

INTRODUCTORY PRESENTATION

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Introduction about my department

- ▣ Financial regulatory department (FRD) under the Ministry of Planning and Finance was established on 1st September 2014 with the aim to regulate the non-bank financial sector in Myanmar.
- ▣ There are four operational divisions at FRD, namely;
 - Microfinance regulation & supervision division
 - Insurance regulation & supervision division
 - State-owned bank regulation & supervision division
 - State-owned lottery enterprise regulation & supervision

Insurance sector in Myanmar

- ▣ Insurance regulation & supervision division is one of the operational divisions at FRD.
- ▣ It supervises and regulates the private insurance companies in Myanmar.

- ▣ Insurance Business Law was enacted in 1996 and its rules were promulgated in the following year 1997
- ▣ Before 2013, Myanmar insurance market was monopolized by state-owned insurance enterprise called Myanma Insurance Enterprise (MI).
- ▣ Then, starting from 2013, Myanmar government has reformed the financial sector and so reforms have also made to insurance sector.

▣ As a result of reforming insurance sector, 11 local citizen-owned insurance companies were appeared;

(1) IKBZ Insurance Co.,Ltd.,

(2) AMI Co., Ltd.,

(3) GGI Co.,Ltd,

(4) First National Insurance Co.,Ltd,

(5) Excellent Fortune Insurance Co.,Ltd,

(6) Aung Myin Mol Min Insurance Co.,Ltd

- (7) Aungthitsaroo Insurance Co., Ltd
- (8) CB insurance Co.,Ltd
- (9) Global World Insurance Co.,Ltd
- (10) Capital Life insurance Co., Ltd
- (11) Young insurance Co.,Ltd

- ▣ Moreover, foreign insurance companies have also been allowed to open their representative offices in Myanmar.
- ▣ Now, there are 29 foreign representative offices in Myanmar, namely;
 - (1) Mitsui Sumitomo Insurance Co.,Ltd
 - (2) Sompo Japan Nippon Koa Insurance Co.,Ltd
 - (3) Tokio Marine Fire Insurance Co.,Ltd
 - (4) Taiyo Life Insurance Co.,Ltd
 - (5) Poe-Ma Insurance Co.,Ltd

- (6) AIA Company Limited
- (7) Pana Harrison (Asian) Pte.Ltd
- (8) CHUBB INA International Holdings Ltd
- (9) Prudential Holdings Limited
- (10) Manulife Asia Limited
- (11) Great Eastern Life Assurance Co.,Ltd
- (12) Metlife Financial Asia Limited
- (13) Willis (Singapore) Pte.Ltd
- (14) Maung Thai Life Assurance Public Co.,Ltd

- ▣ (15) K.M Dastur & Company Private Limited
- ▣ (16) Dongbu Insurance Co.,Ltd
- ▣ (17) The New India Assurance Company Limited
- ▣ (18) Allianz Global Corporate & Specialty SE
- ▣ (19) Jardine Lloyd Thompson Limited (JLT)
- ▣ (20) Shin Kong Life Insurance Co.,Ltd
- ▣ (21) Thai Life Insurance Public Co.,Ltd
- ▣ (22) MARSH (Singapore) Pte.,Ltd
- ▣ (23) AEGIS Management Consultants & Insurance Agency Co.,Ltd

- ▣ (24) Dai-Ichi Life Holding, Inc.
- ▣ (25) Grandiose Pte. Ltd
- ▣ (26) Asia Reinsurance Brokers Pte.Ltd (Broker)
(Singapore)
- ▣ (27) Maung Thai Insurance Co.,Ltd
- ▣ (28) MGA Asia Insurance Brokers Company
Limited
- ▣ (29) Nippon Life Asia Pacific (Regional HQ)
Pte.Ltd (Life) (Japan)

- ▣ Out of these foreign insurance companies, three Japanese companies have also been allowed to operate insurance businesses in Thilawa Special Economic Zone. They are;
 - (1) Sompo Japan Nipponkoa Ins.Co.,Ltd
 - (2) Tokio Marine Ins.Co.,Ltd
 - (3) Mitsui Sumitomo Ins.Co.,Ltd

The role of Financial regulatory department



- ▣ FRD granted licenses to the local citizen-owned insurance companies since 2013.
- ▣ Deputy Minister, H.E Maung Maung Win is the chairman of Insurance Business Regulatory Board (IBRB).
- ▣ The director general of FRD is the secretary of IBRB

▣ IBRB has been organized with the following persons-

- (1) Deputy Minister of MOPF - Chairman
- (2) A representative from the Central Bank - Member
- (3) A representative from the Attorney- General Office - Member
- (4) A representative from the Auditor-General Office - Member

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| (5) A representative from the Directorate of Investment and Company Administration | - | Member |
| (6) A representative from the Internal Revenue Department | - | Member |
| (7) Four Suitable citizenship Insurance Experts | - | Members |
| (8) Director General from the Financial Regulatory Department | - | Secretary |

Current status of Myanmar insurance sector

- ▣ Soon, foreign insurance companies will be granted licenses to transact insurance businesses in Myanmar according to the insurance liberalization roadmap.
- ▣ Insurance Business Law is amending with the aid of USAID and JICA

- ▣ The project on the development of insurance sector has been drawn with the cooperation by JICA and its record of discussion (RoD) was signed on 20th April, 2018.
- ▣ The project term is 2018 to 2020.
- ▣ According to this project, two new insurance experts from FSA, Japan has been dispatched to Myanmar in July during this year besides prior insurance chief expert, Mr. Tsuyoshi Saito.

- ▣ One is general insurance expert and another is life insurance expert.
- ▣ They will support for product development of Myanmar insurance sector.
- ▣ Moreover, legal task-force and accounting task-force have also been established with FRD's concerned officials and JICA's insurance experts.
- ▣ Besides, in September, under the guidelines of USAID, FRD's pilot team has gone on-site inspection to GGI in Yangon.

The objective of amending insurance business law

- ▣ To protect the policyholders' interest
- ▣ To develop insurance market in a sound and stable manner
- ▣ To support to the nation's economy by developing insurance market

Conclusion

- ▣ By liberalizing insurance sector in Myanmar, it can give protection to the policyholder's interest.
- ▣ To create job opportunities
- ▣ To flow foreign direct investment
- ▣ To support to the economic sector of Myanmar by promoting insurance status