



TRAINING AND COMPETENCY MODULE

MODULE	TC (Training and Competency)
Table of Contents	

		Date last changed
TC-A	Introduction	
	TC-A.1 Purpose	2020
	TC-A.2 Module History	2020
TC-B	Scope of Application	
	TC-B.1 Scope	2020
TC-1	Requirements for Controlled Functions	
	TC-1.1 Controlled Functions	2020
	TC-1.2 Continuous Professional Development Training (“CPD”)	2020
TC-2	General Requirements	
	TC-2.1 Recruitment and Assessing Competence	2020
	TC-2.2 Training and Maintaining Competence	2020
	TC-2.3 Transitional Period	2020
	TC-2.4 Record Keeping	2020
APPENDICES		
Appendix TC-1	Qualifications and Core Competencies	2020
Appendix TC-2	Professional Bodies and Qualifications	2020

MODULE	TC: Training and Competency
CHAPTER	TC-A: Introduction

TC-A.1 Purpose

Executive Summary

- TC-A.1.1 This Module provides Rules and Guidance to insurance licensees to ensure satisfactory levels of competence, in terms of an individual's knowledge, skills, experience and professional qualifications. Insurance licensees are required to demonstrate that approved persons including individuals undertaking controlled functions are sufficiently competent, and are able to undertake their respective roles and responsibilities. Insurance licensees must maintain the competence to provide regulated insurance services as outlined in Section AU-1.4. Individuals occupying controlled functions as outlined in Paragraph AU-1.2.2, must therefore meet minimum levels of training and experience related to their functions.
- TC-A.1.2 The Rules build upon Principles 3 and 9 of the Principles of Business (see Module PB (Principles of Business). Principle 3 (Due Skill, Care and Diligence) requires insurance licensees and approved persons to observe high standards of integrity and fair dealing, and to be honest and straightforward in its dealings with clients. Principle 9 (Adequate Resources) requires insurance licensees to maintain adequate human, financial and other resources sufficient to run its business in an orderly manner.
- TC-A.1.3 Condition 4 of the Central Bank of Bahrain's ('CBB') Licensing Conditions (Chapter AU-2.4) and Chapter AU-3 (Approved Persons Conditions) of Module AU impose further requirements. To satisfy Condition 4 of the CBB's Licensing Conditions, an insurance licensees staff, taken together, must collectively provide a sufficient range of skills and experience to manage the affairs of the licensee in a sound and prudent manner (AU-2.4). This condition specifies that insurance licensees must ensure their employees meet any training and competency requirements specified by the CBB. Chapter AU-3 (Approved Persons Conditions) of Module AU sets forth the 'fit and proper' requirements in relation to competence, experience and expertise required by approved persons; this Chapter specifies various factors that the CBB takes into account when reaching such a decision.

Legal Basis

- TC-A.1.4** This Module contains the Central Bank of Bahrain's ('CBB') Directive, as amended from time to time, relating to training and competency and is issued under the powers available to the CBB under Articles 38 and 65(b) of the Central Bank of Bahrain and Financial Institutions Law 2006 ('CBB Law'). The Directive in this Module is applicable to all insurance licensees.
- TC-A.1.5 For an explanation of the CBB's rule-making powers and different regulatory instruments, see Section UG-1.1.

MODULE	TC: Training and Competency
CHAPTER	TC-A: Introduction

TC-A.2 Module History

TC-A.2.1 This Module was first issued in August 2020. Any material changes that have subsequently been made to this Module are annotated with the calendar quarter date in which the change was made. UG-3 provides further details on Rulebook maintenance and version control.

TC-A.2.2 A list of recent changes made to this Module is provided below:

Module Ref.	Change Date	Description of Changes

TC-A.2.3 Guidance on the implementation and transition to Volume 3 (Insurance) is given in Module ES (Executive Summary).

MODULE	TC: Training and Competency
CHAPTER	TC-B: Scope of Application

TC-B.1 Scope

TC-B.1.1 This Module applies to all insurance licensees authorised in the Kingdom. It covers the training and competency requirements for approved persons (See Chapter TC-1).

TC-B.1.2 In the case of an overseas insurance licensee, the application of this Module is restricted to its Bahrain operations.

