

VIETNAMESE INSURANCE MARKET

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AGENDA

- Market Overview
 - Market History
 - Market Performance
 - Supervisory Agency
- Insurance Statistics
 - Data Collection
 - Statistics as a supervisory tool
- Challenges

Market History

Prior to 1994

- Monopoly of Baoviet
- Non-life business only
- 20 traditional non-life products
- Simple and limited insurance cover
- Small penetration rate (<0.4%GDP)

From 1994

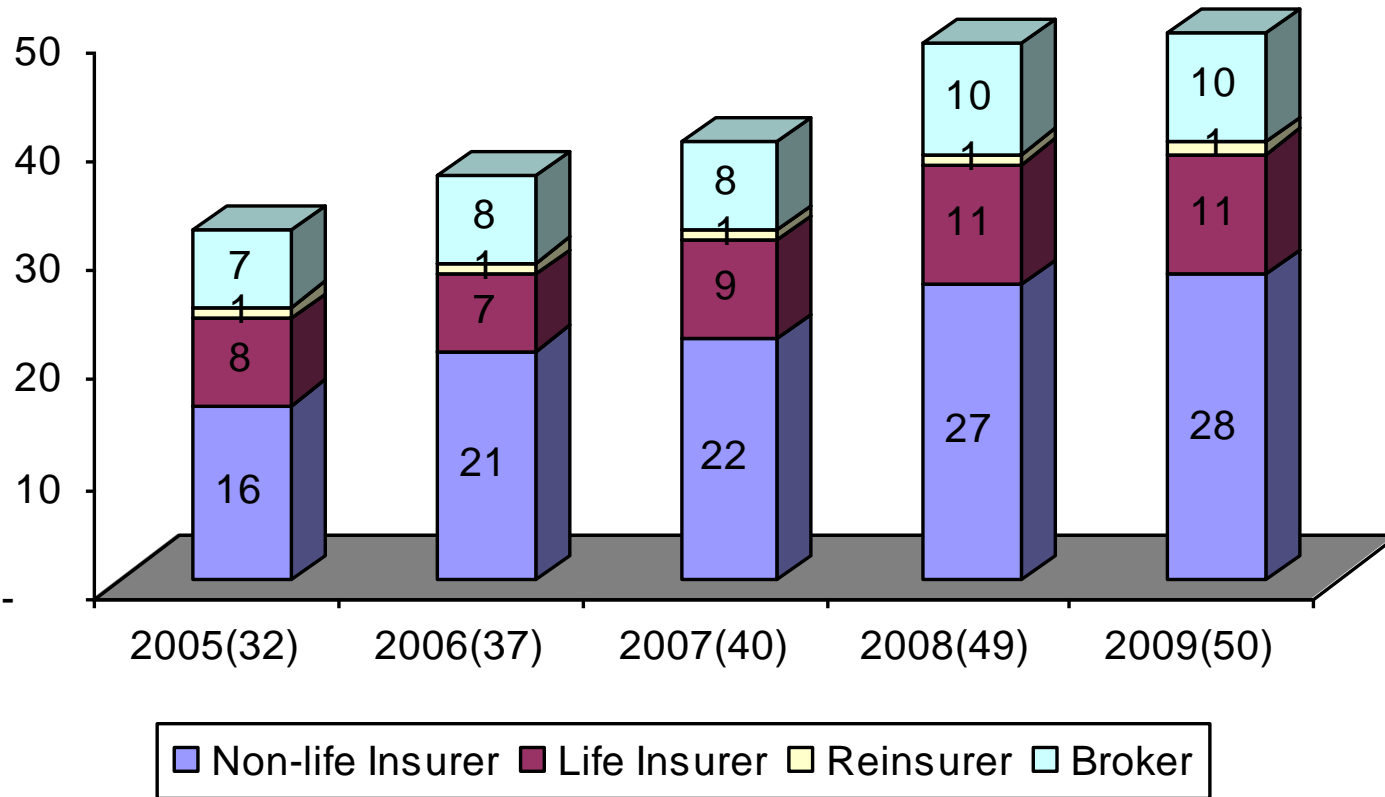
- 1994: Bao Minh
- 1995: Joint stock
- 1996: Joint venture
- 1999: 100% foreign owned

