



भारतीय बीमा संस्थान
INSURANCE INSTITUTE OF INDIA

HAPPENINGS AT THE INSTITUTE FEBRUARY 2020

Insurance Institute of India,
Plot No. C-46, 'G' Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400051.

Workshop on Disaster Risk Financing and Insurance and Risk Transfer

National Institute of Disaster Management (NIDM) in collaboration with Insurance Institute of India (III) conducted a one-day workshop on ***'Disaster Risk Financing, Insurance and Risk Transfer'*** on 13th February 2020 in the III Auditorium in Bandra-Kurla Complex, Mumbai.

Though natural disasters have been affecting multiple countries across the globe, the impact of the financial losses caused by natural disasters has become more pronounced on the development agendas of emerging economies in recent times. This impact can vary significantly from country to country and divergent strategies both ex-ante and ex-post are required for coping with disasters. India, with its diverse terrains, ecosystems, cultures and risk exposures, faces the challenge of adopting appropriate strategies for disaster risk mitigation and financing. The ex-ante strategy of financing disaster risk using the insurance mechanism has worked in multiple countries across years. Indian insurers have tried and tested similar solutions over the years at the country level and at even created multi-country pools to absorb financial shocks caused by disaster risks. Despite such successes, recent disasters prove that the country and its people remain inadequately protected. National Disaster Management Authority (NDMA), National Institute of Disaster Management (NIDM), and the Insurance Institute of India (III) have been trying to sensitize the policy makers at various forums including the Fifteenth Finance Commission on the importance of transferring risk using the mechanism of insurance.



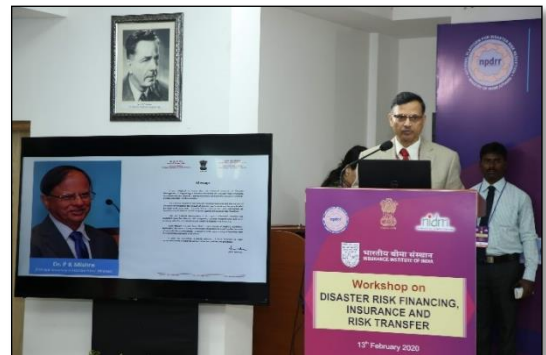
The workshop on ***'Disaster Risk Financing, Insurance and Risk Transfer'*** assumes importance in this context. The workshop drew together experts and policy makers from the National Disaster Management Authority (NDMA), National Institute of Disaster Management (NIDM), the Home Ministry, the Ministries of Agriculture, Civil Aviation, Communications, Culture, Electricity, Finance, Home, Land Revenue, Power, Rural

Development, Shipping and Science, Technology and Youth Affairs to ponder over this challenge. Specialists from the Insurance Regulatory and Development Authority of India (IRDAI), State Disaster Management Authority (SDMA), World Bank as also reputed domain experts from Public Sector and Private Sector insurance companies, Indian and global majors in reinsurance as also insurance brokers and insurance surveyors. In addition to disaster management and insurance per se, related aspects like actuarial prediction, scientific pricing, geo-spatial science, geological surveys, collection and compilation of authentic data, data analysis and data modelling came up for discussion in the quest to find optimal solutions for meeting this challenge.

By way of takeaways, the Workshop was a giant step towards creating a better understanding of Disaster Risk Financing by transferring risk through the insurance mechanism. Experts on various panels explored the benefits of having specific regulations for Disaster Risk Financing, examined Disaster Risk Financing solutions in other markets and weighed the possibilities of translating them to suit Indian conditions. The challenges faced by the States to develop and implement Disaster Risk Insurances were examined by a separate panel. The workshop decided to formulate effective action plans and country specific strategies.

Government Perspectives: In his message to the workshop, Dr. P.K. Mishra, Principal Secretary to the Hon'ble Prime Minister of India (who was not able participate due to certain unavoidable circumstances) congratulated NIDM and the Insurance Institute of India (III) for their collaborative effort in conducting this workshop.

He opined that *“Insurance is important not only for financial resilience but also as one of the tools for mitigating the impact of disaster, particularly for the poor and vulnerable.”* Dr. Mishra pointed out that the Hon'ble Prime Minister had also highlighted the importance and relevance of insurance in disaster risk reduction in his 10 - point agenda for Disaster Risk Reduction. He observed that the 15th Financial Commission had recently *“allocated funds for disaster risk mitigation, capacity building and long-term recovery.”* This he considered a *“landmark in the history of disaster risk financing.”* Dr. Mishra stated that he would be looking forward to the workshop's recommendations in order to *“further refine the government's policies and practices.”*





Expert speakers on Disaster Management from the government side included Mr. G.V.V. Sarma, Member, NDMA and Secretary, Home Ministry, Govt. of India. Mr. Sarma emphasised that disasters were major impediments for the development goals of Governments across the world and optimal solutions had to be evolved.

