

Insuring Repression

Exposing how the insurance industry supports Burma's dictators

The Burma Campaign UK

TABLE OF CONTENTS

1. Executive Summary – Page 2
2. Burma: A land of Fear – Page 3
3. The Global Insurance Industry – Page 4
4. Why Campaign on insurance? – Page 5
5. The Burmese Insurance Market – Page 6
6. International Law, Insurance and Burma – Page 8
7. Report Conclusions and Recommendations – Page 9
8. Appendix One – The Insurance Dirty List – Page 10
9. Appendix Two – Clean – Page 11
10. Appendix Three – Shamed – Page 14
11. About The Burma Campaign UK – Page 17

1. EXECUTIVE SUMMARY

This report reveals for the first time how insurers around the world have underwritten the Burmese regime by insuring the multinational companies that are its financial lifeline.

Foreign businesses operating in Burma give the regime millions of dollars everyday. Without this money Burma's brutal regime wouldn't be able to finance the military machine that keeps it in power. This money doesn't help the ordinary people of Burma; it props up a regime that rules through fear and spends nearly half of the country's annual budget on the military even though the country has no external enemies. Burma's military isn't used to help cyclone victims or defend the country. It's used to entrench military rule; persecuting, torturing and repressing ordinary civilians. In September 2007 the world caught a rare glimpse of the regime's brutality as soldiers shot and killed peaceful protestors who dared to call for change.

It exposes how foreign insurers directly and indirectly fund the Burmese regime by underwriting regime owned Myanmar Insurance. Myanmar Insurance has one of the best protected monopolies in the world, it is an imprisonable offence in Burma to buy insurance from any other company. This setup allows the regime to extract millions of dollars from the multinational companies that operate in Burma in addition to any contractual arrangements that may exist.

This report is the result of a global research project by the Burma Campaign UK during which over 500 insurance companies and professionals were contacted worldwide. Our research has uncovered that companies in London, Antwerp, Singapore, Thailand, Germany, Bermuda, Japan and Malaysia provide insurance services to companies in Burma. 16 companies are named as having provided insurance services and the significant role of Lloyd's of London is revealed. 212 companies are on the "Shamed list" of companies who failed to clarify if they provide insurance services to businesses in Burma and 215 companies join the "Clean list" of companies who have stated they do not provide insurance services to companies in Burma.

High profile campaigns by the Burma Campaign UK have changed the policies of some of the world's insurance giants. By July 2007 13 of the top 30 insurance companies in the world have stated that they do not provide insurance services to companies operating in Burma. This includes AIG, ALLIANZ, AON, AVIVA, AXA, ING, Munich Re, SCOR, Swiss Re, and Willis. Whilst 11 of the top 30 are prevented from doing so by US sanctions.

Foreign trade and investment doesn't contribute to the social and economic welfare of the people of Burma. Instead profits from such trade and investment have helped the regime to dramatically expand Burma's armed forces and enriched a narrow elite closely connected to senior military personnel. Nearly half the government budget is spent on the military while only 1.4% of GDP is spent on health and education, less than half that spent by the next poorest country in Asia. Burma's people meanwhile have grown ever poorer. Having witnessed this, Burma's democracy movement, led by Aung San Suu Kyi, asked foreign companies to stay away. Our campaign against insurance companies is part of a carefully targeted policy designed by Burma's democracy movement to put economic pressure on the regime and force them into genuine negotiations with the Burmese democracy movement.

We are encouraged that over two hundred insurance companies have stated they do not provide (re)insurance services to companies operating in Burma. They have set an example to the rest of the industry. We urge all companies that haven't done so already to immediately stop providing insurance services to companies in Burma.

Recommendations:

- *The European Union should impose targeted financial sanctions, including a ban on the provision of insurance services from member countries.*
- *Governments should impose sanctions banning the provision of insurance services to companies operating in Burma from companies based in their territories.*
- *All insurance, reinsurance and insurance brokerage companies should immediately stop providing insurance services to companies in Burma.*
- *Insurance associations worldwide should make their members aware of the human rights concerns and reputational risk associated with providing insurance services to companies operating in Burma.*
- *Investors and shareholders should examine the human rights abuses committed by the Burmese regime and urge their company to implement a ban on the provision of insurance services to companies operating in Burma.*

2. BURMA: A LAND OF FEAR

Burma is ruled by an illegitimate military dictatorship - one of the most tyrannical the modern era has seen. A regime that refuses any democratisation of the political system, that systematically violates the most fundamental human rights, and that oppresses and exploits its population. It is a regime engaged in the perpetuation of relentless misery.

Burma has been ruled by dictatorship since 1962. The regime that rules Burma today, the State Peace and Development Council (SPDC) came to power in 1988 following the brutal repression of a popular uprising. In response to hundreds of thousands of people taking to the streets calling for democracy, the military opened fire, killing thousands. While the exact number will never be known, it is estimated that as many as 5,000 people were killed. Following international pressure the regime held an election in 1990; Aung San Suu Kyi's National League for Democracy won an overwhelming 82% of the seats. However, the regime never honoured the result, disregarding the vote and strengthened its grip on power.

Today, two decades later, the people of Burma still strive for democracy. In September 2007 monks led a peaceful popular uprising across the country; thousands of civilians took to the streets calling for change. The regime responded with bullets, killing dozens, possibly hundreds and arresting thousands. In May 2008 the brutality of the regime was demonstrated once more as they blocked international aid from reaching the 2.4 million survivors of Cyclone Nargis.

Today Burma is ruled by a regime that:

- *Rules through fear.* The regime uses rape as a weapon of war against ethnic women and children.
- *Prioritises guns over human development.* Burma is the only country in Asia whose defence budget is greater than that of health and education combined.
- *Has no respect for Human Rights.* Severe human rights abuses are routinely committed by the Burmese regime, including murder, torture, rape, detention without trial and massive forced relocations.
- *Arrests and tortures its critics.* Today there are nearly 2,000 political prisoners in Burma. Many are routinely tortured. Burma's democracy leader, Nobel Laureate Aung San Suu Kyi has been under arrest for over 12 years.
- *Systematically uses forced labour.* Men, women and children are routinely forced to work for the army and in construction projects – often imposed with the threat of physical abuse, beatings, torture, rape and murder.
- *Uses more child soldiers than any other country in the world.* There are at least 70,000 child soldiers today in Burma.
- *Terrorises its own people.* The regime's campaign of terror against any opposition and minority groups has created an estimated one and a half million internally displaced people.
- *Pursues policies of Ethnic Cleansing.* Over the past twelve years, 3,000 villages have been destroyed in Eastern Burma by the ruling military regime

The economy: Rice bowl to basket case

When Burma gained independence in 1948 Burma was regarded as one of Asia's best hopes. The resource rich, fertile country had huge potential. However, after decades of misrule, corruption and brutal dictatorship, living in Burma today means enduring malnutrition, poverty, a failed education system and a decrepit health service.