* Life insurance: 1995



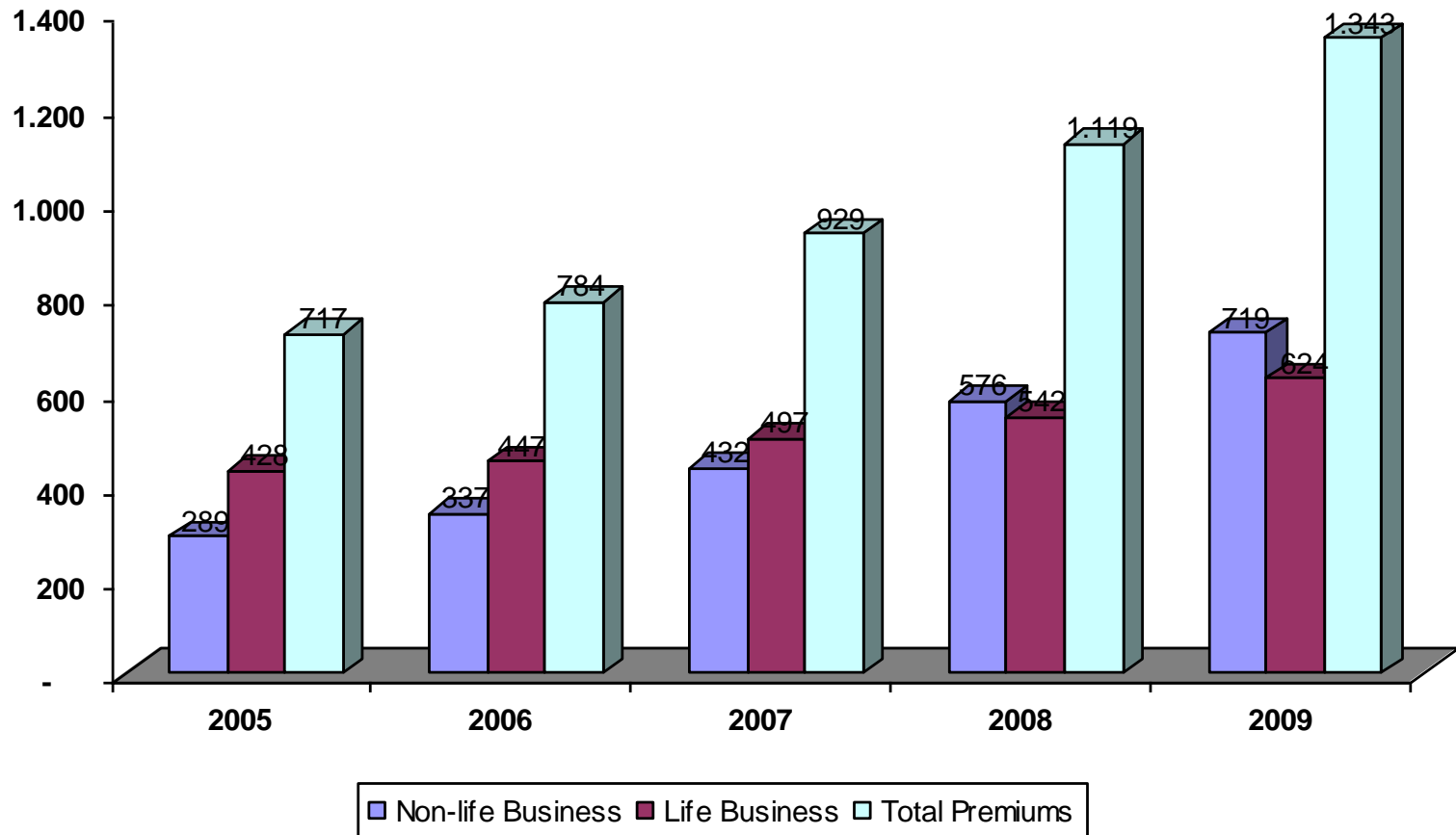
Market Performance 2005-2009

