Annual Report

2025

On Cambodia Insurance Market

Prepared by

Insurance Regulator of Cambodia

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CONTENT

PART I: MESSAGE FROM THE MANAGEMENT

1.1. Message from the Chairman of Council of Non-Bank Financial Services Authority

"In a context where the world, including Cambodia, continues to face compounding challenges and high uncertainty, insurance services play an increasingly critical role in building resilience to unpredictable risks that may arise at any moment."

Akka Pundit Sapheacha AUN Pornmoniroth

Deputy Prime Minister
Minister of Economy and Finance
and Chairman of the Council of Non-Bank Financial Services Authority

In 2025, the world continues to face significant global challenges and heightened uncertainty driven by the rapid transformation of the global trade regime, the repercussions of conflicts in the Middle East, the growing adoption of protectionist policies, and the increasingly severe impacts of climate change and natural disasters. However, currently, Cambodia continues to face a transition of poly-crisis, while the global trade regime continues to undergo significant changes; the combating of online scam which is actively underway and has yet to be concluded; the Cambodia-Thailand border conflict, which remains uncertain; and the conflict in the Middle East has further heightened. Nevertheless, the Royal Government of Cambodia, under the dynamic and pragmatic leadership of **Samdech Moha Borvor Thipadei HUN Manet, Prime Minister of the Kingdom of Cambodia,** has been proactively taking steps by seizing emerging opportunities amid the rapidly evolving regional and global socio-economic landscape, with economic growth of around 5.3% in 2025. Simultaneously, the Royal Government of Cambodia has continued to prioritize public financial strengthening resilience against socioeconomic and environmental risks, strengthening financial services across both the banking and non-banking sectors, and accelerating Cambodia's economic growth in line with **"Pentagonal Strategy – Phase I"** of the Royal Government.

At the same time, the insurance sector, a core component of non-bank financial services, continues to play a vital role in responding to crises and strengthening the social safety net by providing financial protection and building resilience, preventing the people from falling below poverty line when unforeseen risks happen. In addition, the insurance services contribute significantly to Cambodia's sustainable economic development by creating employment opportunities, promoting investment, and improving the livelihoods of the people. In 2025, Cambodia's insurance market continued to expand, reaching more than **USD 367 million** in gross premiums, with total assets of approximately **USD 1,3 billion** and total shareholders' equity exceeding **USD 434 million**. At the same time, a financial burden of around **USD 117 billion** has been covered by insurance contracts, while insurance claim amounting to more than USD 68 million were paid to insured persons and beneficiaries. Furthermore, the insurance industry generated nearly 4 thousand full-time jobs and more than 13 thousand part-time employment opportunities. These achievements demonstrate the soundness and resilience of Cambodia's insurance market against previous crises, highlighting its contribution to economic growth and building social safety net. At the same time, in 2025, the insurance penetration rate reached approximately **1.11%**, while insurance density stood at approximately **USD 20.95 per capita**. These indicators underscore a huge potential of Cambodia's insurance market growth and its attractiveness to both domestic and foreign investors.

In conclusion, on behalf of the Council of Non-Bank Financial Services Authority, I would like to express my sincere appreciation and highest recognition to all stakeholders, especially the Insurance Regulator of Cambodia, for their unwavering commitment, proactive leadership, and dedicated efforts in regulating, supervising, and developing Cambodia's insurance sector. I am also firmly confident that all stakeholders will continue to work closely and collaboratively to further advance the development of Cambodia's insurance sector in line with international standards, while enhancing its competitiveness, diversification, and innovation to promote resilience and inclusiveness in the financial sector, as well as to build a stronger foundation for economic growth and sustainability.

Phnom Penh, 20 July 2026

Deputy Prime Minister

Minister of Economy and Finance

and Chairman of the Council of Non-Bank Financial Services Authority

Akka Pundit Sapheacha AUN Pornmoniroth

1.2. Message from the Director General of Insurance Regulator of Cambodia

"The public and private partnership, through the "Insurance Regulator-CEO Forum," serves as an effective mechanism for identifying practical challenges and emerging opportunities, providing timely solutions, and setting implementation directions to ensure the regulatory practices of Cambodia's insurance sector are carried out in a responsible and proactive manner."

BOU Chanphirou

Director General
Insurance Regulator of Cambodia

2025, amidst the heightened global uncertainty causing adverse impacts to the global economy, including Cambodia, the Cambodia's insurance market continued to maintain positive growth of around **2.8%** compared to 2024 with the insurance gross premium reaching approximately **USD 367 million**, comprising of life insurance premium around **USD 204 million**, general insurance premium of approximately **USD 152 million**, and micro insurance premium around **USD 11 million**. Simultaneously, insurance claim amounting to approximately **USD 68 million** were paid to customers, declining around **35%** compared to 2024, with the majority of the claim arising under general insurance contracts. At the same time, public awareness of the benefits and value of insurance services had been enhanced, the insurance distribution channels had been significantly expanded through the banking and digital platforms, and professionalism of the market conduct had been strengthened, while the financial soundness of insurance institutions had continued to be effectively maintained.

These fruitful achievements are the result of the collective efforts of the Insurance Regulator of Cambodia (IRC) and all insurance institutions, with the active cooperation and support of all relevant stakeholders. Meanwhile, the IRC has continued to strengthen the regulatory role in regulating, supervising, and developing Cambodia's insurance sector through the issuance of new regulations, the strengthening of both off-site and on-site supervisory capacity, the enhancement of consumer protection, the improvement of professionalism of insurance practitioners, the promotion of insurance literacy; advancing the implementation of compulsory insurance schemes, the strengthening of compulsory insurance implementation, and encouraging the use of insurance technology. Moreover, the *"Insurance Regulator-CEO Forum,"* which is organized annually, particularly in 2025, the forum had addressed the following challenges, including: 1) Strengthening of the implementation of regulations related to the sale of insurance products and the use of actuarial valuation services, as well as solvency margin of the insurance companies; 2) Studying and formulation of a strategic framework to diversify the investment of insurance funds of insurance companies, both locally and internationally; 3) Studying and formulation of a tax incentive framework for the insurance sector; and 4) Strengthening of quality of the insurance profession and simplification of registration procedures for individual insurance agent.

Overall, the continued positive growth of Cambodia's insurance market amid persistent global uncertainty demonstrates the resilience of the insurance sector, the maintenance of financial stability within the insurance sector, as well as the growing public awareness on the benefits of insurance as a risk management mechanism. However, in response to those uncertainties and emerging trends in global and regional insurance market, the IRC conducted a comprehensive monitoring and evaluation review of **"Cambodia Strategic Development Plan for Insurance Sector 2021-2030,"** resulting in the formulation of **"Report on the Mid-Term Review of the Implementation of Cambodia Strategic Development Plan for Insurance Sector 2021-2030"**. Based on the findings of the review, the IRC updated the strategic plan to **"Cambodia Strategic Development Plan for Insurance Sector 2025-2030"**.

On behalf on the Insurance Regulator of Cambodia, I firmly believe that through the proactive commitment of the IRC and all insurance institutions, along with the cooperation from relevant stakeholders, the Cambodia's insurance market will continue to stride towards sustainable development while ensuring competitiveness and diversification, thereby largely contributing to sustaining national economic growth in alignment with the strategic plans and policies of the Royal Government.

Phnom Penh, ២០ July 2026

Director General

Insurance Regulator of Cambodia

BOU Chanphirou

PART II: ECONOMIC OVERVIEW

2.1. Regional and Global Economic Framework

As of 2025, the regional and global economies have demonstrated remarkable resilience despite facing various complexities and crises, including geopolitical conflicts, inflationary pressures, and the continued tightening of global monetary policies. According to the International Monetary Fund (IMF), the global economy is projected to maintain positive growth of approximately 3.4% in 2025. This growth is supported by three main factors: (1) the acceleration of exports during the first half of 2025, (2) the continued strength of investment trends in technology, particularly in artificial intelligence (AI) and clean energy sectors among developed countries, and (3) the gradual easing of monetary tightening measures alongside the implementation of fiscal policies aimed at supporting economic growth in certain countries.

As for 2026, global economic growth is projected to slow to 3.1% due to the consequences of the war in the Middle East, which has led to a sharp increase in international fuel prices, thereby negatively impacting economic activity.

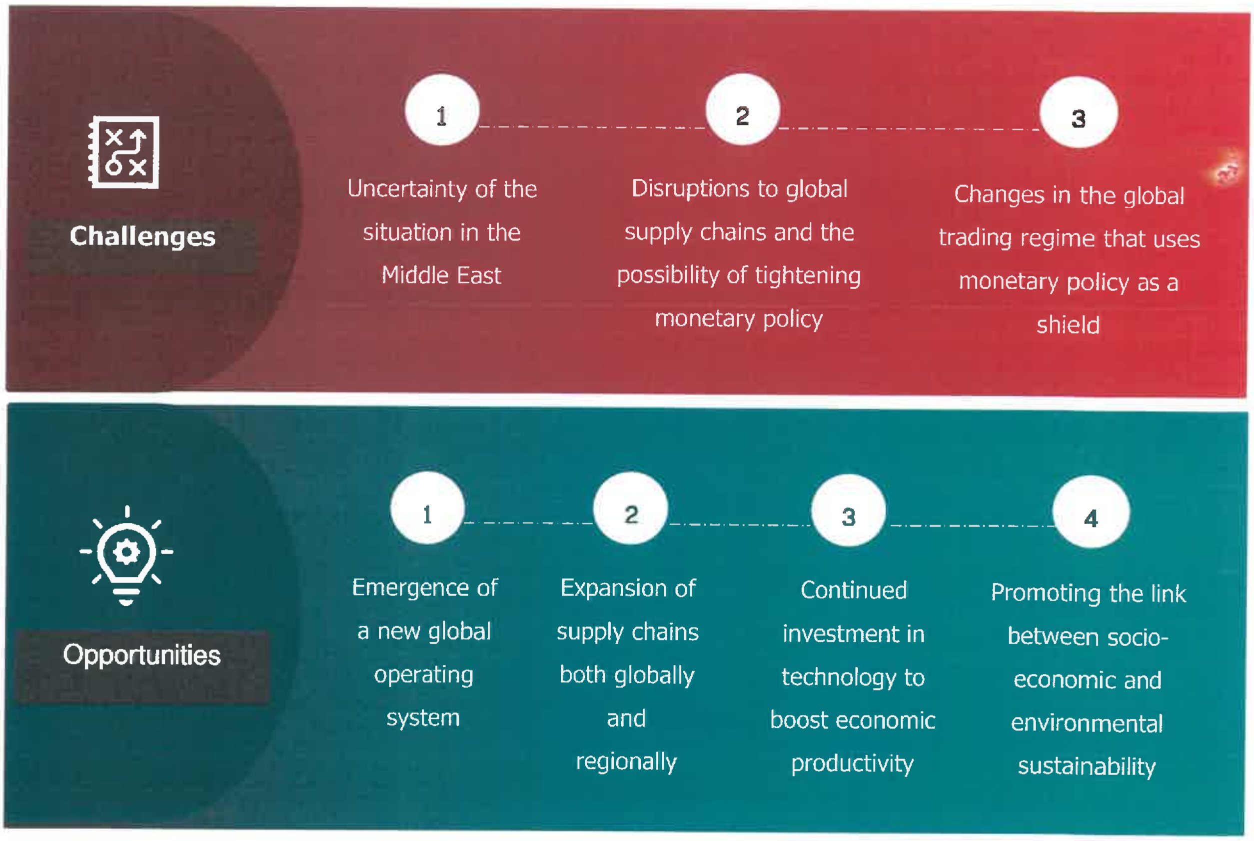
Figure 1: Global and Regional Economic Growth