TC-B.1.3 Persons authorised by the CBB to undertake a controlled function prior to the issuance of Module TC do not need to reapply for authorisation.

TC-B.1.4 The requirements of this Module apply to approved persons in connection with the insurance licensees regulated insurance services, or under a contract of service.

TC-B.1.5 In the case of outsourcing arrangements, the insurance licensee should refer to the competency requirements, outlined in Appendix TC-1 for approved persons, for assessing the suitability of the outsourcing provider.

TC-B.1.6 Insurance licensees must satisfy the CBB that individuals undertaking a controlled function position for it or on its behalf are suitable and competent to carry on that position.

TC-B.1.7 In implementing this Module, insurance licensees must ensure that individuals appointed/recruited to perform controlled functions:

- (a) Hold suitable qualifications and experience appropriate to the nature of the business;
- (b) Remain competent for the work they do; and
- (c) Are appropriately supervised.



MODULE	TC:	Training and Competency
CHAPTER	TC-1:	Requirements for Controlled Functions

TC-1.1 Controlled Functions

TC-1.1.1

Individuals occupying controlled functions (refer to Section AU-1.2) in an insurance licensee must be qualified and suitably experienced for their specific roles and responsibilities. The approved persons are those of:

- (a) Board Member/ Director;
- (b) Chief Executive Officer or General Manager and their Deputies;
- (c) Chief Financial Officer and/or Head of Finance;
- (d) Compliance Officer;
- (e) Chief Risk Officer/ Head of Risk Management;
- (f) Head of Internal Audit;
- (g) Internal Shari'a Reviewer (where applicable);
- (h) Head of Underwriting;
- (i) Head of Claims;
- (j) Head of Sales and Marketing/Head of Business Development
- (k) Heads of other Functions (including IT and HR functions);
- (l) Money Laundering Reporting Officer/ Deputy Money Laundering Reporting Officer;
- (m) Unit-linked investment adviser (where applicable); and
- (n) Signing Actuary (where the function is undertaken by a Director or an employee of the insurance firm).

TC-1.1.2

An insurance licensee must take reasonable steps to ensure that individuals holding controlled functions are sufficiently knowledgeable about their respective fields of work to be able to guide and supervise operations that fall under their responsibilities. Competence must be assessed on the basis of experience and relevant qualifications described in Appendix TC-1 as a minimum. However, the CBB reserves the right to impose a higher level of qualifications as it deems necessary.

Board Member/ Director

TC-1.1.3

Board members/ Directors collectively are responsible for the business performance and strategy of the insurance licensee, as outlined in more details in Section HC-1.2.

TC-1.1.4

When taken as a whole, the board of directors of an insurance licensee must be able to demonstrate that it has the necessary skills and expertise, as outlined in Paragraphs HC-1.2.4.

MODULE	TC: Training and Competency
CHAPTER	TC-1: Requirements for Controlled Functions

TC-1.1 Controlled Functions (continued)

Chief Executive Officer or General Manager and their Deputies

TC-1.1.5 The Chief Executive Officer or General Manager and their deputies (as appropriate) is responsible for the executive management and performance of the insurance licensee within the framework or delegated authorities set by the Board, and is outlined in more details in Paragraph HC-6.3.4.

Chief Financial Officer/ Head of Finance

TC-1.1.6 The Chief Financial Officer/Head of Finance is responsible for directing the insurance licensee's financial function, including ensuring that the relevant accounting treatment is applied to all of the activities of the insurance licensee in a timely manner. The scope of authority of the CFO/ Head of Finance is outlined in more detail in Subparagraph HC-6.3.2 (b).

Compliance Officer

TC-1.1.7 In accordance with Paragraph AU-1.2.11A, an employee of appropriate standing must be designated by insurance licensees for the position of compliance officer. The duties of the compliance officer, who must have Bahraini residency, include:

- (a) Having responsibility for oversight of the licensee's compliance with the requirements of the CBB; and
- (b) Reporting to the licensee's Board in respect of that responsibility.

Chief Risk Officer/ Head of Risk Management

TC-1.1.8 The Chief Risk Officer/ Head of Risk Management is responsible for the management and control of all risk exposures arising from the activities of the insurance licensee.

