



**COMMUNICATION ON PROGRESS (COP)**  
**Global World Insurance Co., Ltd.**

**June 2020 / June 2021**

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## Statement of Commitment

[11 June 2021]

To our stakeholders:

I am pleased to confirm that Global World Insurance Co., Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

As a new member of the UN Global Compact, We (“GWI”) are continuously developing and further building up the UN Global Compact principles, striving to support economic progress and sustainable development in Myanmar.

In accordance with GWI’s “We always with you” slogan, we are going to support the implementation of community and environment with UN Global Compact principles. Finally, we sincerely welcome your continued interest and look forward to supporting the UN Global Compact today and in the future.

Sincerely yours,



Soe Win Thant  
Managing Director

## **I**ntr**o**duction

Global World Insurance Co., Ltd. also known as (GWI), is a registered company specializing in insurance business and operated by highly experienced senior executives from the Insurance Industry.

We have been providing insurance products with financial assistance since 2013 as a local company in Myanmar. According to I B R B ' s instruction, a general insurance (non-life) registered in Myanmar.

We aim to provide financial protection against unpredictable life occurrences. We serve customers in Myanmar with policyholders.

Our head office is situated at No.62, Bahosi Development, Wadan Street, Yangon, Myanmar, and it has 6 branch offices in the cities and towns nationwide as Yangon, Mandalay, Naypyidaw, Magway and Monywa.

We provide excellent services in accordance with the Myanmar Insurance Business Law. Our insurance service is to serve the protective financial cover and the satisfaction of both corporate and individual customers. The quality of our insurance products and services fulfill the customers' needs, wants and expectations.

We will develop the organization in the form of corporate mission, vision, and policies for many thousand years.

## **V**ision

- To foster the industrial & economic growth of Myanmar
- To function as a strong and dynamic non-life and life insure
- To minimize losses and enhance risk management

## **M**ission

To be a leading provider of risk management and insurance services

**Self-efforts**

We got “Best Selling Award” on July 2015 to February 2016 for Health Insurance as Third Sales Prize. And we were given the product innovation award which winning an Award “ Crop Insurance ” product at the 2<sup>nd</sup> Emerging Asia Insurance Conclave & Awards 2019, Indian Chamber of Commerce (ICC), Global World Insurance is the first company to introduce Crop insurance in Myanmar and we were participant since 11<sup>st</sup> June 2020 at UN Global Compact.

We always support Business talk, Awareness program and participated as the main sponsor in Financial and public awareness sector. And also we aware of the

activities of CSR to support the environment and public.

Communication generally occurs within each functional department and is communicated across departments through the department heads.

We have better operational efficiency as employee are functionally grouped based on expertise and shared functions performed. It allows increased specialization as each group of specialists can operate independently.

By using functional organization hierarchy structures efficiently group employee by knowledge, skills and resources to achieve the organizational goals.



**“Crop Insurance” Product Innovation Award**



**“Best Selling Award-3<sup>rd</sup> Sales Prize” for Health Insurance Project**



**“Main Sponsor” Awards**



**Legal Aspects of Insurance**

မြန်မာနိုင်ငံတွင် ပထမဦးဆုံးကျင်းပသော  
 “အာမခံလုပ်ငန်းကို ဥပဒေအမြင်မှ ရှုမြင်သုံးသပ်ခြင်း စကားတိုင်းဆွေးနွေးပွဲ”

Moderator: Dr. Maung Maung Thein  
 (Former Deputy Minister)

Panelists: U Aye Min Thein (Managing Director (GTD))  
 U Thant Zin (Director (GTD))  
 U See Win Thant (Managing Director (GLL))

Venue - UMECCI (Mingalar Hall)  
 Date - 23-2-2020 (Sunday)  
 Time - 9:30 AM to 12:00 PM

Main Sponsor: GWI  
 Organized Sponsor: KBY MS  
 Gold Sponsor: EFL, GGI, MCC  
 Silver Sponsor: YOUNG INSURANCE, AWA

**Business Talk**

**AYEYARWADDY Business School**

**အာမခံဆိုသည်မှာ နှင့် COVID-19 အတွက် ကျန်းမာရေးအာမခံ ဘယ်လိုလုပ်မလဲ ?**

**Host**  
 Saya U Mg Mg Win  
 (President of Ayeeyarwaddy Business School)

**Guest Speaker**  
 U See Win Thant  
 (Director of Global World Insurance Co, Ltd.)

**FREE WORKSHOP**

Date : 24<sup>th</sup> Jan 2021 (Sunday) Time : 11:30 AM

**SAURDAY, JUNE 29TH**

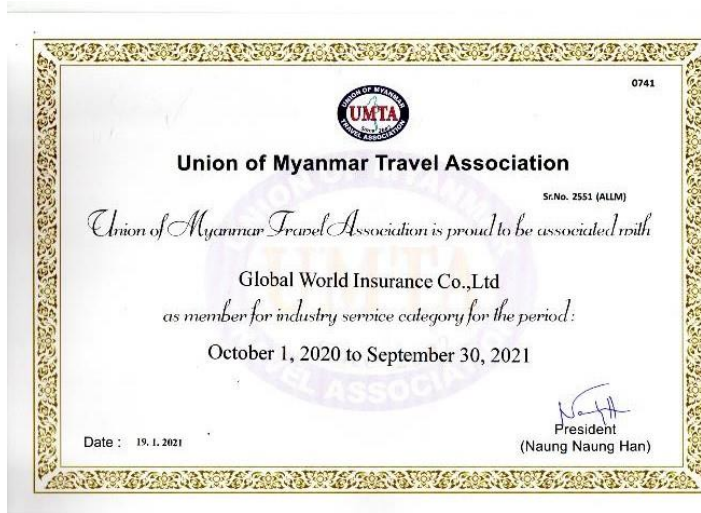
**RESPONSIBLE BUSINESS IN MYANMAR**

**OUR SPEAKERS**

U SOE HEIN  
 U NGWE SUN  
 U NYO TRAM TUN  
 U WIN MIN  
 U SOB WER THANT  
 Daw NU NU AYE

3:00 PM - 7:00 PM THE SECRETARIAT OFFICE, 1<sup>st</sup> FLOOR

**Public Awareness**



**Associate with UMTA**



**Achievement & Donation**



**Highest Income Tax Award**



**Social media and Billboards**



## Human Rights

- Ensure workers are provided safe, suitable and sanitary work facilities
- Protect workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats
- Take measures to eliminate ingredients, designs, defects or side-effects that could harm or threaten human life and health during manufacturing, usage or disposal of products

We are committed to comply the advancement of human rights in accordance according with the principles contained in the United Nations Universal Declaration of Human Rights (“UDHR”), the eight Core Labour Conventions developed by the International Labour Organization (“ILO”), the United Nations Global Compact (“UNGC”), and the United Nations Guiding Principles on Business and Human Right (“Guiding Principles”) and fully complies with the law of the Republic of the Union of Myanmar regarding Labor and Human rights.

