Asia Pacific Insurance - Myanmar

| Contents |
| --- |
| To generate table of contents, right-click here and select **Update Field.** |

# Guide to Insurtech Innovation and Utilization

## Who are the relevant regulators in the region?

The main regulator is the Insurance Business Supervisory Board, which is established under the Ministry of Planning and Finance (MOPF), which currently closely restricts the participants and products in the insurance market within Myanmar. The major market participant, Myanmar Insurance, which was the government monopoly before the market was partially liberalized in 2012, is still required to provide some approvals for market entry as well.

The Central Bank of Myanmar, which has regulatory oversight of all fintech in Myanmar, is also likely to be a key regulator for the provision or approval.

## What are the types of fintech/insurtech activities that are regulated?

In relation to fintech, a license from the Central Bank of Myanmar (CBM) is required for an institution to provide e-money (monetary value stored on a card), credit tokens (credit cards) and mobile financial services.

Except to the extent that insurtech activities fall within those services, insurtech is otherwise not addressed under current Myanmar law. However, as the insurance market is still heavily regulated, any activities that relate to insurance can only be undertaken with the approval of the Ministry of Planning and Finance, and only within the permitted scope of the allowed insurance products.

## What is the attitude and what are the policy views of the regulator in relation to insurtech (if any)? Is innovation encouraged?

Currently innovation in the insurance market is not possible. There are a small number of licensed insurance providers who are permitted to offer a set range of insurance products (that is, there is no product differentiation).

We understand that when the new insurance market regulations are released, they will promote significantly increased flexibility and competition in the insurance market, including significant opportunity for innovation and the ability to invest in and promote insurtech. At this point in time, there is no clear time frame for the relaxation of the Myanmar insurance market; however, we consider that it is likely to be sometime in late 2017 or early 2018.

## What are the licenses required and what are the criteria and process involved?

In order to provide any form of insurance business within Myanmar, the insurer will be required to obtain a license from the Insurance Business Supervisory Board established under the MOPF.

Licensing is not standard form and the application must be made directly to the Insurance Business Supervisory Board, which may require significant information from the applicant regarding its experience, its financial capacity and its intended business plans.

Further, any license obtained from the Insurance Business Supervisory Board is required to specifically list out the policies that the entity is licensed to provide. Approval will also need to be obtained for:

premiums

policy application and claim forms

locations of proposed branch offices within Myanmar

any promotional or marketing materials that will be used for insurance products

the capital investments that the insurer intends to
make within Myanmar

Beyond these requirements, the Insurance Business Supervisory Board may include any conditions in the business license that it considers necessary.

There is no set time frame for obtaining an insurance license, however, from experience it is possible for the process to take up to six months depending on the nature of the services requested and the capacity of the Insurance Business Supervisory Board.

## Is the use of telematics and/or biometrics regulated?

There are no specific regulations for telematics or biometrics. Further, there are no provisions regarding data privacy in Myanmar.

Where the insurer operates any financial elements of its business in Myanmar, however, it may be captured by the duty of secrecy which is required under the Financial Institutions Law 2016.

## Does the regulator draw a distinction between institutions that are "too big to fail" versus "too small to care"?

No.

## What laws (if any) do insurance companies have to comply with in respect of technology risk management?

There are no specific laws and regulations in the insurance sector prescribing rules on technology risk management. The existing regulations focus more generally on ensuring that there are sufficient funds provided by all insurers to have capacity to provide insurance repayments when or if required.

## Are there any laws governing big data, including the collection, use, storage, disclosure and transfer of personal data?

There are no general data privacy laws.

There are specific confidentiality and secrecy requirements in some industries (for example, banking and telecommunications); however, these will not apply to insurance companies unless they also operate in those industries. More likely, confidentiality requirements are contained in the specific insurance licenses granted by the Insurance Business Supervisory Board.

## Are there any restrictions that could hinder the growth and usage of insurtech by insurance companies under data privacy laws?

Not specifically arising from data privacy laws.

## Are there any laws governing cybersecurity or to mitigate cybersecurity concerns?

There are no regulations that expressly deal with cybercrime.

"Hacking" is considered a criminal offense under the Electronic Transactions Law 2004. There are also suggestions that the government is drafting, or considering, a cybercrime law; however, there have been no publications of a draft version to date.

## What innovations are insurance companies and/or regulators looking at implementing?

No deviation is currently permitted from the set insurance products. We consider that significant innovation will occur once the new insurance laws are released.

## Have there been fintech/insurtech-related cases (including competition and/or data privacy) in Asia Pacific

There are no specific cases by the financial regulators so far.

## What are the most immediate challenges to insurtech innovation?

Existing restrictive regulations

Extent of insurance penetration and understanding within Myanmar

Limited scope of electronic banking among the population – It is estimated that a significant number of Myanmar citizens (well over 50%) do not have bank accounts. While mobile wallets and other payment mechanisms are becoming more popular, this will need to expand before uptake of insurtech can be linked to fintech innovations as well.