Investment: Entrenching dictatorship – Funding Repression

Following the 1990 election the regime was vulnerable and the economy was in ruins. To cling on to power the regime needed to strengthen the army but couldn't afford to. So they accelerated plans to open up the economy to foreign trade and investment. In many countries trade and investment can help ordinary people, but in Burma the opposite is true. The regime used revenue from investment to double the size of the army and increase its attacks on its own population. At the same time as new revenue came in, spending on the population, in areas such as health and education, was reduced.

It was only after witnessing how the profits of foreign trade and investment were entrenching military rule and not helping the people that the democracy movement called for targeted economic sanctions. In defiance of the democracy movement hundreds of foreign companies continue to operate in Burma. They are not doing so because of an altruistic wish to help the people of Burma. Companies are there to make a profit, and are attracted by a compliant, cheap workforce where unions are banned, and limited health and safety laws which in any case are rarely enforced.

3 - THE GLOBAL INSURANCE INDUSTRY

The global insurance industry is an invisible giant, without which the world's economy would not function. Almost everything you encounter is insured, from skyscrapers to family homes, from aircraft to ocean liners. This section explains the structure of the global insurance industry.

What is Insurance?

Most people own insurance of some sort; homes, mobile phones and cars can be insured. No matter what is insured, the basic concept remains the same; the customer pays a premium (fee) to an insurance company that agrees to pay the value of the insured item if it is damaged in some way. When buying insurance the customer pays an insurance company to compensate them if a risk occurs. If, for example, they are concerned that their home will be flooded they could buy flood insurance. If the risk occurs, and their home is flooded, the insurance company will compensate them for the damage caused by the flood. This is an oversimplification as there are many different types of insurance and different levels of insurance cover. However the concept remains the same.

Businesses extensively insure their overseas operations, insuring for example their staff, machinery and premises.

The global insurance industry

Insurance is vital to today's global economy. To cope with a complex, increasingly interlinked international economy the global insurance industry has evolved. Today the industry revolves around four key areas:

1. **Insurance companies** provide insurance to companies and consumers directly; this can range from insuring your dog to insuring a factory.
2. **Reinsurance companies** provide insurance for insurance companies. By buying reinsurance, insurance companies spread their risk. They help to make sure that when a major catastrophe happens, like a large flood or hurricane, the insurance company can afford to pay out claims. They also allow small insurance companies to offer many different types of insurance, as they can pass on some of the risk by buying reinsurance. International reinsurance companies sell reinsurance to Myanma Insurance.
3. **Insurance Brokers** are the middlemen of the industry. They make the market work smoothly by providing a go-between for companies, insurers and reinsurers.
4. **Lloyd's of London**, located at the heart of the City of London, describes itself as, "the world's leading, specialist insurance market." Lloyd's provides a marketplace where different companies (known as syndicates) can conduct complex insurance deals. Lloyd's provides insurance for some of the world's most complex risks. Members of the Lloyd's market have sold insurance to companies in Burma.

Many companies operate in more than one of these markets, having for example insurance, reinsurance and Lloyd's subsidiaries.

4. WHY CAMPAIGN ON INSURANCE?

Following requests from the Burmese democracy movement, the Burma Campaign UK formed a panel of insurance experts to assist us in exposing how the global insurance industry helps the companies that prop up the Burmese regime.

The Burmese regime encourages foreign investment to generate much-needed foreign exchange. This foreign exchange finances the regime, allowing it to buy the guns, bullets and tanks that keep it in power.

Insurance is vital for the companies that invest in Burma. This campaign aims to make Burma less attractive to foreign investors by making it more expensive and more difficult for them to insure their operations in Burma. This is part of a carefully targeted policy designed by Burma's democracy movement to cut the junta's economic lifeline, this will decrease the amount of money the regime can spend on arms and increase pressure on the regime to negotiate with Burma's democracy movement.

This campaign will be effective in reducing the regime's income by:

- Making it more difficult and expensive to buy insurance for the companies that choose to operate in Burma in defiance of the democracy movement.
- Undermining the confidence of investors in Burma.
- Discouraging new investment in Burma.

Our research has found that insurance sold by companies trading out of London, Antwerp, Singapore, Thailand, Germany, Bermuda, Japan and Malaysia facilitate the flow of billions of dollars of income to the Burmese regime every year.

Research Methodology

Before publishing this report we contacted over 500 insurance, reinsurance and brokerage companies asking them to clarify their position on insuring risk in Burma.

The findings of our research, including company names, are documented in the Appendices. Below are a few selected companies:

Dirty - As detailed in Appendix One exposes the companies, or their subsidiaries or members, who have sold insurance to companies operating in Burma. This includes:

- **Lloyd's of London** describes itself as "the world's leading, specialist insurance market." It admits that its members have sold insurance to companies in Burma, including a regime owned airline.
- **Tokio Marine and Nichido Fire Insurance Co. Limited** is Japan's largest and longest established non-life insurance company. The company's recently acquired Lloyd's subsidiary, Kiln, has provided insurance to a regime owned airline. Tokio Marine maintains a representative office in Burma.

Clean - As detailed in Appendix Two our campaign has already achieved significant success. After being contacted by the Burma Campaign UK some of the biggest insurance companies in the world have created policies of no longer providing insurance services to companies located in Burma. This includes:

- The world's largest reinsurer by revenue, **Munich Re**.
- The world's second largest reinsurer by revenue, **Swiss Re**.
- The world's largest insurance broker, **Aon**.
- The world's third largest insurance Broker by revenue, **Willis**.