We have been providing insurance products with financial assistance since 2013 as a local company in Myanmar. Our goals are the market leader and provide insurance products that provide quality protection. So, we are continuously trying to do the best services upon that. We are handling organization structure, divided into smaller groups based on specialized functional areas, such as operations, finance, marketing, Human Resources, IT etc.

And also, product development, we already arising to provide financial security for the policy-holders with maximum benefits. Nowadays, we already issued above 30,000 insurance coverage policies & 18,000+ customers with almost 300 employees. Our Key market is made up of various insurers, different partners & services and focal points of the everywhere.

We provide equal opportunities for non-gentle, men and women. When hiring and promoting employees, GWI first considers their qualifications, leadership skills, ability to work with the company.

In doing so, we provide the Code of Conduct (“COC”) which intends to produce highly qualified and disciplined employees within the organization. Our Code of Conduct for Employees includes workplace behavior and respect for all people, as well as to not discriminate on sex, caste, religion, nationality and unprejudiced work environment. Harassment of anyone will not be tolerated in the workplace.

If they have not been separate gender, skin colour, living standard, race, religion etc., same here can get more achieve the same goals if the additional same mindset. Generally, if the financial part is strong, more success at past, current and future. Will continue to develop huge technology, will continue to make the right directions, will continue to make investments, and will increase customers and trust.

We provides a safe and healthy workplace as well as the design and implementation of effective safety management programs. We always update operating procedures and communicate with Department Head s o that employees follow clean, safety and health requirements.

At present, an insurance company with about 250 employees surrounds. There are 5 branch offices including head office. Employees come from all over Myanmar and work for 40% of men and over 60% of women.

About 80% of the population is under the age of 40 and 20% are over 40 years old and most of them can be classified as productive age level.

Divided by an Education group, about 95% of graduates; There is only about 5% of basic education. These basic education employees are only drivers, cleaning and security personnel.

However, most of these employees have different goals and the common denominator is the desire to achieve the company's goals. Therefore, the three foundations of Ability,

Attitudes, and Learning, which are defined as the foundations of individual behaviour are considered to be inherently rooted in Attitudes.

Therefore, we provide Motivation Training, Leadership Training to our employees. Continuing Marketing Strategy Training after that upgraded Learning Skills.



And also during this covid-19 pandemic, we have prioritized providing Covid-19 Prevention activities to protect our employees and business. Additionally, we continuously improve the quality of our working conditions, education and satisfaction of our employees.



### Labour

- Ensure that the company does not participate in any form of forced or bonded labor
- Comply with minimum wage standards
- Ensure that employment-related decisions are based on relevant and objective criteria

We commit to comply with the UN Global Compact’s ten principles and fully complies with the Myanmar labour laws and regulations.

We have already understood that the workplace should not participate in which employees are coerced to work by using violence or intimidation with the guideline of Labor Law of Myanmar. GWI prohibits anyone under 18 years old to work and sets the minimum working age as per the International Labour Organization Convention 138, and existing Labor Law.

In the payment of wages, employees are

required pay wages for the work performed during a working period, Global World Insurance ensures that following all the laws and regulations regarding the minimum wage law of the Republic of the Union of Myanmar. We provide appropriate workplace amenities and facilities for the basic health, safety and welfare of employees such as health insurance, transportation allowance.

Additionally, we contributed Social Security Board (SSB) which is managed by the Ministry of Labor, Immigration and Population, financed by 2% of employees’ monthly salaries, along with 3% contribution from the company. SSB provides for the benefits of medical care, sickness, maternity, funeral and work injury.

To understand such issues, providing training Human Resources for front-line managers and non-HR Department can help ensure that everyone is in the company how to proceed when carrying out day-to-day tasks.



By providing soft skills and hard skills such as training, rewards such as salary increase, it is necessary to increase the motivation of employees and achieve the goals of the organization as a company.



### Internal & External Training

Especially, the company organizes employee birthday party recognition for milestones in both business and their personal lives. This creates an emotional bond between the company and employees, works together better on future projects.

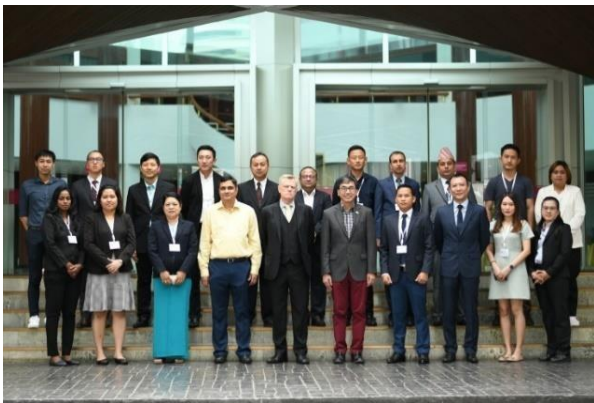
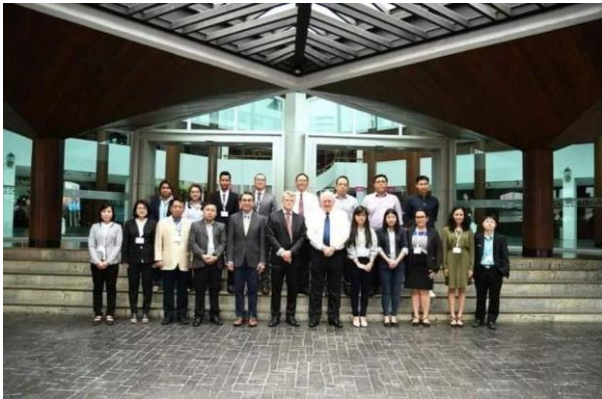


And we offer local & overseas training and development programmed to the employees at all levels. We aim to develop our employees by giving different types of training program and learning opportunities. Additionally, when the training is complete, ensuring the long- term effectiveness of employees according to the organization's needs.