## What has been, or could be, the impact of fintech/insurtech on the financial services industry?

The Myanmar population is fast developing a mobile and online presence, meaning that technological development and innovation is welcome in the country. As such, with relaxation of the insurance laws permitting scope for growth and innovation in the insurance industry, it is highly likely that insurtech innovation will become widely utilized within Myanmar.

## What insurtech trends or disruptions may impact insurance companies?

The relaxation of market regulation and the opening the market to foreign insurance companies will be a significant development within the next year.

# Guide for Insurance Sales, Advisory and Distribution

## What are the different types of insurance intermediaries in the market and do they need to hold any licenses and minimum qualification to conduct business?

Insurance intermediaries are currently inactive in Myanmar. Insurance can be taken out directly with any licensed insurance provider. There is currently no competition within Myanmar for insurance products based on service or price differentiation as providers are only permitted to offer a set number of products and at restricted prices. Some liberalization of the Myanmar insurance regulations is expected within the next six to 12 months, and this could dramatically alter the insurance market landscape. As yet, however, no exposure drafts have been released for consideration.

## Is it mandatory for insurers to offer customers the option of purchasing insurance products directly from them without going through financial advisers or intermediaries?

Yes, this is currently the only method for obtaining insurance products within Myanmar.

## Do agreements between insurers and their agents need to take a certain form?

The only agency agreement permitted in Myanmar is where Myanma Insurance acts as an intermediary agent for a client who wishes to purchase offshore insurance. We understand that Myanma Insurance has standard documents for it to provide this service.

## Can insurers pay volume-based commission to their appointed agents?

This question is irrelevant in Myanmar at this point in time.

## Are insurers liable for any mis-selling of its agents or appointed distributors?

This question is irrelevant in Myanmar at this point in time.

## Are there rules on the number of insurers that insurance brokers need to present to their customers?

There are only a limited number of insurers licensed in Myanmar at this point in time. Further, as noted above, there is currently no concept of insurance brokers within Myanmar.

## Can insurance brokers receive commission from both insurers and their customers? If so, can they be volume-based commission?

This question is irrelevant in Myanmar at this point in time.

## Can agents or appointed distributors offer rebates on insurance premiums or other special concessions to the customers?

This question is irrelevant in Myanmar at this point in time. Insurance providers are currently restricted by the extremely inflexible product offerings and price restrictions that apply in the Myanmar insurance market.

## Can insurers appoint offshore agents or accept business from offshore brokers?

As noted above, customers can request insurance from an offshore provider. A customer can only do this where the insured value is greater than USD 2.5 million. In that instance, Myanma Insurance will act as an intermediary with the customer's preferred offshore insurance provider for the insured value, which exceeds USD 2.5 million. Myanma Insurance charges a fixed rate of 15% for its agency services.

## Are there specific requirements on selling products through call centers, telemarketing or other distribution channels?

No specific regulations restrict this sales method in Myanmar.

## Are there specific requirements on selling products through online channels?

No specific regulations restrict this sales method in Myanmar.

## Can insurers share client information with insurance agents and brokers and vice versa? What data privacy or confidentiality laws apply?

There are no specific data privacy regulations in Myanmar at this point in time. As there is no concept of insurance brokerage in Myanmar, this question is not currently relevant.

©Copyright © 2025 Baker & McKenzie. All rights reserved. **Ownership**: This documentation and content (Content) is a proprietary resource owned exclusively by Baker McKenzie (meaning Baker & McKenzie International and its member firms). The Content is protected under international copyright conventions. Use of this Content does not of itself create a contractual relationship, nor any attorney/client relationship, between Baker McKenzie and any person. **Non-reliance and exclusion**: All Content is for informational purposes only and may not reflect the most current legal and regulatory developments. All summaries of the laws, regulations and practice are subject to change. The Content is not offered as legal or professional advice for any specific matter. It is not intended to be a substitute for reference to (and compliance with) the detailed provisions of applicable laws, rules, regulations or forms. Legal advice should always be sought before taking any action or refraining from taking any action based on any Content. Baker McKenzie and the editors and the contributing authors do not guarantee the accuracy of the Content and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the Content. The Content may contain links to external websites and external websites may link to the Content. Baker McKenzie is not responsible for the content or operation of any such external sites and disclaims all liability, howsoever occurring, in respect of the content or operation of any such external websites. **Attorney Advertising**: This Content may qualify as “Attorney Advertising” requiring notice in some jurisdictions. To the extent that this Content may qualify as Attorney Advertising, PRIOR RESULTS DO NOT GUARANTEE A SIMILAR OUTCOME. **Reproduction**: Reproduction or copying of the Content on this Site without express written authorization is strictly prohibited.