Shamed - As detailed in Appendix Three Shamed companies have either have failed to reply to our correspondence requesting clarification of their policy regarding Burma or have not been able to state that they do not provide insurance to foreign companies operating in Burma. This includes:

- **HSBC** markets itself as "The World's Local Bank". Unlike other global banks, including Barclays and the Royal Bank of Scotland, it couldn't state that it did not sell insurance to any company operating in Burma.
- **Jardine Lloyd Thompson** is the world's seventh largest insurance broker. The company has failed to respond to our requests to clarify if it sells insurance to companies operating in Burma.

Insurance withdrawal grounds regime's jets

In September 2007 Myanmar Airways International (MAI), a regime owned airline, was forced to cancel its daily flights between Burma, Bangkok and Kuala Lumpur because their McDonnell-Douglas MD-82 aircraft were not fully covered for war and allied perils due to the unrest in the country. The flights were resumed in January 2008. However the cancellations meant that the regime lost hundreds of thousands of dollars in profit from the airline. The insurance was provided by a London insurer.

Another Burmese airline, Yangon Airways, a joint venture between regime-owned Myanmar Airways and the MHE Mayflower group reportedly had a \$200 million total risk policy with Lloyd's of London in 2001.

5. THE BURMESE INSURANCE MARKET

The creation of Myanmar Insurance

Burmese Law reserves the banking and insurance market for the government. Any foreign company wishing to sell insurance directly in Burma must obtain permission from the regime. Breach of this law is punishable by imprisonment of up to 5 years, a fine or both.

Insurance in Burma is regulated by the Myanmar Insurance Law (1993) and the Insurance Business law (1996). The 1993 law states that all insurance within Burma must be insured with a Burma licensed company, of which Myanmar Insurance is currently the only one. The company was created in 1952 as a life insurer. Today it offers many other types of insurance including:

- Marine insurance
- Aviation insurance
- Engineering insurance
- Fire insurance
- Third Party Liability insurance
- Oil and gas insurance
- Reinsurance
- Marine Cargo insurance
- Cash-in-transit insurance
- Cash-in-safe insurance.

If Myanmar Insurance does not provide the type of insurance required by foreign businesses operating in Burma, the regime permits the business to arrange insurance on the international market but it must be “Fronted” by Myanmar Insurance, as detailed overleaf. This generates significant profit for the regime.

Myanmar Insurance – financing the junta

The regime is the sole shareholder of Myanmar Insurance. Colonel Thein Lwin is the Managing Director of the company whilst Mg Maung Thein is the General Manager. They are also respectively the Chairman and Secretary of the company’s Supervisory Board. The Supervisory Board reports to the Ministry of Finance and Revenue and is responsible for a range of activities, including screening and approving new business and granting permission for companies operating in Burma to purchase insurance overseas if Myanmar Insurance cannot arrange the appropriate levels of cover.

Myanmar Insurance’s monopoly is protected by law. The company’s website states “Since Myanmar Insurance is a state-owned insurer, the laws require that all the foreign investors must buy insurances only from it”. Goods destined for other countries which are shipped through Burma’s ports are forced to buy insurance from Myanmar Insurance . Foreign vehicles entering Burma can be forced to buy insurance from the company at border crossings.

The role of foreign insurers

The 1993 law does technically permit foreign insurers to operate in Burma, after the law was enacted 31 companies applied for a license. However, the regime continues to protect Myanmar Insurance’s monopoly and to date has not granted any licenses. The 1993 law did not extend to the reinsurance market, which is protected by law as a monopoly of Myanmar Insurance.

Myanmar Insurance’s website states that the Burmese regime “assures all the liabilities of it under the Myanmar Insurance Law”. However, the company is not big enough to underwrite all insurance in Burma so the company is permitted to purchase reinsurance from foreign companies.

It is known that at least two foreign insurers maintain offices in Burma, Sampo Insurance and Mitsui Sumitomo. The activities of these offices are unknown and Burmese law prevents them from selling insurance directly to companies in Burma; however, they are legally permitted to liaise with Myanmar Insurance when global clients seek insurance for their operations in Burma.

Copper loses its shine for regime as insurance withdrawn

After being contacted by the Burma Campaign UK Swiss Re, the world's 2nd largest reinsurer, announced in 2005 that it would exclude business in Burma. The United States also imposed sanctions forbidding US companies from providing insurance services to companies in Burma. In early 2006 the Canadian company, Ivanhoe mines, was forced to close its Monya copper mine, a joint venture between Ivanhoe and the regime, as its insurance was withdrawn.

The mine was closed for months as Ivanhoe sought new insurance, depriving the regime of millions of dollars as the world's copper prices continued to rise. This example shows that the withdrawal of insurance severely disrupts the income of the Burmese regime.

Fronting

If Myanmar Insurance is unable to meet a company's needs, for example if the need is too specialised (such as pipeline insurance), exceptions can be made with the permission of the regime via the Ministry of Finance and Revenue. In these cases insurance will be arranged on foreign markets and Myanmar Insurance will "front" it. Fronting is a procedure in which a primary insurer (such as Myanmar Insurance) acts as the insurer by issuing a policy, but then passes the entire risk to a reinsurer (on the international market) in exchange for a commission. The reinsurer does not need to have a licence to sell insurance directly in that country.

Fronting can generate significant revenue for the Burmese regime as they face no risk and can charge a considerable commission since they protect the monopoly of Myanmar Insurance by law. These arrangements are extremely lucrative as Myanmar Insurance is believed to charge commissions of up to 15% for effectively only "rubber-stamping" these deals. Industry sources believe fronting alone generates the regime, tens of millions of dollars in commission annually.

What's it worth?

Myanmar Insurance sources state that in 2004 the company received US\$5.1 million in premiums, excluding commission payments from any fronting arrangements. In the same year they paid out US\$1.54 million in claims. After claims are paid US\$3.56 million remains, this shows that even accounting for costs and reserve contributions Myanmar Insurance generates the regime millions of dollars every year even before commission payments.

How is TOTAL insured?

The French oil and gas company TOTAL is one of the regime's biggest foreign funders as it runs the offshore Yadana gas project in Burma. According to the Belgian paper, Le Soir, TOTAL's gas project in Burma gives the regime US\$972 million dollars annually, equivalent to \$2.66 million every day.

