



25th ASEAN Insurance Regulators' Meeting

Agenda Item 6:

ASEAN Insurance Surveillance Report 2022

7 December 2022



OUTLINE

- I. ASEAN Economic Outlook**
- II. Trends in the Insurance Sector**
 - A. Global Insurance
 - B. ASEAN Insurance Sector
- III. Progress in Insurance Cooperation and Integration under the AEC Blueprint 2025**
- IV. Recommendations**
- V. ASEAN Insurance Statistics**

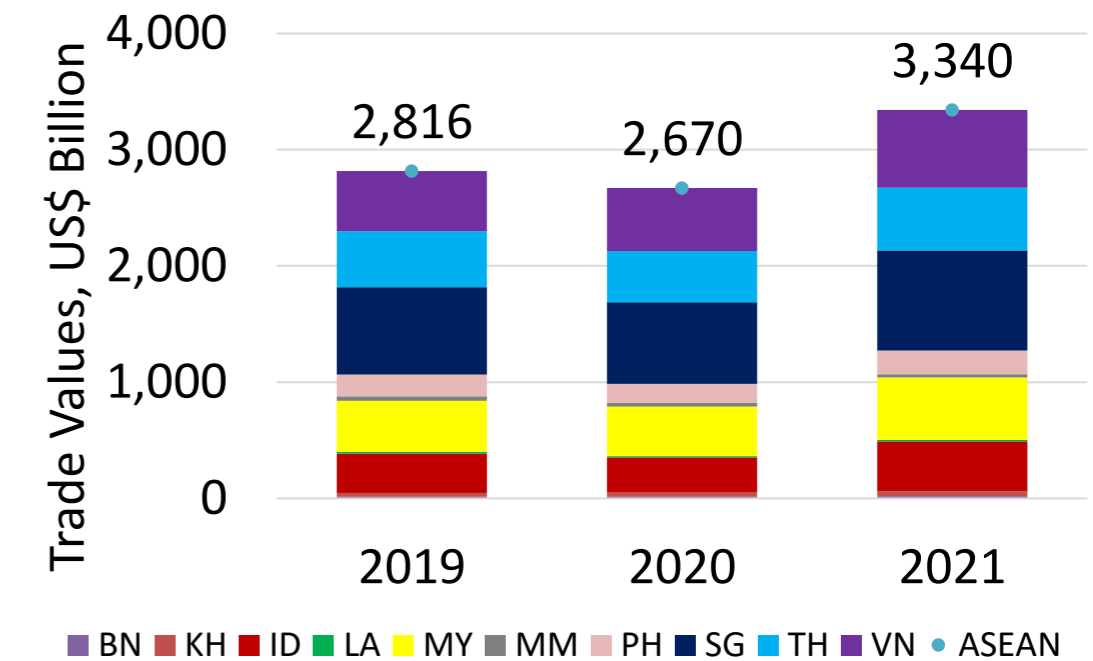
I. ASEAN Economic Outlook

ASEAN Real GDP Growth, in %

Economy	2019	2020	2021	2022f	2023f
ASEAN	4.7	-3.2	3.4	5.1	5.0
Brunei Darussalam	3.9	1.1	-1.6	2.2	3.6
Cambodia	7.1	-3.1	3.0	5.3	6.2
Indonesia	5.0	-2.1	3.7	5.4	5.0
Lao PDR	5.5	3.3	3.5	2.5	3.5
Malaysia	4.4	-5.6	3.1	6.0	4.7
Myanmar	6.2	3.2	-5.9	2.0	2.6
Philippines	6.1	-9.6	5.6	6.5	6.3
Singapore	1.1	-4.1	7.6	3.7	3.0
Thailand	2.2	-6.2	1.5	2.9	4.2
Viet Nam	7.0	2.9	2.6	6.5	6.7

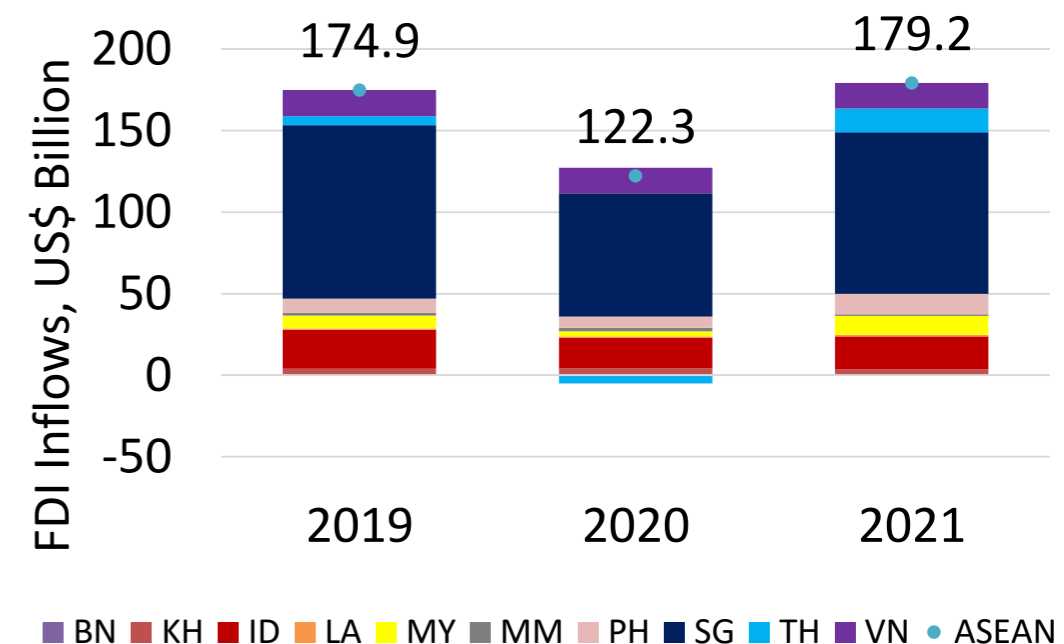
Source: ASEAN Secretariat; Forecasts based on ADB (October, 2022)

ASEAN Merchandise Trade



Source: ASEAN Secretariat (November, 2022)

