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Insurance Industry Sees a Healthy Growth and the emergence of life insurance in the Kingdom

Phnom Penh, Cambodia – Insurance Industry in Cambodia reports increase of total gross premium of 38% in the first quarter of 2016 over the first quarter of 2015. Gross premium grew from USD 21 million to USD 29 million. This has been driven by increase in general insurance of 20% and the nascent Life insurance which grew by 123% in the first quarter of 2016.

General insurance in Cambodia continues to grow year on year. Currently, the total seven general insurers in Cambodia have contributed to the total gross premium of USD 20.3 million in the first quarter of 2016. Compared to the first quarter of last year, the total gross premium in general insurance grew by over 20%. This was partly driven by increase in Health insurance by 67% from USD 2.4 million to USD 4 million, Engineering insurance by 49% from USD 0.9 million to USD 1.3 million, and Marine, Aviation and Transport (MAT) by 93% from USD 0.6 million to USD 1.2 million.

Mr. Huy Vatharo, Chairman of Insurance Association of Cambodia (IAC) believes that the combined industry between life and non-life insurance are moving on a positive track. He said, “I am very delighted to see both general and life insurance industries grow substantially. This result shows a greater public confidence in insurance sector in the country.”

Life insurance is relative new concept in Cambodia starting in 2012, even though it has been available in other ASEAN countries for decades. The profile and awareness of the Life industry has risen rapidly in Cambodia since its launch according to Insurance Association of Cambodia, and has now grown to four life insurance providers. This has been helped by collaboration between the Ministry of Economy and Finance (MEF) and IAC in running educational seminars to help people better understand the role of life insurance, said Robert Elliott, Vice-Chairman (Life) of Insurance Association of Cambodia.

In 2015, the life insurance industry grew total gross premiums by 191% compared to 2014, from USD 7.6 million to USD 22.1 million, with a total sum assured of USD 650 million. The industry continued its rapid pace of growth into the first quarter of 2016 with 123% growth of total gross premium USD 8.9 million from USD 4 million in the first quarter of 2015.

The Insurance Association of Cambodia is optimistic about the development of the life insurance industry, as it plays a critical role in both building a better financial future for Cambodian families and driving the economic development of the country over the long term. “I am proud of life insurance in Cambodia as we have protected over 35,000 people as of the end of the first quarter of 2016 with a total sum assured of approximately USD 800 million,” said Robert Elliott, Vice-Chairman (Life) of Insurance Association of Cambodia.

The Ministry of Economy and Finance is a key contributor to this tremendous success. Robert Elliott added, “I would like to thank the Ministry of Economy and Finance for their trust, collaboration and support given to the Life insurance industry in Cambodia. Without this

Note: Certain figures in the news release are rounded for presentation purposes.

collaboration, the industry would not have been able to grow that quickly. With the continued support from the MEF, I am confident that life insurance will play a key role in building a better financial future for all Cambodian families!”

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