Introduction to the September 2026 Edition of International Insurance Law and Regulation

International Insurance Law and Regulation is a comprehensive collection of commentary from internationally recognized practitioners who are experts in their jurisdictions. These specialists discuss the law and regulation of insurance in their region, creating a country-by-country guide on doing business in this highly structured and regulated industry.

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The September 2026 Edition contains the following updated or revised chapters:

Chapter 2, Australia
Chapter 7, Brazil
Chapter 14, Croatia
Chapter 22, India
Chapter 27, Japan
Chapter 30, Lithuania
Chapter 34, Myanmar

Each of these chapters has been written and updated by attorneys from these countries who are experts on their subject matter.

Please see below highlights from a selection of the updated chapters.

Australia

The 2026 update to the Australian chapter incorporates various regulatory and judicial updates.

The chapter identifies a series of updates to the regulatory landscape. These include the publication of the Independent Review of Insurance Brokers Code of Practice, which found that the profession is facing reputational challenges and struggles with self-management. The second tranche of the Quality of Advice Review reforms has continued to stall, with no clear timeframe provided by the Australian government for when the financial advice laws will be overhauled as promised. The chapter update comments on the ineffectiveness of the new continuous disclosure regime, citing the Report of the Independent Review of the Changes to the Continuous Disclosure Laws and the *Zonia Holdings* litigation, and considers the implications for Directors and Officers insurers. In November 2025, Parliament passed the Criminal Code Amendment (State Sponsors of Terrorism) Bill 2025, which aligned the Terrorism and Cyclone Insurance Act's definition of a terrorist act with the Crimes Act 1914. The Terrorism and Cyclone Insurance (Premiums) Amendment (Postcode Update) Direction (2025) took effect from 1 January 2026. The updated chapter also details the Australian Prudential Regulation Authority's publication of its 2025-2026 Corporate Plan, which focuses on four strategic objectives: maintaining financial and operational resilience, responding to significant and emerging risks, achieving the right regulatory balance, and improving organizational effectiveness. Finally, the Insurance Council of Australia released its General Insurance Industry Plan, a consolidated response to the recommendations for change in the Parliamentary Inquiry into Insurers' Responses to 2022 Major Floods Claims and the Independent Review of the 2020 Code.

A number of case law updates are included in the chapter. This includes summaries of recent decisions on a range of topics, including retention in the context of aggregated claims, group costs orders and shareholder class actions, binding unregistered group members in a settlement, and the reasonableness of settlements. The update also addresses decisions concerning faulty workmanship exclusions, the meaning of "property damage" in public liability policies, the meaning of inclusive policy definitions and "contract value" exclusion clauses, and the scope of pollution liability policies. This year, two noteworthy judgments were delivered on the Unfair Contract Terms (UCT) regime. The judgment in the appeal of the *ASIC v Auto & General Insurance Company Ltd* was delivered, dismissing ASIC's appeal unanimously and providing some further commentary on the relationship between the UCT regime and the Insurance Contracts Act. The penalty decision in *ASIC v HCF Life Insurance Co Pty Ltd* classified HCF Life's misleading conduct as "serious", despite not being in breach of the UCT regime. Sections 54 and 57 of the Insurance Contracts Act were subject to judicial interpretation over the last year. The Court in *Australian Retirement Trust Pty Ltd as trustee for Australian Retirement Trust v Buckland* confirmed that Section 54 cannot be invoked to expand or redefine the essential scope of coverage in the context of a total and permanent disability claim. The Federal Court's consideration of Section 57 in *WSP Structures v Liberty Mutual Insurance* is also included in the update.

Brazil

Brazil recently enacted legislative changes relevant to the insurance sector. With the enactment of Law No.?15,040/2024 (the Insurance Law), Brazil now has a specific statute governing insurance contracts, establishing a unified legal framework with general rules on contract formation, disclosure obligations, claims handling, and contractual interpretation.

In addition, Complementary Law No.?213/2025 establishes, inter alia, a specific legal framework applicable to insurance co-operatives and mutual organizations. Taken together, these statutes reflect a structural update of the Brazilian insurance legal framework, with practical implications for insurers, reinsurers, intermediaries, and other participants in the insurance market.