Our research has uncovered that TOTAL has its own insurance and reinsurance company Omnium Insurance and Reinsurance Company (OIRC). OIRC "acts as a centralized global operations tool for covering the Group's risks".

Official TOTAL company documents obtained by the Burma Campaign UK state that: "Certain countries require the purchase of insurance from a local insurance company. When a subsidiary company of the Group is subject to these constraints and is able to obtain insurance from a local company meeting Group standards, OIRC attempts to obtain a retrocession of the covered risks. As a result, OIRC negotiates reinsurance contracts with the subsidiaries' local insurance companies which transfer almost all of the risk (between 97.5% and 100%) to OIRC." This is probably the case in Burma, TOTAL is obliged by Burmese law to purchase insurance from regime owned Myanmar insurance. The documents also stated "OIRC negotiates a global reinsurance program with mutual insurance companies for the oil industry and commercial reinsurers".

It is not known who TOTAL have reinsured their Burmese operations with. However, the above statement shows the mechanism by which OIRC could insure TOTAL's operations in Burma.

Our research also uncovered evidence that at one time the project had political risk insurance with the French company, Coface.

The implications of TOTAL losing its insurance cover for its Burmese project would be profound. Overnight their operations would be severely restricted. Every day that their operations in Burma were disrupted, the regime would lose millions of dollars.

6. INTERNATIONAL LAW, INSURANCE AND BURMA

The insurance industry is subject to laws and regulations from both the country where their business is based and the country where they sell insurance. Therefore governments of countries where insurance companies are based can legislate against the provision of insurance services to companies operating in Burma. This section summarises the policies of the US and Canadian governments as well as the policy of the European Union regarding the provision of insurance services to Burma by their citizens and companies based in their countries.

The United States of America

The US government has passed sanctions against US companies offering insurance to Burma. These sanctions apply to:

“All U.S. persons and entities (companies, non-profit groups, government agencies, etc.) wherever located.”

The sanctions state:

“Generally speaking, the exportation of financial services to Burma is prohibited. The term exportation or re-exportation of financial services to Burma is defined broadly to mean ... the provision, directly or indirectly, to persons in Burma of insurance services, investment or brokerage services”

Canada

On December 13th 2007 the Canadian government enacted the “Special Economic Measures (Burma) regulations” in response to the “abhorrent human rights and humanitarian situation in Burma”.

These regulations are subject to certain exceptions but they include a:

“Prohibition on the provision of Canadian financial services to and from Burma”

The European Union

Unlike the United States and Canada the European Union does not have financial sanctions against the Burmese regime. EU Sanctions currently include:

- A ban on imports of, and investment in timber, gems and metals.
- A limited investment ban.
- A visa ban for senior regime officials and their families.
- A freeze of assets held in Europe by people on the visa ban list.
- An arms embargo.

Targeted EU financial sanctions, including a ban on the provision of insurance services to companies in Burma, would be highly effective. It would be an efficient way to target the regime’s financial lifeline, and potentially deprive it of millions of dollars annually as multinational companies operating in Burma would be forced to close their operations until alternative insurance could be arranged.

EU sanctions would be particularly effective as they would deprive the regime, and those companies that operate in Burma, access to some of the world’s biggest insurance markets.

7. REPORT CONCLUSIONS AND RECOMMENDATIONS

Before insurance companies decide whether to provide insurance to businesses operating in Burma they take into account a number of different factors. For too long some of the world's biggest insurance companies have ignored the fact that by selling insurance to companies in Burma they are facilitating, and profiting from, the repression of the people of Burma. After pressure from the Burma Campaign UK many of the world's biggest insurers have reversed their policies and banned the sale of insurance services to companies operating in Burma. We welcome this decision and urge all other insurance, reinsurance and insurance brokerage companies to follow their example immediately.

Any company that continues to provide (re)insurance services to companies in Burma is putting profits before principal and condemning the Burma's 50 million to a life of fear. These companies are ignoring their responsibility to the people of Burma and are guilty of supporting one of the world's most brutal regimes.

It is time for the global insurance industry to stand with the people of Burma, to respect Burma's democracy movement and cut the regime's financial lifeline.

Recommendations:

Recommendation to Governments:

- We call on all Governments to ban the provision of insurance services to businesses in Burma from their country and their citizens, wherever located.

Recommendation to the European Union:

- We call on The European Union to impose targeted financial sanctions including a ban on the provision of insurance services to companies in Burma.

Recommendations to insurance companies in the 'Dirty' and 'Shamed' lists of this report:

- Dirty companies should immediately cease providing (re)insurance services to companies in Burma.
- Shamed companies should immediately cease providing (re)insurance services to companies in Burma if they currently are. If they are not providing insurance services to companies in Burma they should inform the Burma Campaign UK immediately.

Recommendation to Investors and Shareholders of Dirty or Shamed companies:

- Shareholders should be aware of the reputational damage to their company if it continues to be associated with the Burmese regime. Shareholders should therefore engage publicly and privately with their companies and if their company refuses to change its policies they should disinvest.

Recommendation to insurance associations worldwide:

- We call on insurance associations around the world, including the Association of British Insurers and the British Insurance Brokers Association to make their members aware of the human rights concerns and reputational risk associated with providing insurance services to companies operating in Burma.

Recommendations to individuals:

- Contact your Government and ask them to ban the provision of insurance to businesses operating in Burma.
- Contact the companies on the Dirty List and ask them to stop providing insurance services to companies operating in Burma.

Appendix One – The Insurance Dirty List

This list exposes the companies, or their subsidiaries or members, who have sold insurance to companies operating in Burma.