Training are classified as follow-

- 1. Orientation training
- 2. Fresher development training
- 3. Insurance industry skills training
- 4. Sales and marketing training
- 5. Soft skills training
- 6. Personal development training
- 7. Technical skill training

And, we enhance refresher training for employees to continuously understand their skills in the workplace.





### Overseas Trainings

We always encourages the employees to have mutual respect and work well together in a team spirit. We create and maintain a fun workplace and culture of learning and development in our organization.

And GWI established Football Team that most of the player are company's employees and used to compare with other insurance company's football teams.



## Environment

- Avoid environmental damage via regular maintenance of production processes and environmental protection system (air pollution control, waste, water treatment systems, etc.)
- Ensure emergency procedures to prevent and address accidents affecting the environment and human health
- Minimize the use and ensure safe handling and storage of chemical and other dangerous substances

We are fully committed to care for and support the environmental issues in which all the people, economic, cultural, and things in order to support environmental conservation works.

Myanmar is a rich country in natural resources such as petroleum, natural gas, timber, jade, and the economy mainly relies on agricultural products. On Earth, climate and global warming are caused mainly by human activities and Myanmar's rate of deforestation is one of the highest in the world.



In these circumstances, all have a responsibility to help the environment. GWI focuses on corporate environmental responsibility and actively involved in the environmental programs to



carry out our activities such as planting trees, cleaning the environment, pick up trash campaign and donation of stationary, foods to orphanage and lunch was served to monastic school. In addition, GWI held environmental literary talk shows to raise public awareness.





### Emergency Instruction

Insurance Business Regulatory Board (IBRB) instructed the insurance companies in Myanmar on 22 April 2020 to report to them monthly the Corporate Social Responsibility and Emergency Response Plan that how to advance prepare and prevent during COVID-19.

Therefore, we obeyed and contributed according to the instructions from May 2020 to continuously.

### Corporate Social Responsibilities Plan

1. Global World Insurance Company plans to allocate 0.1% (0.1%) of monthly income as a COVID-19 grant.
2. The Asia World Foundation, established by Group Company, including Global World Insurance Co., Ltd, is donating to the relevant ministries to rehabilitate the economic damage caused by the coronavirus.
3. Global World Insurance Co., Ltd donated 500,000 Kyats to Myanmar Insurance Agents Association (Temporary) for COVID-19 protection. Donated on 9 April 2020.
4. Information on Covid-19 issued by the state is posted daily on GWI's Facebook page.
5. Reusable Masks are being given to customers and agents who come to Global World Insurance for insurance service.
6. Written by U Soe Win Thant, Managing Director of the Company, with the aim of protecting all Myanmar citizens from COVID-19 disease and climate change disasters. The rural story "Life without worries" has been broadcast several times by Voice of Burma Radio.
7. Mask Campaigns are also being conducted in key areas of Yangon to support health from 2020 to current.







“Honorable Mention Certificates”



Mask Campaigns



### Mask Campaigns

And we decided to contribute to the country and the nation in one way or another that the government responsibility provides assistance and it also aims to participate and ensure safe handling in the health needs of the people mean that ensure emergency procedures to prevent and accidents affecting the environment and human health.

**Preventing COVID-19 Insurance Program**

We started the two programs the following during Covid-19

We accepted 3,147 Policies, 4,098 Units, and undertook MMK 77,966,900 Claims from 1 April 2020 to 31 December 2020.

On 1 January 2021 to 31 March 2021, it already accepted 307 Policies, 410 Units,

and undertook MMK 33,677,200 Claims.

According to Fight Covid-19 Campaign, we cover health insurance policyholders who buy basic coverage and can get double benefits additionally for Covid-19 infection.

Meanwhile, health insurance basic coverage (1 unit) supports medical expenses and death from Covid-19 infection.

**Additional Covid-19 benefit (1 CSR Program: Limitation of 100 million MMK)**

**(4 September 2020 to 31 December 2020)**

If the buy of basic insurance coverage (1) unit according to age and per above the CSR program that an additional benefit, 900,000 MMK for Citizens and 1,200,000 MMK for Health Employee & Media Employee / 1 unit per day paid out for hospitalization or quarantine cash and benefits cover for the death caused by Covid-19 positive.

From 1-1-2021 to 31-3-2021				
Cause of Indemnity		CSR Covid-19 Benefit Plan		
Hospitalized	Died due to disease	Covid-19 Positive	Hospitalized	Died due to Covid-19
MMK 10,000 per day Only up to maximum 60 days	MMK 1,000,000 (One Million)	MMK 300,000	MMK 10,000 per day Only up to maximum 60 days	MMK 2,000,000
<b>Original Benefit Plan</b>		<b>Covid Benefit Plan</b>		

**Note:**

1. If you incur hospital costs and lose your life as a result of that incident, your benefits will be reduced.
2. Only people with good visual health will be accepted for regular eye exams.
3. If you purchase after the CSR Program period, you will be entitled to the original benefits.
4. If you purchase during the CSR Program, you will only be able to enjoy Covid-19 if you are hospitalized with a positive Covid-19

(However, as it is a CSR Program, you will only be able to enjoy compensation up to 100 Million MMK)

5. Covid-19 suspects Quarantine and Quarantine entrants will refuse to provide insurance.

(You may be eligible for additional Covid- 19 only if you have a valid affidavit or a letter of recommendation).

**The following information must be completed correctly and submitted with the application.**

1. Have you recently travelled to the area where Covid-19 was born?
2. Where have you been traveling in the last 14 days?
3. Illness/ Fever 100.4 degrees Fahrenheit and above / Cough / Difficulty breathing

**You can only claim benefits if you have the following documents:**

1. Original and copy of hospital discharge certificate
2. Original and copy of medical record book
3. Case No and Lab Test Results for Covid-19 Extra Benefits

# Auxiliary firefighters and members of the Red Cross; Medical University students and charitable members must have a Covid-19 Volunteer Card. Health workers and Media staff have an Identity Card.