Croatia

Since the last update of the publication, the Insurance Act has been amended once, by *Official Gazette* Number 151/2025, introducing a number of substantive changes. In addition, a new Social Insurance Act entered into force on 1 July 2025 (*Official Gazette* Number 96/2025), and a new Foreign Exchange Act entered into force on 26 March 2026. The Compulsory Medical Insurance Act and the Voluntary Medical Insurance Act have also been amended. The key substantive changes arising from these developments are set out below.

The key substantive changes of the Insurance Act reflected in this update are as follows:

(i) Restructuring of life insurance categories The classification of life insurance types has been restructured in line with the current Insurance Act, which prescribes six distinct statutory categories.

(ii) Travel assistance insurance The definition of "travel assistance insurance" has been corrected and distinguished from the broader concept of travel insurance, in accordance with the statutory classification of non-life insurance types under the Insurance Act.

(iii) Insurance distributor registration procedure The registration procedure for insurance distributors has been clarified to reflect the legally prescribed sequential process; prior authorization from the Supervisory Agency must be obtained before registration with the competent court registry.

(iv) Legal forms for insurance agencies and brokerage companies The list of permitted legal forms for insurance agencies and brokerage companies has been updated to include the simple limited liability company, as now expressly provided under the Insurance Act. Accordingly, an insurance agency or insurance brokerage company may be established in the form of a joint-stock company, a limited liability company, or a simple limited liability company.

(v) Pre-contractual obligations and withdrawal right in life insurance The section on life insurance has been expanded to include the insurer's pre-contractual obligation to provide the policyholder with individualized surrender value tables prior to conclusion of a life insurance contract. In addition, the policyholder has a statutory right to withdraw from a life insurance contract within 30 days of receiving the insurer's notice of conclusion of the contract, without providing any reason.

A new Social Insurance Act entered into force on 1 July 2025 (*Official Gazette* Number 96/2025), replacing the previous Act of 2013. The chapter has been updated to reflect the revised list of rights covered by compulsory pension insurance, which now also expressly includes old-age pension for long-term insured persons; early pension due to employer insolvency; invalidity pension due to partial and complete loss of working capacity; survivor's; and part of survivor's pension.

The list of rights covered by compulsory medical insurance has been restructured and updated in accordance with the amended Compulsory Medical Insurance Act, to include a correction to the description of the contracted provider requirement, which applies only in respect of health care services under items (1) to (5) of the statutory list, replacing the previous formulation which did not distinguish between the categories.

The Voluntary Medical Insurance Act has been amended five times since its enactment in 2006. The chapter has been updated to clarify who may conduct voluntary health insurance: whilst insurance companies holding the relevant license from the supervisory body are the primary providers, the Croatian Health Insurance Fund may exceptionally also conduct supplementary and additional health insurance. The description of the parties to voluntary health insurance contracts has also been corrected throughout to distinguish between the policyholder and the insured, which may be different persons.

India

There has been an increase in the number of companies operating as general insurers and re-insurers registered with the Insurance Regulatory and Development Authority of India ("IRDAI") as compared to the year 2024. The life insurance industry recorded a premium income of 8.86 Lakh Crores (INR) during 2024-2025, registering a growth rate of 6.73 percent. Private sector life insurers posted a 12.07 percent growth rate in premiums, and the public sector life insurer recorded a 2.75 percent growth rate in premiums. During the year 2024-25, general and health insurance companies collected 1,17,505 Crore (INR) as health insurance (excluding Personal Accident and Travel) premiums, registering a growth rate of 9.12 percent over the previous year. The number of lives covered under Health Insurance Business of General and Health Insurers, about 2,454 lakhs lives were covered under government-sponsored health insurance schemes, about 2,751.01 lakhs lives covered in group business, and about 601.46 lakhs lives covered under individual policies issued by general and health insurers.