- **Lloyd's of London.** Lloyd's, located at the heart of the City of London, describes itself as, "the world's leading, specialist insurance market." According to the Burmese Ministry of Finance and Revenue, Lloyd's provides reinsurance to Myanma Insurance. Lloyd's syndicates (Lloyd's terminology for their member companies that sell insurance) have also sold insurance to a regime owned airline. Lloyd's admitted in April 2008 that some shipping and aviation reinsurance for companies in Burma goes through Lloyd's. As a consequence of the actions of their syndicates Lloyd's were placed on our "2005 Dirty List". Later that year Lloyd's stated that they were not able to compel their members to end their involvement in Burma and claimed that it would be "against competition law for members to collectively decide not to operate in Burma".
Pending investigations of these claims Lloyd's were removed from the Dirty List. Our investigations failed to identify any UK law or act to substantiate Lloyd's' claims. Lloyd's conceded in July 2008 that "Competition Law is not relevant in this case". When asked to make a statement to their syndicates alerting them to the human rights concerns associated with selling insurance to companies in Burma Lloyd's refused, instead issuing the following statement on July 23rd 2008: "Unless there are official UN sanctions in place, Lloyd's does not instruct the market where it can and cannot write business. Competition Law is not relevant in this case. However, we do not make public comments on the politics or economic policies of national or international bodies."
- **Hannover Re** describes itself as "one of the leading reinsurance groups in the world." Its website states that it is represented in the Burmese market by its Malaysian subsidiary.
- **Catlin** describes itself as "an international specialist property and casualty insurer and reinsurer, writing more than 30 classes of business". It has four "underwriting platforms": the Catlin Syndicate at Lloyd's, Catlin Bermuda, Catlin UK and Catlin US. The company has provided insurance services to a regime owned airline.
- **Atrium Underwriting** manages two Lloyd's Syndicates. Atrium has provided insurance services to a regime owned airline. It is owned by the Bermudan company Ariel Re.
- **XL** is a global insurance company with "local knowledge and expertise in approximately 100 countries." According to Reinsurance Magazine, the company has provided insurance services to a regime owned airline. Although we asked the company's London office to account for the policies of the company they replied in late July 2008 stating we should "contact other XL companies to ascertain their position". The Burma Campaign UK will be contacting these companies directly.
- **Tokio Marine and Nichido Fire Insurance Co. Limited** describes itself as Japan's largest and longest established non-life insurance company. The company's recently acquired Lloyd's subsidiary, Kiln, has provided insurance to a regime owned airline. Tokio Marine company also maintains a representative office in Burma.
- **Sompo Japan** – Sompo Japan is one of the three largest non-life Japanese insurers. The company admits to operating a "Liason office" in Burma to "provide insurance information to customers". Sompo Japan has offices across the world, including in the UK. Evidence indicates the company has applied to form a joint venture with regime owned Myanma Insurance.
- **Mitsui Sumitomo Insurance** is one of Japan's largest non-life insurers. Included in its large overseas network is a representative office in Rangoon. Evidence indicates the company has applied to form a joint venture with regime owned Myanma Insurance.
- **QBE** describes itself as "Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide". Company websites state it has two correspondent offices in Burma.
- **ACE** is a global insurance and reinsurance company based in Bermuda. Its subsidiary, Ace Marine, offers insurance for Burma through its London office.
- **Labuan Re** headquartered in Malaysia describes itself as "an international reinsurer". The company lists Burma as one of its "overseas markets".
- **OCBC Bank** is Singapore's longest established bank, and is today one of Asia's leading financial services groups. Its subsidiary, Great Eastern Holdings, describes itself as the "leading insurer in Singapore", it has stated it provides insurance services to Singapore owned companies in Burma.
- **Pana Harrison** is a Singaporean based insurance broker. It lists Burma as part of its network. Our sources indicate the company is active in the aviation sector, providing insurance services for regime owned airlines.
- **Target Insurance Broker** is a Singaporean broker which works in the Lloyd's, Australian and European markets. It also provides insurance brokerage services for companies in Burma.
- **Arab Insurance Group (ARIG)** is the "largest reinsurance company in the Middle east and North Africa". It is part owned by the governments of the United Arab Emirates, Libya and Kuwait. The company's website states that its Singapore branch is responsible for activities in Burma.
- **Al Wasl** is a Dubai based (re)insurance reinsurance broker. The company's website states that its Bangladesh offices is responsible for marketing the companies operations in Burma.

Appendix Two - "Clean"

The "Clean List" contains companies that have told us that they do not provide insurance services to companies operating in Burma.

Extracts from some of the statements provided are listed below:

Munich Re, the world's Largest Reinsurer by revenue:

"As a consequence of our commitment to the UN Global Compact principles, we reviewed our activity in Burma, and decided not to renew business originating from Burma and to cease providing reinsurance/insurance services to companies in Burma."

ING, the world's largest insurance company by revenue:

ING supports the aims of the United Nations Universal Declaration of Human Rights and endeavors to apply its principles throughout its operations world-wide...ING has no office or representatives in Burma, ING does not finance companies for their activities or projects in Burma, ING refrains from entering into client engagements/ transactions involving Burma".

Swiss Re, the world's second largest reinsurer by revenue:

"Swiss Re decided last year to formally exclude business in countries where human rights are particularly severe, no promise of any improvement is in sight, and business relationships most likely amount to directly or indirectly supporting the regime in place....As a result, business has been officially banned from Burma."

Aon, the world's second largest insurance broker:

"All Aon companies are prohibited from:

Maintaining an office or other physical presence in Burma, entering into any agreements to provide goods or services to any entity located in Burma, entering into a transaction that involves property or assets located in Burma, or entering into a transaction with the Government of Burma; any entities that are owned or controlled by the government of Burma (wherever they may be located)' Burmese SDNs; or any persons acting on behalf of the foregoing."

Allianz, the world's third biggest insurance company by revenue:

"Allianz does not directly write any insurance in Myanmar, we don't insure customers from Burma. Allianz policies for international customers with a partial exposure to Burma have already been cancelled or it was announced that these contracts will not be renewed."

Willis, the world's third largest insurance Broker by revenue:

"Willis is a commercial organisation that complies with the laws that apply to it and we constantly review our presence in all markets to ensure that our activities are in line with the sanctions that may be imposed, from time to time, by the United Nations, The European Union or specific countries in which we operate. We also employ a principled, transparent approach to everything that we do. This has caused us to review our activity in Burma and as a consequence we have decided to cease our involvement there."

AIG, the world's fourth largest insurer by revenue:

"[Underwriters must] Ensure that no risk involving exposures in, or otherwise related to Burma (Myanmar) is insured by any AIU affiliated entity, regardless of the applicability of any relevant sanctions. The scope of this provision is intentionally defined beyond any specific requirements set forth by applicable law."