	Global Economy	Developed Countries	Growing Economy and Developing Countries	United State of America	Euro Currency Exchange Zone	United Kingdom	Japan	China	ASEAN +5
2024	3.3	1.8	4.5	2.8	0.9	1.1	0.2	5.0	4.8
2025	3.4	1.9	4.4	2.1	1.4	1.3	1.2	5.0	4.5
2026	3.1	1.8	4.1	2.3	1.1	0.8	0.7	4.4	4.1
2027	3.2	1.7	3.9	2.1	1.2	1.3	0.6	4.0	4.4
2028	3.2	1.7	4.2	2.1	1.4	1.6	0.6	4.0	4.5
2029	3.2	1.6	4.1	1.9	1.2	1.6	0.6	3.7	4.5

Source: International Monetary Fund, Global Economic Outlook April 2026

Meanwhile, within ASEAN, according to an analysis report by the ASEAN Macroeconomic Research Office (AMRO), the ASEAN economy is expected to grow by 4.3% in 2025, higher than the 3.8% growth forecast in 2024. This positive performance is supported by strong domestic demand, accelerated export growth driven by advancements in artificial intelligence (AI), sustained regional investment, and improved economic connectivity. In 2026, the ASEAN economy is expected to maintain positive growth of around 4%. This outlook is supported by continued strength in domestic demand, ongoing investment inflows, and export expansion driven by technological adoption, all of which are expected to remain key contributors to regional economic growth.

Figure 2: Challenges and opportunities of the global economy

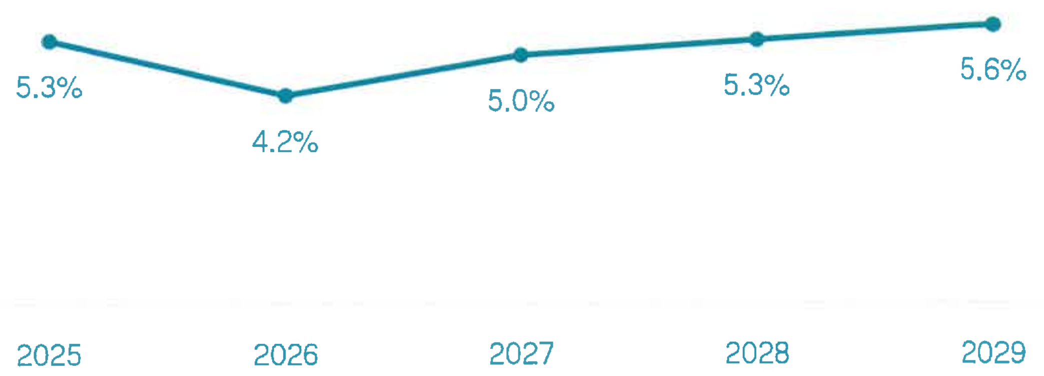


2.2. Cambodia Macroeconomic Framework

As Cambodia adheres to a free-market economy and maintains an open market for international investment and trade, global and regional economic trends continue to significantly influence the Cambodian economy. According to the "Medium-Term Public Finance Framework 2027–2029," Cambodia maintained positive economic growth of approximately 5.3% in 2025, despite facing two major challenges: the imposition of retaliatory tariffs by the United States and tensions along the Cambodia–Thailand border, which resulted in two-armed clashes. However, these developments did not have as severe a negative impact on the economy as initially anticipated. Cambodia was able to mitigate potential effects by accelerating exports ahead of the tariff implementation and by promoting domestic production and consumption. At the same time, Cambodia has sought to turn these challenges into opportunities, strengthening economic resilience and laying a solid foundation for sustained national economic growth.

In 2025, the industrial sector is expected to maintain strong growth of approximately 8.7%, supported primarily by the textile and non-garment manufacturing sub-sectors, while the construction sub-sector continues to experience relatively subdued growth. The services sector is projected to grow at a slower rate of around 3.3%, largely due to the Cambodia–Thailand border tensions, which have negatively affected the hospitality and food services sub-sectors. In contrast, the wholesale and retail sub-sector continues to demonstrate strong performance. The agricultural sector is expected to record moderate growth of approximately 1.2%, supported by expansion in the crop and fisheries sub-sectors, while the livestock sub-sector maintains stable performance. Meanwhile, inflation in Cambodia is expected to remain manageable at around 2.6%, reflecting steady domestic demand and continued stability in international commodity prices.

Figure 3: Cambodia Economic Outlook (GDP Growth 2025-2029)



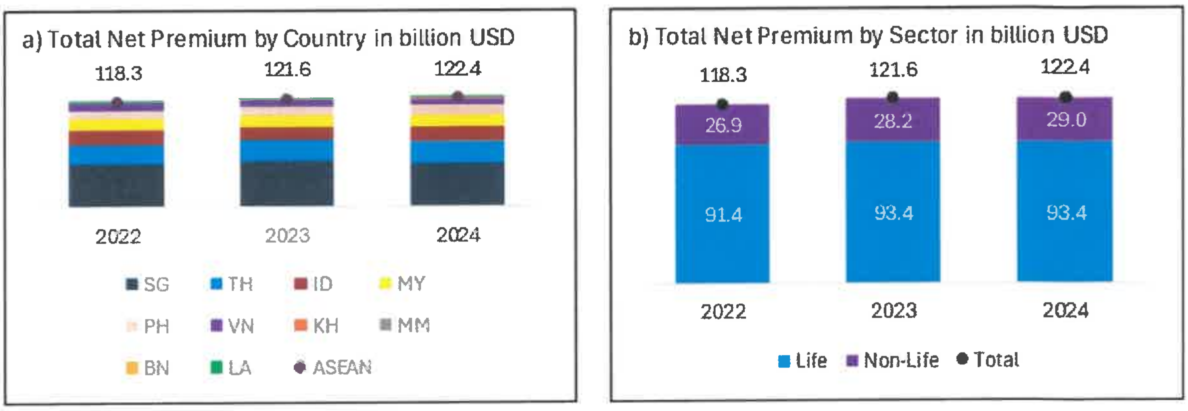
Source: National Institute of Statistics (2025)

and Ministry of Economy and Finance (2026-2028)

PART III: ASEAN INSURANCE MARKET

In 2024, The ASEAN insurance market continued to expand, with net premiums edging higher to USD 122.4 billion. Both life and non-life sectors maintained steady growth momentum, despite uneven country-level performances. Life insurance remained the dominant business line, accounting for most premiums, while non-life showed faster growth, signaling a gradual rebalancing in the structure of the regional market. In fact, in 2024, the number of ASEAN insurance premiums amounted to USD 122.4 billion, reflecting an increase of 0.66% compared to 2023, which amounted to USD 121.6 billion. It was observed that the premium of the life insurance market has maintained a steady at around USD 93.4 billion in 2024, remaining unchanged from 2023. Meanwhile, non-life insurance premiums increased from USD 28.2 billion to USD 29 billion, reflecting the resilience of the insurance sector and the ongoing demand for insurance in the region.

Figure 4: Insurance Premium In ASEAN

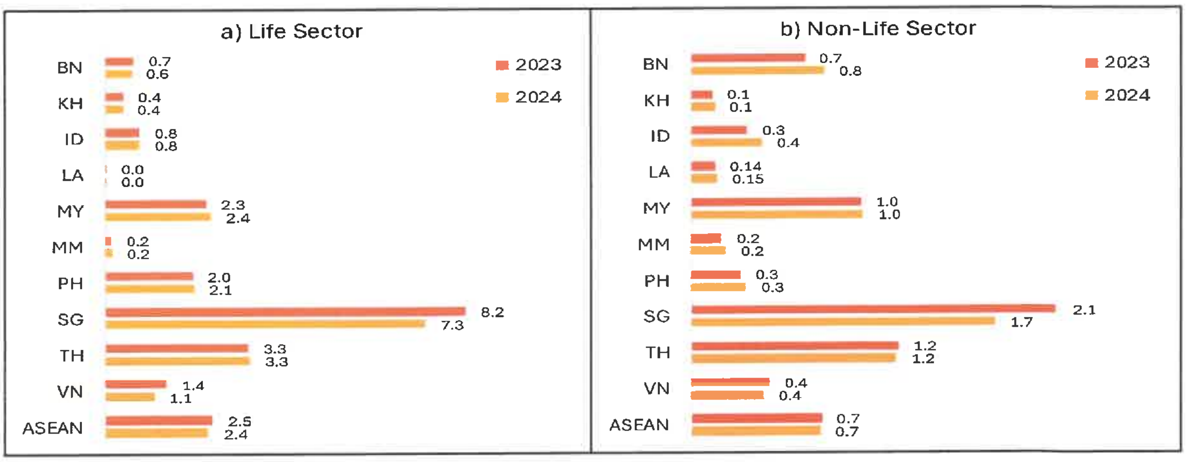


Source: ASEAN Insurance Surveillance Report 2025

The penetration rate of the ASEAN's economy slightly decreased from 3.2% in 2023 down to 3.1% in 2024. In 2024, life and non-life insurance penetration rate, stood at 2.4% and 0.7%, respectively. This trend indicates that a smaller share of region's economic resources is being allocated to insurance products, reflecting the impact of high-interest rate environment that makes alternative financial instruments more attractive.

Simultaneously, insurance density declined from USD 180 per capita in 2023 to USD 179 per capita in 2024. In particular, the insurance density for the life sector decreased from USD 138 per capita in 2023 to USD 136.9 per capita in 2024, while the insurance density for the non-life increased from USD 41.7 per capita in 2023 to USD 42.5 per capita in 2024. The overall trend reflects mixed developments across ASEAN member countries, with several economies experiencing moderate increases while others recorded declines. Notable increases in insurance density were observed across several ASEAN member countries, including Brunei Darussalam at 7.7%, Malaysia at 7.6%, Cambodia at 5.9%, Indonesia at 5.4%, and the Philippines at 5.2%.