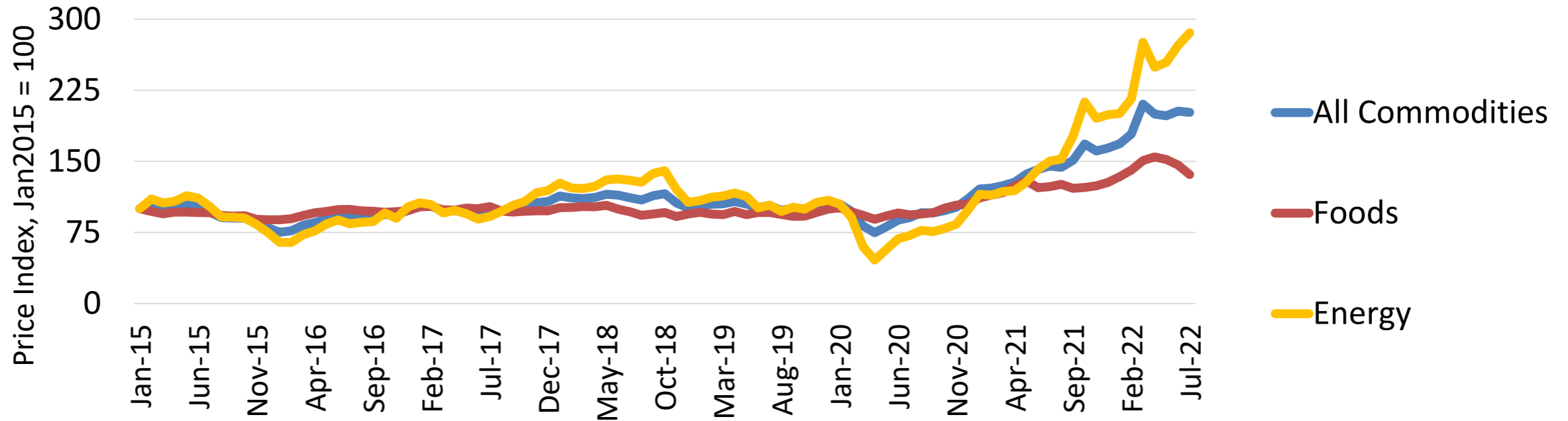
FDI Inflows, by AMS



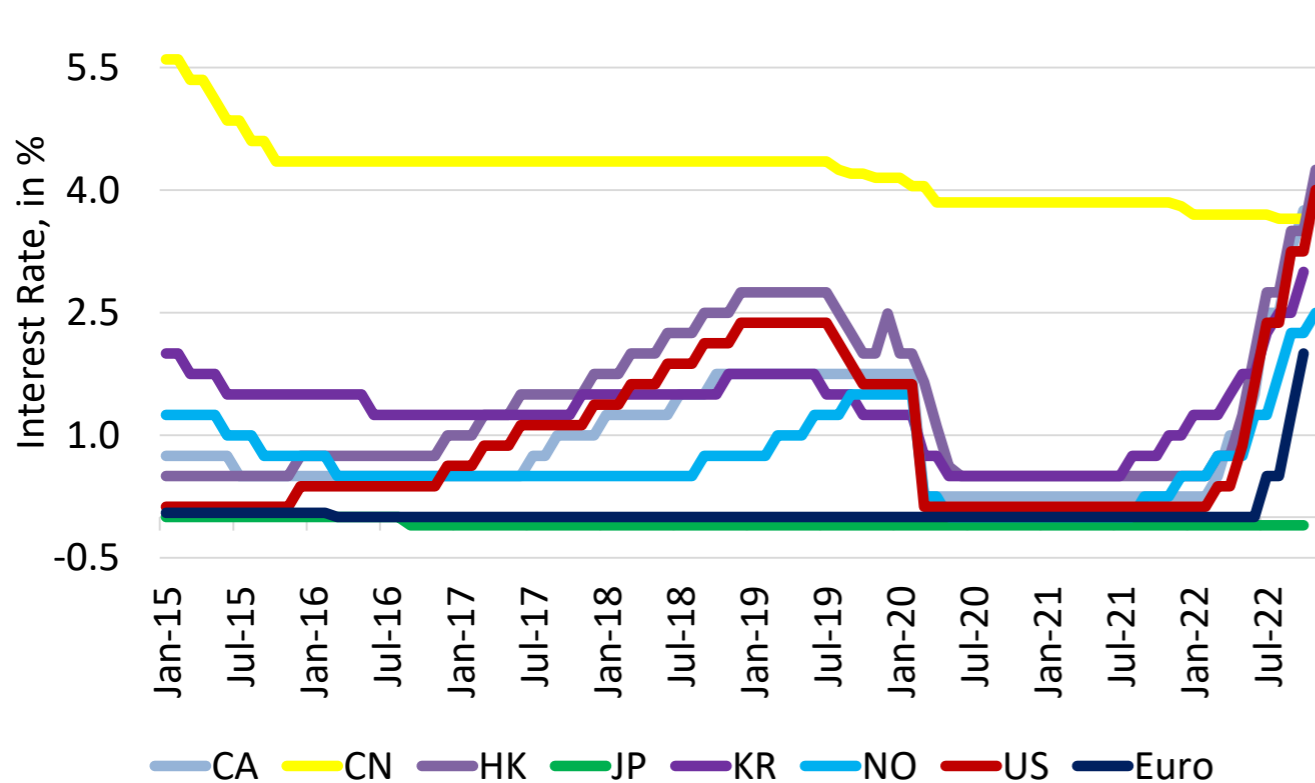
Source: ASEAN Secretariat (November, 2022)