Head of Internal Audit

TC-1.1.9 The Head of Internal Audit is responsible for providing independent and objective review on the adequacy and effectiveness of the holistic internal control environment within the insurance licensee. The duties of the head of internal audit are outlined in more detail in Subparagraph HC-6.3.2 (d).



MODULE	TC: Training and Competency
CHAPTER	TC-1: Requirements for Controlled Functions

TC-1.1 Controlled Functions (continued)

Internal Shari'a Reviewer

TC-1.1.10

The Internal Shari'a reviewer in an insurance licensee, dealing with Islamic products and services, is responsible for the examination of the extent of an insurance licensee compliance, in all its activities, with the Shari'a. This examination includes contracts, agreements, policies, products, transactions memorandum and articles of association, financial statements, reports (especially internal audit and central bank inspection), circulars etc. The objective of the internal Shari'a review is to ensure that the activities carried out by an insurance licensee do not contravene the Shari'a. This role is outlined in more detail in Paragraph AU-1.2.11B.

Head of Underwriting

TC-1.1.11

The Head of Underwriting function is involved in portfolio analysis and to manage the underwriting process such as risk assessment, pricing and negotiation with the broker or clients. The Head of Underwriting should ensure effective oversight and guidance of underwriting risk in line with the insurance licensees risk appetite and policies and procedures.

Head of Claims

TC-1.1.12

The Head of Claims function is responsible for directing and overseeing the operations of an insurance claims function to meet operational, financial and service requirements. The Head of Claims should ensure effective oversight and control of settlements in line with the insurance licensees risk appetite and policies and procedures. Moreover, the Head of Claims are involved in strategic processing and payment of claims and are often involved in sets policies on insurance claims.



MODULE	TC: Training and Competency
CHAPTER	TC-1: Requirements for Controlled Functions

TC-1.1 Controlled Functions (continued)

Head of Sales and Marketing/Head of Business Development

TC-1.1.13

The Head of Sales and Marketing/Head of Business Development is responsible for implementing the corporate strategy; marketing, sales and public relations. He/ she is responsible for developing and overseeing the marketing campaigns, social media accounts, digital marketing channels and other marketing plans. He/ she ensures innovation in product design and developments and conduct behavioural and trend analysis. He/ she engages directly with customers and ensures services provided to customers are in line with insurance licensees policies and procedures and with industry best practices.

Heads of other Functions

TC-1.1.14

Heads of other functions are responsible for tracking specific functional performance goals in addition to identifying, managing, and reporting critical organisational issues upstream. Certain functions require dealing directly with customers while others do not. Both categories of functions, however, require specific qualifications and experience to meet the objectives as well as compliance requirements of the insurance licensee.

TC-1.1.15

For purposes of Paragraph TC-1.1.15, insurance licensees should contact the CBB should they require further clarification on whether a specific position falls under the definition of “Heads of other Functions”.

Money Laundering Reporting Officer (MLRO) / Deputy Money Laundering Reporting Officer (DMLRO)

TC-1.1.16

The attributes and responsibilities of the MLRO/ DMLRO are described more fully in Paragraphs FC-3.1.9 and FC-3.2.1.

MODULE	TC: Training and Competency
CHAPTER	TC-1: Requirements for Controlled Functions

TC-1.1 Controlled Functions (continued)

Unit-Linked Investment Adviser

TC-1.1.17

A Unit-Linked Investment Adviser refers to the function of advising clients on contracts that are, by their nature, investment products, including, but not limited to pension and retirement products.

Signing Actuary

TC-1.1.18

A Signing Actuary is appointed to provide professional opinion and report on an insurance firm's actuarial evaluation; level of reserves that should be held in order to meet potential insurance liabilities. The signing actuary may be a Director or employee of the licensee and are accredited by an internationally recognised organisation.



MODULE	TC: Training and Competency
CHAPTER	TC-1: Requirements for Controlled Functions

TC-1.2 Continuous Professional Development Training (“CPD”)

CPD

- TC-1.2.1** All individuals holding controlled functions in an insurance licensee must undergo a minimum of 15 hours of CPD per annum.
- TC-1.2.2** The insurance licensee must ensure that an approved person undertaking a controlled function is being supervised and undergoes appropriate review and assessment of performance.
- TC-1.2.3 The level of supervision should be proportionate to the level of competence demonstrated by the approved person. Supervision will include, as appropriate:
- (a) Reviewing and assessing work on a regular basis; and
 - (b) Coaching and assessing performance against the competencies necessary for the role.
- TC-1.2.4 Supervisors of approved persons should have technical knowledge and relevant skills, e.g. coaching and assessment skills.

