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# International Information Exchange

Country : Thailand 

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TLAA

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## Thailand FACT SHEET: Country Overview



Criteria	Data/Stats		Source/Year
National Land	511,937 km <sup>2</sup>		Royal Thai Survey Department (2013)
Climate/Weather	Bangkok	Average Yearly Temp.: 27 °C	Thai Meteorological Department (2013)
Population	64.7 (Million)		Department Of Provincial Administration (2013)
Young Population (0-14)	11.9 (Million, 13.1%)		
Productive Population (15-64)	42.9 (Million, 63.6%)		
Elderly Population (Over 65)	9.9 (Million, 23.3%)		
# of Households and Ave.ppl/h.h	N/A		
Average Life Expectancy	Male: 71.66 / Female: 76.58		
Total Fertility Rate (*)	1.66		Indexmundi
GDP (Nominal GDP)	365.56 (USD Billion )		Trading Economics (2013)
GDP per Capita	147,319 (Baht : Person)		Bank of Thailand (2013)
Social Security Program	Annuity (Old-age / Survivor / Accidental), National Health Security		
Remarks	<ul style="list-style-type: none"> <li>• Recovery Tsunami in southern of Thailand in 2004</li> <li>• World Economic Forum 2012</li> <li>• Flood in capital city in October 2013</li> </ul>		

(\*) TFR: The average number of children that would be born to a woman over her reproductive life (15~49).



# 2013 LIFE INSURANCE INDUSTRY FAST FACTS

(Thousand Policies, US\$ Million)

(Policies, US\$)

Type	New Business @2013		Policy In-Force @2012		Average Policy per Person @2012	
	# of Policies	S	# of Policies	S	# of Policies	S
Individual	3,136	32,747	18,843	128,457	1	6,817
Indiv. Annuity	Na.	Na.	Na.	Na.	Na.	Na.
Group	6.9	53,234	32.8	157,814	Na.	Na.
PA	2,116	67,568				

Criteria	Data/Stats	(US\$ Million)
# of Life Insurers	23 Life Insurers , 1 Professional Reinsurers	
Net Premium Income	14,237	
Payment of Insurance Claim	4,675	
Total Assets	55,175	
Main Products	Endowment, Whole Life, Term	
Distribution Channel	Agency	54.6%
	Bancassurance	38.9%
	Direct Marketing	3.2%
	Other	3.3%

\*Calculated based on the exchange rate of THB 31.08=US\$1

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## Challenges of Thailand's Life Insurance Industry



### □ Responding to the International Standards Set by IAIS

We are watching the movement of International Association of Insurance Supervisors, considering the introduction of their international standards to the industry.

### □ Protecting the Elderly

In view of the importance of protection for selling insurance to the elderly, we need to manage and train for sales agents and develop life insurance products especially health rider and pension for elderly.

### □ RBC Phase II

We are improving Risk based capital phase II and finalize RBC Phase II roadmap at this year for ensure that each financial institution has enough capital to sustain operating losses while maintaining a safe and efficient life insurance market.

### □ International Financial Reporting Standards 4

we are going to apply international financial standards 4 insurance contracts in January 2016.

### □ ASEAN Economic Community (AEC)

- Agency and Bancassurance continues to be the dominant means of distribution in Thailand with limited development in alternative distribution channels, such as direct marketing, tele marketing due to infrastructure, IT development and regulatory constraints.
- Most Thai citizens are not aware of the insurance and some have negative view towards insurance business due to agents' selling practice.