He said that the time had come for collaborative

and concerted action with clear deadlines. He suggested that insurance companies need to deliberate in detail to identify and analyse the disaster related gaps and challenges faced by the country and design a proper insurance product to cover disaster damage. He proposed that a small working group could be formed to work out concrete proposals and Insurance Institute of India may lead this initiative. The working group should design an insurance package with a clear focus within the time limit of one month. He offered that once a draft package or proposal with clear pricing was prepared, NDMA could support in cross-checking the gaps and gathering specific scientific data from different institutions or other governmental sources. The Insurance Regulatory and Development Authority of India (IRDAI) and the Department of Financial Services would also be on board so that solutions are implemented optimally. The design, accountability and technical aspects of the product would obviously rest with the insurance companies, which have the domain expertise. Mr. G.V.V. Sarma stated that Indians are not habituated with the culture of insurance. He mentioned about the previous two workshops held in this regard and pointed out the challenges in implementing their deliberations. While delivering the keynote address, he further emphasized on the need of collaboration of disaster risk management domain and the insurance industries by pointing out that critical public infrastructure also needs to be insured along with the personal belongings. He explained that it is very important to build back the infrastructure better along with the population as the ability of any urban system depends on this infrastructure. He also urged the State Disaster Management Authorities (SDMAs) and other Urban Local Bodies (ULBs) to actively work in the field of disaster risk insurance.

He emphasized that disaster management has been recognized now at all levels in India and the authorities have been allocated funds for the same making it a perfect opportunity for mainstreaming risk financing and insurance in the field. He further said

that the need of the moment is to bring the insurance industry to the forefront and create awareness about risk, insurance and finance. Insurance companies should come forward and suggest how specific packages or plans need be made for infrastructure, housing etc. The terms and conditions of premium for insurance also needs to be made specific by the insurance industry. Mr. Sarma stated that no direct funding or subsidy have been envisaged by the Central Government. However, the States could plan risk transfer mechanisms for one or more districts on a case to case basis or at the State level.

Major General Manoj Kumar Bindal, ED, NIDM exhorted the insurers and reinsurers assembled to continue the dialogue that was started through the workshop. He stated that when disasters strike, there is a negative impact on the GDP of developing countries and disasters roll back future plans of governments by many years. Hence, the importance of preparing for the future while continuing to battle the present. Speaking about the 'build back better' concept, a target area of the Sendai Framework to align with Sustainable Development Goals, Major Bindal stated that even those countries having robust disaster plans face problems of dealing with post-disaster cash crunches in getting the affected back on their feet and building back better. He mentioned that there have been policy level initiatives like the Mitigation Fund in the Disaster Management Act (2005), which could not be successful. He highlighted that the Fifteenth Finance Commission had recommended allocation of 80 per cent of the State Disaster Risk Management Funds (SDRMF) to State Disaster Relief Funds (SDRF) and 20 per cent to the State Disaster Mitigation Funds (SDMF). He emphasized that as any diversion of finances towards Disasters Risk Reduction would be at the cost of Development, an urgent need exists to bring state governments, private collaborators and insurance companies together to find sustainable ways of risk sharing and risk transfer. He stated that the workshop should find out how to help a disaster affected poor man to get back on his feet. In this process, one should be clear about what actually would amount to help, how much amount would be needed to help, in what capacity help can be provided and finally how this risk can be transferred. He elaborated that NIDM had conducted similar workshops in 2013, 2015, and 2017 as part of the National Platform for Disaster Risk Reduction (NPDRR). He spoke about the need to look at matters beyond the policy level to the execution level and look at the practical impact. He stated that coming to brass-tacks the basic question boils down to 'who would pay the premium' and 'who would pay the loss', which should be addressed in the workshop.

