

COMPASS* for the Future of Myanmar's Insurance Sector

Summary of the Progress Report



Provisional Translation
 November 21, 2019
 FSA, JICA, GIAJ, GIROJ, LIAJ, FALIA
 Japanese insurers with
 representative offices in Myanmar*

*Comprehensive Map of Proactive Assistance

Achievements

1. Financial soundness of insurance companies

- Conducted the first field test for every Myanmar insurance company with the aim of developing and implementing the model of insurance regulatory accounting standards and solvency regulations in the FY 2021.
- Held consultations with the authorities and the Myanmar Insurance Association (MIA) to prepare an environment conducive to insurers' asset management.

2. Development of insurance products

- Supported drafting a directive of general and life insurance product approval process.
- Supported drafting a directive of criteria in reviewing and approving life insurance product design.
- Supported development of Education Life Insurance product and Credit Life Insurance products by the MIA.
- Shared the issues concerning development of life tables with stakeholders.
- Supported data collection and capacity building for motor insurance premium rate verification.
- Supported drafting new motor insurance terms and conditions.

3. Revisions of insurance laws and regulations, etc.

- Supported updating the Insurance Business Law taking into account Myanmar's actual circumstances.
- Supported drafting directives of solicitation (agent, bancassurance, and brokers), reinsurance, and others related to product.

4. Capacity building of insurance authorities and the industry

- Made recommendations to strengthen the organizational structure of the authorities.
- Supported the MIA's insurance related enlightenment activities, research works as well as organization reinforcement.
- Conducted practical capacity building through on-the-job-trainings (OJTs) and joint visits to individual insurance companies, in addition to seminars and workshops including FSA's Global Financial Partnership Center (GLOPAC).

Action Points

- Initiate the second field test by around April 2020.
- Based on the test result, support specifying and issuing the directive by around June 2021.
- Continue consultations with the authorities and other stakeholders toward an improved asset management environment.
- Support issuing a directive of product approval process by around the end of November 2019.
- Support issuing a directive of life insurance product approval criteria by the first half of 2020 and drafting a directive of general insurance product approval criteria by around the end of September 2020.
- Support toward the approval process of new motor insurance terms and conditions. (Submit the short-term revision to the authorities by the end of March 2020.)
- Support accumulation of data for motor insurance and life tables by the MIA.
- Support submission of the new Insurance Business Law to the parliament in the first half of 2020.
- Support issuing directives of agent and bancassurance by around the end of November 2019.
- Support issuing a directive of reinsurance by around the end of November 2019.
- Continue knowledge accumulation and capacity building of the authorities and the industry through implementation of policies described from 1 to 3.
- Support MIA's enlightenment activities.

* Financial Services Agency (FSA), Japan International Cooperation Agency (JICA), General Insurance Association of Japan (GIAJ), General Insurance Rating Organization of Japan (GIROJ), Life Insurance Association of Japan (LIAJ), Foundation for the Advancement of Life & Insurance Around the world (FALIA), Mitsui Sumitomo Insurance, Sompo Japan Nipponkoa Insurance, Tokio Marine & Nichido Fire Insurance, Dai-ichi Life Group, Nippon Life Insurance, and Taiyo Life Insurance.