Aviva, the world's seventh largest insurer by revenue:

"Aviva plc, Norwich Union and all associate companies do not have operations, or provide insurance to companies in Burma...Aviva's policy on corporate social responsibility commits us to doing business in a responsible and ethical manner...Our policy objectives are guided by the principles of the UN Universal Declaration of Human Rights and the ten principles of the United Nations Global Compact."

RSA (Formerly Royal and Sun Alliance)

"Our commitment to act responsibly is at the heart of the business principles by which we operate."

RSA has no operations in Burma and no plans for writing any business there. We regularly review our appetite for every country in which we could potentially write business. The current social and political environment in Burma means we are not prepared to do business there."

Revenue Figures sourced from the Insurance Information Institute (www.iii.org)

The complete Clean list is displayed on pages 12-13

The following companies are clean; they have stated that they do not provide insurance services to companies operating in Burma.

American Fidelity Assurance Company	ETI International Travel Protection
AIG	EUI Limited
AA Underwriting Limited	Euler Hermes Guarantee plc
Abbey Life Assurance Co Ltd	Euler Hermes UK plc
ABC Insurance	Exeter Friendly Society Ltd
Admiral Syndicate Management Limited	F&C Managed Pension Funds Limited
Advantage Insurance Company Limited	Faraday Reinsurance Co. Limited
Advent Underwriting Limited	Faraday Underwriting Limited
AEGIS Managing Agency Limited	Financial & Legal Insurance Company Ltd
AIG UK Limited	Financial Assurance Company Limited
Alliance Assurance Company Limited	Financial Insurance Company Limited
ALLIANZ	Fortis Insurance Limited
Alsford Page & Gems Ltd	Fuji International Insurance Company Limited
Anika Insurance Brokers & Consultants Pte Ltd	Gateway Insurance Company Limited
Ansvar Insurance Co Ltd	Gen Re (UK)
Aon Corporation	General Reinsurance Life UK Limited
ARB International Ltd	General Reinsurance UK Limited
Ark Syndicate Management Limited	Genworth Financial Mortgage Insurance Limited
Arthur J Gallagher	Glencairn Ltd
Ascot Underwriting Limited	Gresham Insurance Company Limited
Aspen Insurance UK Limited	Grimme Butcher Jones Ltd
Aviva Ltd	Groupama Healthcare
Avon Insurance PLC	Groupama Insurance Company Limited
AXA	Guardian Linked Life Assurance Ltd
B&CE Insurance Limited	Guardian Pensions Management Ltd
Baillie Gifford Life Limited	Guest Krieger Ltd
Bankers Insurance Company Limited	Guildhall Insurance Co Ltd
Barclays Insurance	H Pitman & Co Limited
Beaufort Underwriting Agency Limited	Hamilton Insurance Company Limited
Bennett Gould & Partners Ltd	Hardy (Underwriting Agencies) Limited
Besso Ltd	HCC International Insurance Company plc
British Reserve Insurance Co Ltd	HCC Underwriting Agency Ltd
Canada Life Limited	Heath Lambert
Canopus Managing Agents Limited	Henderson Global Investors
Capita Syndicate Management Limited	If P&C Insurance Ltd
Carraig Insurance Company Limited	Investment Solutions Limited
Casualty & General Insurance Company (Europe) Ltd	ING
Cavell Managing Agency Limited	Jago Managing Agency Limited
Cavendish Insurance Limited	JB Boda & Co (UK) Ltd
Century Insurance Company Limited	Jubilee Managing Agency Limited
CGNU Life Assurance Limited	Kerry Lonsdale Limited
CGU Bonus Ltd	Kim Insurance Brokers Pte Ltd
CGU Underwriting Limited	Kinetic Insurance Brokers Limited
CIGNA Life Insurance Company of Europe S.A.-N.V.	Kite Warren & Wilson Ltd
CIS General Insurance limited	Legal & General Insurance Ltd
CityNet Insurance Brokers Limited	LIBG Ltd
Clegg Gifford & Company Ltd	Lincoln Assurance Limited
Combined Insurance Company of America	Link Insurance Company Limited
Commercial Union Assurance Company Limited	Lion Insurance Company Limited
Commercial Union Life Assurance Company Limited	Liverpool Marine and General Insurance Co. Ltd
Converium Insurance (UK) Limited	Liverpool Victoria Friendly Society Limited
Cornish Mutual Assurance Co Ltd	London & Edinburgh Insurance Company Limited
Countrywide Assured Plc	London Assurance
Creechurch Underwriting Limited	London General Insurance Co Ltd
CX Reinsurance Company Limited	London Guarantee & Reinsurance Co. Ltd.
Dashwood Brewer & Phipps Ltd	Ludgate Insurance Co. Ltd.
DBI Insurance Company Limited	Managing Agency Partners Limited
Diagonal Underwriting Agency Limited	Marine Insurance Co. Ltd.
Dowa Insurance Company (Europe) Ltd	Monarch Assurance P.L.C.
Duncanson & Holt Syndicate Management Limited	
Elite Insurance Company Limited	
Endurance Worldwide Insurance Ltd	
Equity Syndicate Management Limited	

[Continued overleaf]

The following companies are clean, they have stated that they do not provide insurance services to companies operating in Burma.