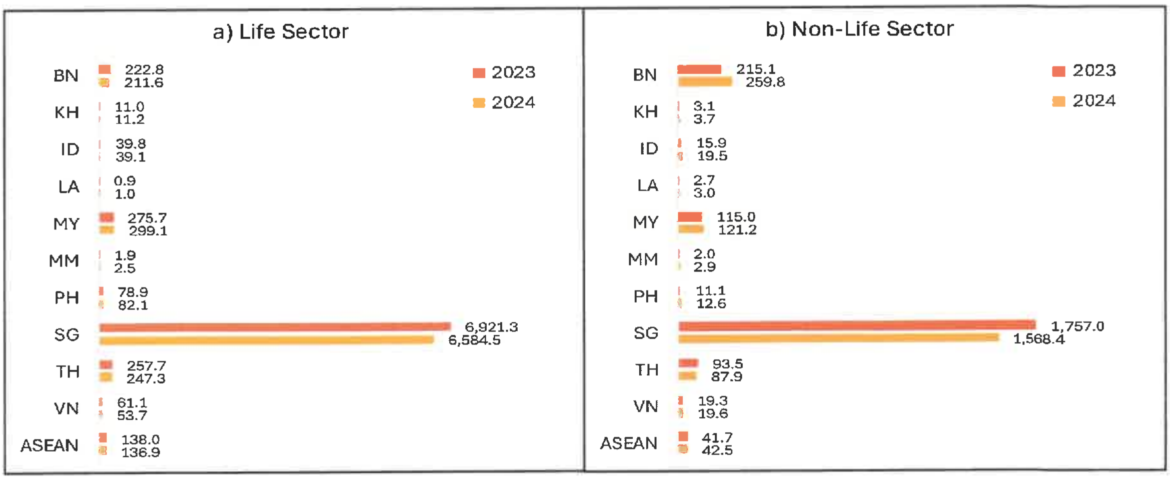
Figure 5: The ASEAN Insurance Penetration Rate (ASEAN Countries)



**Insurance Penetration rate is calculated by dividing total insurance net premium with GDP (source from ASEAN Secretariat)*
**GDP current price data (source from ASEAN Statistical Highlights)*

Source: ASEAN Insurance Surveillance Report 2025

Figure 6: The Insurance Density (USD per Capita)



**Insurance Density is calculated by dividing total insurance net premium with total population (source from ASEAN Secretariat)*
**Population data (source from ASEAN Statistical Highlights)*

Source: ASEAN Insurance Surveillance Report 2025

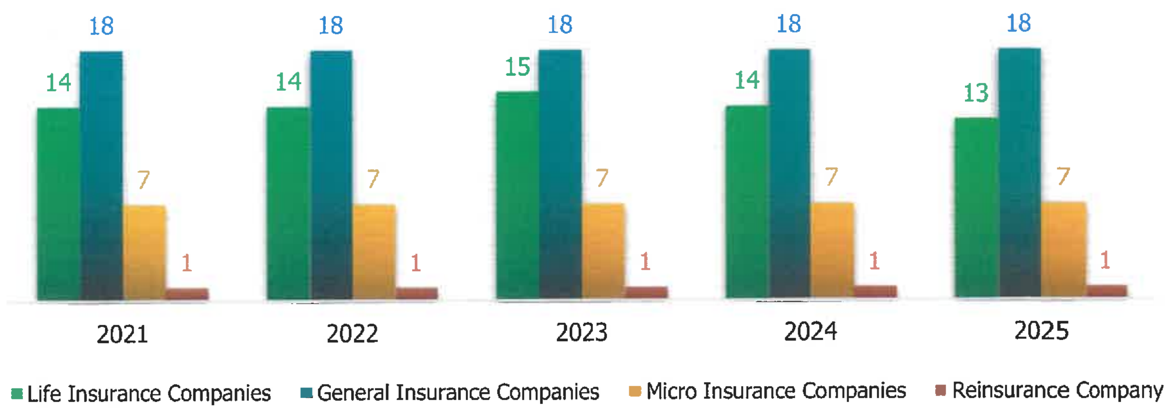
PART IV: CAMBODIA INSURANCE MARKET

4.1. Insurance Institutions

4.1.1. Insurance Companies

By 2025, the Cambodian insurance market comprised a total of 39 insurance companies, including 13 life insurance companies, 18 general insurance companies, 7 micro insurance companies, and 1 reinsurance company. Among the total insurance companies in Cambodia, there were 20 foreign companies, 17 local companies, and 2 joint venture companies.

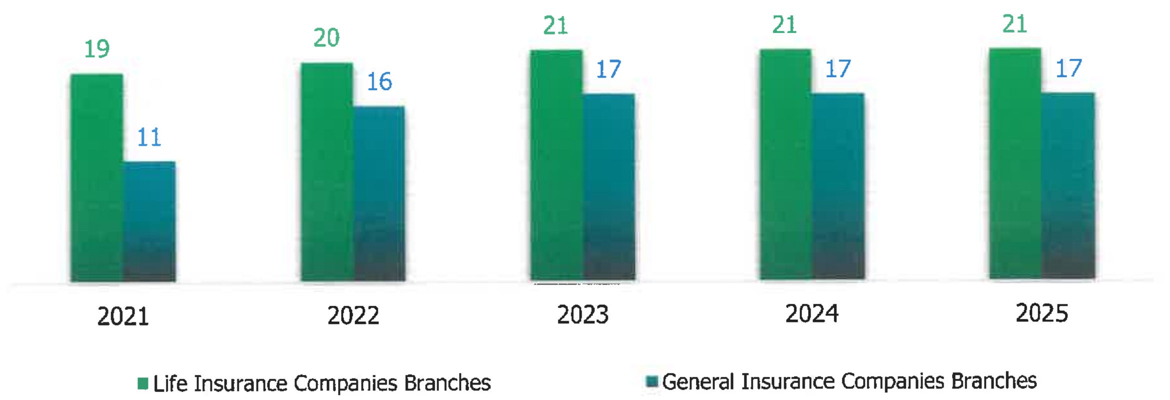
Figure 7: Number of Insurance Companies



Source: Insurance Regulator of Cambodia 2025

Simultaneously, there are a total of 38 insurance company branches, including 17 general insurance company branches and 21 life insurance company branches.

Figure 8: Number of Insurance Companies Branches



Source: Insurance Regulator of Cambodia 2025

4.1.2. Insurance Intermediaries

Insurance intermediaries, which serve as the primary channel for insurance product distribution in Cambodia, increased from 60 companies in 2024 to 64 companies in 2025. These intermediaries comprise 20 insurance brokers and 44 insurance agents.

Figure 9: Number of Insurance Intermediaries

Source: Insurance Regulator of Cambodia 2025

4.1.3. Insurance Supporting Service Companies

Source: Insurance Regulator of Cambodia 2025

4.2. Cambodian Insurance Market Overview

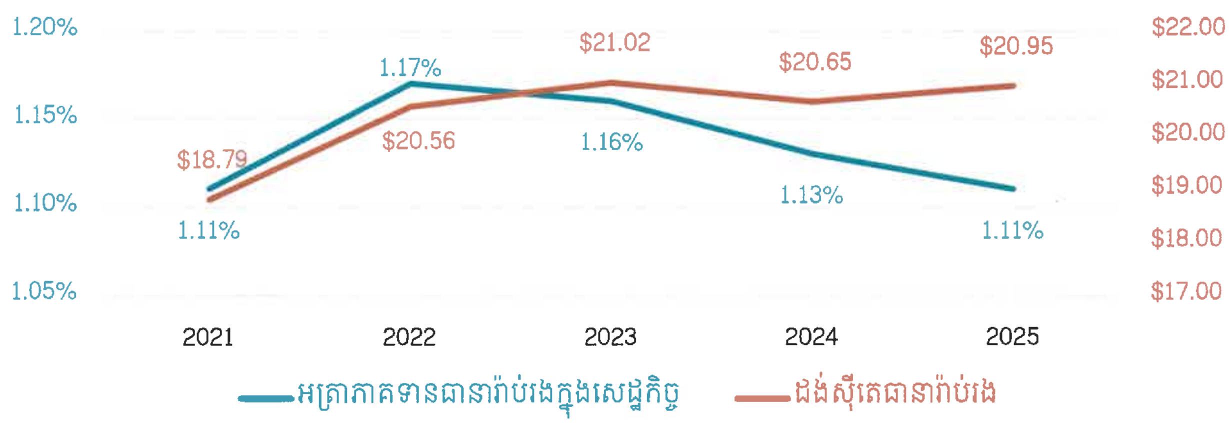
4.2.1. Insurance Premium

The Cambodian insurance market has continued to demonstrate positive growth, stability, and steady development through the introduction of new insurance products that provide enhanced protection for citizens despite ongoing global uncertainties and domestic challenges, including the implementation of U.S. retaliatory tariffs and tensions along the Cambodia–Thailand border.

Two key indicators are used to assess the level of development of the insurance sector: **1). Insurance Penetration**, which is the contribution of the insurance sector to the national economy, and **2). Insurance Density**, which is the ratio of insurance premiums to the total population.

In a context where the Cambodian economy maintained a positive growth rate of 5.3% in 2025, the insurance sector continued to contribute approximately **1.11%** to the national economy, with insurance density reaching **USD 20.95 per capita**. Compared to 2024, the insurance sector's contribution to the economy declined slightly by around 0.02%. However, the overall insurance market size increased by approximately 2.8%, reflecting continued growth in the Cambodian insurance sector alongside a significant expansion in gross domestic product (GDP).

Figure 10: Insurance Penetration Rate and Insurance Density

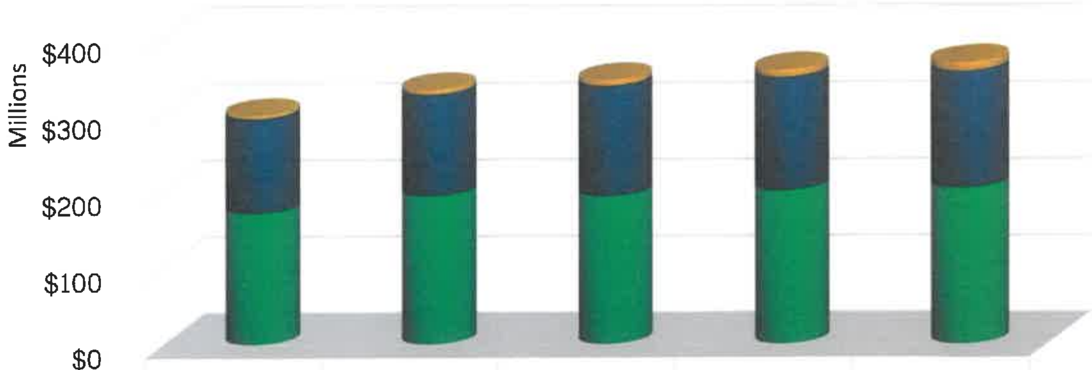


**GDP Growth Rate (source from Ministry of Economy and Finance)*
**Estimated Total Population (source from National Institute of Statistics)*

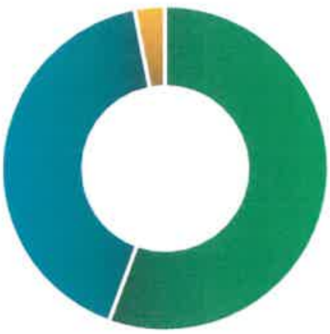
Source: Insurance Regulator of Cambodia 2025

Meanwhile, insurance premiums have continued to increase significantly, with gross insurance premiums increasing from **USD 299 million** in 2021 to over **USD 367 million** in 2025, with an average growth of approximately **6%** over the last 5 years.