## Additional Covid-19 benefit (2<sup>nd</sup> CSR Program: Limitation of 100 million MMK)

(1 January 2021 to 31 March 2021)

If the buy of basic insurance coverage (1) unit according to age and per above the CSR program provides an additional benefit, 300,000 MMK / 1 unit per day paid out for hospitalization or quarantine cash and benefits cover for the death caused by Covid-19 positive.

From 4-9-2020 to 31-12-2020					
Original Benefit Plan		CSR Covid-19 Benefit Plan			
Hospitalized	Died due to disease	Type of Policy	Hospitalized	Died due to Covid-19	
MMK 10,000 per day Only up to maximum 60 days	MMK 1,000,000 (One Million)	Citizens	MMK 15,000 per day Only up to maximum 60 days	MMK 2,000,000	
			<b>Additional 50 %</b>	<b>Additional 100%</b>	
		<b>Double Benefit Plan</b>			
		Health Employee & Media Employee	MMK 20,000 per day Only up to maximum 60 days	MMK 3,000,000	
<b>Additional 100 %</b>	<b>Additional 200 %</b>				
<b>Treble Benefit Plan</b>					
<b>Cause of Idemnity</b>					

### Note:

1. If you incur hospital costs and lose your life as a result of that incident, your benefits will be reduced.
2. Only people with good visual health will be accepted for regular eye exams.
3. If you purchase after the CSR Program period, you will be entitled to the original benefits.
4. If you purchase during the CSR Program, you will only be able to enjoy Covid-19 if you are hospitalized with a positive Covid-19  
(However, as it is a CSR Program, you will only be able to enjoy compensation up to 100 Million MMK)
5. Covid-19 suspects Quarantine and Quarantine entrants will refuse to provide insurance.
6. Covid-19 suspects or those who have been in contact with Covid-19 virus will be denied insurance.  
(You may be eligible for additional Covid-19 only if you have a valid affidavit or a letter of recommendation).

**The following information must be completed correctly and submitted with the application.**

1. Have you recently travelled to the area where Covid-19 was born?
2. Where have you been traveling in the last 14 days?
3. Illness/ Fever 100.4 degrees Fahrenheit and above / Cough / Difficulty breathing

#### **Claim Settlement**

Claim settlement is within 7 days after all necessary documents/ clarifications have been received and early as possible between 24 hours.

#### **Reimbursement Claim Process**

1. Get admitted in any hospital
2. After treatment, clear your due hospital bills
3. Send necessary documents along with duly filled claim form (accepted by email)
4. Claim services associate will assist you telephonically for documentation and quires.
5. We will settle your claim and make claim payments.

#### **Proper Documentation**

Documents required for process as suggested by insurance company according to life insurance product.

1. Correctly filled claims form
2. Medical attendant's certificate
3. Medical records/Doctor recommendation
4. Policy documents
5. Copy of death certificate and
6. Any other documents requested by the insurer

#### **Services**

1. 24/7 Hotline Assistance
2. Free delivery for your policy nation wide
3. Prompt services to customers
4. Business process automation
5. Business intelligence
6. Behavioral policy pricing
7. Automated customer experience personalization
8. Automated claims settlement including automated fraud detection

# Anti-Corruption

- Assess the risk of corruption when doing business
- Mention “anti-corruption” and / or “Ethical behavior” in contracts with business partners
- Ensure that internal procedures support the company’s anti-corruption commitment

We are always obeying and have decided to follow the instructions that rules, regulations, advice, instruction from Government, Insurance Business Regulatory Board (IBRB) & Financial Regulatory Department (FRD) are published in the directives of the oftentimes.

Especially we are important attention and obeying that Anti-Money Laundering Law 14/3/2014(AML), AML Rules, Counter Terrorism Law 4/6/2014, Counter Financing of Terrorism Rules, AML/ CFT Risk Based Management Guidance Note 27/1/2015, Mobile Financial Services Regulation 30/3/2016, Presidential AML order 45/2019, CBM directive for Fit & Proper Criteria 8/2019, CBM directive for

Directors 9/2019, CBM Directive for CDD Measures 15/11/2019, Remittance Business Regulation 15/11/2019, Customer Due Diligence Directive issued in November 2019 (CDD), AML Order issued in November 2019 (AML Order) and Risk Management Guideline for Microfinance Institutions, Insurance Businesses (RMG) and DNFBPs.

We have recorded copies of the procedure relating to all reporting and recordkeeping requirements taken, including compliance and customer due diligence.

We obeyed the retention limit of the insurance policy instructed by IBRB and will take further action according to the AML/CDD/AML Order/RMG and DNFBPs guideline.

We are the insurance company so the public’s belief is most of the important primary title for us. We will adopt and follow code of Ethic and will avoid Conflicts of Interests.

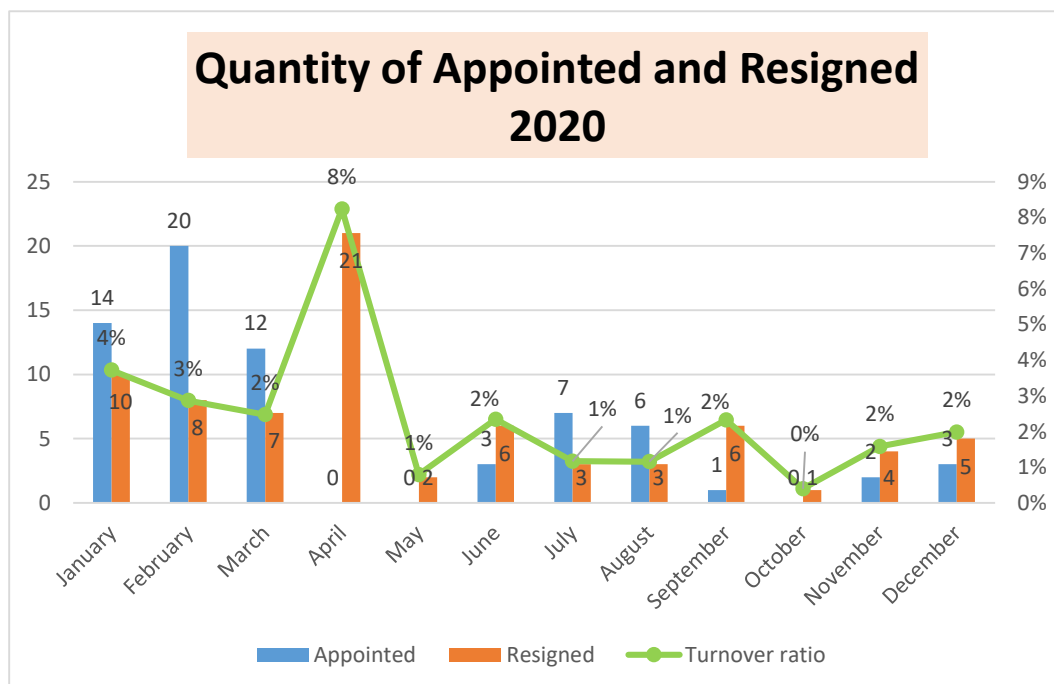
And we used to pay claims payment on time and also servicing 24 hours/7weeks.