<p><i>[Continued from overleaf]</i></p> <p>Markel International Insurance Company Limited. Markel Syndicate Management Limited Marlborough Underwriting Agency Limited Marsh Metlife Insurance Limited MMA Insurance plc Morley Pooled Pensions Ltd Munich Re Municipal Mutual Insurance Ltd. N.I.B. (UK) Ltd NFU Mutual National Vulcan Engineering Insurance Group Ltd Nausch Navigators and General Insurance Co Ltd Newline Underwriting Management Limited Newline/Odyssey America Reinsurance Corporation Newstate Stenhouse (S) Pte Ltd Nissan Insurance Co of Europe Ltd Northern Maritime Insurance Co Ltd Norwich Union OCW Insurance (Brokers) Pte Ltd Odyssey America Reinsurance Corporation (Singapore Branch) Oval International Limited Oxygen Insurance Brokers Palatine Insurance Company Ltd Partnership Life Assurance Company Ltd Pembroke Managing Agency Limited Pennine Insurance Co Ltd Personal Assurance plc Pinnacle Insurance plc PMI Mortgage Insurance Company Ltd Primary General Insurance Limited Primary Group Intermediary Services Ltd Provident Insurance Plc Prudential Quinn-Insurance Ltd Reassure UK Life Assurance Company Limited Red Sands Insurance Company (Europe) Limited Reliance Mutual Insurance Society Limited RITC Syndicate Management Limited RK Harrison Insurance Brokers Ltd Robertson Taylor Insurance Brokers Ltd Royal & SunAlliance Insurance (Global) Limited Royal Bank of Scotland Royal Exchange Assurance Royal Insurance (UK) Ltd Royal London General Insurance Company Royal London Mutual Insurance Society Limited Royal London Pooled Pensions Company Limited Royal Scottish Assurance Plc Royal Skandia Life Assurance Limited Singapore Branch Sabre Insurance Company Limited Sagicor at Lloyd's Limited Save & Prosper Insurance Ltd SBJ Global Risks Limited SCOR Scottish Equitable (Managed Funds) Ltd Scottish Equitable plc Sea Insurance Co. Ltd. Seascope Insurance Services Ltd Service Insurance Company Limited SHC Capital Limited Sun Insurance Office Limited</p>	<p>Smith Bilbrough & Co Ltd Southern Rock Insurance Company Limited SR International Business Insurance Co Ltd St James's Place UK plc Starr Managing Agents Limited Sun Alliance and London Insurance PLC Sun Alliance Insurance Limited Sun Life Assurance Company of Canada (UK) Ltd. Swiss Reinsurance Company Teachers Provident Society Ltd Tradex Insurance Company Limited Travel & General Insurance Co. Ltd. Trinity Lane Insurance Company Limited Tyser & Co Ltd UIA (Insurance) Limited Union Marine and General Insurance Co.Ltd. United Friendly General Insurance Limited Unum Limited UOB Life Assurance W Denis Insurance Brokers Plc Wesleyan Assurance Society Western Provident Association Limited Whittington Capital Management Limited Willis Winterthur Life UK Limited Zenith Insurance Plc Zenith Syndicate Management Limited Zurich Assurance Limited Zurich GSG Limited Zurich Insurance Company</p>
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Appendix Three -“Shamed”

Shamed companies fulfill one of the following criteria:

- They have failed to reply to our correspondence requesting clarification of their policy regarding Burma.
- They have not been able to state that they do not provide insurance to foreign companies operating in Burma.

MMC group includes the world’s biggest insurance broker, Marsh. MMC has stated its member companies “will not do business with Burma-based companies”. However they have not excluded providing insurance services to multinational companies operating in Burma. Multinational companies generate the regime billions of dollars a year.

HSBC markets itself as “The World’s Local Bank”. Unlike other global banks, including Barclays and the Royal Bank of Scotland, it couldn’t state that it did not sell insurance to any company operating in Burma.

Jardine Lloyd Thompson is the world’s seventh largest insurance broker. The company has failed to reply to our requests to clarify if it sells insurance to companies operating in Burma.

Heath Lambert describes itself as “Europe’s leading independent insurance broker and reinsurance broker”. The company has failed to reply to our correspondence requesting confirmation that the company does not provide insurance services to companies operating in Burma.

Chubb is the 11th largest property and casualty insurer in the United States and have a worldwide network of some 120 offices in 28 countries staffed by 10,600 employees. Its website states the company has a representative office in Burma. The company has failed to reply to our requests to clarify if it sells insurance to companies operating in Burma.

The complete Shamed list is displayed on pages 15-16

The Following companies are “Shamed”. Shamed companies fulfill one of the following criteria:

- They have failed to reply to our correspondence requesting clarification of their policy regarding Burma.
- They have not been able to state that they do not provide insurance to foreign companies operating in Burma.

<p>AAA Insurance & Reinsurance Brokers Ltd Acclaim Insurance Brokers PTE LTD Aldgate Insurance Company Limited Alston Gayler & Co Ltd Amlin Underwriting Limited Anda Insurance Broker(s) Pte Ltd Argenta Syndicate Management Limited Asia Capital Reinsurance Group PTE Ltd Assicurazioni Generali SpA Associate Insurance Brokers Pte Ltd Atradius Credit Insurance NV Ava Insurance Bokers PTE Ltd Bannerman Rendell Limited BDB Ltd Beazley Furlonge Limited Benfield Ltd Berry Palmer & Lyle Ltd BISYS Hanleigh BMS Group Ltd Brit Insurance Limited Brit Syndicates Limited British Aviation Insurance Company Limited Butcher Robinson & Staples International Ltd Butcher Robinson & Staples Marine Ltd Caledonian Insurance Co Cathedral Underwriting Limited Chaucer Syndicates Limited Chesterfield Insurance Brokers Ltd China Insurance Co (UK) Ltd China Insurance Co. (Singapore) Pte. Ltd Churchill Insurance Company Ltd City of London Insurance Co Ltd CJ Coleman & Co Ltd CMGL Syndicate Management Limited CNA Insurance Company Limited COBRA London Markets Limited Cogent Resources Ltd Collingwood Insurance Company Limited ComfortDelgro Insurance Brokers Pte Ltd Connor Hale Kerslake Ltd Contingency Insurance Co Ltd Cooper Gay & Co Ltd Craven and Partners Ltd Crest Underwriting Ltd Crispin Speers & Partners Ltd DAS Legal Expenses Insurance Company Limited Domestic & General Insurance PLC Eagle Star Insurance Company Limited Elders Insurance Co Ltd Emil Bergundthal Enterprise Insurance Company Plc EPG Insurance Services Ltd EQ Insurance Company Limited European Brokers Associated Ltd European Risk Insurance Company hf Excelsus (Far East) Pte Ltd Federal Insurance Company Fidelity Investments Life Insurance Limited First Capital Insurance Limited FirstCity Partnership Ltd Fortress Insurance Company Limited FP Marine Risks Ltd Galaxy Insurance Consultants Pte Ltd Gates Insurance Brokers Pte Ltd Genavco Insurance Ltd Gina Fitzgerald Ltd</p>	<p>Globe Insurance Company Limited Great Lakes Reinsurance (UK) plc Gresham Insurance Brokers Ltd Grosvenor Brokers (America) LLC Hallmark Insurance Co Ltd Hartford Life Limited Hayward Aviation Ltd HDI-Gerling Industrial Insurance Company - UK Branch Heritage Managing Agency Limited Highway Insurance Agency Limited Highway Insurance Company Limited Hiscox Insurance Company Ltd Hiscox Syndicates Limited Hitachi Capital Insurance Europe Ltd HL Suntek Insurance Brokers Pte Ltd Home & Overseas Insurance Co.Ltd. Homecare Insurance Ltd Houlder Insurance Services Ltd HSBC I C Frith (Asia Pacific) Pte Ltd IGI Insurance Company Limited Imagine Syndicate Management Limited Indemnity Insurance Limited India International Insurance Pte Ltd Inspro Insurance Brokers PTE LTD Integro Insurance Brokers Ltd International Insurance Company of Hannover Limited International Risk Solutions Ltd James Hampden Insurance Brokers Ltd John Holman & Sons Ltd KGM Underwriting Agencies Limited KIB Insurance Brokers (S) Pte Ltd Korean Reinsurance Company, Ltd. L.C.H (S) Pte Ltd Landmark Insurance Company Ltd. Liberty Insurance Pte Ltd Liberty Mutual Insurance Europe Limited Liberty Syndicate Management Limited Lloyds TSB General Insurance Limited Lockton Companies International Ltd London General Life Company Limited London Life Ltd London Market Insurance Brokers Ltd London Special Risks Ltd Lonpac Insurance Bhd Jardine Lloyd Thompson MACS-UIB Insurance Brokers Pte Ltd Malvern Insurance Company Limited Manulife (Singapore) Pte Ltd Marine and General Mutual Life Assurance Society Markerstudy Insurance Company Ltd Market Insurance Brokers Ltd Marketform Managing Agency Limited Mayban General Assurance Berhad Mercer Human Resource Consulting (S) Pte Ltd Meridian Risk Solutions Ltd Methodist Insurance PLC Miles Smith Miller Insurance Services Ltd MSIG Insurance (Singapore) Pte Ltd National Deposit Friendly Society Limited</p>
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[Continued overleaf]