- Market Structure



Market Performance 2005-2009

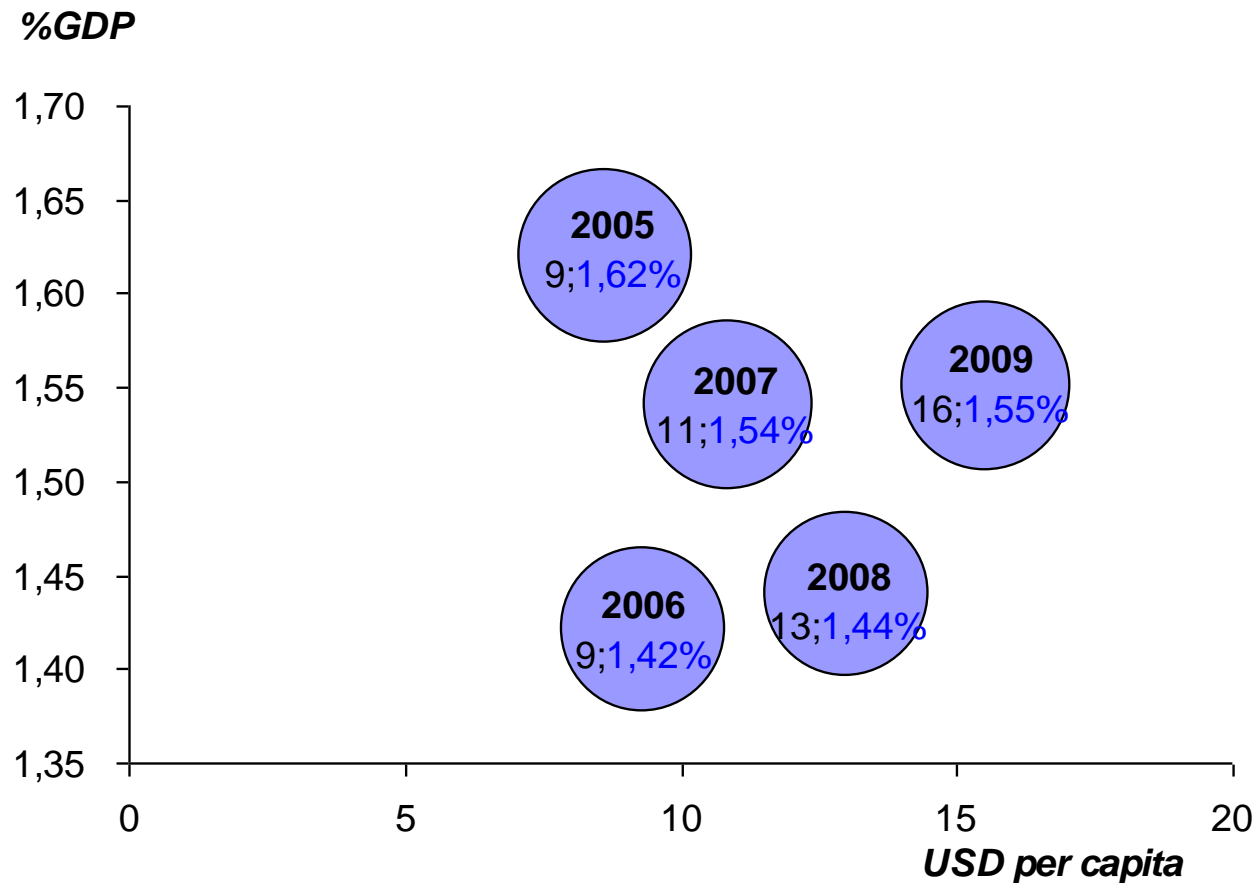
- Insurance Premiums



