

Press Release

IRCSL Issues New Direction on the Sale of Insurance Products through Mobile Network Operators' (MNOs) and Fixed Line Operators' (FLOs)

The Insurance Regulatory Commission of Sri Lanka (IRCSL) has issued a new direction to ensure that the sale of insurance products through Mobile Network Operators (MNOs) and Fixed Line Operators (FLOs) is conducted with integrity, transparency, and in compliance with the highest industry standards for the protection of policyholders.

This direction will apply to all insurers and insurance brokers who utilize MNO and FLO platforms for marketing and selling insurance products. The direction emphasizes the importance of protecting policyholders and prospective policyholders by regulating the processes involved in selling insurance products via mobile and fixed-line operators, ensuring transparency in product offerings, data protection, and streamlined claims procedures.

The new direction introduces key regulatory measures requiring insurers to obtain approval from IRCSL for products marketed through MNO/FLO platforms. Insurers must also ensure transparency by providing clear and simplified product information, including details on claim procedures, dispute resolution mechanisms, and key policy features. Further, insurers are required to clearly disclose the customer onboarding process, detailing what customers need to do to purchase an insurance policy. Additionally, strict data protection measures must be implemented to prevent breaches, in accordance with the Personal Data Protection Act, No. 09 of 2022. MNOs and FLOs are strictly not authorized to market or sell insurance products.

This new direction shall come into force with effect from 22nd August 2024. A time period of four (04) months from its effective date has been given to insurers and brokers with existing arrangements to comply with the new direction.

This new direction reinforces IRCSL's commitment to protecting policyholders and prospective policyholders and ensuring that the insurance sector operates with integrity and transparency. For more information on the direction or to raise any concerns, policyholders are encouraged to visit the IRCSL website; www.ircsl.gov.lk.

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