

To: Permanent Secretary of Finance Prasong Puntaneat
Ministry of Finance of Thailand

Cc: Secretary General Suthiphon Thaveechaiyagarn
Office of Insurance Commission

Date: 11 February 2020

Subject: Request for outcome of draft regulations on rules and procedures for applying and issuing reinsurance licenses in a form of a branch of a foreign insurance company

Dear Mr Secretary,

Through its 40 member associations and 1 observer association, the Global Federation of Insurance Associations (GFIA) represents the interests of insurers and reinsurers in 64 countries. These companies account for around 89% of total insurance premiums worldwide.

GFIA commends your government for its affirmative policy decision to support well-regulated cross-border professional and affiliate reinsurance as part of your efforts to maintain consumer protection and the availability and affordability of risk-protection products. GFIA supports this decision and would respectfully request that your government prioritise the finalisation of the implementing regulations to allow the voluntary establishment of branch reinsurers in addition to the maintenance of an open cross-border insurance market.

Global insurers are very supportive of strong and sound insurance regulation and at the same time firmly believe in the importance of a dynamic global reinsurance market. GFIA seeks to educate policy makers on the importance of geographic risk spreading, product innovation and the many other benefits of a strong global cross-border reinsurance market. Thailand is a market where GFIA views cross-border reinsurance as playing an important economic and prudential role because of the market capacity and risk characteristics that you regulate.

GFIA is of the view that finalisation and implementation of these regulations are in the best interests of Thailand and represent a strong step in continuing to seek market solutions to help address emerging risks for your economy and consumers. GFIA would be pleased to provide any additional assistance by way of research or consultation.

Thank you for your consideration.

Kind regards,

Brad Smith
Chair of the GFIA Trade working group (BradSmith@acli.com)