Mr. Deepak Singh of the World Bank spoke on the importance of convergence of domestic and international approaches in financing disasters through insurance. He elaborated on the Fifteenth Finance Commission's approach to mechanism of risk transfer. It was clear that State governments are not able to absorb the fiscal shocks when disasters strike. However, he said that insurance works like an umbrella embracing all the aspects of risk transfer. The risk transfer mechanism needs to be used as a kind of tool to incentivize risk reduction also. After pro-active risk reduction measures there would be still residual risk which should be transferred to the market. The balance part of the risk has to be absorbed by the government and the respective entities on their own. To start with, there is a need for understanding risk profiles, vulnerabilities, past events and basic data. He praised NDMA's work on such issues.

He observed that the SDRF and NDRF norms do not permit the state to spend on the insurance premium or investment in such kind of activities. He stated that many discussions had been there on the damage and loss faced by Bihar and Odisha where the possibility of pooling funds from other unaffected disaster states were deliberated upon. States have a major role in building capacity. For example, Odisha has developed huge response mechanisms, but is still lacking in mechanisms to address the losses. He pointed out that experts should ponder on how losses can be minimized in the productive sectors and the infrastructural sector, while focusing on the risk transfer mechanism.

The Quest for Solutions: Prof. Santosh Kumar, Professor and Head - Governance and Financial Resilience, NIDM, appreciated that NDMA, III, NIDM, State Governments, insurers and reinsurers have come under one platform on this subject. He stated that the country was continuously struggling for building financial resilience and institutions like National Disaster Response Force (NDRF), National Disaster Authority Management (NDMA) and District Disaster Authorities under National Act of Disaster Management (2005) with the objective of building resilience. He said that though institutional systems are in place, the issue of financial losses have not been properly addressed so far. Reflecting on a report that he had prepared in 2001 while he was working with the World Bank, Prof. Santosh Kumar stated that that India was losing 2 per cent of its GDP per



annum due to disasters; and the percentage had only increased since then. Lamenting that though the losses had been high and the issue remains uncovered hitherto, Prof. Santosh Kumar observed that as stated by Major Bindal in his speech, presently, the major concern of the government is on how to bridge the gap and how to build back better.

Prof. Santosh Kumar highlighted that the present focus should be on paving the way forward and coming up with innovative ideas. He highlighted the following:

- (i) The importance of 'event hazard model specific undertaking inputs' with different government departments and other organizations, which can be done based on geographic location, vulnerability, climate and similar factors.
- (ii) The 'claim settlement' can be done on the basis of proof/ evidences like ration card, mobile bill or electricity bills. Insurance companies should make use of technology and satellite imagery to access the hazard arising out of natural catastrophe, so that claim settlement is smooth.
- (iii) The output of the workshop should be a clear-cut draft and action plan which would be shared with the policy makers by NDMA, NIDM, III and SDMA. He emphasized that the workshop is a collaborative effort of various institutions which would be taken forward at the National Platform for Disaster Risk Reduction scheduled to be held in May 2020.

Mr. Deepak Godbole, Secretary General of Insurance Institute of India pointed out that even highly evolved societies and developed countries could not manage disaster risks all by themselves and needed reinsurance and catastrophe pools to manage their risks. He stated that disasters and emergencies have been on the rise all over the world and there was a pressing need to share disaster related information and document the steps taken by various stakeholders to mitigate losses. He praised NDMA and NIDM for working on their toes as apex bodies focusing on spreading awareness, sensitization and education on Disaster Risk Reduction.



Emphasizing that using government funds for the reconstruction of disaster affected sites, is coming at the cost of development by diverting funds allotted for building roads dams and bridges, Mr. Godbole stated the case for strict and mandatory rules for

construction sites and safety measures which would help in decreasing the human, economic and environmental losses in the society.

He stated that insurance can play a vital and important role in addressing such issues by providing financial protection, limiting the economic hardships faced during disasters both to the victims affected by disaster as well as for helping the government authorities. He elaborated that education being a cost-effective risk management tool for disaster management, risk awareness would improve the effectiveness of post-disaster preparedness of people in different strata of the society. Mentioning the Insurance Institute of India's reach to every corner of the country, he spoke about conducting seminars, workshops and awareness programmes for the youth. Recognising the workshop as a great learning opportunity, he agreed to connect with the stakeholders and ministries to provide support to the vulnerable sections of society exposed to disasters.

Experiences of State Governments: Mr. P.N. Rai, IPS (Rtd.), Member, Bihar State Disaster Management Authority stated that all concerned should learn from their past mistakes in dealing with disasters, understand the smarter options available and move forward. He mentioned that presently state governments are mostly concerned with giving compensation like ex-gratia, crop assistance, restoration, recovery, etc. There has been little risk insurance, especially if the disaster victims belong to rural areas. He suggested that the insurance industry should gauge the requirements of the DRR sector and come up with effective solutions which state governments can easily implement.