MODULE	TC: Training and Competency
CHAPTER	TC- 2: General Requirements

TC-2.1 Recruitment and Assessing Competence

Recruitment and Appointment

- TC-2.1.1** If an insurance licensee recruits or promotes an individual to undertake a controlled function, it must satisfy itself, where appropriate, of such individual's relevant qualifications and experience.
- TC-2.1.2** For purposes of Paragraph TC-2.1.1 insurance licensees must file Form 3 (Approved Persons) with the CBB and obtain the express written approval of the CBB for that person to occupy the desired position. In its application, the insurance licensee must demonstrate to the CBB that full consideration has been given to the qualifications and core competencies for controlled functions in Appendix TC-1 (See Article 65(b) of the CBB Law).
- TC-2.1.3 Insurance licensees should refer to Module AU (Authorisation) providing detailed requirements on the appointment of individuals occupying controlled functions (approved persons).
- TC-2.1.4 An insurance licensee proposing to recruit or appoint an individual has to satisfy itself, of his/her relevant qualifications and experience. The insurance licensee should:
- Take into account the knowledge and skills required for the role, in addition to the nature and the level of complexity of the controlled function; and
 - Take reasonable steps to obtain sufficient information about the individual's background, experience, training and qualification.



MODULE	TC: Training and Competency
CHAPTER	TC- 2: General Requirements

TC-2.1 Recruitment and Assessing Competence (continued)

Assessing Competence

TC-2.1.5

Insurance licensees must not allow an individual to undertake or supervise controlled functions unless that individual has been assessed by the insurance licensee as competent in accordance with this Section.

TC-2.1.6 In determining an individual's competence, insurance licensees may assess if the person is fit and proper in accordance with Chapter AU-3.

TC-2.1.7

Insurance licensees must assess individuals as competent when they have demonstrated the ability to apply the knowledge and skills required to perform a specific controlled function.

TC-2.1.8 The assessment of competence will be dependent on the nature and the level of complexity of the controlled functions. Such assessment of competence of new personnel may take into account the fact that an individual has been previously assessed as competent in a similar controlled functions.

TC-2.1.9 If an insurance licensee assesses an individual as competent in accordance with TC-2.1.7 to perform a specific controlled function, it does not necessarily mean that the individual is competent to undertake other controlled functions.

TC-2.1.10 An insurance licensee should use methods of assessment that are appropriate to the controlled functions as it relates to the individual's role.



MODULE	TC: Training and Competency
CHAPTER	TC- 2: General Requirements

TC-2.2 Training and Maintaining Competence

TC-2.2.1 An insurance licensee must annually determine the training needs of individuals undertaking controlled functions. It must develop a training plan to address these needs and ensure that training is planned, appropriately structured and evaluated.

TC-2.2.2 The assessment and training plan described in Paragraph TC-2.2.1 should be aimed at ensuring that the relevant controlled functions maintains competence in the position. An individual can develop skills and gain experience in a variety of ways. These could include on the job learning, individual study, and other methods. In almost every situation, and for most individuals, it is likely that competence will be developed most effectively by a mixture of training methods.

TC-2.2.3 The training plan of insurance licensees must include a programme for continuous professional development training ("CPD") for their controlled functions.

TC-2.2.4 Approved persons may choose to fulfil their CPD requirements by attending courses, workshops, conferences and seminars at local or foreign training institutions.

TC-2.2.5 The annual training required under Paragraph TC-2.2.1 must also include the quarterly updates, if any, to the CBB Volume 3 (Insurance) Rulebook, in areas relevant to each controlled function.

TC-2.2.6 Insurance licensees should maintain appropriate training records for each individual. Licensees should note how the relevant training relates to and supports the individual's role. Training records may be reviewed during supervisory visits to assess the insurance licensees systems and to review how the licensee ensures that its staff are competent and remain competent for their roles.