## Measurement of Outcomes

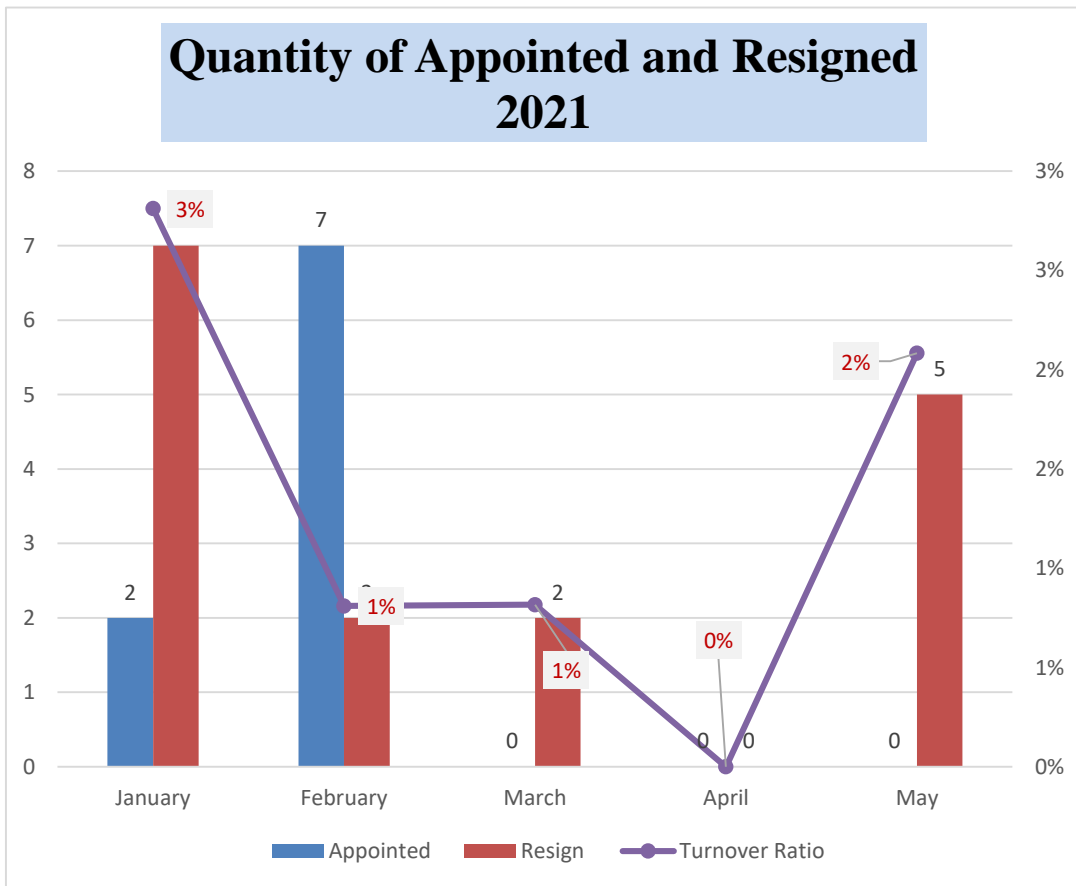
- A monthly payment of Ks 25,000 for each staff as expenditure for lunch
- A wedding gift of Ks 500,000 for four staff members
- Ks 500,000 for funeral services of his/her family member for seven staff members
- Employees have been allowed to enjoy service leaves as follows in accordance with the provisions of Labor Law
- Six days of casual leave per year (enjoyed by every staff)
- Ten days of earned leave per year (enjoyed by every staff)
- Thirty days of medical leave per year (26 employees have enjoyed)
- Six weeks of pre maternity leave and eight weeks of post maternity leave (26 employees have enjoyed)
- Fifteen days of maternity care leave (three employees have enjoyed)
- Seven days of funeral leave (seven employees have enjoyed)
- Five days of marriage leave (four employees have enjoyed)
- Two days of special casual leave (leave for blood donors) (41 employees have enjoyed)

Year	Month	Total Manpower	Appointed	Resigned	Turnover ratio
2020	January	269	14	10	4%
	February	279	20	8	3%
	March	283	12	7	2%
	April	255	0	21	8%
	May	253	0	2	1%
	June	256	3	6	2%
	July	257	7	3	1%
	August	260	6	3	1%
	September	258	1	6	2%
	October	252	0	1	0%
	November	253	2	4	2%
	December	252	3	5	2%
	<b>Total</b>	<b>260.5833333</b>	<b>68</b>	<b>76</b>	<b>-39%</b>

