

INSURANCE ACT, 2008

Minimum Competency Requirement

1. Introduction

Under the provisions of the Insurance Act¹, the Central Bank of Seychelles is obliged to refuse to grant a licence unless the applicant proves that it is fit and proper to be licensed.

The Fit and Proper Guidelines issued by the Central Bank outlines the criteria the bank will take into account in determining the fitness and propriety of an applicant. Paragraph 5.1 of the Fit and Proper Guidelines provides that an applicant has to demonstrate that it is competent to carry out the licensed activity efficiently and effectively. One component of the competency criteria is the possession of necessary qualification, knowledge and experience by key personnel of applicant entities.

This Guidance Note is not intended to be comprehensive nor replace or override any legislative provisions. Applicants are advised to read the guidance note in conjunction with the Act, the Fit and Proper Guidelines and any other guidelines the Central Bank may issue from time to time.

2. Application

These guidelines are to be applied by the Central Bank when determining the competency of;

- (a) the directors and principal officers of an entity applying to be licensed as an insurer;
- (b) the principal officers and managers of an entity applying to be licensed as an insurance broker;
- (c) the principal officers of an entity applying to be licensed as an insurance agent;
- (d) an individual applying to be licensed as an insurance manager;
- (e) an individual applying to be licensed as an insurance representative;

¹ Section 10(3)(d), 27(2)(a), 36(2), 36(3), 37(1), 37(2) 67(5)(g).

- (f) an individual applying to be licensed as an insurance broker;
- (g) an individual applying to be licensed as an insurance agent;
- (h) an individual applying to be licensed as an insurance sub-agent;

3. Qualification and Experience Requirements

MANAGERS

Option 1

Individuals must meet (a) and (b).

- (a) Qualification Possess an industry qualification recognized by the Central Bank such as an Advanced Diploma in Insurance²; and
- (b) Experience Have the equivalent of 2 years relevant industry experience.

Option 2

Individuals must meet (a) and (b).

- (a) Qualification Possess a degree in a relevant field of study such as finance, business, economics, accounting, commerce etc from institutions recognized by the Seychelles Qualification Authority; and
- (b) Experience Have the equivalent of 2 years relevant industry experience.

Option 3

Individuals must meet (a) and (b).

- (a) Qualification Possess a degree in areas not directly related to financial services; and
- (b) Experience Have the equivalent of 5 years relevant industry experience.

Option 4

Individuals who do not have formal qualifications as required by Options 1 and 2 may demonstrate that they are competent if they have at least 10 years relevant industry experience.

² The Chartered Insurance Institute

PRINCIPAL INSURANCE REPRESENTATIVES

Option 1

Individuals must meet (a) and (b).

- (a) Qualification Possess a degree in a relevant field of study such as finance, business, economics, accounting, commerce etc from institutions recognized by the Seychelles Qualification Authority or a recognized industry qualification; and
- (b) Experience Have the equivalent of 2 years relevant industry experience.

Option 2

Individuals must meet (a) and (b).

- (a) Qualification Possess a degree in areas not directly related to financial services; and
- (b) Experience Have the equivalent of 5 years relevant industry experience.

Option 3

Individuals who do not have formal qualifications as required by Options 1 and 2 may demonstrate that they are competent if they have at least 10 years relevant industry experience.

BROKERS

Option 1

Individuals must meet (a) and (b).

- (a) Qualification Possess minimum academic qualification equivalent to or higher than 2 GCE “A” Level credit passes or Diploma in Business Studies or Diploma in insurance; and
- (b) Experience Have the equivalent of 2 years relevant industry experience.

Option 2

Individuals who do not have formal qualifications as required by Option 1 may

demonstrate that they are competent if they have at least 5 years relevant experience.

AGENTS

Option 1

Individuals must meet (a) and (b).

- (a) Qualification Possess minimum academic qualification equivalent to or higher than 2 GCE “A” Level credit passes or Diploma in Business Studies; and
- (b) Experience Have the equivalent of 2 years relevant industry experience.

Option 2

- (a) Qualification Possess minimum academic qualification equivalent to or higher than a Certificate in Insurance; and
- (b) Experience Have the equivalent of 3 years relevant industry experience.

Option 3

Individuals who do not have formal qualifications as required by Option 1 may demonstrate that they are competent if they have at least 7 years relevant experience.

SUB - AGENTS

Option 1

- (a) Qualification Possess minimum academic qualification equivalent to or higher than 2 GCE “0” Level credit passes or 2 IGCSE Level credit passes or a pass on Foundation in Insurance; and

Option 2

Individuals who do not have formal qualifications as required by Option 1 may demonstrate that they are competent if they have at least 2 years relevant experience.

NOTES:

1. Relevant industry experience

In assessing the relevance of the individual's experience the Central Bank will take into account the duties and functions to be performed. The Central Bank will recognize experience that is closely related to the functions to be performed.

Relevant experience obtained overseas will be recognized.

2. Industry qualification

The Insurance industry qualification is not exhaustive. We advise individuals and Insurance entities to consult the Authority first before applying any such course.

Examples of relevant industry qualification can be viewed from the following link www.cii.co.uk