Maintaining Competence

TC-2.2.7 An insurance licensee must make appropriate arrangements to ensure that controlled functions maintain competence.

TC-2.2.8 An insurance licensee should ensure that maintaining competence for an approved person takes into account:

- (a) Application of technical knowledge;
- (b) Application and development of skills; and
- (c) Any market changes and changes to products, legislation and regulation.

TC-2.2.9 An insurance licensee may utilise the CPD schemes of relevant professional bodies to demonstrate compliance with TC-2.2.1. In-house training, seminars, conferences, further qualifications, product presentations, computer-based training and one-to-one tuition may also be considered to demonstrate compliance with Paragraph TC-2.2.1.



MODULE	TC: Training and Competency
CHAPTER	TC- 2: General Requirements

TC-2.3 Transitional Period

TC-2.3.1 The requirements of Module TC for insurance licensees are effective from the issuance date of this Module.

TC-2.3.2 New applications for approved persons are subject to the requirements of this Module (See Paragraph TC-B.1.4).

TC-2.3.3 Approved persons occupying controlled functions at the time this Module is issued will be grandfathered and not subject to the requirements of this Module, with the exception of CPD requirements in Paragraph TC-1.2.1. However, should the approved person move to another controlled function, Paragraph TC-2.3.4 will apply.

TC-2.3.4 In instances, where an approved person in one insurance licensee moves to another insurance licensee and occupies the same position, the CBB will exercise its discretion on whether to grandfather such approved person from the required qualifications and competencies outlined in Appendix TC-1 into the new insurance licensee. The grandfathering criteria used by the CBB will include a comparison of the scope and size of both positions. This will also apply in instances where an approved person in one insurance licensee moves from one department to another within the same insurance licensee.



MODULE	TC: Training and Competency
CHAPTER	TC- 2: General Requirements

TC-2.4 Record Keeping

- TC-2.4.1** An insurance licensee must make and retain updated records of:
- (a) The annual training plan for each controlled function;
 - (b) Materials used to conduct in-house training courses;
 - (c) List of participants attending such in-house training courses;
 - (d) Results of evaluations conducted at the end of such training courses.
 - (e) The criteria applied in assessing competence;
 - (f) How and when the competence decision was arrived at; and
 - (g) Record of CPD hours undertaken by each approved person.

TC-2.4.2 For purposes of Paragraph TC-2.4.1, the record keeping requirements apply to both current employees as well as to employees following termination of their services or employment with the insurance licensee, for a minimum period of five years.

- TC-2.4.3** An insurance licensee must maintain records of its recruitment and appointment procedures for approved persons for a minimum period of five years following termination of their services or employment with the insurance licensee. Such procedures should be designed to adequately take into account proof of the candidates' knowledge and skills and their previous activities and training.

TC-2.4.4 For purposes of Paragraph TC-2.4.3, the recruitment record keeping procedure should include, but is not limited to, the following:

- (a) Results of the initial screening;
- (b) Results of any employment tests;
- (c) Results and details of any interviews conducted;
- (d) Background and references checks; and
- (e) Details of any professional qualifications.



MODULE	TC: Training and Competency
CHAPTER	Appendices: Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Board Member/ Director	Board members should have: (a) A clear understanding of the role and responsibilities associated with this position; (b) Sufficient experience to demonstrate sound business decision-making; (c) Good understanding of the industry; and (d) Good understanding of the industry's regulatory environment.	Competence could be demonstrated by: (a) A minimum experience of 7 years in business and/or government/quasi government of which at least 5 years at a senior management level; and (b) An academic degree from a university at bachelor level or higher and/or a relevant professional qualification.
Chief Executive Officer or General Manager and their Deputies	The Chief Executive Officer or General Manager and their Deputies should have: (a) A clear understanding of the role and responsibilities associated with this position; (b) Strong understanding of Insurance business and the wider industry; (c) Good understanding of the industry's regulatory environment; (d) Relevant experience and qualifications associated with such executive responsibilities; and (e) The necessary professional and leadership capabilities which qualify him for this position.	Competence could be demonstrated by: (a) A minimum experience of 10 years in the insurance industry of which at least 5 years is at a senior management level in the insurance industry; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to insurance, accounting or finance and other relevant certification(s) specific to this role. Such professional qualifications may include but are not limited to: (i) Advanced Diploma in Insurance (ACII), Chartered Insurance Institute (<i>general and life insurance</i>); (ii) Advanced Diploma in Financial Planning, Chartered Institute of Insurance (<i>life insurance</i>); (iii) Fellow, Life Management Institute (FLMI), Life Office Management Association (LOMA) (<i>life insurance</i>); and/or (iv) Fellowship (F.I.I.I), Insurance Institute of India (I.I.I) (<i>general and life insurance</i>).



