

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY

Fourteenth Authority Meeting held on 24th March 2023

Gist of Agenda Item: IFSCA (Re-insurance) Regulations, 2023

1. Objective:

This memorandum seeks approval of the Authority to notify the International Financial Services Centres Authority (Re-insurance) Regulations, 2023 (“RI Regulations”).

2. Background:

- (a) The International Financial Services Centres Authority (IFSCA) is the unified regulator for the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centres (IFSCs) in India;
- (b) To ensure prudent eco-system which is at par with top international jurisdictions, IFSCA has already issued regulations on various aspects of insurance and re-insurance.
- (c) The proposed RI Regulations *inter alia* provides for detailed framework for oversight and control of inward and outward arrangement of reinsurance by the International Financial Service Centre Insurance Offices (IIOs).

3. Scope and Applicability:

- (a) The proposed RI Regulations shall be applicable to all IIOs ;
- (b) These regulations provides that every IIO shall have Board approved policy for their Re-insurance Strategy and Re-insurance Programme (RSRP).
- (c) These principle-based regulations aim to provide framework for oversight and control of re-insurance arrangements by the IIO.

4. Procedure followed for making regulations:

- (a) As per provisions of the IFSCA (Procedure for making Regulations) Regulations, 2021, the consultation paper was placed on the website of the Authority on 17-Feb-2023 inviting inputs / comments of the general public / stakeholder by 11-Mar-2023. Seven (07) stakeholders has forwarded twenty-three (23) comments, certain comments are duplicate in nature.

(b) The following is the gist and proposed action on the comments received:

Proposed Action	No. of Comments
May be considered for modification	02
No modification is required.	21
Total No. of Comments	23

- (c) The 02 suggestions which are proposed to be accepted, are of clarificatory nature in the proposed wording and thus may be accepted. The analysis of comments received and observations on its acceptance or otherwise is attached as **Annexure – 2**.
- (d) Now in terms of IFSCA (Procedure for making Regulations) Regulations, 2021, proposed regulations are placed before the Authority for approval.

5. Proposal:

Approval of the Authority is sought for notifying the draft International Financial Services Centres Authority (Re-insurance) Regulations, 2023 (**Annexure - 1**) in the Official Gazette, after carrying out changes, if any, of drafting and consequential nature. The Authority is further requested to authorize the Chairperson to take such necessary, consequential and incidental steps to operationalize the proposed Regulations.