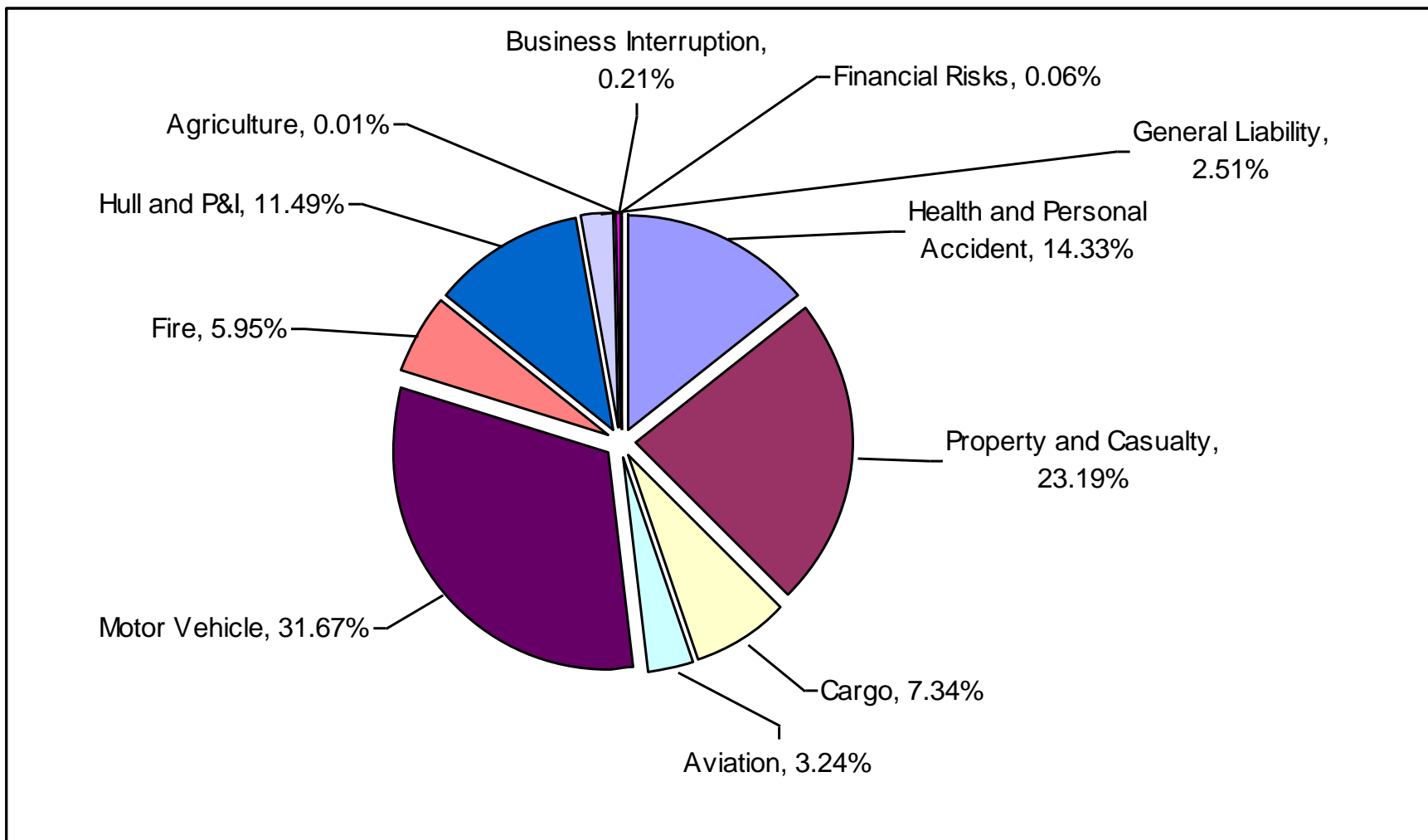
5yr CAGR: Non-life 25,62%; Life 9,87%; Total 16,99%

