

Updates



November 2016

Updates – Draft of OJK Circular Letter on Micro Insurance Products and the Marketing of Micro Insurance Products

The OJK posted a draft of an OJK Circular Letter on Micro Insurance Products and the Marketing of Micro Insurance Products on the OJK's website at the end of October 2016 to obtain feedback from the public. This draft is meant to further regulate micro insurance products and their marketing which generally are provided in OJK Regulation No. 23/POJK.05/2015 on Insurance Products and Marketing of Insurance Products.

This draft regulation consists of the following sections:

- (a) The characteristics of micro insurance products, which are simple (*sederhana*), convenient (*mudah*), economical (*ekonomis*) and instant (*segera*).
- (b) The kinds of marketing channels of micro insurance products, which comprise of direct marketing, insurance agents, bancassurance, business entities other than banks (e.g., financing institutions and micro financial institutions) and marketers (e.g., individuals).
- (c) The requirements of marketing agreements.
- (d) The criteria of individuals who market micro insurance products.
- (e) The marketing of micro insurance products through digital or mobile technologies.
- (f) The required approval for marketing micro insurance products.
- (g) The operational guidelines of micro insurance products.