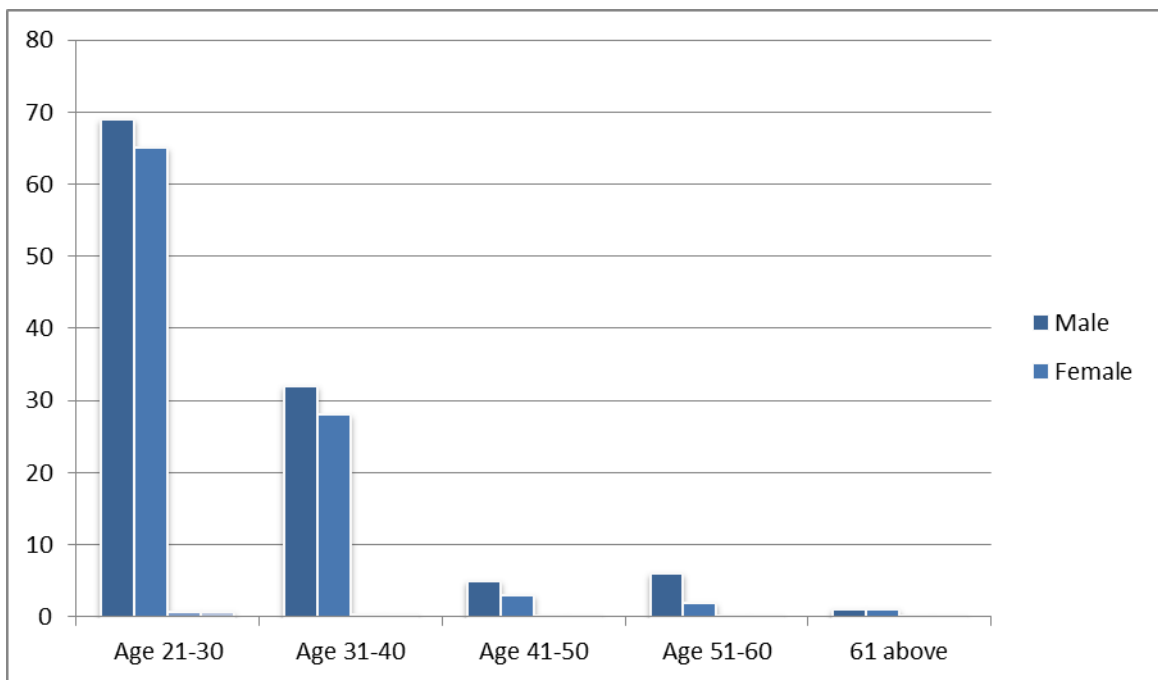




Year	Month	Total Menpower	Appointed	Resign	Turnover Ratio
2021	January	249	2	7	3%
	February	247	7	2	1%
	March	245	0	2	1%
	April	245	0	0	0%
	May	240	0	5	2%
	June				
	July				
	August				
	September				
	October				
	November				
	December				
		<b>Total</b>		<b>9</b>	<b>16</b>



## Gender Indicators



## Appointment in terms of age groups

Sr	Age Category	Percentage	
		Male	Female
1	Age 21-30	61%	66%
2	Age 31-40	28%	28%
3	Age 41 - 50	5%	3%
4	Age 51 - 60	5%	2%
5	61 Above	1%	1%

## Crop Insurance Innovation

### Introduction and Purpose

We innovated the title of “Crop Insurance” in Myanmar in 2016. Insurance Business Regulatory (IBRB) allowed Global World Insurance Co., Ltd on 31 January 2018 as 2 years of pilot projects in Yangon Region, Mandalay Region, Ayeyarwady Region and Magway Region.

Meanwhile we were sold and accepted crop insurance in these regions and the following during project -

Sr.	Year	Region	Township	Number of Farmer	Rainy Paddy (acre)	Spring Paddy (acre)	Insurance Warranty		Premium	Claim	Yield Per Acre (Tin)	One Tin Price (MMK)	Amount (MMK)
							From	To					
1	2018	Ayeyarwaddy	Labutta	8	100.28	-	17.8.2018	17.8.2019	2%	-	50	5,000	501,400
2			Hinthada	17	50	-	17.8.2018	17.8.2019	2%	-	50	5,000	250,000
3			Pathein	2	25	-	17.8.2018	17.8.2019	2%	-	50	5,000	125,000
4			Kangyidaunt	10	25	-	17.8.2018	17.8.2019	2%	-	50	5,000	125,000
5	2019	Yangon	Hlegu	1	-	10	4.1.2019	4.1.2020	2%	-	100	5,000	100,000
6		Mandalay	Amarapura	1	-	7	8.2.2019	8.2.2020	2%	-	50	5,000	35,000
<b>Total</b>				<b>39</b>	<b>200.28</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,136,400</b>

We also target insurers interested in developing this product offer in agriculture insurance in Myanmar Country.

The currently created and presented “Crop Insurance” type is new to Myanmar and the insurance industry. Therefore, also in our country, this crop insurance system by starting to implement system, with the following 4 purpose:

- (1) In order to lessen the farmers’ concern during the period of cultivation.
- (2) In order for the farmers to recover the income according to the yields for the damaged crops.
- (3) In order to create revenue for the crop insurance company.
- (4) In order to ease the government’s responsibility, it provides assistance for the damaged crops due to natural disasters.

### Category of crop insurance

This type is a simple insurance system in which the insurance is based on yield per acre and the compensation will be made according to the current price if the output decreases or the crops are perished because of climate aberration while the amount of productivity is insured.

For example: Nowadays in Myanmar, the average yield per acre for paddy fields is 50 tins. During the growing season, if the actual rice productivity is only 30 tins in harvesting time due to drought, the insurer will indemnify the insured (farmer) 20 tins, which is the amount decreased than the expected output, with the current price.

### Coverage of Crop Insurance

This crop insurance is a simple coverage that is based on Weather Beaten (or) Climate change and aberration. Climate aberration are as follow;

- (1) Flood caused due to Heavy Rain
- (2) Drought caused due to Less Rain
- (3) Storm

## **Major Issue in Myanmar Country**

- (1) Must be organized national Level “Crop Insurance Committee”
- (2) Drafted “The Crop Insurance law”

## **Crop Insurance Project**

### **1. Type of Insurance**

Only a single type of paddy (Rain & Spring) can be guaranteed.

### **2. Insurance Protection**

During planting give protection for climate change decreased crop yields, pests and disease reduced crop yields.

### **3. Insured**

(18) Years of age, Resident in the country, anyone planting can be placed insurance.

### **4. Terms of insurance**

Insurance warranty is (1) year. Since submitting insurance premiums (365) full days will expire at 12:00 A.M. During the guarantee permanent deputy across the only the Rain & spring (2) applies. Other crops will not be valid.

### **5. Sum Insured**

The insured based on the average yield per acre can be placed calculated.

### **6. Premium**

Insured must be paid premium fees once time (Premium Supplier Day figured paddy must be at least 30 days before.