Market Performance 2005-2009

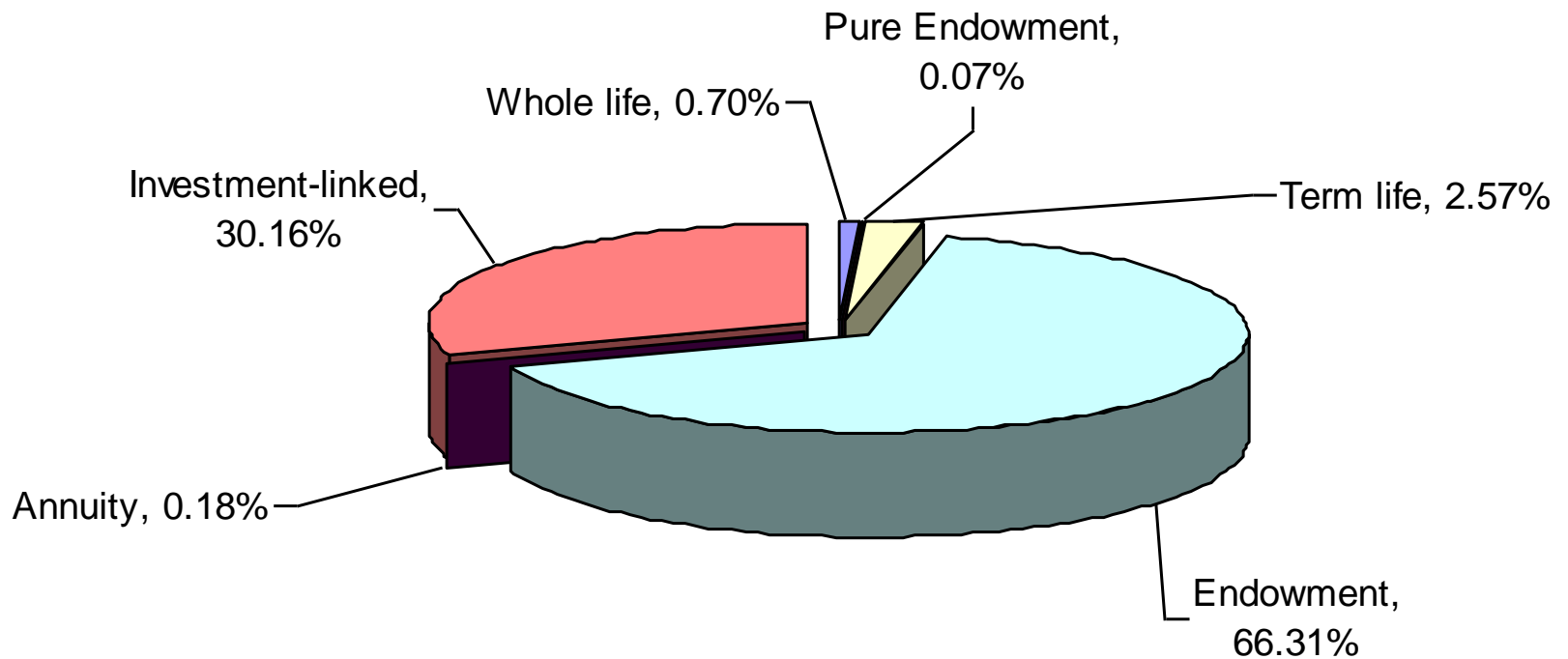
- Insurance Penetration and Density



