

## **CASE does not compete with IDRO**

In the article “Prudential declines Case’s offers to mediate” (Straits Times, 17 June), Mr John Lockyer, the Life Insurance Association Executive Director, was quoted to have said “Case shouldn’t set itself up as a competing organisation in the mediation process.”

We disagree with LIA’s view.

CASE has been offering mediation service to consumers and businesses (including the insurance industry) since 1999, way before IDRO was set up. We provide one of the many alternative dispute resolution avenues that consumers can choose to help resolve their complaints. Our mediation service is our contribution to consumers, the business community and the Singapore economy.

CASE has a pool of trained and independent mediators, who are professionals and experts in their respective fields. In 2004, the Centre achieved a commendable success rate of 80% for the disputes referred to it for resolution. Twenty-one trade associations have signed MOUs with CASE to encourage their members to use our service. This is a firm endorsement of the service we provide.

IDRO and CASE are both non-profit organisations and we share the common objective of dispute resolution through the most efficient and cost-effective way. We are therefore deeply surprised that the LIA made such allegation and perceived CASE to be a competitor.

Contrary to what the LIA believed, CASE strongly supports IDRO. We were actively involved in the setting up of IDRO through the IDRO Steering Committee deliberations, and as CASE’s President, I continues to serve as a member of the IDRO Board together with representatives from LIA, GIA and AA.

We actively encourage our consumers to use the services of IDRO as IDRO offers adjudication should mediation fail. The consumer is further comforted by the fact that the decision of IDRO binds the insurer but not the consumer; the consumer is free to seek further recourse if he or she is not satisfied with the outcome. CASE in fact advocates for the same dispute resolution mechanism to be extended to the whole financial services sector and strongly support the setting up of the Financial Industry Dispute Resolution Centre.

Moving ahead, we hope LIA would spend more efforts to further strengthen consumer confidence. We strongly agreed with Mr Low Kwok Mun, the executive director of MAS insurance supervision arm that, 'to win the trust of consumers, insurers will have to enhance the transparency of the products they sell, especially what needs the individual products are meant to meet, and what the fees and charges of each product are.'

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