Figure 11: Cambodia Insurance Market

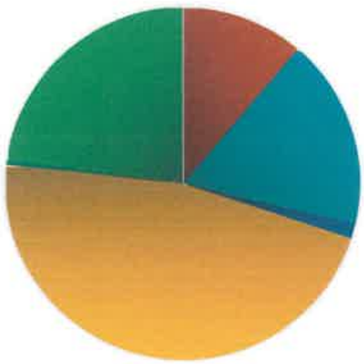


	2021	2022	2023	2024	2025
Micro Insurance	$4,131,397	$5,713,524	$7,147,204	$8,872,543	$10,898,912
General Insurance	$123,582,149	$132,130,974	$143,580,541	$147,792,811	$151,933,652
Life Insurance	$172,121,458	$194,505,423	$193,539,426	$200,407,724	$204,216,341



Insurance Market Share

The life insurance market is the leading market, accounting for **55.6%** of the total insurance market in 2025. The general insurance market has a market share of **41.4%,** and the micro insurance market has a market share of only **3%** of the total insurance market.



Insurance Distribution Channels

The insurance product distribution channel plays a key role in driving the growth of the insurance market. In 2025, customers purchased insurance through insurance product distribution systems, which included 46.6% through bancassurance, 22.8% through sales personnel, 17.5% through individual agents, 11.2% through insurance brokers, 1.4% through corporate agent, and 0.5% through digital channels.

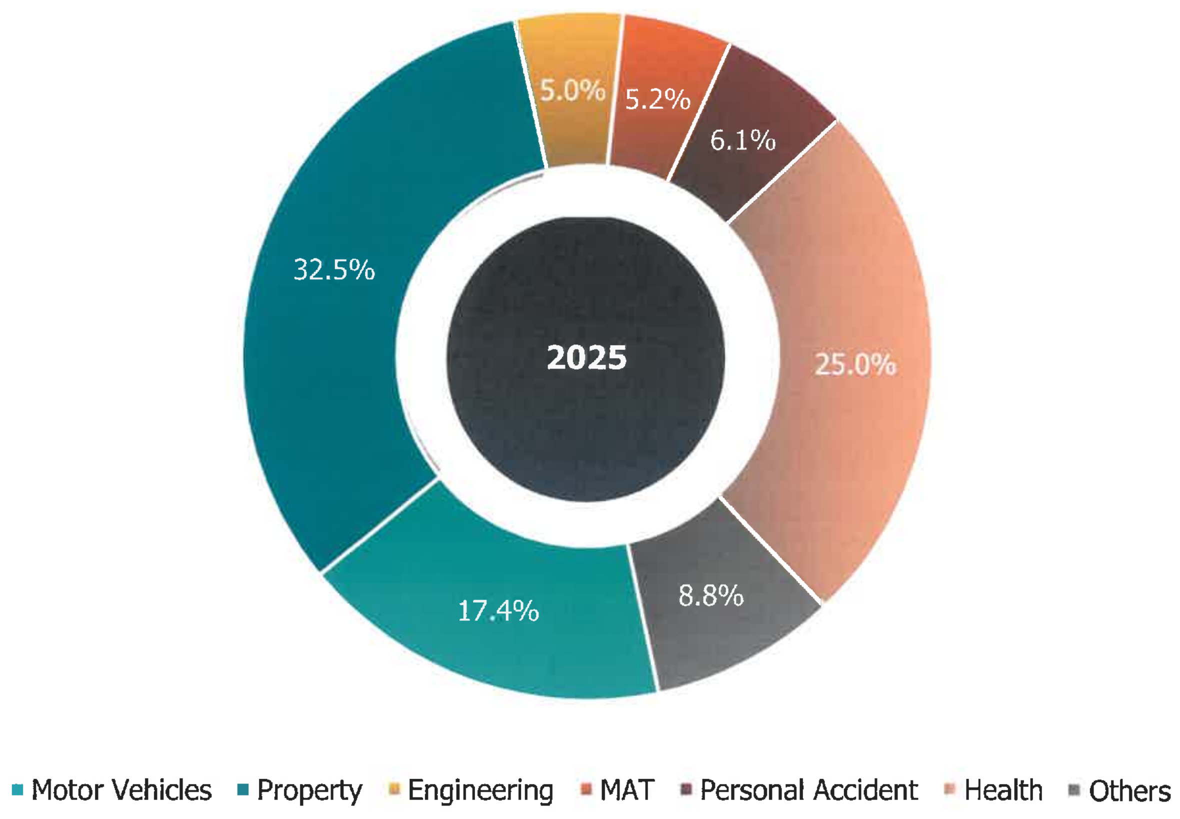
Source: Insurance Regulator of Cambodia 2025

A. General Insurance Premium

The gross premium of the general insurance market continued to increase steadily, reaching approximately **USD 152 million** in 2025, increased by **3%** compared to **USD 147,8 million** in 2024. In Cambodian insurance market, there are **major 7 types** of general insurance products, including motor vehicle insurance, property insurance, MAT insurance, engineering insurance, personal accident insurance, health insurance, and other miscellaneous insurance products.

Among these products, property insurance held the largest market share at **32.5%**, followed by health insurance at **25%**, motor vehicles insurance at **17.4%**, personal accident insurance at **6.1%**, and MAT insurance at **5.2%** and engineering insurance **5%**. Additionally, other miscellaneous insurance products account for **8.8%** of the market share.

Figure 12: General Insurance Premium by Product Lines



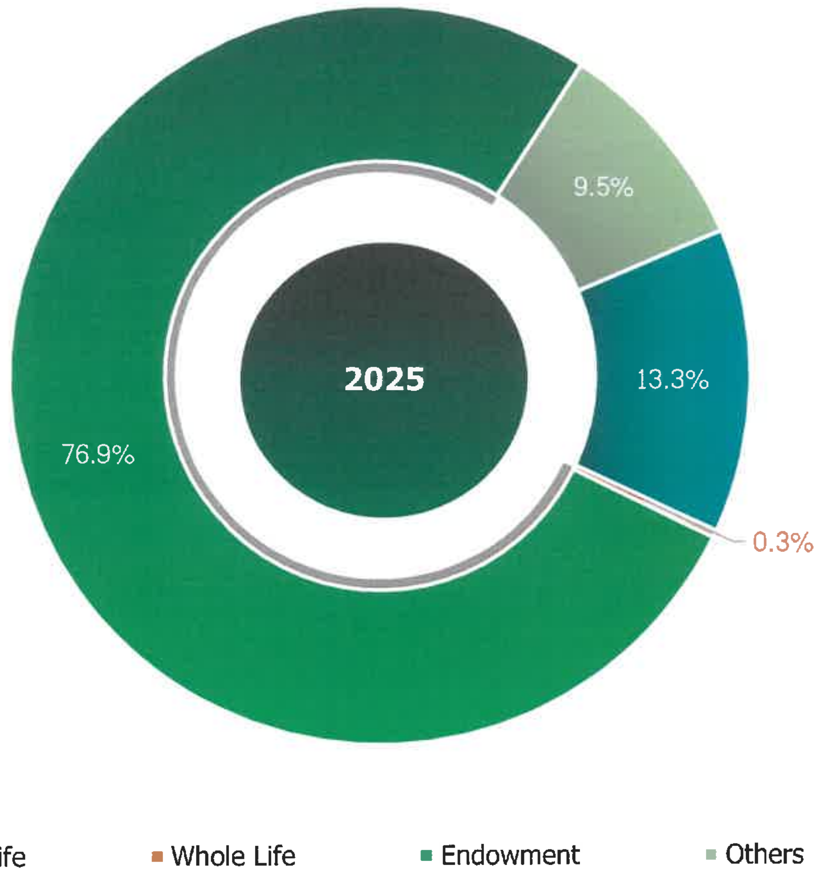
Source: Insurance Regulator of Cambodia 2025

B. Life Insurance Premium

The life insurance market held the largest market share among other insurance markets, with the gross premium reaching **USD 204 million** in 2025, representing a **2%** increase compared to 2024, when total premiums amounted to approximately USD 200 million. Currently, the Cambodia's life insurance market offers **3** main product types, including term-life insurance, whole life insurance, and endowment insurance.

Among life insurance products, endowment insurance held the largest market share, accounting for **76.9%** of life insurance premium, while term-life insurance represents **13.3%**, whole-life insurance accounted for **0.3%**, and other life insurance products made up the remaining **9.5%** of the market share.