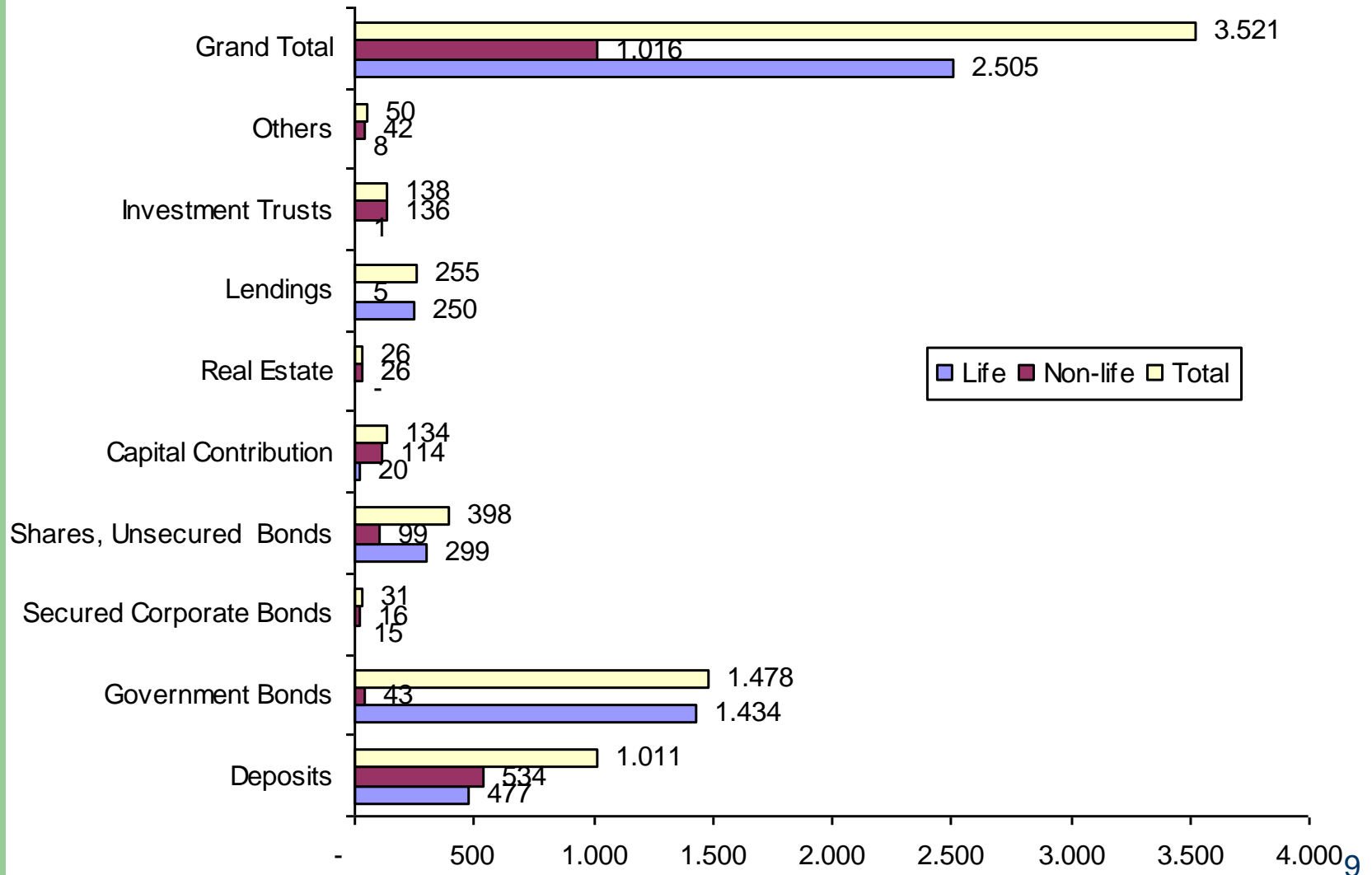
Distribution of non-life GWP by line of business