Mrs. Usha Rani, IAS, Principal Secretary, Andhra Pradesh spoke about the State's success in micro-insurance and stated that such successful models should be replicated across states. She said that the state is aiming to transform itself as disaster resilient through techno-centric, inclusive, innovative and multi-hazard risk reduction strategies. She shared some of the best practices of disaster risk insurance that have been implemented in the state viz. (i) *SHG – Bank linkage insurance* - whereby the actual cost of group insurance for life, health and livestock for borrower and spouse can be recovered and administrative charges recovered as per

IRDAI guidelines. (ii) *Abhaya Hastham Velugu* co-contributory insurance and pension scheme, which acts as a social insurance program for the women as well as the family by providing social protection, against conditions including old age, disability, death and others. (iii) *Community Managed Micro-insurance - Indira Jeevitha Bima Pathakam – AABY*: At State level, the Society for Elimination of Rural Poverty (SERP), an autonomous body chaired by the Chief Minister, under the Department of Rural Development is responsible for overall facilitation, monitoring and evaluation of the scheme. At district level, *Zilla Samakhya* at each district functions as implementation agency for overall management of the scheme.

Mr. Pradeep Jena, Principal Secretary and CEO, Odisha State Disaster Management Authority apprised the audience about the Odisha Cyclone on 1999 and Fani of 2019 in addition to the smaller cyclones that hit the state with regular frequency almost like annual events. He stated that the Post Disaster Needs Assessment (PDNA) after Fani cyclone had pointed out losses of Rs.28,000 crores, which have been recovered from the State Disaster Response Fund and National Disaster Response Fund. He pointed out that these assistances do not cover many infrastructural losses and hence disaster risk insurance was required. He requested insurance companies to design packages which give more clarity to the terms and conditions. He also urged the NDMA and the NIDM to ensure the mainstreaming of risk insurance.

Mr. Ramachandradu, IAS, Additional Secretary, Bihar spoke about the success story of the Bihar State Authority in insuring lives, livelihoods and private and personal property. He cited lack of awareness regarding disaster risk insurance as a big obstacle in the present Indian scenario. Another impediment was the lack of comprehensive data regarding the disasters, typical losses occurred, etc.

Mr. A.B. Rafiulla, Deputy Director of Agriculture (Crop Insurance), Tamil Nadu spoke about how the state had successfully put to use the power of insurance over the last few years and how it had made life easier for the disaster hit farmers. He shared the success story of implementation of the Pradhan Mantri Fasal Bima Yojana in Tamil Nadu and highlighted the experiences during implementation of the programme. He mentioned that Tamil Nadu is focusing on Disaster Risk Insurance and around 13.01 lakhs farmers have been benefited in the year of 2018-19 under this scheme.

Risk Transfer and Reinsurance Perspectives: Mr. Devesh Srivastava, Chairman and Managing Director of GIC Re, emphasized the importance of reinsurance arrangements



and spreading disaster risks across continents. Stressing that the high amounts of capital direct insurers would need for covering disaster risks, he underscored the importance of insurance as a risk transfer mechanism. He explained how insurance helps in managing disaster risks and stressed on the importance of reinsurance in

disaster management. He appreciated the efforts of NIDM and III in bringing Disaster Risk Resilience (DRR) practitioners and the Insurance industry together with an aim to mainstream insurance in disaster management. He said that while authorities in disaster management were willing for risk transfer, insurance companies were ready to accept the risk and share their knowledge and capabilities with the government. He emphasized that this conference would act as a bridge between multiple stakeholders.

Mr. Srivastava pointed out that a major challenge was the lack of penetration of non-life insurance, reported to be less than 1 per cent due to which most of the disaster losses are not covered under insurance. The losses covered under insurance are miniscule in comparison to the huge disaster losses. He shared the thought that every 1 per cent increase in insurance penetration is expected to result in an increase of the Gross Domestic Product (GDP) by 0.2 to 0.3 per cent. He expressed his willingness to collaborate with government agencies like NDMA and NIDM as also the III to work on disaster risk financing and insurance solutions. He expressed the hope that the conference would chart a definitive action plan for insuring disaster risks.