Risks and Challenges

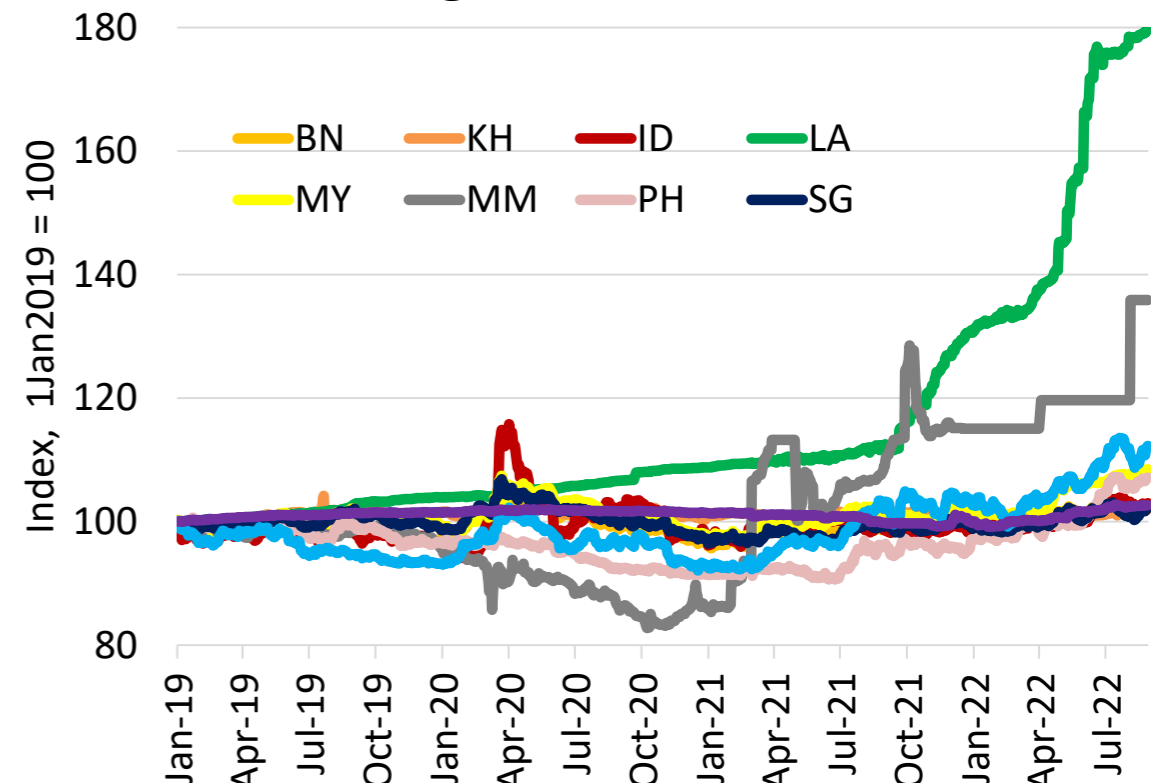
Global Commodities Price Index



Interest Rates, %

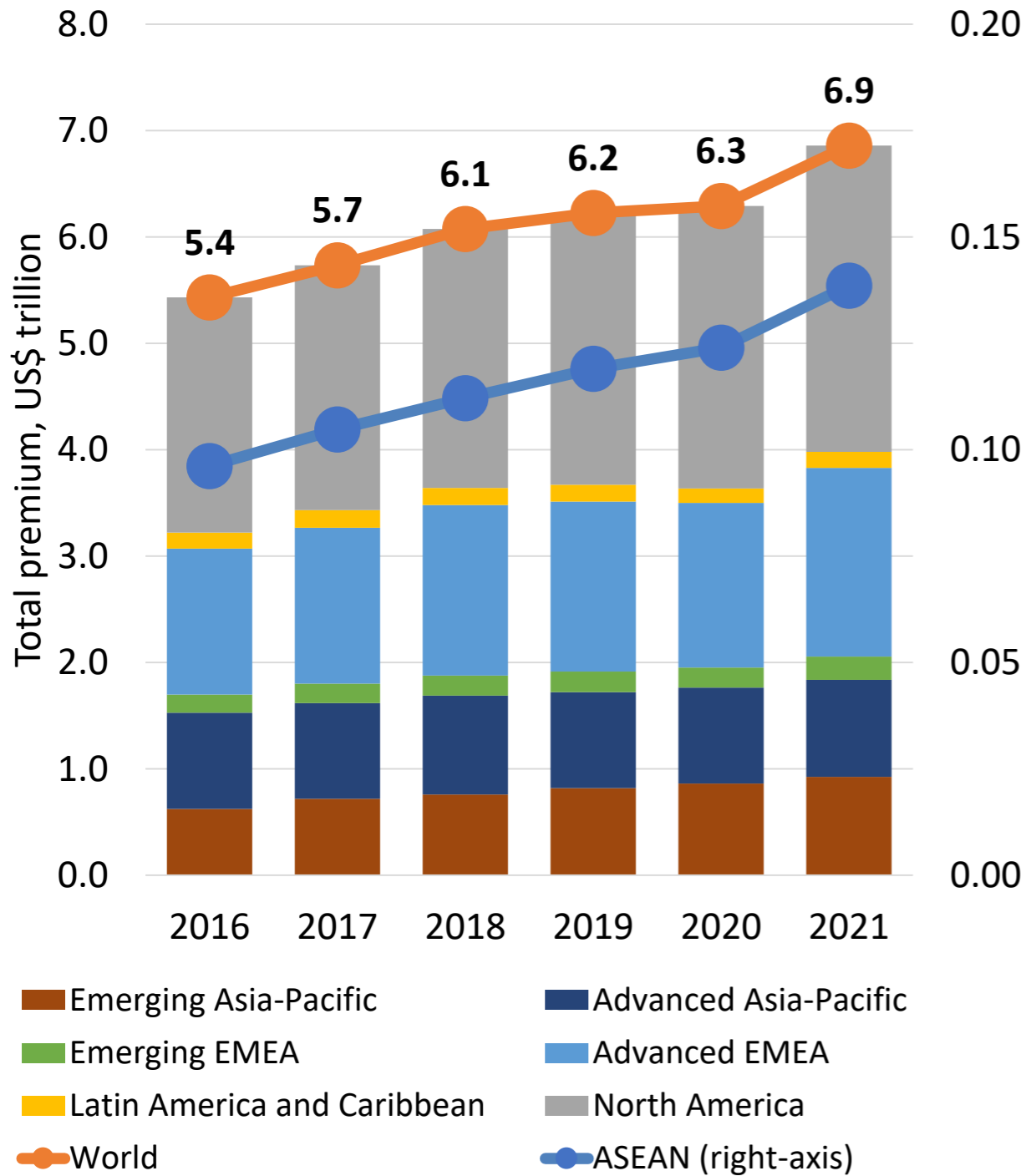


Exchange rate, LCY/USD

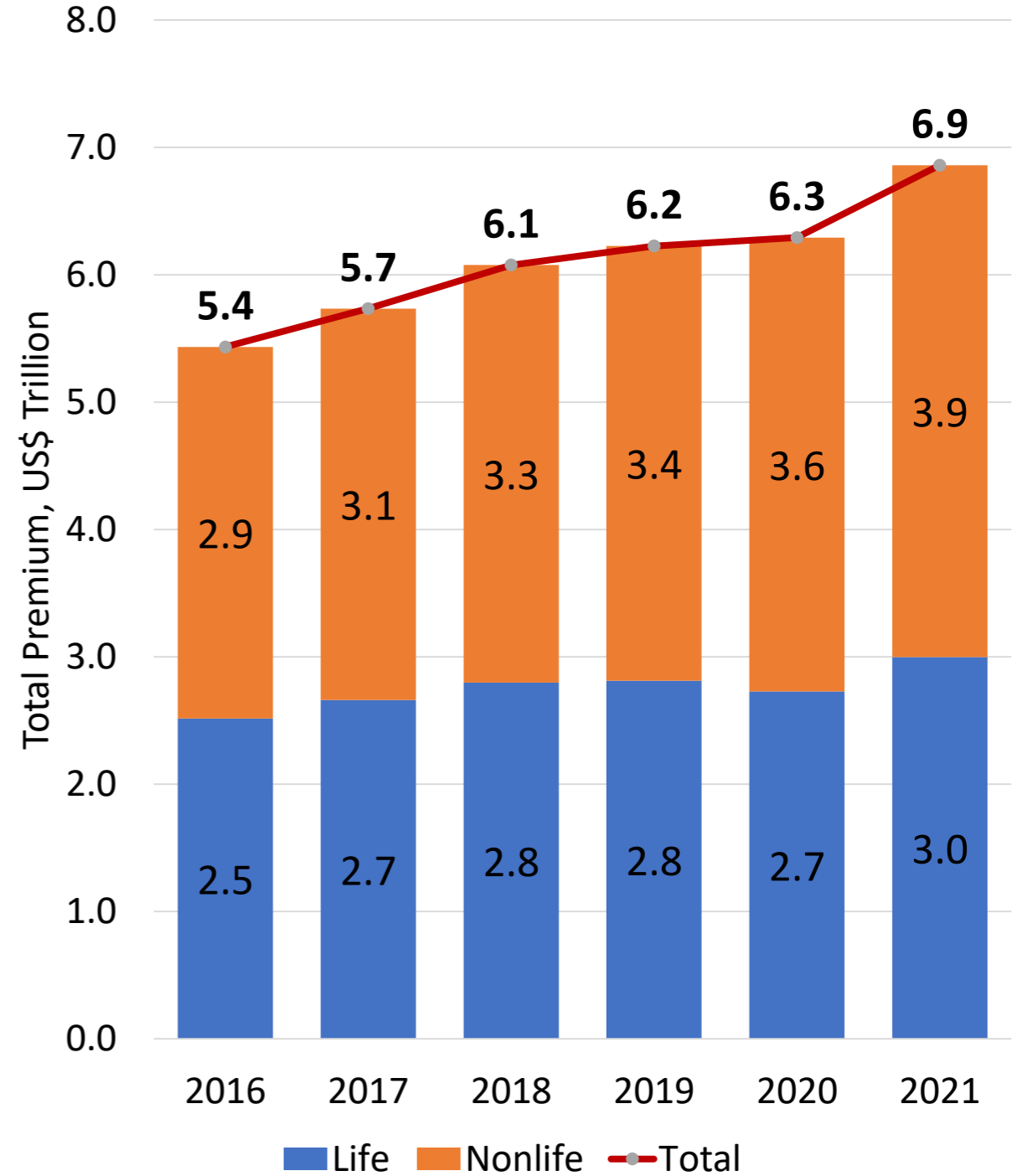


II. Trends in the Insurance Sector: Global