Figure 13: Life Insurance Premium by Product Lines



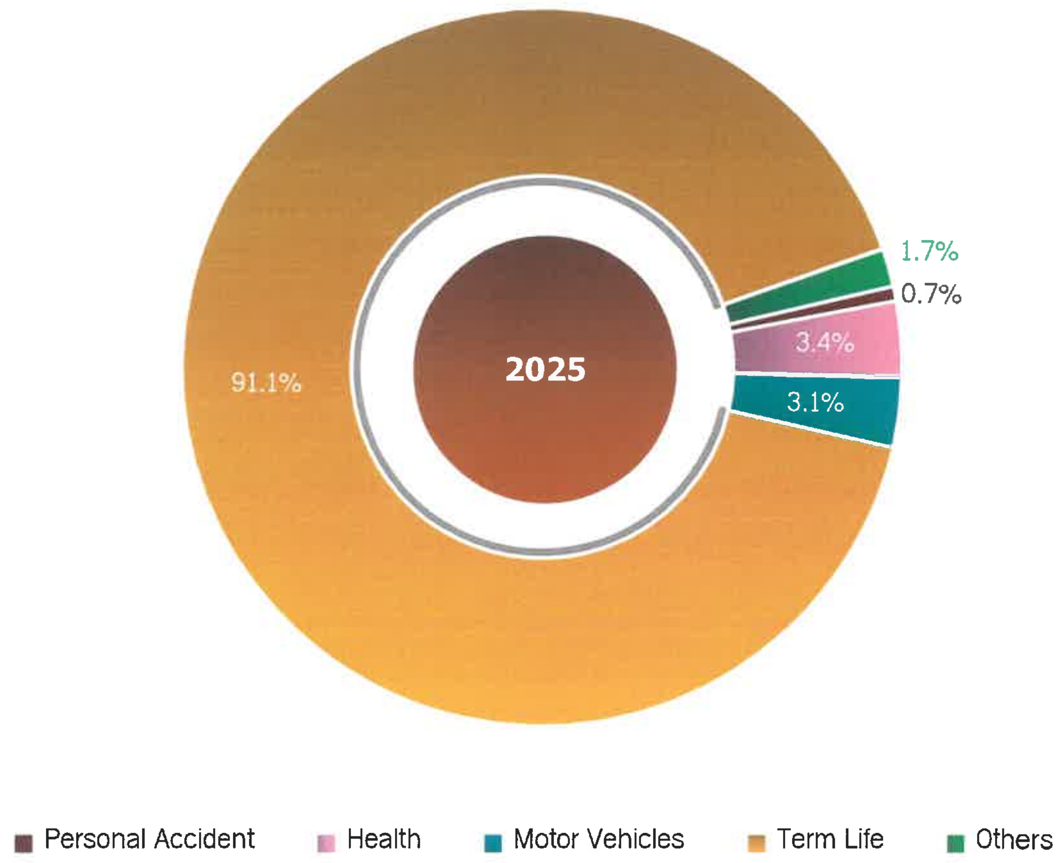
Source: Insurance Regulator of Cambodia 2025

C. Micro Insurance Premium

Micro insurance market held the smallest share among other insurance markets with the premium reaching approximately **USD 11 million** in 2025; compared to **USD 8,8 million** in 2024, representing an increase around **24.9%**. Micro insurance products consist of **5** main types, including personal accident insurance, health insurance, motor vehicles insurance, term-life insurance and other miscellaneous insurance products.

Term-life insurance held the largest market share, accounting for **91.1%** of the total premiums, followed by health insurance at **3.4%**, motor vehicles insurance **3.1%**, personal accident insurance at only **0.7%** and other products made up **1.7%.**

Figure 14: Micro Insurance Premium by Product Lines



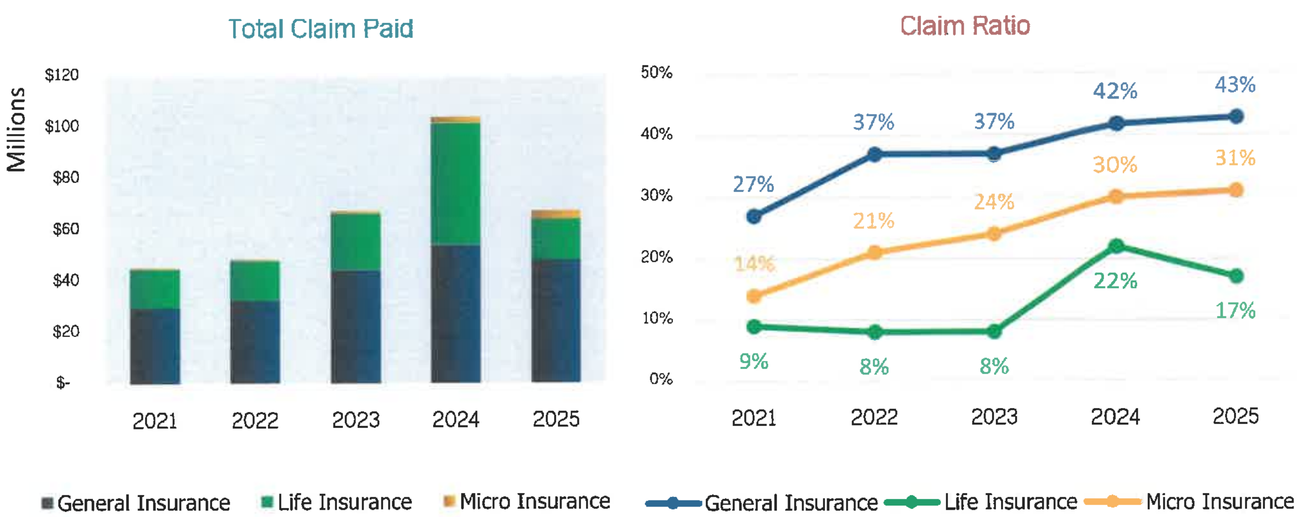
Source: Insurance Regulator of Cambodia 2025

4.2.2. Total Claim

Compared to 2024, paid insurance claims in 2025 decreased by approximately 35%. Among these, life insurance claims dropped by nearly 67%, from around USD 47 million in 2024 to only about USD 16 million in 2025. Meanwhile, general insurance claims decreased by about 12%, from nearly USD 55 million in 2024 to over USD 48 million in 2025. However, micro insurance claims experienced a sharp increase of 50%, rising from around USD 2.3 million in 2024 to over USD 3.4 million in 2025.

In 2025, the claim ratios for general insurance and micro insurance increased by 1%, while the life insurance claim ratio decreased by 5%.

Figure 15: Total Claim



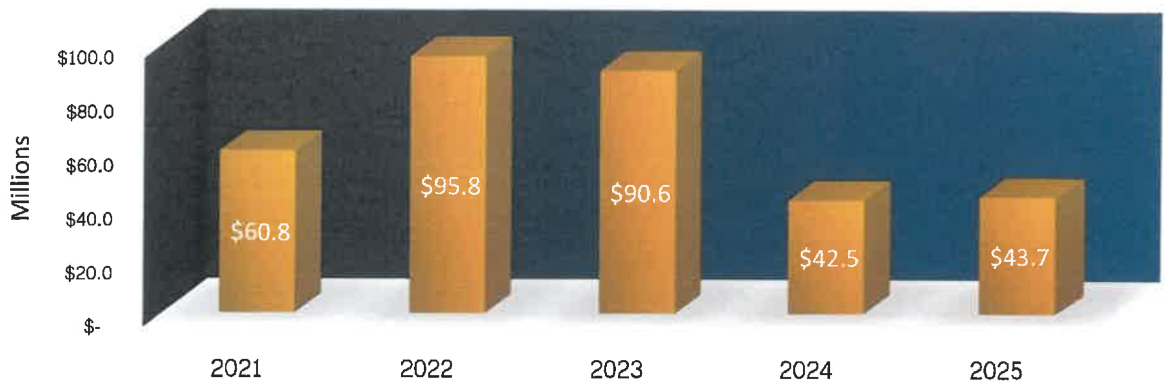
Source: Insurance Regulator of Cambodia 2025

4.2.3. Profit/Loss

A. Underwriting Profit/Loss

Insurance companies continue to maintain underwriting profits year after year. Over the past 5 years, insurance profits have decreased by an average of 8% after peaking in 2022 at USD 95 million, then declining to over USD 90 million in 2023, continuing to drop over USD 42 million in 2024, and slightly recovering to nearly USD 44 million in 2025 representing an increase of approximately 3% compared to 2024. These figures demonstrate the business resilience and progress of the Cambodian insurance market in adapting to various changes while remaining profitable.

Figure 16: Underwriting Profit/Loss

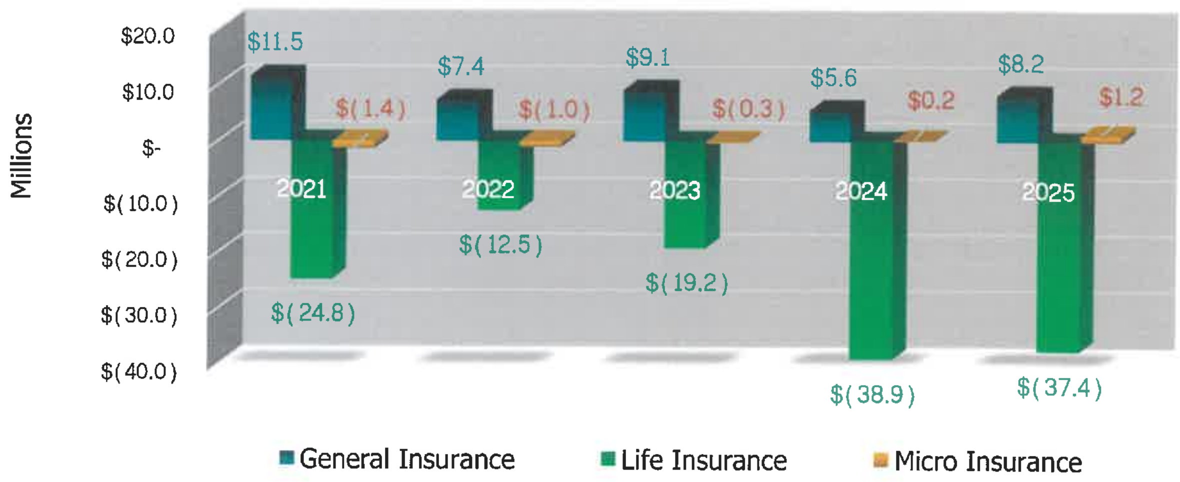


Source: Insurance Regulator of Cambodia 2025

B. Profit/Loss Before Tax

Under insurance market supervision, it is observed that in 2025, the general insurance and the micro insurance market generate profits, whereas the life insurance market revenue was not yet able to cover its operating expenses. Notably, over the past 5 years, the general insurance market had consistently achieved a pre-tax profit, whereas life insurance market had not generated profits with the revenue that was unable to cover its operating expenses. Meanwhile, the micro insurance market showed remarkable progress, with a visible reduction in before-tax losses from 2021 to 2023, and demonstrated positive signs by maintaining pre-taxing profits in 2024 and 2025.