MODULE	TC: Training and Competency
CHAPTER	Appendices: Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Chief Financial Officer/ Head of Finance	<p>The Chief Financial Officer/ Head of Finance should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Good understanding of Insurance business and the wider industry; (c) Strong understanding of the industry's regulatory environment; (d) The relevant experience and qualifications to fulfil his responsibilities; and (e) Strong knowledge and understanding of international accounting standards and how they are applied in a business context, including IFRS. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 10 years of practical experience in a finance function of which at least 5 years within the insurance industry. Experience of external audit within the insurance industry will also be considered as part of the minimum experience requirements; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to accounting or finance and other relevant certification(s) specific to this role. Such professional qualifications may include but are not limited to: <ul style="list-style-type: none"> (i) Affiliate, The Association of Chartered Certified Accountants (ACCA); (ii) Certified Public Accountant (CPA), The Association of International Certified Professional Accountants (AICPA); (iii) Associate Chartered Accountant (ACA), Institute of Chartered Accountants in England and Wales (ICAEW); (iv) Chartered Financial Analyst (CFA); and/or (v) Certified Islamic Professional Accountant (CIPA) from AAOIFI (For Takaful companies).



MODULE	TC: Training and Competency
CHAPTER	Appendices: Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Compliance Officer	<p>A Compliance Officer should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) An appropriate level of experience and standing to demonstrate suitable independence from other functions within the <u>Insurance Licensee</u>; (c) Good understanding of the industry; and (d) Strong understanding of the industry's applicable regulatory requirements. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 5 years of relevant experience in compliance in the insurance industry, financial institution or financial regulator; (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to accounting or finance and other relevant certification(s) specific to this role. Such professional qualifications may include but are not limited to: <ul style="list-style-type: none"> (i) Certified Insurance Supervisor (CIS) qualification, Bahrain Institute of Banking and Finance (BIBF); and/or (ii) International Diploma in Governance, Risk and Compliance, International Compliance Association (ICA).
Chief Risk Officer/ Head of Risk Management	<p>The Chief Risk Officer/ Head of Risk Management should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) An appropriate level of experience and standing to demonstrate suitable independence from other functions within the <u>insurance licensee</u>; (c) Good understanding of insurance business and the wider industry; (d) Good understanding of the industry's regulatory environment; and (e) The relevant experience and qualifications to fulfill his responsibilities. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 7 years of practical experience in a financial institution of which at least 5 years in a risk management position within the insurance industry; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to actuary, accounting or finance and other relevant certification(s) specific to this role. Such professional qualifications may include but are not limited to: <ul style="list-style-type: none"> (i) Associate in Risk Management (ARM), The institutes; (ii) International Diploma in Risk Management, Institute of Risk Management qualifications (IRM); (iii) Financial Risk Manager (FRM), Global Association of Risk Professionals (GARP); and/or (iv) Professional Risk Manager (PRM), Professional Risk Managers' International Association (PRIMA).



MODULE	TC:	Training and Competency
CHAPTER	Appendices:	Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Head of Internal Audit	<p>The Head of Internal Audit should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) An appropriate level of experience and standing to demonstrate suitable independence from other functions within the <u>insurance licensee</u>; (c) Good understanding of insurance business and the wider industry; (d) Good understanding of the industry's regulatory environment; (e) The relevant accounting and auditing experience and qualifications to fulfil his responsibilities; and (f) A demonstrable knowledge and understanding of the Standards for the Professional Practice of Internal Audit. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 7 years of practical experience in a relevant role in financial institution. Experience of external audit within the insurance industry will also be considered as part of the minimum experience requirements; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to audit, accounting or finance and other relevant certification(s) specific to this role. Such professional qualifications may include but are not limited to: <ul style="list-style-type: none"> (i) Certified Internal Auditor (CIA), Institute of Internal Auditors (IIA); (ii) Affiliate, The Association of Chartered Certified Accountants (ACCA); (iii) Certified Public Accountant (CPA), (iv) The Association of International Certified Professional Accountants (AICPA); (v) Associate Chartered Accountant (ACA), Institute of Chartered Accountants in England and Wales (ICAEW).