Premiums in US\$, by region



Premiums in US\$, by sector



Source: Swiss Re, sigma database. All rights reserved.

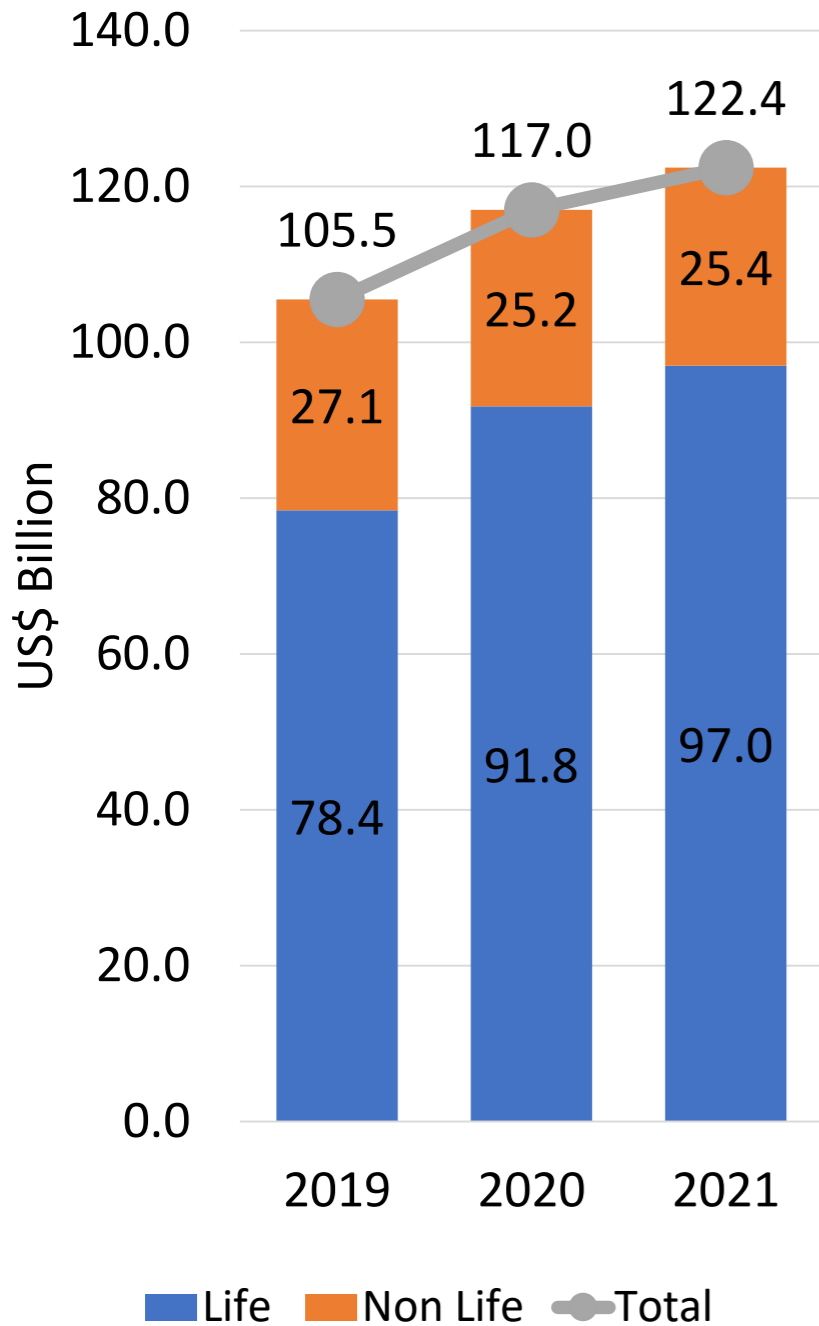
Note: ASEAN covers only ID, MY, PH, SG, TH, and VN. EMEA refers to Europe, Middle-East, Africa.