### **7. Premium Rate**

The premium rate is guaranteed (2%) of the revenue. Premium fees must be paid as the number of acres to insure.

### **8. Stamp**

10 kyats stamp-shaped must be used for Insurance compensation form.

### **9. Collaborating organizations for implementation**

By the Insurance Supervisory lead this task, Department of Agriculture, Meteorology and Hydrology Department, General Administration Department, Private Insurance Companies, Insurance Agent are include and if we need to form a Steering Committee for crop insurance experience and success should be formed as a Foreign Consultancy.

### **10. Insurance Purchase**

Agriculture (Farmers) can buy directly from Insurance Company (or) Insurance Agent. During the insurance 1 year period of time, will enjoy compensation only 1 time so they will need and buy the insurance next again for appear damage and loss again.

### **11. Agent**

Representative Licensee.

## **12. Commission Fee**

10% of the premium paid will be allowed to enjoy.

## **13. Compensation**

They must request by the necessary supporting information is complete and correct at the Crop Insurance Compensation prescribed form and (included 10kyats Insurance Stamp).

## **14. Compensate of benefits frequency**

During the insurance 1 year period of time, will enjoy compensation only 1 time.

## **15. Need Data if Compensate**

- (1) The Relevant of the Village of recommendation for the outbreak of crop damage.
- (2) The Relevant of the Head of Department Agriculture Township of recommendation for the outbreak of crop damage.
- (3) Insured N.R.C Card (Copy)
- (4) Crop Damage (Photo Record)

## **16. Benefits**

Eligible to receive benefits if the crop yields reduce due to pests and change climate (mean that floods sinking, droughts, storms and various divisions).

## **17. Non-Benefits**

Birds, hailstorm, terrorists, war and unrest led militarized loss with little damage, postharvest of damages caused, events dishonest claims of fraud, Damage occurred on incorrect description, Natural disasters, pests sentence indignation of forest fires the moment are known in advance and because of people will not be compensate and eligible the loss in the urine.

## **18. Usage Forms**

The private insurance companies would be implemented of crop insurance through the forms the below.

- (a) Crop Insurance Proposal Form
- (b) Receipt
- (c) Crop Insurance Policy
- (d) Terms and Conditions
- (e) Crop Insurance Compensation Form

## **19. Undertaken if compensation**

The insured must be contact to the guarantee within 24 hours to hear it for occurrence of any losses arising. During the 24 hours assumed as a quick short photo record.

## **20. Analysts of loss Damage**

Insured, insurance recipient and the relevant of the city (or) village agriculture decision set the value of damages at the damage analysis. Insurance Supervisory Body's decision is confirmed if the dispute about the costs and benefits.

## **Terms and Conditions**

1. The insured paints fill the memo display error of negligence, the express purpose of deliberately false and conceal, falsify caller will lose benefits if you have a policy.
2. (18) years of age, can be guaranteed to all residents in the country. Since submitting insurance premiums (365) full days will expire at 12:00 A.M.
3. Guaranteed due to the termination of the policy premium refund.
4. **Benefits:**

By having Insured Crop, Myanmar's Agricultural average yield will be available with prices set to drop in the amount of crop compensation if the crop yields will reduce to pests and change climate. The weather corruption mean that floods sinking, droughts, storms and various divisions. By exception, the farmer will receive only one time compensation of seed value if damage due to flood that cause by heavy rain within 30 days from plantation started.
5. **Non-Benefits:**
  - (a) Damage to lose due to the people.
  - (b) Damage to lose due to the Hail loss, Birds and Wild animals.
  - (c) Natural disasters and pests' disease fall and known but not prevention.
  - (d) Damage to lose due to the terrorists destroy, war and unrest led militarized loss.
  - (e) Postharvest of damages caused.
  - (f) Events dishonest claims of fraud.
  - (g) Damage occurred on incorrect description.
6. The occurrence of the insured for any losses arising to accept the guarantee 24 hours to hear it.
7. During the 24 hours assumed as a quick short photo record.
8. The insured damage examine insurance recipient and by the decision of the city (or) village agriculture set the value of damages.
9. The dispute about the costs benefits will be the Insurance Supervisory Board's decision.



(Notarial Translation)

GOVERNMENT OF THE REPUBLIC OF THE UNION OF MYANMAR  
MINISTRY OF PLANNING AND FINANCE  
INSURANCE SUPERVISORY BOARD  
OFFICE NO. (34), NAY PYI TAW

(Emblem)

Reg. No.	0287-18
Date	1.2.18
File	Crop

Tel: 067-410152, 410564, Fax: 067-410152, E-mail - insurance.frd@gmail.com

Letter No. : FRD / IBRB (019/2018)

Date : 31<sup>st</sup> January, 2018

To,  
Myanma Agricultural Bank  
Ministry of Planning and Finance  
Agriculture Department  
Ministry of Agriculture, Livestock & Irrigation  
Meteorology and Hydrology Department  
Ministry of Transport and Communication

Subject : To permit test performance of Crop Insurance

Reference : Letter No. GWI/389/2017, dated 4.7.2017 by Global World Insurance Co., Ltd.

With regard to the above-mentioned subject, Global World Insurance Co., Ltd. has submitted to allow test performance of Crop Insurance for a period and the matter was discussed at the (regular) Meeting No. (6/2017) of Insurance Supervisory Committee for which the meeting decided to allow to run a Pilot Project based on paddy considering the agricultural and geographical situation of Myanmar. Hence, it is to inform you to co-ordinate with the said Insurance Company to enable to implement the said Pilot Project.

Sd/x x x 31.1.2018  
(for) Chairman  
(Zaw Naing, Secretary)



*AUTHENTICATED, true and correct English Translation.*

*U Soe Moe Htun*

U SOE MOE HTUN (B.A., H.G.P., R.L.)  
NOTARY PUBLIC

23 FEB 2018

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# MYANMAR TIMES

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## Crop insurance to protect paddy farmers available soon

THI HA KO KO

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THE implementation of a recently approved crop insurance scheme to protect farmers in Myanmar, while urgently needed, will face challenges as stakeholders grapple with the risks and complexities.

In January, the Ministry of Planning and Finance approved a two-year pilot crop insurance project aiming to cover damages to crops as a result of erratic weather conditions in Myanmar.