MODULE	TC: Training and Competency
CHAPTER	Appendices: Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Internal Shari'a Reviewer	<p>The Internal Shari'a Reviewer should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Have the relevant accounting and auditing experience and qualifications to fulfil his/her responsibilities; and (c) Have appropriate level of knowledge in Shari'a rules and principles, AAOIFI Shari'a standards and Islamic finance. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 5 years of experience as an Internal Shari'a audit function with an <u>insurance licensee</u> or financial institution dealing with Islamic products and services; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) and other relevant certification(s) specific to this role. Such professional qualifications may include but are not limited to: <ul style="list-style-type: none"> (i) Certified Islamic Professional Accountant (CIPA), Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI); (ii) BIBF Advanced Diploma in Islamic Commercial Jurisprudence (ADICJ); (iii) BIBF Advanced Diploma in Islamic Finance (ADIF); and/or (iv) Certified Shari'a Advisor & Auditor (CSAA), Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI).



MODULE	TC: Training and Competency
CHAPTER	Appendices: Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Head of Underwriting	<p>The Head of Underwriting should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; and (b) Strong understanding of the licensee's business and the broader industry; and (c) Good understanding of the industry's regulatory environment. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 7 years of practical experience in an underwriting or comparable function (<i>underwriting/claims</i>) within the insurance industry; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to underwriting and claims and other relevant certification(s) specific to this role. Such certifications may include but are not limited to Insurance Management Diploma, Bahrain Institute for Banking and Finance (BIBF) in combination with BIBF Professional Award for Certified Insurance Practitioner (BPACIP) and BIBF Professional Award for Specialist Insurance Practitioner (BPASIP).
Head of Claims	<p>The Head of Claims should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Relevant claims management experience to ensure policyholder(s) receives fair and equitable settlement for their loss; (c) Relevant experience in dealing with customers in a professional manner; (d) Strong understanding of the licensee's business and the broader industry; and (e) Good understanding of the industry's regulatory environment. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 7 years of practical experience in a claims management or comparable function (<i>claims/underwriting</i>) within the insurance industry; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to underwriting and claims and other relevant certification(s) specific to this role. Such certifications may include but are not limited to Insurance Management Diploma, Bahrain Institute for Banking and Finance (BIBF) in combination with BIBF Professional Award for Certified Insurance Practitioner (BPACIP) and BIBF Professional Award for Specialist Insurance Practitioner (BPASIP).



MODULE	TC: Training and Competency
CHAPTER	Appendices: Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Head of Sales and Marketing/ Head of Business Development	<p>The Head of Sales and Marketing/ Head of Business Development should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Relevant experience to provide suitable recommendation(s) and advise(s) to policyholders; (c) Sufficient experience to exercise high standards of integrity and honesty by disclosing fully all relevant information to customers and effectively managing any conflict(s) of interest that rises; (d) Strong understanding of the licensee's business and the broader industry; and (e) Good understanding of the industry's regulatory environment. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 7 years of practical experience in a relevant role within the insurance industry; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) related to sales marketing and other relevant certification(s) specific to this role.
Heads of other Functions	<p>Heads of other Functions should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Strong understanding of the licensee's business and the broader industry; (c) Good understanding of the industry's regulatory environment; and (d) The relevant experience and qualifications to fulfil their responsibilities. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum of 5 years of practical experience in a comparable function within the insurance industry; and (b) An academic degree from a university at bachelor level or higher in addition to professional qualification(s) and other relevant certification(s) specific to this role.