Insurance Innovations for Circular Economy

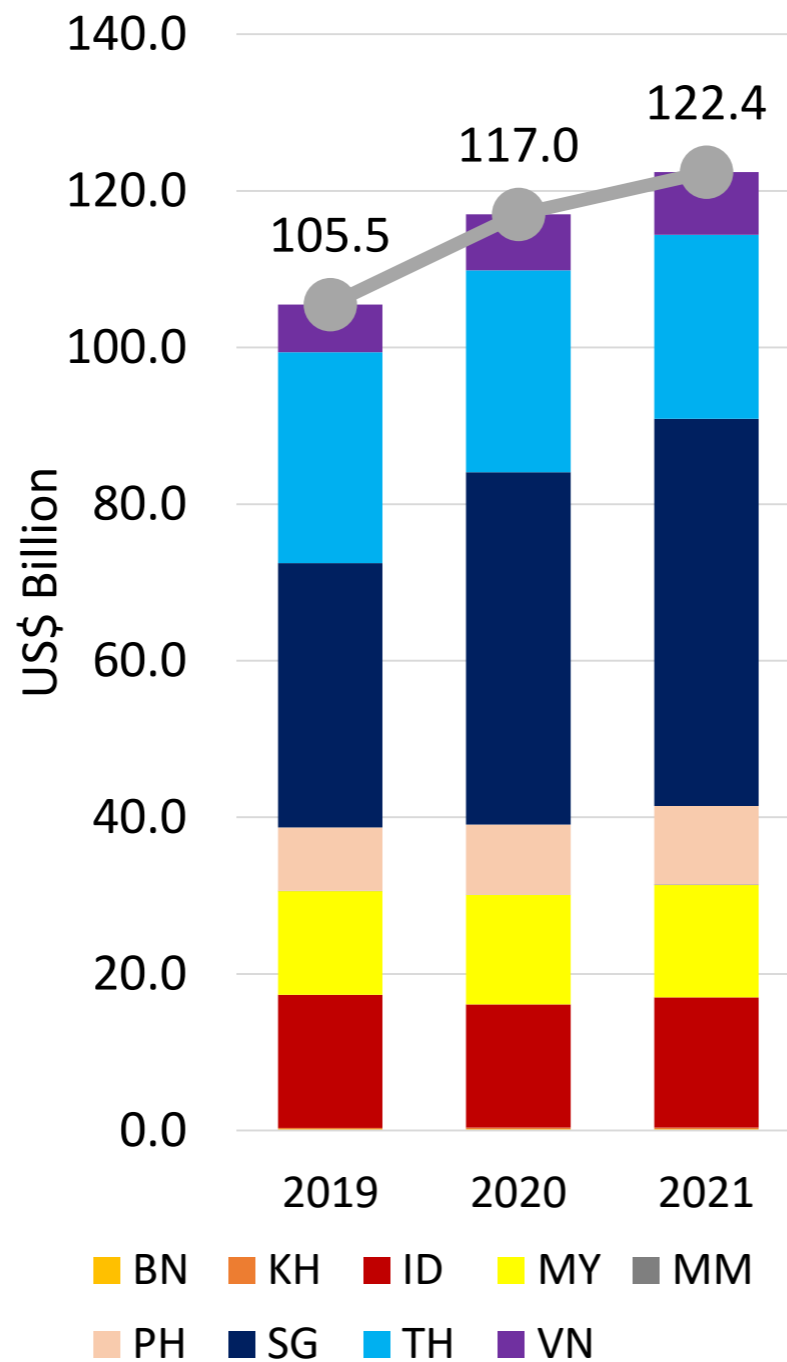
1. Many established companies which adopted sustainability introduced innovations or extensions to their existing product lines, such as for the
 - i. Energy sector, especially renewables
 - ii. Construction
 - iii. Property and Casualty
 - iv. Directors and Officers
 2. InsurTechs are innovating business models and distribution channels
 - i. For freelancers and self-employed persons
 - ii. For shared assets - Public Liability insurance, and Business Equipment Insurance
 - iii. Insurance for used goods, shared vehicles, or parked cars
 3. Allied services that provide assurance and risk management advisory
- ASEAN can leverage on the region's strength as an attractive investment market with diverse populations and rising incomes, to establish an ecosystem that encourages innovations in the insurance industry.

