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Insurance and Takaful Industry launches the Code of Practice pursuant to Personal Data Protection Act

Kuala Lumpur, 24 February 2017 – The **Life Insurance Association of Malaysia, Persatuan Insurans Am Malaysia** and the **Malaysian Takaful Association** together with the **Personal Data Protection Department of Malaysia** (PDP Department) today launched the Code of Practice on Personal Data Protection for the insurance and takaful industry (the Code) in a signing ceremony held at Lanai Kijang, Bank Negara Malaysia, Kuala Lumpur.

The PDP Department was represented by its Commissioner, Yang Berusaha Puan Khalidah bt Mohamad Darus while the three Associations were represented by Mr Toi See Jong, President of LIAM, Mr Antony Lee, Chairman of Persatuan Insurans Am Malaysia (PIAM) and Encik Muhammad Fikri bin Mohamad Rawi, Chairman of Malaysian Takaful Association of Malaysia (MTA). The launching and signing ceremony was also witnessed by Director, Insurance Development Department of Bank Negara Malaysia, Mr Yoon Yew Khuen.

Speaking at the signing ceremony, Chairman of the Task Force on Personal Data Protection Act for the insurance and takaful industry, YBhg Datin Veronica Selvanayagy said the Code is the result of an industry-led effort to establish strict procedures to safeguard the use of personal data in the life insurance, general insurance and takaful businesses.

“Following the implementation of the PDPA on 15 November 2013, the industry took the initiative to form a task force to look into its standard operating procedures and compliance framework to abide by the seven principles outlined in the Code of Privacy Practice in relation to the Personal Data Protection Act.

The personal information of customers and policyholders under life insurance, general insurance and takaful plan will be kept for decades. It is therefore important that we establish strict procedures to safeguard the use of this personal information,” she said.

“The Code sets out the best practice to harmonise the principles to safeguard personal information that is collected and processed and would only be disclosed to approve parties. It also addresses the rights of policyholders or data subjects and the penalty that will be imposed on failure to comply with the Act,” she added.

Apart from the requirements under the Code of Privacy Practice, all insurance companies and takaful operators have put up the privacy notices to their

policyholders and potential customers through various mediums such as websites, letters, announcements etc.

Significant progress has been made by insurers and takaful operators in training their staff and informing customers and policyholders of the importance of the Act. The campaigns and roadshows organised by the Personal Data Protection Department on a nationwide basis have been extremely useful in creating public awareness on personal data protection.

Moving forward, with the implementation of the Code, LIAM, PIAM and MTA hope that it would further elevate the service standard and professionalism of the insurance and takaful industry which would generally led to better business practices, instil faith in the minds of the customers and ensure the public's full trust and confidence in the integrity of the industry.

The Code is available on the websites of LIAM, PIAM and MTA.

ABOUT LIFE INSURANCE ASSOCIATION OF MALAYSIA (LIAM)

LIAM is a trade association registered under the Societies Act 1996. LIAM has a total of 16 members, of which 14 are life insurance companies and 2 life reinsurance companies. More information on LIAM can be obtained at www.liam.org.my.

ABOUT PERSATUAN INSURANS AM MALAYSIA (PIAM)

PIAM is the national trade association of all licensed direct and reinsurance companies for general insurance in Malaysia. Currently, PIAM has 28 member companies. More information on PIAM can be obtained from its Web site: www.piam.org.my.

ABOUT MALAYSIAN TAKAFUL ASSOCIATION (MTA)

MTA is a trade association for the Takaful industry in Malaysia. MTA has a total of 15 members and is dedicated in promoting the interest of its members and to supervise the exercise of self-regulation within the Takaful industry. More information on MTA can be obtained at www.malysiantakaful.com.my.