Mr. Vijay Kalavakonda from World Bank in his presentation titled “Disaster Risk Finance and Insurance Risk Transfer Options – International Experience” spoke about the diverse disaster management challenges in different parts of the world. He emphasized that the amount of uninsured losses is a significant burden to the government, a huge part of which being on the State for reconstruction. He stated that the Nat-Cat Protection Gap in India, amounting to nearly 90 per cent of the economic losses, is a shared responsibility between the Central and State governments. He explained different approaches towards risk transfer, as well.

- (i) Macro level solutions for (sub) sovereigns to cover their direct and indirect costs. He cited examples from the Caribbean, the Latin American, the Philippines and China.
- (ii) Risk Pooling for businesses, house-owners and farmers through insurance schemes and pools to increase insurance penetration. Examples were drawn from experiences of Turkey, Japan, California, East Europe and the United Kingdom.
- (iii) Micro level solutions including safety nets/social assistance, community-based organisations fell into another basket.

Mr. J. Augustine, CEO, Axa XL India spoke about the importance of capital in absorbing the shocks caused by natural calamities and the financial strength that the international reinsurers could provide. He observed that though Indians are familiar with transfer of goods and transfer of services outside the country, we never talk about transfer of risk out of India and explained that in simple terms Reinsurance was only that. He mentioned that products like 'Axa Climate' provided a flexible and transparent way to manage natural catastrophe and climate risks of businesses and public infrastructure. There were parametric solutions offered by Axa XL worldwide for tropical cyclones as well as pandemic covers.

Mr. Satish Raju, CEO, Swiss Re - India spoke about diverse experiences of providing natural catastrophe in developed countries and emerging economies and the importance of sharing and pooling risk. He mentioned about *Rebuild Kerala*, a document prepared by Kerala State Government and highlighted the role of state government, stressing upon documenting the necessity of the role of insurance. Every state has a disaster management plan complete with relief and mitigation funds, but none of them has mentioned insurance so far. Moreover, State Disaster Relief Funds never cater to permanent reconstruction, which creates the huge gap, and insurance can fulfil this critical gap. He appreciated the move of the mitigation fund provision by the Fifteenth Finance Commission (FFC) and suggested that the 10 per cent provision for capacity building in the FFC report could be used for insurance schemes. He stated that such investments would actually help after a catastrophe; since it usually takes significant time to reach and rebuild. He also recommended providing flexibility to the States for relaxing this provision by up to 5 per cent according to the individual state exposure to the disaster.

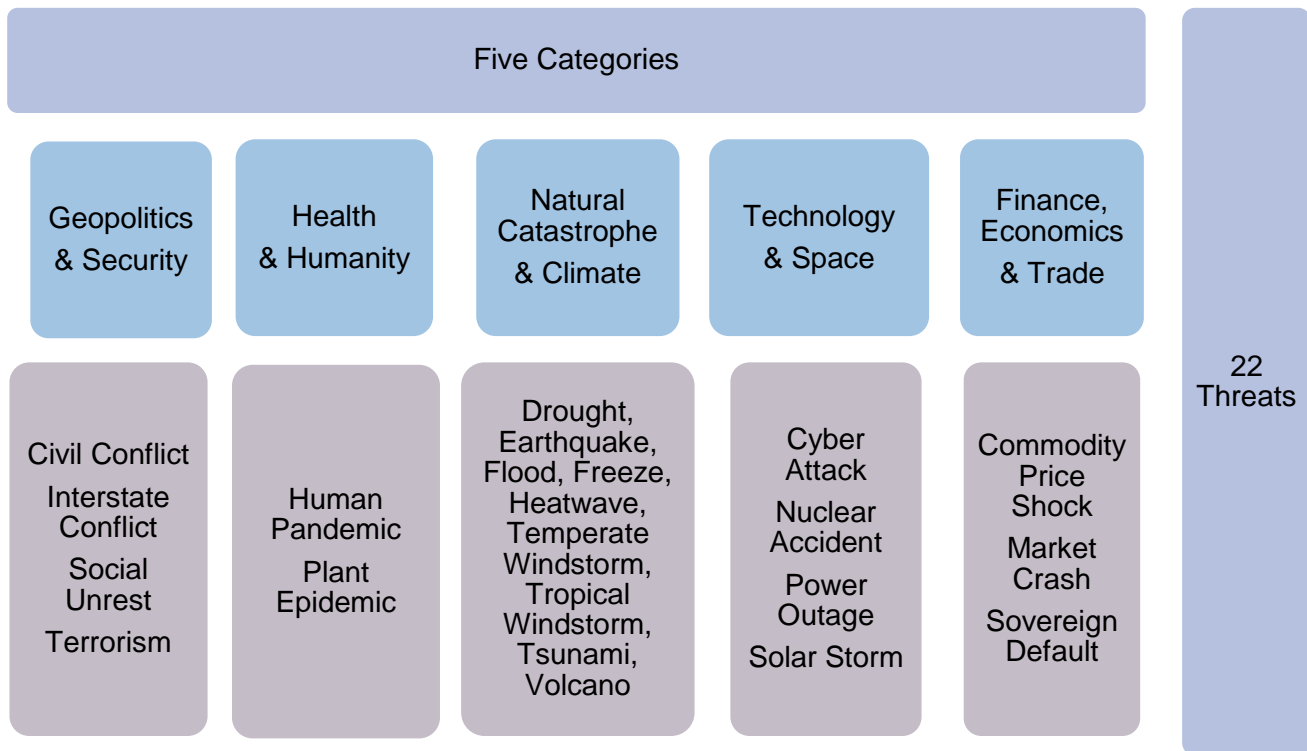
He cited an example from North America, where the insurance company partnered with the city and infrastructure utility service providers to make a pre-agreed rate contract. This helped in funding availability after disaster so that reconstruction work could start immediately. This can be seen as one best practice. Another best practice cited was how the city air pollution was controlled in Italy. He said that city pollution can also be tackled through free public transport vouchers, where citizens get vouchers in air quality indices exceed a certain limit. He mentioned that the conference facilitated to bring pre-existing solutions on board which can be useful in bringing better outputs.

