



PRESS RELEASE

Report of the Committee of Experts on Insurance

The International Financial Services Centers Authority (IFSCA), with an objective to develop the financial products and services International Financial Services Centre (IFSC) has constituted an Insurance Committee under the Chairmanship of Mr. G.N. Bajpai, former Chairman LIC and SEBI, to identify key areas for the development of insurance and reinsurance business from IFSC.

The committee consisted of accomplished leaders with wide experience in developing insurance business and regulations, and have a strong global network:

1. Mr. M.R. Kumar (Chairman, LIC of India)
2. Mrs. T. L. Alamelu (Whole Time Member, IRDAI and Ex-Officio Member, IFSCA)
3. Mr. Atul Sahai (CMD, New India Assurance Co. Ltd.)
4. Mr. Devesh Srivastava (CMD, General Insurance Corporation of India)
5. Mr. Shankar Garigiparthi (CEO & Country Manager, Lloyd's India)
6. Ms. Ieva Segura Cobos (Head - Regulatory Risk Management Asia, Director, Swiss Re)
7. Mr. Sakate Khaitan (Managing Partner, Khaitan Legal Associates, India & UK)
8. Mr. Manoj Kumar (Executive Director, IFSCA), Member -Secretary

The Committee after widespread consultations, incisive studies and in-depth discussions has made far reaching recommendation to develop IFSC as Global (Re)Insurance Hub in its report submitted to Chairperson, IFSCA. The significant recommendations of the Committee are as follows:

1. IFSCA has developed eco-system for Aircraft Leasing and Financing which can be utilized to develop Aviation Insurance Hub and Trade Credit Insurance at IFSC. Also, similar platform may be implemented for shipping industry through facilitating of Protection and Indemnity clubs.
2. The Captive insurance model is one of the cost efficient manner of managing own risk. Globally, leading financial centres have favourable regulatory regime for captive insurance model. Hence IFSCA may develop a new framework for enabling operations of Captives.



3. IFSCA has enabled framework for Global In-house centres which may be utilized by (re)insurers to develop Global In-House Centres to provide services ancillary to insurance.
4. Investment framework may be redesigned to give more avenues for insurers to mobilize their funds to a basket of financial instruments and products offering them more returns and flexibility.
5. Globally premium financing is prevalent which is very significant driver for some the niche areas of insurance business. The same may be introduced in IFSC.
6. Developing alternate risk transfer solutions such as insurance linked securities, catastrophe bonds and parametric risk transfers available for the global market.

The Committee has also recommended the mapping of insurance needs of the Indian diaspora and meet such needs through promotion and development of the 'hub and spoke' model. Currently, the regulatory architecture and supervisory framework of IFSCA are under design and development. The Committee has further outlined a series of propositions to help build a modern and globally competitive framework.

The detailed report is available at www.ifsc.gov.in

Gandhinagar

November 15, 2021