Figure 17: Profit/Loss Before Tax

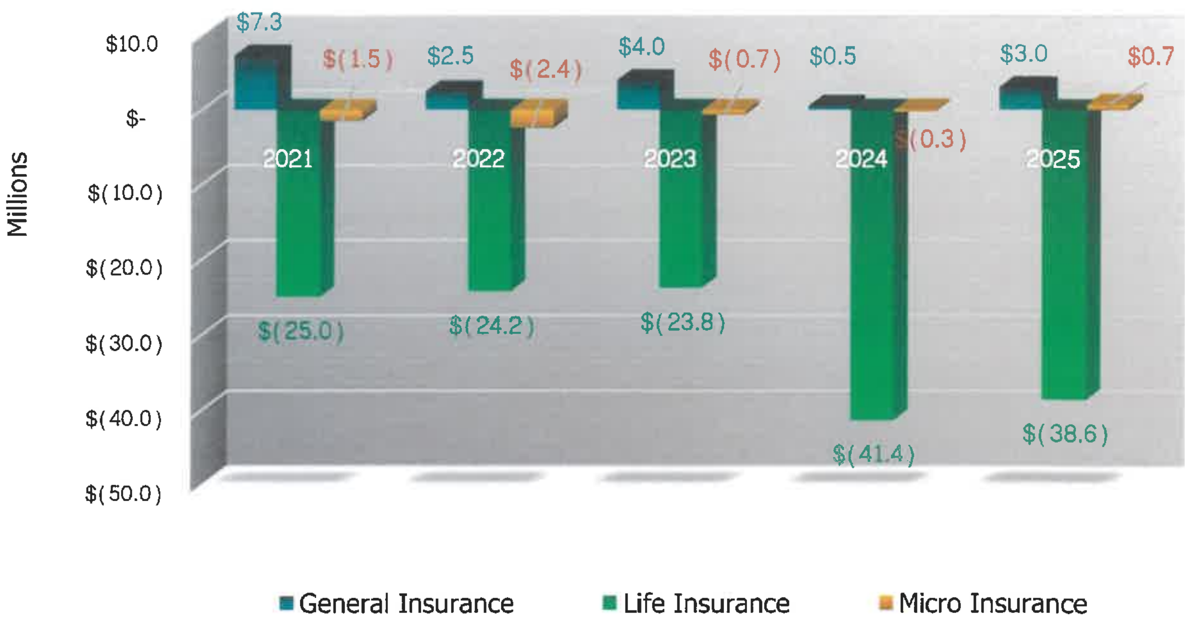


Source: Insurance Regulator of Cambodia 2025

C. Net Profit/ Loss

In 2025, the general insurance and micro insurance markets generated net profits (after-tax profits), whereas the life insurance market has yet to achieve profitability, as the life insurance business was only established in 2012. Meanwhile, the micro insurance market recorded notable progress, generating approximately USD 0,7 million in profit after tax in 2025.

Figure 18: Net Profit/Loss

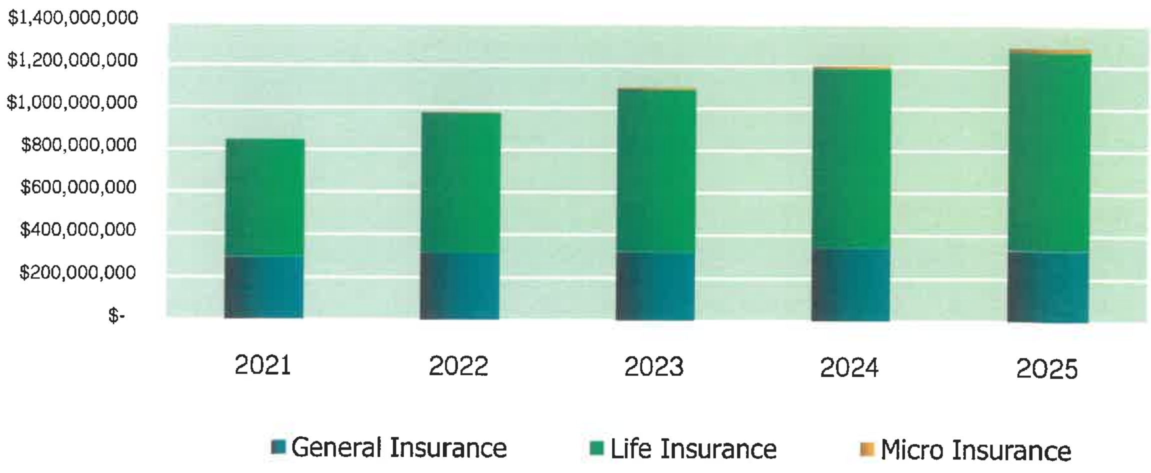


Source: Insurance Regulator of Cambodia 2025

4.2.4. Assets

The insurance sector continues to maintain its resilience and actively contributed to the national economy. Specifically, total assets grew from **USD 851 million** in 2021 to **USD 1,3 billion** in 2025 with an average growth rate of 12% over the last 5 years. Since 2021, the life insurance market has held the largest share of assets and continue to rise to **USD 934 million** in 2025. The assets of the general insurance market also saw notable growth, increasing from **USD 294 million** in 2021 to **USD 332 million** in 2025. As for the micro insurance market, its assets grew by an average of approximately 47% over the last 5 years, rising from over **USD 5 million** in 2021 to **USD 24 million** in 2025.

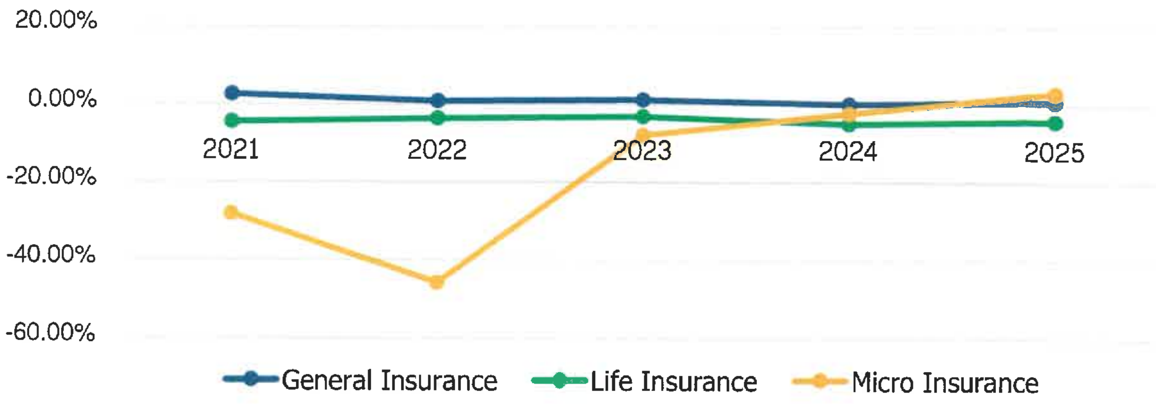
Figure 19: Insurance Assets



Source: Insurance Regulator of Cambodia 2025

As of 2025, the total assets of the insurance market amounted to approximately USD 1,3 billion which **69%** of the total assets were investment assets, while **5.34%** were reinsurance assets, and the remaining **25.8%** were other assets.

Figure 20: Ratio of Return on Assets (ROA) by Insurance Business Type



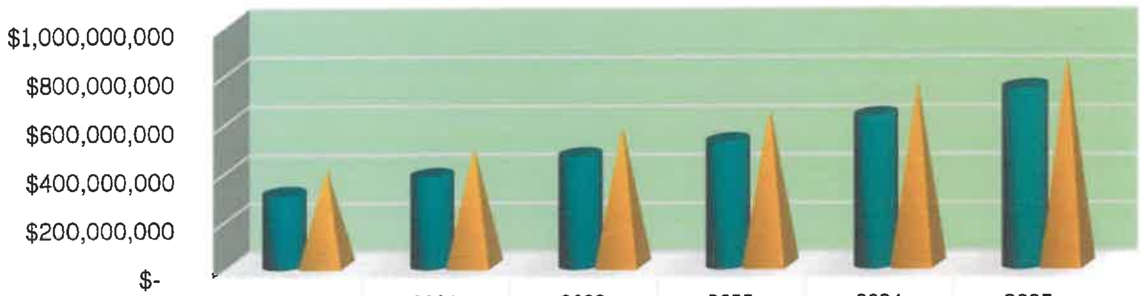
Source: Insurance Regulator of Cambodia 2025

Initially, the return on assets ratio showed negative signs. However, the ratio subsequently demonstrated strong and consistent upward trend in the following years. This indicates a recovery in asset utilization efficiency and shift toward improved financial performance relative to the asset base.

4.2.5. Insurance Liabilities

Insurance liabilities are the obligations that insurance companies must maintain to secure insurance claim liabilities and expenses arising from insurance contracts. These include reserves for unearned premium and reserves for unpaid claim liability. Insurance liabilities has shown significant growth, increasing from USD 380 million in 2021 to USD 744 million in 2025, with an average growth rate of 18%. Meanwhile, total liabilities grew from USD 481 million in 2021 to USD 856 million in 2025, with an average growth rate of 15%.

Figure 21: Insurance Liability



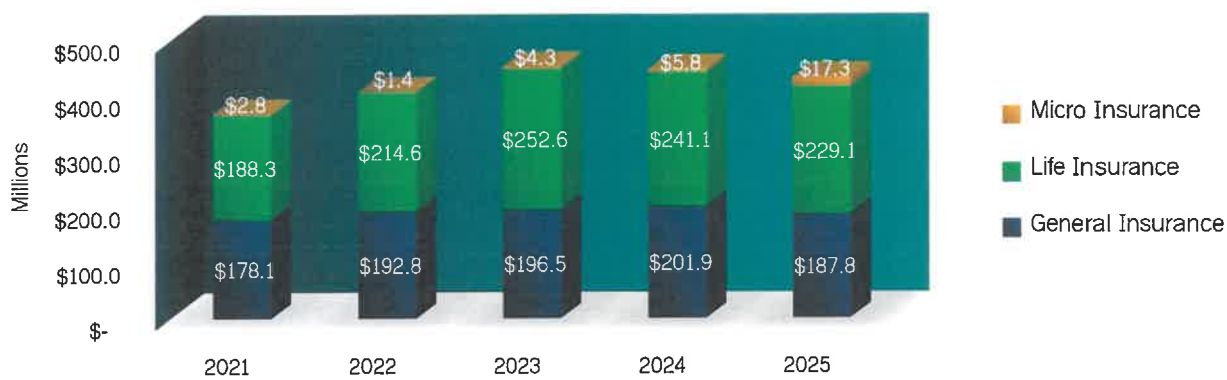
	2020	2021	2022	2023	2024	2025
Insurance Liability	$304,529,338	$379,748,936	$463,617,161	$523,108,753	$627,705,238	$743,509,345
Total Liability	$399,028,714	$481,404,831	$570,073,497	$642,676,233	$750,012,236	$856,347,828

Source: Insurance Regulator of Cambodia 2025

4.2.6. Shareholder's Equity

The total equity of the insurance market continued to rise steadily from 2021 to 2025 by increasing from USD 369 million in 2021 to nearly USD 434 million in 2025. This stable and robust growth in total equity reflects the overall strengthening of the sector's financial foundation. This growth is driven by positive trends across various segment, despite some fluctuations in life insurance and micro insurance.