Mrs. Shefali Sehwan, CFO, Lloyds India presented highlights of the City Risk Index of Lloyds and discussed how geopolitical and security threats like terrorism and social unrest account for almost 60% of Indian cities' risk. She pointed out that while a human pandemic is a large threat for India floods and other natural catastrophes feature quite significantly. Mrs. Sehwan explained that Lloyds had analysed 279 cities across the world and over 22 threats within 5 distinguished categories were found. She explained that these were generally relevant to the Indian context as well.

She mentioned that Insurance is an underused resource in disaster relief financing. Hence recognizing the need for a specialist product that re-addresses this balance, Lloyd's had launched the Disaster Risk Facility (DRF) in 2015. This is a joint project between the Insurance industry, the United Nations and the World Bank, which aims to give 400 million people in 52 countries access to direct or indirect insurance by 2020.

Mr. Hitesh Kotak, CEO, Munich Re India Branch and Mr. Ankur Gupta, Head of Business, Munich Re talked about the various approaches prevalent in the international (re)insurance space, on insuring natural catastrophe risks. Mr. Kotak stated that because of the wide area and diversity of the country, we have been able to move on from the event very quickly and always appear to be waiting for another larger trigger to happen to take necessary measures. He also observed that India's fatality numbers have always been on the higher side. He observed that every country including India has certain specific trends and features which need to be kept in mind while designing solutions. He shared an example of a huge flood loss that took place in May, 2016 in Sri Lanka where the proportion of insured loss to economic loss was much better as compared to India, which means that the government had to spend less. This learning need to be incorporated in the Indian context too. However, though the Sri Lankan scheme was well designed, the claim pay-out process was cumbersome and took a long time. Problems

like the assessment of shops and stores, household stretched the process. Such learnings could be incorporated in our schemes for better functionality.



Mr. Kotak suggested that insurance schemes need to work at two levels to make them more relevant. (a) We need to insure public assets like bridges, roads, ports-airports, dams etc. (b) The large mass of people should be thought of - the more vulnerable people such as fisherman should be covered first and the scheme should be gradually roll up to cover more and more of the country. Insurers can work on small samples to build experience. More pay-outs can build trust and that will help in eventually getting more allocations as also willingness to rely on risk transfer mechanisms.

Mrs. Madhulika Bhaskar, G.M, GIC Re, illustrated the role of re-insurance in bringing in new products and knowledge sharing from the international market to our country. She pointed out that though very high claims were paid for floods in Mumbai, people preferred to buy earthquake insurance cover, because the probable maximum loss for earthquake is generally perceived as 100



per cent. That is, even though earthquake cover was selling more, more claims were paid by (re)insurance on flood perils. She observed that catastrophe bonds were not found feasible in the Indian context mainly due to the high interest rates on savings. She mentioned that the huge size and diversity of the country, and different types of disasters taking place in different states, there is natural spread of risk. Also, there is sufficient insurance and reinsurance capacity available in the Indian market to cover disasters.