Further, IRDAI has introduced the IRDAI (Maintenance of Information by the Regulated Entities and Sharing of Information by the Authority) Regulations, 2025, IRDAI (Insurance Fraud Monitoring Framework) Guidelines, 2025 and The Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025 in order to strengthen the insurance law framework, protect the interests of the policyholders, and promote ease of doing business and improving insurance penetration.

The Hon'ble High Court of Kerala delivered a significant judgment[1] holding the right to medical treatment as a fundamental right. It was further held that "once the insured has undergone treatment or a surgical procedure on the expert opinion of the concerned doctor, the insurer cannot deny the claim. Rejection of the claim for the expenses incurred for such treatment availed by the insured amounts to denial of treatment."

Japan

[1] *Dr. A.M. Muraleedharan v. Senior Divisional Manager, Life Insurance Corporation of India, (LIC of India) and Another*, WP(C) No. 13244 & 40088 of 2017.

The Financial Services Agency revised its "Comprehensive Supervision Guidelines for Insurance Companies" in August 2025. The revision of the guidelines is wide-ranging, taking account of recent malpractice activities. Additional revision is planned in the near future.

Myanmar

Political and Regulatory Context

Myanmar has been governed by the State Administration Council (SAC) since the military takeover of 1 February 2021, following which the Insurance Business Regulatory Board (IBRB) was reconstituted under the SAC's authority. The state of emergency declared pursuant to the 2008 Constitution remained in effect until mid-2025. Upon its expiry, and following subsequent political developments, a general election process was conducted. On 3 April 2026, Min Aung Hlaing was formally inaugurated as President of Myanmar.

Regulatory output under the SAC has continued principally through directives and notifications issued by the Financial Regulatory Department (FRD) and the IBRB, rather than through primary legislation, owing to the suspension of the elected parliament. No new primary insurance legislation has been enacted during this period; the regulatory framework continues to develop through subordinate instruments issued under the existing statutory framework.

Key Regulatory Milestones (2024-2025)

The most significant recent developments comprise three directives issued by the FRD in 2024, which together represent the most substantial prudential and financial reporting reform undertaken in the Myanmar insurance market in recent years.

- **Insurance Accounting Directive (Directive 1/2024):** This directive introduces standardized accounting requirements applicable to all licensed insurers, mandates the maintenance of separate accounts for each class of business, and imposes obligations with respect to the preparation and submission of audited financial statements to the FRD. It further prescribes the treatment of insurance premiums, claims reserves, and actuarial liabilities in such financial statements.
- **Solvency Directive (Directive 2/2024):** This directive establishes updated solvency margin and capital adequacy

requirements for all licensed insurers and sets out a framework for the calculation of minimum solvency margins, having regard to the nature of risks underwritten. Insurers are required to submit periodic solvency reports to the FRD, and corrective action mechanisms are triggered where solvency margins fall below prescribed thresholds.

- **Investment Directive (Directive 3/2024):** This directive prescribes the categories and limits of permissible investments for insurance funds, imposes concentration and diversification limits for the protection of policyholder assets, and mandates periodic reporting of investment portfolios to the FRD.

Impact on Market Participants

These directives carry material practical consequences for all market participants. Insurers—both domestic and foreign-invested—will be required to review and update their financial reporting systems, and the enhanced transparency obligations are expected to strengthen supervisory oversight. All licensed insurers must conduct periodic solvency self-assessments and file corresponding reports with the FRD; entities falling below the prescribed solvency threshold will be subject to supervisory intervention measures.

Foreign reinsurers conducting business in Myanmar remain subject to the compulsory cession requirement, pursuant to which licensed insurers and reinsurers are obliged to cede up to 10% of any insurance segment to Myanma Insurance and must satisfy prescribed minimum credit rating and home-jurisdiction licensing criteria. Policyholders are expected to benefit from the strengthened solvency protections and enhanced financial transparency afforded by the new directives.

AML Obligations and Continued Directive-Based Reform

Myanmar's Anti-Money Laundering Law, enacted in early 2026, has direct compliance implications for insurers, which are designated as reporting entities under the applicable AML/CFT framework. Insurers and insurance intermediaries should accordingly review and, where necessary, update their AML/CFT policies and procedures in light of the requirements imposed by this legislation.