The ASEAN Insurance Sector

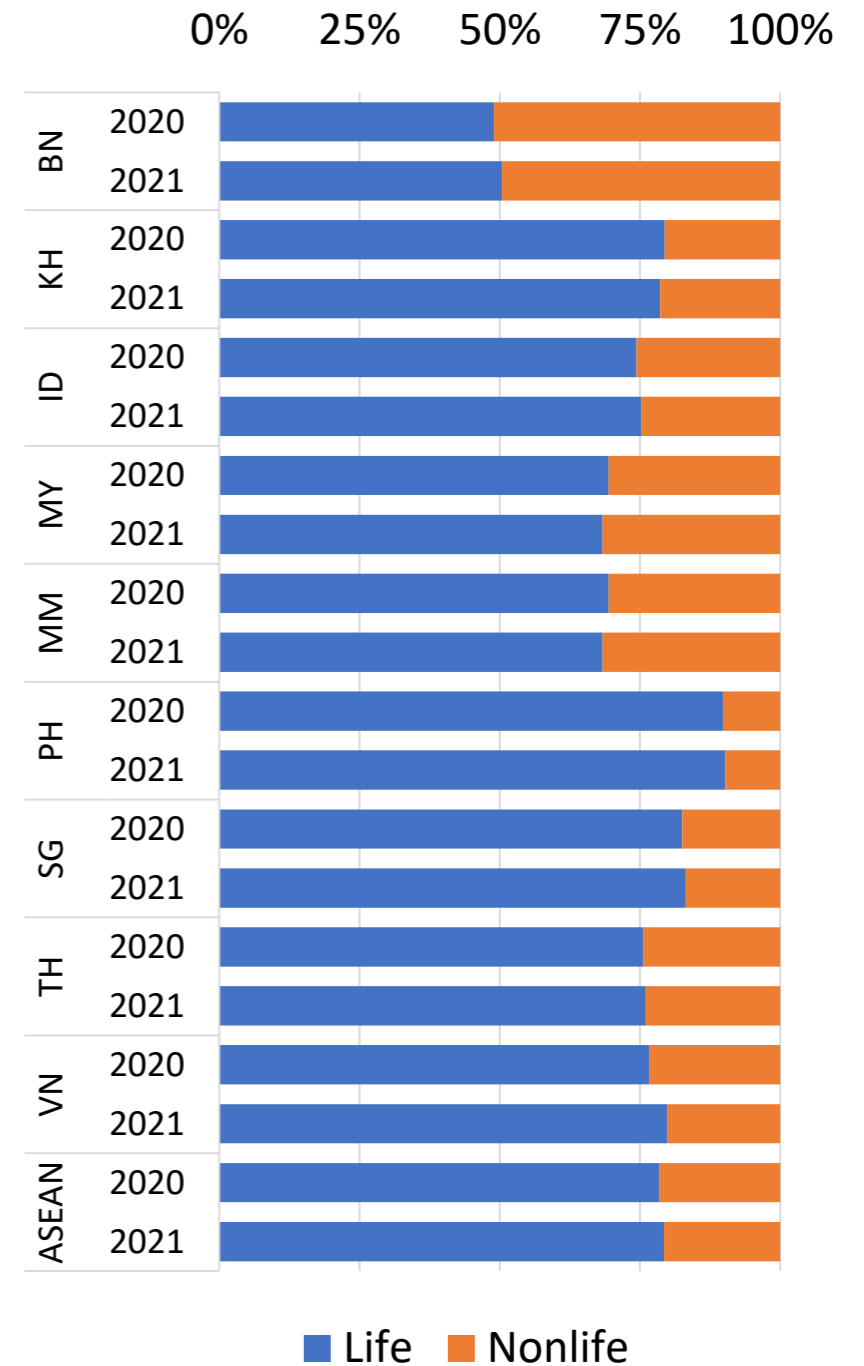
Premium, by Sector



Premium, by AMS



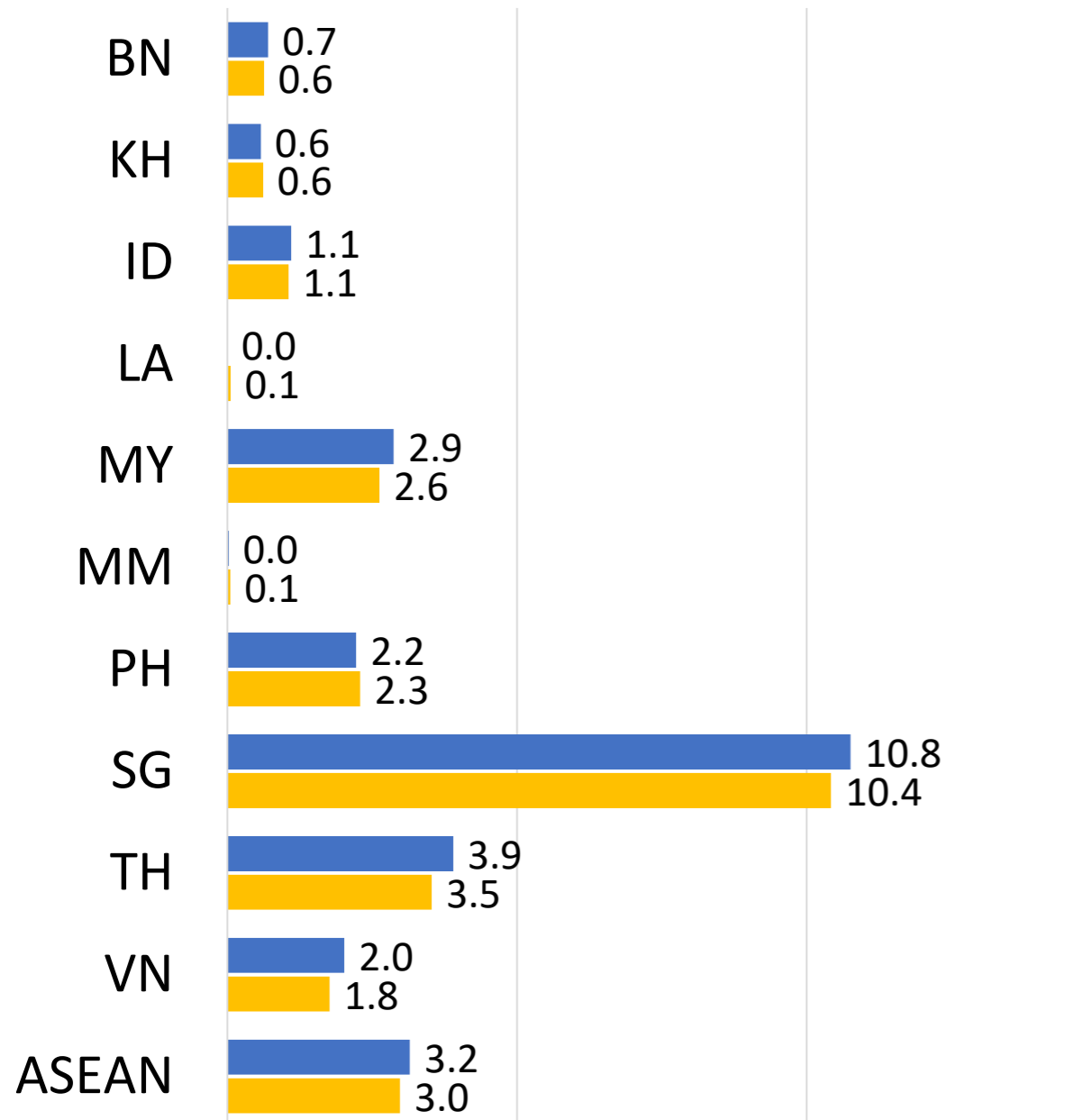
Share to Total Premium



Life Insurance Performance

Penetration Rate, in % of GDP

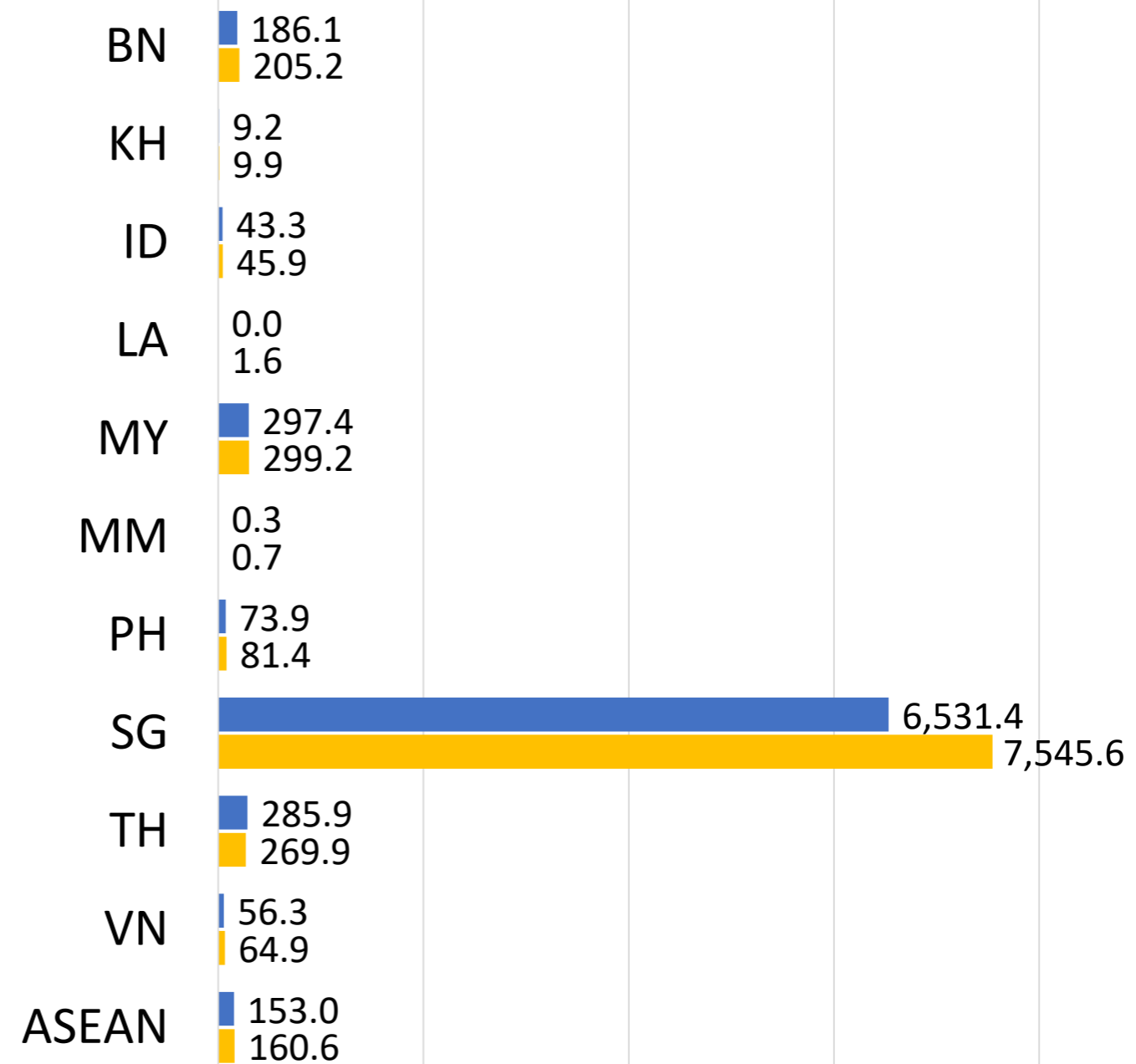
0.0 5.0 10.0 15.0



■ 2020 ■ 2021

Density, US\$ per Person

0.0 2,000.0 4,000.0 6,000.0 8,000.0

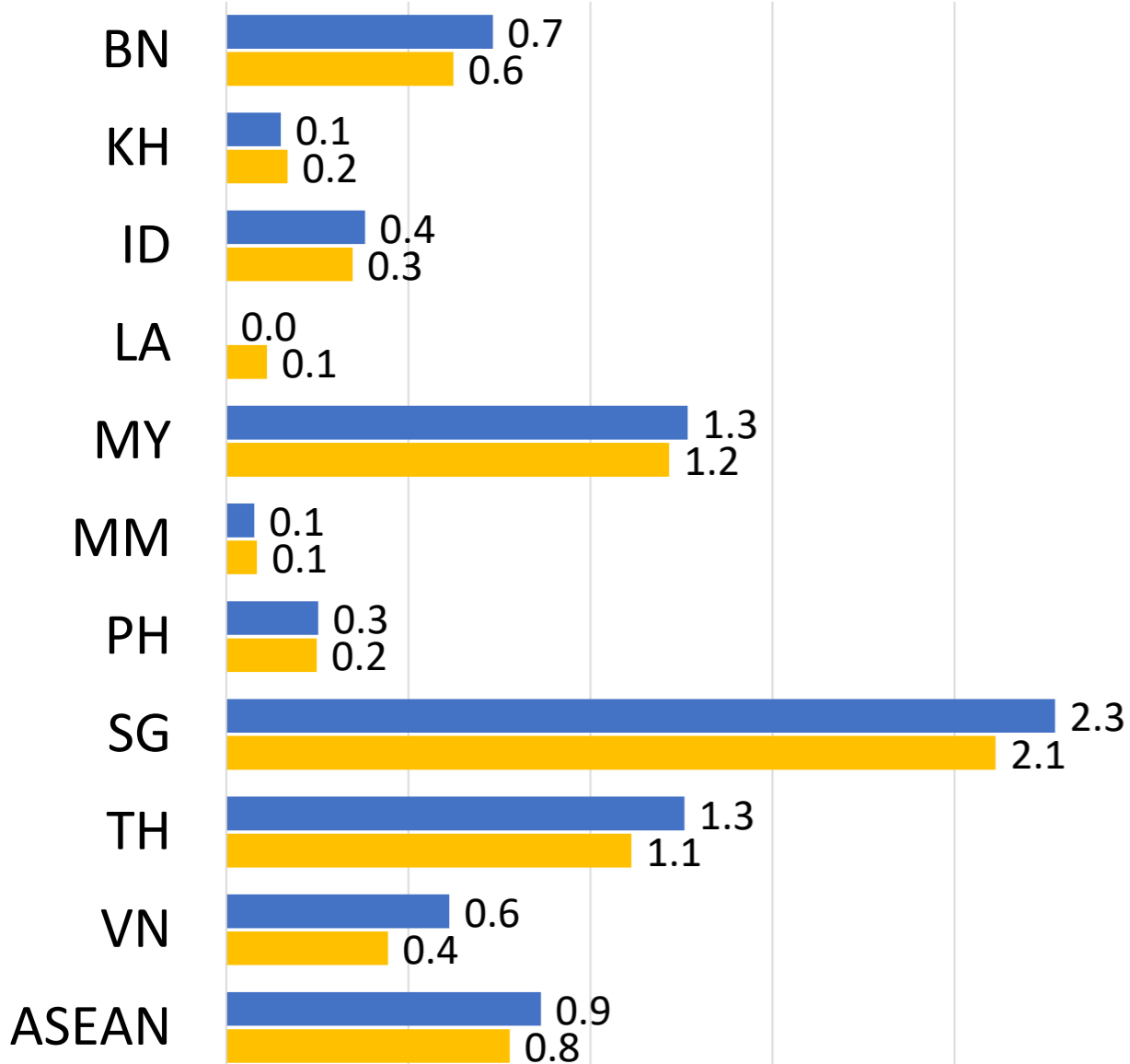


■ 2020 ■ 2021

Non-Life Insurance Performance

Penetration Rate, in % of GDP

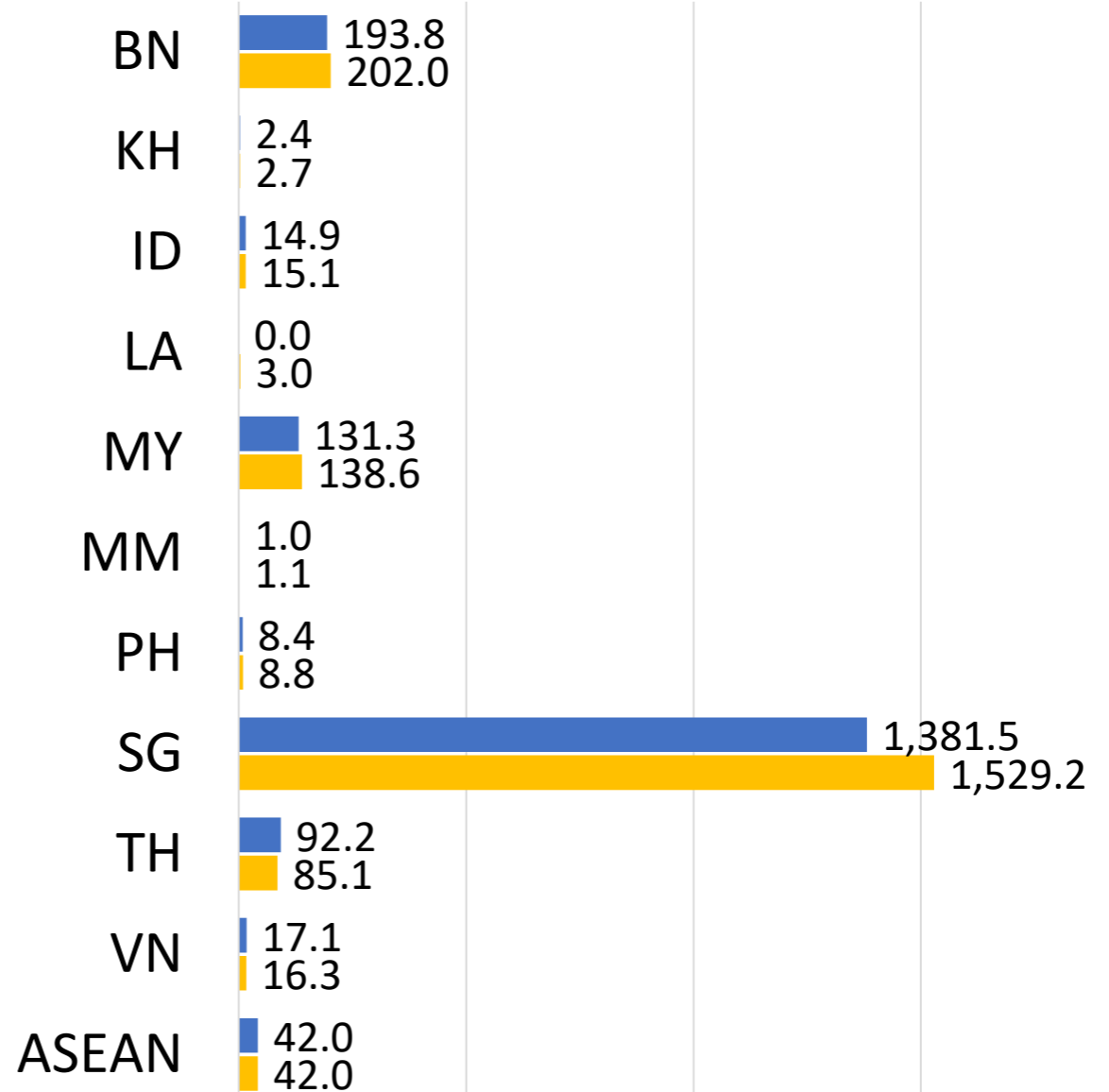
0.0 0.5 1.0 1.5 2.0 2.5



■ 2020 ■ 2021

Density, US\$ per Person

0 500 1,000 1,500 2,000



■ 2020 ■ 2021

III. Progress in Insurance Cooperation and Integration under the AEC Blueprint 2025

Protocol 5: ASEAN Scheme of Compulsory Vehicle Motor Insurance under the AFAFGIT

MY has fully
integrated with
the ACMI System

ASEAN Disaster Risk Financing and Insurance (ADRFI)

EED and ELD
datasets for LA,
PH, TH

National risk
profiles for KH,