Perspectives of Direct Insurers: Speakers from the Indian insurance industry, Mrs. S.N. Rajeshwari, General Manager, The New India Assurance Co. Ltd. and Mrs. Usha Girish, Deputy General Manager, The United India Insurance Co. Ltd. domestic shared the challenges faced by domestic insurers in covering disaster risks. Challenges faced include non-availability of reliable data over large periods of time, the difficulties of depending on inaccurate data as well as utilizing the available data optimally.

Insurers require support from re-insurance in areas like data sharing. Though direct companies are responsible for capturing data from India and building the models, often the majority of valuable data is lost in compilation, collation and attempts for analysis. Again, insurers need reinsurers' involvement as a mediator between the regulator and the public is required for backing up prices in market, creating data bases.

Chipping in from the erudite audience, Mr. Siddharth Mukherjee, Deputy General Manager, The Oriental Insurance Co. Ltd. endorsed this view. Mr. C.R. Vijayan, Deputy Secretary General of the General Insurance Council emphasized the need of deliberations on a continual manner amongst all stakeholders. Mrs. Yegna Priya Bharath, Chief General Manager, IRDAI assured the audience that the regulator was seized of the seriousness of the problem and was ready to support initiatives from the industry.

Plans for moving forward: Mr. G.V.V. Sarma conveyed the message that we should no longer work in silos. Mr. Arindam Mukherjee, Director, College of Insurance, bemoaned the low penetration levels which were a pointer to the fact that people do not appreciate the benefits of insurance. He also highlighted that the need of sensitizing the public regarding



insurance and its benefits. Mr. Mukherjee also pointed out that insurance should be seen as an aid for development and not as an expenditure. The risks that needs to be covered should be assessed by the stakeholders of disaster risk reduction, and insurance packages should be built based on such assessments. Dr. George E. Thomas, Professor, College of Insurance, IIT emphasised the need of establishing clarity on insurance coverages, pricing systems, necessity for financial subsidies from a social security angle, and if so, the quantum and duration thereof, sources of funding, operational challenges, assessment of claims, last mile challenges of reaching out to the beneficiaries etc. He said that the challenge was on making it clear as to how much money would be required to reconstruct, who would pay the premium and how much. Issues of willingness to pay and the ability to pay are to be considered. Emphasizing that no government can afford to provide subsidies of uncertain amounts for uncertain periods of time, he flagged the need of developing a policy on subsidies. How much, how long, to who all, for what disasters and for what types of losses would subsidies be provided, was to be made clear. There should be clarity on how much risk is to be transferred to the insurance industry. As disaster management involves multiple agencies for risk management, loss prevention, framing rules etc., much beyond the scope of insurance; and given that the Insurance Regulator is authorized only to deal with insurers, there should be a body like NDMA to act as a point of convergence. This body has to coordinate as a point of convergence to establish strict norms for constructing buildings, coastal roads etc. and penalizing for non-compliance. Performance of the insurance mechanism should also be monitored and evaluated by the point of convergence from a government perspective so that all wings of disaster management work effectively.

Prof. Archana Vaze, Assistant Professor, College of Insurance, IIT endorsed the need for augmenting the technical capabilities of the industry in terms of data analytics and risk based pricing. She suggested that the culture of insurance needs to be imbibed from the school curriculum itself. She also suggested conducting awareness campaigns on disasters and insurance needs. Prof. Vaze suggested compulsory insurance for some critical infrastructure. She highlighted that non-life insurance should consider multi-year contracts to annual schemes to rake in higher numbers, and reduce costs of providing access to insurance.

Major General Manoj Kumar Bindal, VSM, Executive Director, NIDM announced that the purpose of deliberating on disaster risk insurance by the multiple stakeholders having

been realized, the logical next step would be its implementation. For this, he stressed on the formation of a “Working Group” under the aegis of the Insurance Institute of India as suggested by the Member Secretary of NDMA so that all the technical aspects of disaster insurance could be looked into. Major Bindal suggested that the initial working group can consist of representatives from the Insurance sector, NIDM and NDMA. He stressed the need of standardizing the parameters at a national level. He also said that the existing schemes need to be overhauled to make insurance premium appropriate. He also suggested that as State Governments need to be at the forefront, the need of sensitization of the state authorities was paramount and that the central government would support such initiatives.