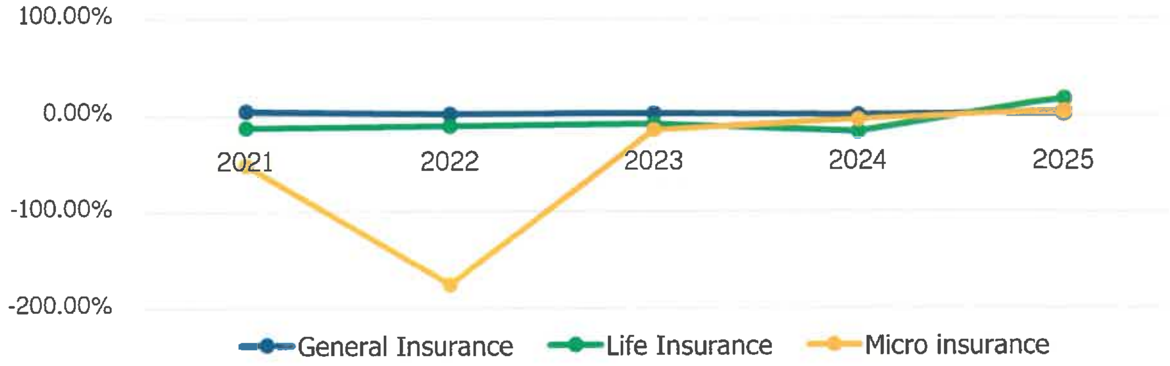
Figure 22: Shareholder's Equity



Source: Insurance Regulator of Cambodia 2025

Based on the achievements in equity growth within the insurance market, it is observed that positive impact on ration of the return on equity for the entire market. Specifically, the general insurance business maintained a return of 1.62% in 2025. The life insurance business has remained in loss, with a return on equity of 16.9% in 2025. Meanwhile, the micro insurance business showed significant improvement, with its return on equity rising from a loss of 52.63% in 2021 to a profit of 4.12% in 2025. The return on equity for the entire insurance market reflects strong performance in other segments, while micro insurance is experiencing a positively recovery.

Figure 23: The Ratio of Return on Equity by Insurance Business Type



Source: Insurance Regulator of Cambodia 2025

4.3 Insurance Professional Training

Professional insurance training is crucial in developing professional human capital within the insurance sector to drive its development. To enhance the professional quality of insurance sales staff and insurance agents, the IRC issued the Guidelines on 'Professional Training for Insurance Agents' on August 27, 2021. This requires insurance agents to undergo professional insurance skills training that complies with both the requirements of insurance companies and the provisions of applicable law and ethical codes. Furthermore, to ensure the delivery of insurance services with integrity and a balance of interests between insurance companies and customers, the IRC introduced the Guidelines on the 'Code of Professional Conduct for Insurance Agents' on May 10, 2023, and the Guidelines on the 'Code of Conduct for Insurance Broker Professionals' on December 10, 2024. Although Cambodia currently lacks of official Cambodian Insurance Institute to provide formal training for the sector, the IRC continues to focus on encouraging each insurance companies to develop their own training materials such as documents and training courses. Besides that, all training courses must receive prior approval from the IRC. As of 2025, the Market Development Department has received requests for approval to provide professional insurance training from a total of 36 companies.

By 2025, the IRC approved the registration requests for becoming an individual insurance agent for

15 000 Agents.

4.4. Enhancing Public Awareness

4.4.1. Educating and Disseminating Seminars

In 2025, the IRC had organized educating and disseminating seminars to broaden the understanding on compulsory insurance, benefits of insurance, insurance products, the dissemination on relevant regulations.

Dissemination Seminar on Compulsory Insurance

Phnom Penh, 7^{th} February 2025

Kep, 28^{th} March 2025

Rattanakiri, 16^{th} June 2025

Thbongkhmum, 26^{th} August 2025

Pursat, 13^{th} October 2025

Through dissemination seminars, the public has raised their awareness on compulsory insurance, and particularly, relevant competent authorities and private institutions have increased their understanding on the implementation of compulsory insurance in accordance with existing regulations.

Dissemination Seminar on Benefits of Life Insurance

Svay Rieng, 3rd March 2025 and Pursat, 5th June 2025

Dissemination Seminar on Insurance Products

Dissemination Seminar on Micro Insurance in Kampong Chhnang province

Dissemination Seminar on Crop Micro Insurance in Battambang province

These dissemination seminars were organized by the IRC on a regular basis to strengthen public understanding, particularly among rural populations, of insurance products and the benefits of insurance services, with particular focus on micro insurance.

Dissemination Seminar on General Insurance in Pailin province

Dissemination Seminar on Guidance on Code of Conduct of Ethics for Brokers

Phnom Penh, 13th December 2025

Dissemination Seminar on Accreditation of Liquidators in the Insurance Sector

Phnom Penh, 21st April 2025

Dissemination Seminar on Insurance Regulations

Banteay Meanchey, 22nd May 2025



Kampong Cham, 28th July 2025

Dissemination Seminar on "The Formality and Procedures for Imposing Sanctions against Individuals Violating the Law and Regulations in the Insurance Sector" and **Dissemination Seminar on** "Insurance Consumer Protection"



Phnom Penh, 13th May 2025

Dissemination Seminar on the Procedures for Receiving and Resolving Insurance Complaints



Kampong Thom, 6th March 2025


Takeo, 25th June 2025

Official Launching Ceremony "Technology System for Receiving Insurance Complaints via Mobile App"

Phnom Penh, 11th December 2025

Public Lecture on Insurance in the Economy and Job Market, at Educational Institutions

This public lecture is organized for teachers and students at educational institutions to provide an understanding of the insurance sector in Cambodia, roles of the insurance regulator of Cambodia, insurance sector's development strategic plan, growth and job opportunities in the insurance market.

Phnom Penh, 30th July 2025

Kampong Cham, 28th July 2025

Takeo, 25th June 2025

Banteay Meanchey, 23rd May 2025

4.4.2. Short Articles on Insurance Knowledge

To raise public awareness about insurance services and provide conveniences to the public, as well as students, for researching and understanding about the insurance sector, the IRC has continued to implement the knowledge-sharing program "Insurance Knowledge" by formulating short articles to provide an explanation on important topics of insurance services and the updates. The articles were published once per quarter via official website and social media of the IRC. In 2025, the IRC formulated and published short articles in total of 4, on the following topics:

1). Evolution of InsurTech

2). Low Insurance Literacy: Risk?

3). Youth and Life Insurance

4). Health Insurance and Household Finance.

4.4.3. Cambodia Insurance Day

The IRC, in cooperation with the Insurance Association of Cambodia, the Insurance Broker Association of Cambodia, and insurance institutions, has organized "Cambodia Insurance Day 2025" at The Garden of SamDech Sar Kheng, Battambang Province which was held for 2 days, from 26th to 27th April 2025.

The official opening ceremony was inaugurated under the high presidency of **H.E. ROS Seilava**, Secretary of State of the Ministry of Economy and Finance and Vice Chairman of the Council of the Non-Bank Financial Service Authority, and representative **H.E. Akka Pundit Sapheacha AUN Pornmoniroth**, Deputy Prime Minister, Minister of Economy and Finance, and the Chairman of the Council of Non-Bank Financial Services Authority, **Mr. MOUL Thon**, Deputy Governor of Battambang Province, **H.E. BOU Chanphirou**, Director General of the IRC, His/her Excellencies member of the Council of the Non-Bank Financial Service Authority, as well as Chairman of the Insurance Association of Cambodia and Chairman of the Insurance Broker Association of Cambodia, with participation from of provincial administration, relevant governmental organizations, development partners, Chamber of Commerce, insurance institutions, and higher education institutions, business associations and the public in Battambang Province, along with a great turnout.

The Cambodia Insurance Day is organized under the **3** primary objectives, including: **1).**Raising knowledge and fostering the dissemination of insurance services to the public; **2).**Demonstrating the efforts of the Royal Government in promoting financial products' diversification in the financial sector as outlined in the Pentagonal Strategy Phase I, Seventh Legislature of the Royal Government; and **3).**Informing the public about the pivotal role of the insurance sector in contributing to building a social safety net and promoting national economic growth.






PART V: COOPERATION AND CONNECTIVITY

5.1. National Cooperation

In 2025, with the aim of strengthening the national cooperation framework, the IRC coordinated with ministries and institutions to enhance the effectiveness of insurance implementation and coordination in relevant sectors. In particular, the IRC organized and facilitated dissemination workshops aimed at strengthening capacity and raising awareness among officials and reporting entities under the jurisdiction of IRC to ensure compliance with the implementation of regulations related to the Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) and the Combating the Financing of Proliferation of Weapons of Mass Destruction (CPF), as well as combating online scams in the insurance sector. In this regard, the IRC also continued to cooperate with other ministries and institutions through participating in the meetings and activities, contributing in improving coordination, exchanging of information, and implementing relevant measures more effectively. Furthermore, the IRC also participated in the meetings related to cross-border land transport facilitation, to support and promote the implementation of cross-border vehicle insurance. This included bilateral meeting on road transportation between Cambodia and Vietnam, and trilateral meeting on road transportation between Cambodia, Vietnam and Laos. In addition, through the framework of the Inter-Ministerial Working Group to Implement Compulsory Insurance, the IRC continued efforts to promote the implementation of the working group's action plan to monitoring progress of and resolving challenges in the implementation of Compulsory Insurance.

Meetings of Inter-Ministering Working Group on Compulsory Insurance



Related Workshops and Meetings under the National Cooperation Framework



Simultaneously, the IRC organized Insurance Regulator-CEO Forum, which is a meeting between the IRC and CEOs of insurance companies, under the mechanism of public and private partnership, to address various challenges in the Cambodian insurance sector, aim at ensuring the effectiveness of regulatory practices and foster sustainable and inclusive development of the insurance sector.

Insurance Regulator-CEO Forum (IRC Forum)

5.2. International Cooperation

In 2025, to participate in monitoring and evaluating the implementation of insurance sector liberalization with the regional and global frameworks, the IRC organized and attended various meetings and forums. In particular, the IRC hosted and chaired the 28th ASEAN Insurance Regulators' Meeting, which was held in Siem Reap Province, Kingdom of Cambodia. In addition, the IRC participated in a number of committee meetings and forums under international framework, including the meetings of the ASEAN Working Committee on Financial Services Liberalisation (WC-FSL), the meeting of the Working Group on Disaster Risk Financing and Insurance (WG-DRFI), the meetings of the ASEAN-Canada Free Trade Agreement Sub-Working Group on Financial Services (ACaFTA SWG-FIN), the Global Asia Insurance Partnership Summit 2025 (GAIP Summit 2025), the technical meetings of the Southeast Asia Disaster Risk Insurance Facility (SEADRIF), the ASEAN Taxonomy Board (ATB) meetings, the 19th Asian Forum of Insurance Regulators

(AFIR) Annual Meeting and Conference (AMC) and the 7th Asia-Pacific High-Level Meeting (HLM) held in Nepal. Furthermore, the IRC participated in the 20th Asian Forum of Insurance Regulators (AFIR) Annual Meeting and Conference (AMC) and the 8th AFIR-FSI-IAIS Asia-Pacific High-Level Meeting (HLM) held in India, as well as the International Association of Insurance Supervisors (IAIS) Annual Conference 2025 held in Tirana, Albania.