The project, which will first be carried out on an experimental basis, is being offered by Global World Insurance, and will cover only paddy for now. It will commence this paddy season and cover the Yangon, Ayeyawady, Magwe and Mandalay regions.

It is also the first time a crop insurance scheme is being implemented in the country. In Myanmar, insurance is mainly offered by state-owned provider Myanma Insurance and a smattering of private insurance companies. However, the existing portfolio of products and services does not include crop insurance.

This is the case even though agriculture accounts for one third of Myanmar's GDP, provides jobs for half the population and represents one fifth of the country's exports.

Meanwhile, the production cost of paddy is also higher in Myanmar compared to neighbouring countries due to poor infrastructure and technology. Farmers are at the mercy of unpredictable weather conditions and crop damage due to pests and disease.

But while countries such as India and Thailand have provided a crop insurance system for farmers since



Farmers gathering crops at a paddy field in Yangon. Photo: Aung Htay Hlaing

1970, there is no such system to protect Myanmar farmers against losses if crop yields are lower than the expected volume. As such, crop insurance is urgently needed in the country.

### Premium rates

One of the challenges to implementing crop insurance is setting a suitable premium rate. This is because there is no prior benchmark in Myanmar and no qualified actuary to measure risk levels in the country's insurance sector, officials from Global World Insurance said.

As such, the pilot project is being carried out to gauge and set a suitable crop insurance premium rate.

To start of, Global World Insurance will calculate the premium rate, based

on the market price of paddy across one acre of farmland. Should compensation payouts be required in the event of bad weather, this will be calculated based on the market price per acre of paddy harvested in each region.

Policy holders are entitled to a one-time insurance payout if their crops are damaged as a result of bad weather within the one year-insurance period, which includes the summer and rainy seasons.

Compensation amounts will be verified by Global World Insurance and a farmland management committee.

### Lack of support

The other challenge is a lack of government and private sector support. Even though the pilot project was proposed

in 2016, it was submitted to parliament only in June 2017 and approved this year, said U Soe Win Thant, director of Global World Insurance.

The government and private sector should work together to make crop insurance a success in Myanmar and help farmers reduce losses, said MP U Myo Zaw Oo.

Currently, state-owned Myanmar Agricultural Development Bank (MADB) provides loans to farmers who suffer losses from poor crop yields. The MADB should also include crop insurance premiums as part of their loans to farmers, said U Soe Win Thant.

He added that Global World Insurance is now discussing ways to implement such policies with the MADB.

Meanwhile, the Ministry of Agriculture, Livestock and Irrigation is also talking to several insurance companies from Japan about options to offer similar crop insurance policies to Myanmar farmers.

"Crop insurance is necessary in Myanmar. We should ensure the implementation of a functioning insurance system to protect our farmers," said U Myo Tint Tun, deputy secretary of the Ministry of Agriculture, Livestock and Irrigation (MOALI).

Dr Tun Win, agricultural expert and former deputy minister of MOALI, said having crop insurance is important in drawing more foreign direct investments into agriculture. "If the crops are left at the mercy of the weather without any protection, no one will invest capital in the sector. So, it is important to hedge against damage caused by weather," he said.

"We are working closely with the government to ensure an effective crop insurance system is implemented in Myanmar," said U Soe Win Thant.



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HEARTBEAT OF THE NATION

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# MYANMAR TIMES

Friday, March 22, 2019



## Crop insurance begins to take root in Myanmar

**Local insurer Global World Insurance Co.,Ltd (GWI) is expanding its crop insurance pilot project with the signing of an agreement with a private contract farming business,**

**U Soe Win Thant, the director of Global World Insurance, revealed.**

In 2016, Global World Insurance submitted a proposal on offering crop insurance to the Insurance Business Regulatory Board (IBRB) under the Ministry of Planning and Finance.

Last January, the ministry approved a two-year pilot project for GWI's crop insurance. The company's crop insurance is yield-based and the premium is two percent of the market price of rice from one acre (0.4 hectares) of farmland. Should crops be damaged due to bad weather, the insurer will calculate compensation payouts based on the market price per acre of rice harvested in different regions.

The company’s pilot project is the first time crop insurance has been offered in the country and covers on rice growers for now. The insurance is being offered in Ayeyarwaddy, Mandalay, Magway and Yangon Regions.

“Since this is just the first year of the pilot project, we are learning that there is a need for things such as a national crop insurance committee, crop insurance laws, and crop re-insurance,” U Soe Win Thant said.

“Senior government officials are keen on implementing crop insurance, but at the lower levels we are facing a lack of support from government departments. We have faced difficulty getting exact data on yields and weather patterns from the relevant government departments. If this effort is to move forward, we will support from the government. National crop insurance coverage may have to be a government-led effort,” he said.

On the other hand, farmers are interested in crop insurance and market demand appears to offer good potential. Currently, GWI and the Myanmar Rice Federation have agreed to provide crop insurance to the contract farming operations run by private companies, he added.



**Sharing about crop insurance at 2019 Annual General Meeting (Myanmar Rice Federation) in MCC, Mandalay on 9.2.2019**



**1<sup>st</sup> time meeting, discussing and presenting about Crop Insurance at Agriculture, Livestock and Rural Development Committee, Pyithu Hluttaw, Nay Pyi Taw**



**2<sup>nd</sup> times meeting with Union Ministery**



**The First National Crop Insurance Seminar in Nay Pyi Taw on 6.11.2018**



**Meeting and Discussing with the Ayeyarwaddy Region Government**



The ceremony of giving crop insurance policy for the farmer who insured crop insurance at Patheingyi, Ayeyarwaddy Region (17.8.2018)


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**သီးနှံအာမခံပေါ်လစီ**

**Pilot Project**

ပေါ်လစီအမှတ်: GWI/Crop/000000001/8-2018  
 ရက်စွဲ: 17-08-18

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ကိုယ်စားလှယ်အမှတ်	

  
 Assistant Manager  
 Agriculture Department  
 Global World Insurance Co., Ltd.

  
 Director  
 Soe Win Thant  
 Global World Insurance Co., Ltd.



**Meeting and Discussing with the farmer- U Kyaw Aung, Too Chaung Village, Nyaungdon Township, Ayeyarwaddy Region**



**Meeting and Discussing with the farmers who grow rice Yamethin Township, Mandalay Region**

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