



The Republic of the Union of Myanmar
Ministry of Planning and Finance
Insurance Business Regulatory Board
Building No.(34) Nay Pyi Taw

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Directive (3/ 2019)

(18th September, 2019)

Directive for Purchase of Government Treasury Bond

1. Pursuant to the Insurance Business Rules, in particular sub-rule (b) of rule 7, all insurers¹ in Myanmar shall ensure that, at all times, it has purchased, in joint name with the Insurance Business Regulatory Board (“IBRB”), Government Treasury Bonds worth 30% of its total paid-up capital.
2. All foreign insurers in Myanmar shall purchase new Government Treasury bonds by offering competitive bids for the Government Treasury bond auction through licensed securities companies by Securities and Exchange Commission of Myanmar. Upon the maturity of any Government Treasury Bonds held, all foreign insurers shall purchase new Government Treasury bonds by the next available Government Treasury bond auction in order to comply with sub-rule (b) of rule 7 of the Insurance Business Rules. All insurers in Myanmar shall from time to time submit to IBRB the supporting evidence that sub-rule (b) of rule 7 of the Insurance Business Rules has been complied with.
3. All local insurers in Myanmar shall purchase new Government Treasury bonds by offering competitive bids for the Government Treasury bond auction through licensed securities companies by Securities and Exchange Commission of Myanmar. Upon the maturity of any Government Treasury Bonds held, all local insurers shall purchase new Government Treasury bonds by the next available Government Treasury bond auction

¹ “Insurers” as used in this directive refer to all companies that:

- i) have been granted a licence for an insurance business; or
- ii) have received intimation of being granted a licence for an insurance business upon fulfilment of certain requirements by the Insurance Business Regulatory Board.

in order to comply with sub-rule (b) of rule 7 of the Insurance Business Rules. All insurers in Myanmar shall from time to time submit to IBRB the supporting evidence that sub-rule (b) of rule 7 of the Insurance Business Rules has been complied with.

4. All insurers in Myanmar shall inform the IBRB if it fails to purchase the necessary Government Treasury bonds in order to meet its obligations under the Insurance Business Rules.

5. This Directive shall take effect on 10th September 2019. Directive No. (1/2017) of Insurance Business Regulatory Board "Purchasing Treasury Bond and Treasury Bill of Private Insurance Companies" dated 16 February 2017 shall be cancelled with effect from 10th September 2019.



(On behalf of Chairman)

(Zaw Naing)

Secretary



All Insurers

Ref : FRD/ IBRB (152 / 2019)

Date: 10th September, 2019

Copy to:

- Members of Insurance Business Regulatory Board
- Director General, Treasury Department
- Managing Director, Myanma Economic Bank
- Securities and Exchange Commission of Myanmar
- Myanmar Insurance Association
- Float File