The 28th ASEAN Insurance Regulators' Meeting (28th AIRM)

Related Meetings under the International Cooperation Framework

5.3. Connectivity

To strengthen and expand connectivity framework, in 2025, the IRC signed a memorandum of understanding (MOU) with a total of 5 national and international institutions.

Signing Ceremony of the MOU between Insurance Regulator of Cambodia and Department of State Owned-Enterprises and Insurance Supervision of Ministry of Finance, Lao ODR, Phnom Penh, 4th February 2025

Signing Ceremony of the MOU between Insurance Regulator of Cambodia and Korea Insurance Development Institute (KIDI), Phnom Penh, 4th March 2025

Signing Ceremony of the MOU between Insurance Regulator of Cambodia and Heng Samrin Thbongkhmum University (UHST), Thbongkhmum, 26th July 2025.

Signing Ceremony of the MOU between Insurance Regulator of Cambodia and National Meanchey University (NMU), Phnom Penh, 19th August 2025

Signing Ceremony of the MOU between Insurance Regulator of Cambodia and The Chartered Insurance Institute (CII), Phnom Penh, 10th September 2025

PART VI: LEGAL FRAMEWORK

In 2025, the Non-Bank Financial Services Authority, which acts as the legislator of the insurance sector, issued several regulations, formulated by the IRC, to govern and supervise insurance businesses in Cambodia as follows:

- Prakas No. 022 FSA,BrK, dated 10 March, 2025, on Insurance Consumer Protection. This Prakas aims to safeguard the protection of the rights and interests of insurance consumers and to foster trust between insurance consumers and general insurance companies, life insurance companies, micro insurance companies, and insurance intermediaries.

- Prakas No. 020 FSA.BrK, dated 10 March, 2025, on the Formality and Procedures for Imposing Sanctions against Individuals Violating the Law and Regulations in the Insurance Sector. This Prakas aims to set out the formalities and procedures for imposing sanctions on individuals who violate the laws or regulations in the insurance sector, in order to promote the effective implementation of laws and legal regulations in force in the insurance sector.

- Prakas No. 051 FSA.BrK, dated 19 June, 2025, on the Conditions and Procedures for the Renewal, Suspension (Lapse) and Termination of Insurance Contracts. This Prakas aims to determine the conditions and procedures for the renewal, suspension (lapse) and termination of insurance contracts to ensure the effectiveness, integrity and good faith in the implementation of insurance contracts between insurance companies and policy holders or the insured in the Kingdom of Cambodia.

PART VII: INSURTECH FRAMEWORK

7.1. The Development of Digital Technology

Insurance Technology (InsurTech) has developed significantly over the past decade. In the early stages, the insurance sector mainly focused on digitizing existing operations such as insurance claims processing and policy management. With the emergence of InsurTech, the industry has expanded its scope by adopting innovative technologies such as AI-powered underwriting, IoT-based pricing, and blockchain. These advancements aim to increase transparency in claims handling and support the design of usage-based insurance models. Such technologies not only to enhance operational efficiency and reduce fraud but to also improve customer experience by providing faster, more personalized, and more accessible insurance services.

In the ASEAN region, Singapore and Indonesia have become leading countries in InsurTech adoption. Singapore has established a robust technology ecosystem and a strong regulatory framework, positioning itself as a hub for InsurTech startups and innovation. Meanwhile, Indonesia, with its growing population and expanding middle class, presents favorable conditions for developing digital insurance solutions that meet the increasing demand for financial services.

In Cambodia, InsurTech is beginning to take shape and has shown potential through the introduction of emerging technologies. While many insurance companies continue to rely on traditional operations, some are now exploring digital solutions for policy issuance, claims submission, and customer interactions through digital platforms. To promote InsurTech innovation, the IRC, which oversees regulating the insurance industry under the NBFSA, issued a guideline on the InsurTech Regulatory Sandbox. This initiative aims to encourage the creation of innovative insurance technologies by allowing them to be tested within a specific scope and timeframe. The purpose is to support market development, strengthen insurance business operations, and improve the quality and efficiency of insurance services to keep pace with the rapidly evolving of the digital economy and society. However, challenges remain, including limited technical capacity, the lack of technology systems for integration, and low levels of digital and financial literacy.

7.2. Cambodia's Digital Technology Development Policy Framework

The Meeting on the draft "Strategy on the Operating of E-Services for Business 2025-2028", was chaired by H.E. Akka Pundit Sopheacha AUN PORNMONIROTH, Deputy Prime Minister, Minister of Economy and Finance.

The Dissemination seminar on the "Strategic Plan for the Development of Financial Technology in the Non-Bank Financial Sector 2024–2028"

The First consultation meeting on the drafting of the Strategy on Artificial Intelligence Adoption in the Economic and Financial Sectors 2026–2030, chaired by H.E. Kong Marry, Secretary of State of the Ministry of Economy and Finance and Vice-Chairman of the Information Technology Council, at the Ministry of Economy and Finance.

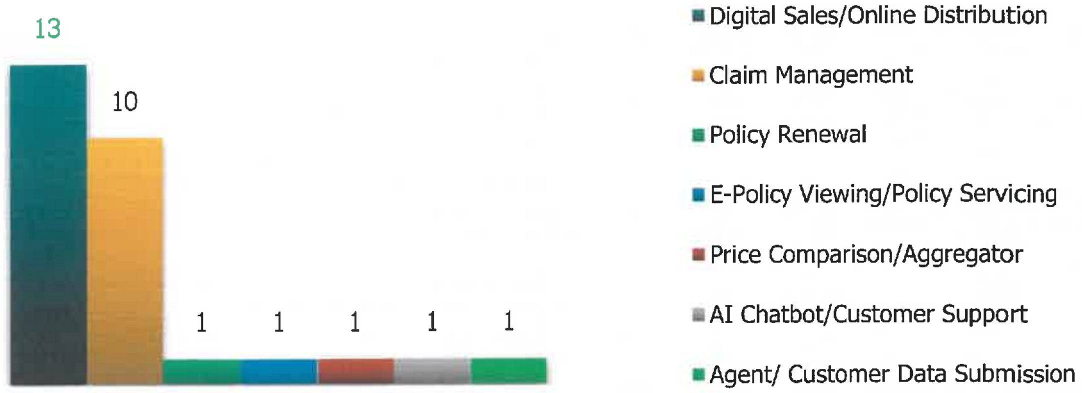
The Training program on "Artificial Intelligence Technology in the Insurance Sector"

The Digital Government Forum (DGF) 2025 and Digital Technology Expo, was presided over by H.E. Vongsey Vissoth, Permanent Deputy Prime Minister and Minister in charge of the Office of the Council of Ministers,

7.2. Cambodia InsurTech Policy Framework

The IRC issued the Guideline on the InsurTech Regulatory Sandbox on January 16, 2023. The objective of this guideline is to encourage innovation in insurance technology by enabling companies to test new InsurTech solutions within a defined scope and timeframe in a controlled environment. This initiative aims to foster the development of the insurance market, support the operations of insurance businesses, and enhance the quality, efficiency, and responsiveness of insurance services to meet the evolving needs of the digital economy and society. In addition, the InsurTech Regulatory Sandbox creates a win-win strategy, providing both consumer protection and support for insurance companies. It promotes innovation that benefits customers while also managing potential risks associated with the development of new technologies and business models in the insurance sector. As of 2025, the IRC has received strong support from the insurance industry, with **16 companies** applying to test a total of 20 InsurTech solutions in the sandbox, including: 1). DAIICHI LIFE INSURANCE (CAMBODIA) PLC. 2). MGA ASIA INSURANCE BROKER CO., LTD. 3). PEOPLE & PARTNERS INSURANCE PLC. 4). MANULIFE (CAMBODIA) PLC 5). FORTE LIFE ASSURANCE (CAMBODIA) PLC. 6). Phillip Bank Plc. 7). Infinity General Insurance Plc. 8). CB GENERAL INSURANCE PLC. 9). SOVANNAPHUM LIFE ASSURANCE PLC.10). PROTEVA INSURANCE PLC. 11). LY HOUR SBI INSURANCE PLC.12). CAMBODIARE BLUEVENTURE CO., LTD. 13). PRUDENTIAL (CAMBODIA) LIFE ASSURANCE PLC 14). ROYAL GROUP LIFE INSURANCE PLC. 15). PHILLIP GENERAL INSURANCE (CAMBODIA) PLC. and 16). ETIQA GENERAL INSURANCE (CAMBODIA) PLC.Among these, 8 InsurTech solutions were being tested in the sandbox, 11 had successfully completed the testing phase, and 1 application was rejected from entry into the sandbox.

Figure 24: Types of InsurTech



Source: Insurance Regulator of Cambodia 2025

Training on "InsurTech and Cybersecurity"

Workshop on "Preparation of InsurTech Framework"

PART VIII: SOCIAL ACTIVITIES

Opening Ceremony of "10,000 Riel, 10,000 Donors" Campaign of Kantha Bopha Foundation

Handover Humanitarian Donation to Frontline Soldiers and Displaced Families

Land Filling and Preparing Drainage System at Troying Eno Primary School and Troying Secondary School

Handover laptops to teachers in Kirivong High School

Fun Run under the theme "Run for Future" to raise fund for the Branch of Cambodia Red Cross of Battambang Province

PART VIV: CONCLUSION

In 2025, Cambodia continued to maintain positive economic growth at an estimated rate of 5.3%, despite the global economy facing heightened uncertainty and not yet fully returning to normal conditions. This growth reflects the resilience, adaptability, and robustness of the Cambodian economy. At the same time, Cambodia's insurance sector demonstrated notable growth through the expansion of its market size, as reflected in the increase in gross premiums, which reached approximately **USD 367 million** in 2025. These premiums constitute an important source of capital that contributes to domestic investment and supports national economic growth.

As of 2025, Cambodia's insurance market recorded total assets of approximately **USD 1.3 billion** and total shareholders' equity of approximately **USD 434 million**. From a macroeconomic perspective, the insurance market contributed through an insurance penetration rate of approximately **1.11%** and an insurance density of approximately **USD 20.95 per capita** in 2025. Furthermore, the overall insurance market has demonstrated positive momentum for the continued development of the micro insurance market, which is expected to play an increasingly significant role in promoting financial inclusion and expanding both the availability of and access to financial protection for all Cambodian citizens.

To contribute to promote Cambodia's financial resilience and stability, the IRC has strengthened its strategic framework, market framework, regulatory framework, and cooperation and connectivity framework. These efforts aim to ensure a resilient, innovative, and highly professional insurance sector that enjoys public confidence and sustains positive growth over the long term.

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