MODULE	TC:	Training and Competency
CHAPTER	Appendices:	Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Money Laundering Reporting Officer (MLRO)/ Deputy Money Laundering Reporting Officer (DMLRO)	<p>The MLRO /DMLRO should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Understand the business of the <u>insurance licensee</u> and how the Anti Money Laundering framework applies to it; (c) Demonstrate independence from insurance staff who deal directly with customer; and (d) A thorough knowledge of the financial industry and be familiar with relevant FATF and applicable domestic regulatory requirements. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) An MLRO/ DMLRO should have a minimum experience of 5 years in the financial services industry of which at least 3 years of experience in anti-money laundering or anti-money laundering related role. (b) The MLRO/ DMLRO should have: <ul style="list-style-type: none"> (i) A degree from a university at bachelor level or higher or a relevant professional qualification; and (ii) Relevant certification(s) specific to this role. Such certifications may include but are not limited to: <ol style="list-style-type: none"> 1) Certified Anti-Money Laundering Specialist Examination, Association of Certified Anti-Money Laundering (ACAMS); 2) Diploma in Anti-Money Laundering, International Compliance Association (ICA); 3) International Diploma in Financial Crime Prevention, International Compliance Association (ICA); and/or 4) International Advanced Certificate in Compliance and Financial Crime, International Compliance Association (ICA).

MODULE	TC: Training and Competency
CHAPTER	Appendices: Appendix TC-1

Role	Core Competencies	How can competence be demonstrated?
Unit-linked investment adviser	<p>A Unit-linked investment adviser should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Strong understanding of unit-linked products, capital markets, latest product offering, and working knowledge of the various insurance investment vehicles; (c) Strong understanding of the licensee's business and the broader industry; and (d) Good understanding of the industry's regulatory environment. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum experience of 3 years in a relevant role; and (b) A minimum of a diploma level qualification from a university or above in investment/finance/ insurance or equivalent with the following minimum standard certification: <ul style="list-style-type: none"> (i) Diploma in Regulated Financial Planning, Chartered Insurance Institute (CII); and (ii) Associate (ALMI), Life Management Institute (LOMA).
Signing Actuary	<p>A Signing Actuary should have:</p> <ul style="list-style-type: none"> (a) A clear understanding of the role and responsibilities associated with this position; (b) Strong understanding of the various actuarial techniques relevant to the classes of business undertaken by the licensee; and (c) Strong understanding of the licensee's business and the broader industry; and (d) Good understanding of the industry's regulatory environment. 	<p>Competence could be demonstrated by:</p> <ul style="list-style-type: none"> (a) A minimum experience of 5 years in an actuarial role; and (b) A professional qualification(s) related to actuary and other relevant certification(s) specific to this role. Such professional qualifications may include but are not limited to: <ul style="list-style-type: none"> (i) Fellow of Institute of Actuaries (FIA) or Fellow of Faculty of Actuaries (FFA), the Institute and Faculty of Actuaries; and (ii) Fellow of Society of Actuaries (FSA), the Society of Actuaries. (c) An active membership of Institute of the Faculty of Actuaries, UK; Society of Actuaries, USA; or other recognized equivalent actuarial institution.

MODULE	TC:	Training and Competency
CHAPTER	Appendices:	Appendix TC-2

Relevant Professional Bodies

- (a) Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)
- (b) American Institute of Certified Public Accountants (AICPA), USA
- (c) Association Cambiste Internationale (ACI), France
- (d) Association of Certified Anti-Money Laundering Specialists (ACAMS), USA
- (e) Association of Chartered Certified Accountants (ACCA), UK
- (f) Bahrain Institute of Banking and Finance (BIBF), Bahrain
- (g) Chartered Financial Analyst (CFA) Institute , USA
- (h) Chartered Alternative Investment Analyst Association (CAIA)
- (i) Chartered Institute for Securities & Investment (CISI)
- (j) Institute of Chartered Accountants in England and Wales (ICAEW), UK
- (k) Institute of Internal Auditors (IIA);
- (l) Institute of Risk Management qualifications (IRM)
- (m) Insurance Institute of India (I.I.I), India
- (n) International Compliance Association (ICA), UK
- (o) Life Office Management Association (LOMA), USA
- (p) Society of Actuaries, USA
- (q) The Chartered Insurance Institute (CII), UK
- (r) The Institute and Faculty of Actuaries, UK
- (s) The Institutes, USA