



The Republic of the Union of Myanmar  
Ministry of Planning, Finance and Industry  
Insurance Business Regulatory Board  
Office No (34) Nay Pyi Taw

Directive No. 3/ 2020  
11<sup>th</sup> Waxing of Tagu, 1381 ME  
( 4<sup>th</sup> March, 2020 )

**Directive for Approval of Insurance Products**

1. In exercise of the powers conferred under Sub-section (b) of Section 38 of the Insurance Business Law, the Insurance Business Regulatory Board (“IBRB”) hereby issues this Directive for Approval of Insurance Products.

**Objectives**

2. The objectives of this Directive are as follows:
- (a) Ensuring that the insurance products are in line with the objectives and the standards as prescribed by the Insurance Business Law, and the relevant regulations, orders and directives;
  - (b) Ensuring that the terms and conditions of the insurance policies are clear, fair, and not misleading to the customers and the intermediaries; and
  - (c) Ensuring that the premium and the terms and conditions of the insurance policies are prescribed in accordance with the calculations based on actuarial science, the Insurance Business Law and the relevant regulations.

## Approval of Insurance Products

### 3.

- (a) All insurers shall obtain the approval of the IBRB to introduce any new class of insurance products or to amend the terms and conditions of any approved class of insurance products. The insurer shall apply to the Financial Regulatory Department (“FRD”) for approval, by providing the following particulars:
- i. insurance policy (in both Myanmar language and English language);
  - ii. definitions of the terms;
  - iii. endorsements (i.e. additional coverage);
  - iv. detailed premium calculation;
  - v. technical insurance terms;
  - vi. exclusions from the insurance coverage;
  - vii. estimated premium and reserve calculations;
  - viii. insurance-related general provisions; and
  - ix. the appointed actuary’s report which includes the following information:
    - pricing assumptions
    - reserving methodology
    - profit test results
    - appointed actuary’s certification on the adequacy of premium rates and appropriateness of the assumptions and methodology used for pricing and reserving.
- (b) Any class of insurance products which have already been approved prior to the date of this Directive shall be governed by the letter no. FRD/IBRB 232/2020 issued by the IBRB dated 9 January 2020. Notwithstanding the foregoing, the IBRB shall be entitled to request for other additional information relating to such class of insurance products as it deems necessary for purposes of the regulation of the insurance business.

(c) Provided that the insurer submits an application with complete information for the approval of a new class of insurance products, the FRD shall submit to and obtain the approval of the IBRB within 90 days from the date of receipt of the application.

4. An insurer who intends to introduce any new class of insurance products or amend any approved class of insurance products may submit an application to the FRD, which shall state that the insurance premium and the terms and conditions of the insurance policies have been prescribed in accordance with actuarial science, the Insurance Business Law and the relevant regulations, and that the terms and conditions of the insurance policies are clear, fair, and not misleading to the customers and the intermediaries.

5. An insurer may submit an application to the IBRB for only one class of insurance products at any one time. Following the approval by the IBRB for a new class of insurance products, the insurer may submit an application for another new class of insurance products.

6. Where a new class of insurance products is of particular importance to the applicant insurer and should therefore be kept confidential, the insurer may directly inform the FRD accordingly. With respect to the approval of such new class of insurance products, the FRD shall comply with the approval process as set out in Paragraph 3.

Maung Maung Win  
Chairman  
Insurance Business Regulatory Board

Letter No: FRD/IBRB/ 033/2020

Date: 4<sup>th</sup> March, 2020

**Distribution to:**

Ministry of Planning, Finance and Industry

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By Order

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(Zaw Naing)

Secretary

Insurance Business Regulatory Board