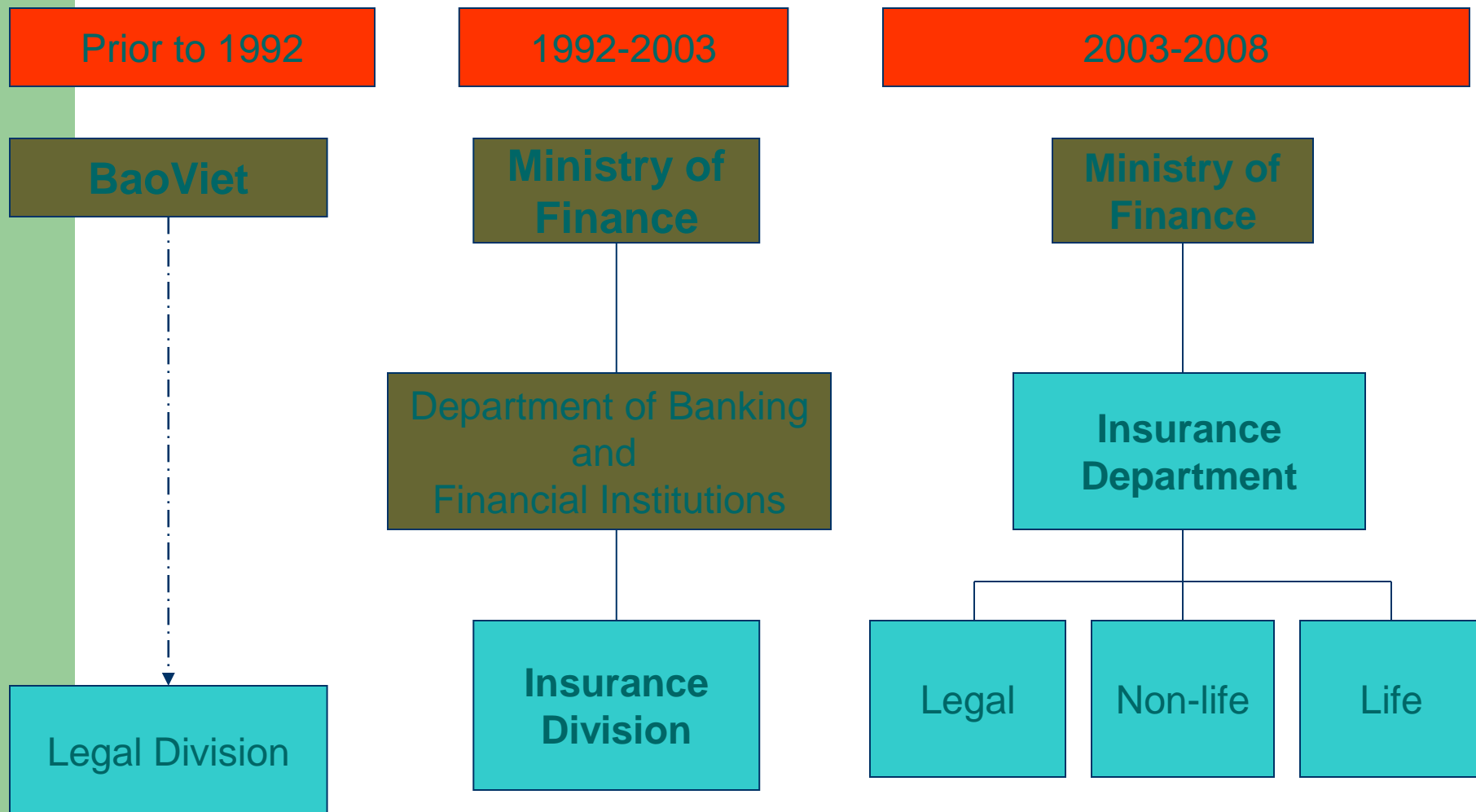
Distribution of life NB by line of business



