- To make sure that the claims & benefits are settled promptly and satisfactorily
- To make sure as many people as possible purchase insurance to protect their lives, property and investments



Why are we here today?

- Importance of Insurance
- Low insurance penetration
- The resultant negative perception towards insurance – poor history
- Need to improve people's understanding of insurance
- This will help improve uptake of insurance
- Need to pass the right information about insurance to the society
- Update people on the steps taken by the Govt in addressing their concerns



Why Target the Church?

- ▶ Attract high level of trust from the society
- ▶ Occupies a special position in society both as role models and disseminators of knowledge and spiritual nourishment
- ▶ Plays a key opinion as shapers in society
- ▶ Substantial church assets exposed to risk
- ▶ Guide followers in seeking redress from IRA on insurance matters



Purpose of today's forum

- Demystify the complex subject of insurance
- Sensitize you about rights and obligations under insurance contracts
- Explain the needs and benefits of insurance
- Explain steps IRA has taken to stabilize the industry
- Seek your intervention in passing right messages about insurance



Let us note the common Swahili saying that;

AJALI HAINA,,, KINGA

THANK YOU

Q & A