ID, LA, PH; risk
advisory for TH

Insurance
webinars

Southeast Asia Disaster Resilience Insurance Facility (SEADRIF)

Sub-Trust A
[Flood Risk Pool]
– Lao PDR

Public asset
financial
protection
(PAPF) program

Sustainability Workplan

Priority
Environmental
Risk Areas

Environmental
Risk
Management
Issues

Capacity Building

Other Issues

Enhancing ASEAN's Resilience

Post-pandemic
insurance
landscape

Traffic safety

IV. Recommendations

1. Ensure systematic monitoring of the revised AIF roadmap implementation to drive efforts towards compliance with the commitments under the AIF.
2. Assess CE-related insurance products and services, and develop appropriate measures to encourage the ASEAN insurance sector to participate in this growing market.
3. Explore possible contingency measures for the insurance sector in case of crises, covering near to long term risks including pandemics and financial crises.
4. Use insights from the pandemic to assess suitable measures to improve health coverage and narrow the protection gap in the region.
5. Provide a conducive ecosystem that supports new technologies and business models, and encourages product development for the insurance sector.

V. ASEAN Insurance Statistics

Recurring challenges with the insurance data in the preparation of the AISR

1. Missing data
2. Scope and definition of data
3. Inconsistencies in data
4. Dated AUFS template

Proposal

1. Compilation of metadata for AUFS
2. Clean up the AUFS insurance data template
3. Clarify calculation of indicators for the AISR
 - i. Use of proxy for missing data
 - ii. Use of official ASEAN Statistics

Recommendations

1. The AIRM may wish to review and consider the revised AUFS template.
2. The AIRM may wish to endorse the compilation of a metadata for ASEAN insurance statistics.
3. The AIRM may wish to note the details of the calculation of indicators for the AISR.



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