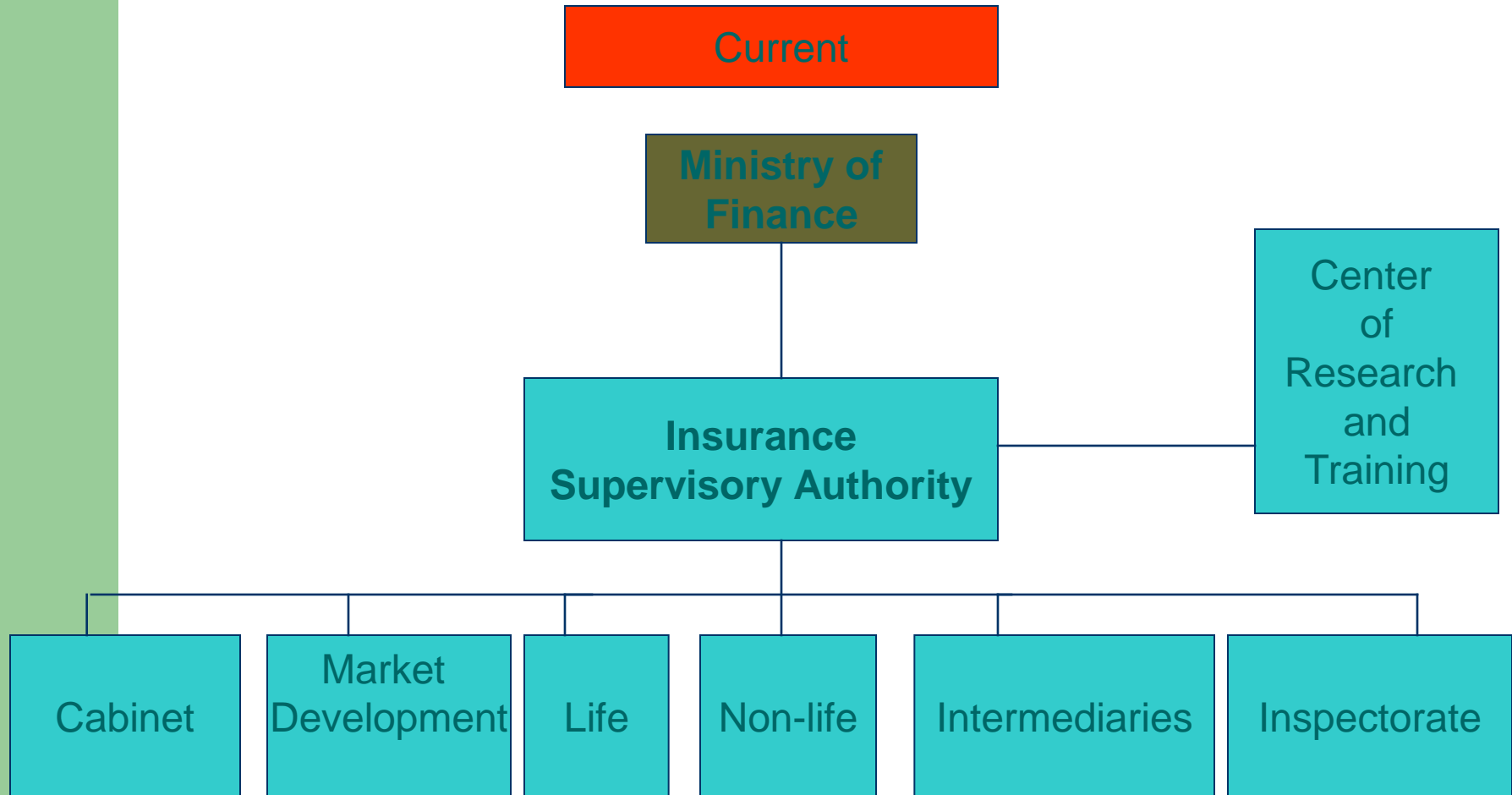
Investment Portfolio in 2009



Supervisory Agency



Supervisory Agency



Sources of Data

- Reports from/about insurers/brokers
 - Audited Financial Statements
 - Statistical reports
 - Monthly reports: insurance premiums by line of business
 - Quarterly reports: GWP, NWP, policies, claims/payouts, reserves, investments, solvency; agents
 - Annual reports: quarterly reports and ASEAN reports, investor's report
 - Insurance Supervisory Ratios: yearly report as early warning indicators
 - Ad hoc reports
 - On-site visiting reports
 - Project outputs
- Publications from the Insurance Association of Vietnam and other domestic organizations/agencies
- Publications from international counterparts, IAIS, and organizations

Statistics as a supervisory tool

- High level: Regulation
 - Understanding the market development stage
 - Policies/rules formulation and application
- Low level: Supervision
 - Historical review and peer review
 - Off site planning
 - Early warning

Statistics NOT tell you something

BUT so many things!

Challenges (both insurers & supervisor)

- Data Collection:
 - Issues of Quality: Accuracy, Completeness, Consistency, Timeliness, and Auditability
- Data Storage, Processing, and Use:
 - Issues of IT infrastructure, human resource, openness

**Thank you
for your attention!**