The Following companies are “Shamed”. Shamed companies fulfill one of the following criteria:

- They have failed to reply to our correspondence requesting clarification of their policy regarding Burma.
- They have not been able to state that they do not provide insurance to foreign companies operating in Burma.

<p><i>[Continued from overleaf]</i></p> <p>National Provident Insurance Navigators Underwriting Agency Limited NCG Professional Risks Ltd New India Assurance Co Ltd Newman Martin and Buchan Ltd.NMB House Nipponkoa Insurance Co Ltd Nipponkoa Insurance Company (Europe) Ltd Norman Butcher and Jones Ltd Northern Assurance Company Limited Novae Syndicates Limited OAMPS Insurance Brokers Ocaso SA UK Branch Ocean Accident and Guarantee Corporation Limited Ocean Marine Insurance Company Limited Omega Underwriting Agents Limited Omnilife Insurance Co Ltd Paris RE Asia Pacific Pte Ltd Partner Reinsurance Co Ltd, Singapore Branch Pearl Assurance plc Pensions Management (SWF) Ltd Phoenix & London Assurance Limited Platus PPP Lifetime Care Plc Priest & Co Ltd PRO Syndicate Management Limited R + V Versicherung AG, Singapore Branch R+V Versicherung AG, Singapore Branch Ramon International Insurance Brokers Ltd Rasini Vigano Ltd Rattner Mackenzie Ltd RFIB Group Limited RGA Reinsurance UK Limited RIB Reinsurance International Brokers Spa Ridge Underwriting Agencies Limited Riverstone Managing Agency Limited Ropner Insurance Services Ltd Royal Liver Assurance Limited S. A. Meacock & Company Limited Scottish Friendly Assurance Society Limited Scottish Mutual Assurance Limited Scottish Provident Limited Scottish Re Holdings Limited Sea and Land Insurance Brokers Pte Ltd Seaban Insurance Brokers Pte Ltd Selestia Investments Limited Senior Wright Ltd Sime Insurance Brokers (Singapore) Pte Ltd Singapore Aviation and General Insurance Co (Pte) Ltd Singapore Reinsurance Corporation Limited Sirius International Insurance Corporation Skandia Life Assurance Co. Ltd. SL Liverpool PLC Spectrum Syndicate Management Limited St Andrew's Insurance PLC Sterling Insurance Company Limited Stonebridge International Insurance Ltd Suffolk Life Annuities Limited Swinglehurst Ltd</p>	<p>Swiss Life (Liechtenstein) AG Tasker & Partners Limited Tenet Insurance Company Ltd Texel Finance Ltd The Toa Reinsurance Company Limited Thompson Heath & Bond Ltd Threadneedle Pensions Limited Times Insurance Brokers Pte Ltd TM Asia Insurance Singapore Ltd. TM Asia Life Singapore Ltd. Tobacco Insurance Co. Ltd. Total Risk Solutions Tradewise Insurance Company Limited Trafalgar Insurance plc Transamerica Life (Bermuda) Ltd. Travelers Syndicate Management Limited UBS Global Asset Management Life Ltd UK Insurance Limited United Insurance Brokers Ltd United Overseas Insurance Ltd USAA Limited Walsham Brothers & Co Ltd Willy Insurance Brokers Pte Ltd Windsor Life Assurance Co. Ltd. World Auxiliary Insurance Corporation Limited WT Butler & Co Ltd Zuellig Insurance Brokers Pte Ltd</p>
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ABOUT THE BURMA CAMPAIGN UK

The Burma Campaign UK is the only national organisation in the UK dedicated to campaigning for human rights and democracy in Burma. We aim to increase pressure on the regime for reform through economic and political pressure. To increase economic pressure on the regime we discourage tourism and investment, while campaigning for targeted economic sanctions. To increase political pressure on the regime we lobby the British and European government, and key international organisations such as the European Union, United Nations and others.

The Burma Campaign UK receives no government funding. We rely on the generosity and committed support of individual supporters for the vast majority of our funding. To support our work go to www.burmacampaign.org.uk



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