Thanking the participants for their participation, Lt. Col. Dinesh Vashista, Joint Director of NIDM hoped that the spirit of collaboration exhibited by all stakeholders in the workshop would continue in future as well.

In essence, the day-long workshop was largely focussed on the 2nd point of the Prime Minister’s ten-point agenda on Disaster Risk Reduction, namely “*Work towards risk coverage for all – starting from poor households to SMEs to multi-national corporations to nation states.*” This is the 3rd priority in the Sendai Framework for Disaster Risk Reduction 2015-2030, “*Investing in Disaster Risk Reduction (DRR) for Resilience.*” The Workshop dilated on the issues and challenges faced by different stakeholders in assessing the protection gap, the conditions that would make insurance work optimally, as also the capacity gaps in undertaking such initiatives.

Release of Research Reports:



During the workshop, a research study on ***"Property Insurance in New and Existing Housing"*** done by the Insurance Institute of India for the National Housing Bank was released by Mr. Devesh Srivastava, CMD, GIC Re in the presence of Mr. Siddharth Mohanty, CEO, LIC Housing Finance Co. Ltd. and Mr. Kishore Kumbhare, Deputy General Manager in Charge, National Housing Bank and the elite audience.

Another research study on ***"Challenges in insuring flood-prone areas of Mumbai"*** which the Insurance Institute of India had conducted for the General Insurance Corporation of India (GIC Re) under the 'GIC-III Empowering the Market by Research in Insurance and Sharing Knowledge' (GEM-RISK) Scheme of GIC Re was released by Mr. G.V.V Sarma, Member NDMA and Secretary, Govt. of India in the presence Mr. Devesh Srivastava, CMD, GIC Re and the august audience. Speaking on the occasion, Mr. Srivastava hoped that both Indian insurers and policy makers would find the report of immense academic value and practical utility which making policy level decisions and strategies for addressing disaster risks.

Visit of Russian Delegation

A two member delegation – Ms. Natalya Karpova, President and Chairman of the Board and Mr. Michael Sepp, Vice President, Business Development from ‘Russian National Reinsurance Company’ visited III campus on 24th January, 2020. During the visit they met and interacted with the officials and faculty of III.

Mr. Deepak Gobbole, Secretary General informed to the visitors about the activities of Insurance Institute of India in India and abroad.

Ms. Natalya Karpova gave an overview of insurance sector in Russia and shared some of the concerns and challenges faced especially, by Life Insurance industry in Russia. She also discussed about the new emerging risks and challenges due to global warming and climate change.

Ms. Natalya Karpova showed interest in associating with Insurance Institute of India and undertaking joint research. She also said that she will be speaking to the Central Bank of Russia for getting inputs from Insurance Institute of India on education, examinations and other capacity building initiatives.



CROP INSURANCE IN INDIA – ROLE OF AGRI – PROFESSIONALS

On 28th February, 2020 a seminar on Crop Insurance - CROP INSURANCE IN INDIA – ROLE OF AGRI-PROFESSIONALS was organized at Bidhan Chandra Krishi Viswavidyalaya (BCKV), Mohanpur, Kalyani, Dist. - Nadia, West Bengal jointly by Insurance Institute of India, College of Insurance, Kolkata and BCKV.

The intent of the seminar was to make the Agriculture University's students aware of Crop Insurance and other allied rural insurances. This is the first kind of seminar in India in any Agriculture University. About 100, 4th year Agriculture Students were present. Mr. Rakesh Agarwal, Editor, The Insurance Times, Mr. Samir Kumar Chatterjee, Secretary, Kolkata Insurance Institute, Dean and professors were also present.

Mr. Deepak Godbole, Secretary General, Insurance Institute of India, Mr. M.K. Poddar, CMD, Agriculture Insurance Co. Ltd., Mr. Srikanta Das, Dean, Faculty of Agriculture, BCKV, Prof. Sankar Acharya, BCKV guided the students on the concept and role of insurance. Mrs. Kinjal Barman, AICL, Dr. Ajay Verma, Arthgram explained details about Fasal Bima Yojana and employment and other avenues in the field of insurance for agriculture gradually. The Seminar was conducted by Mr. Pradip Sarkar, Principal, College of Insurance, Kolkata.

Mr. Srikanta Das thanked COI, Kolkata and III, Mumbai for conducting this Seminar and also expressed his gratitude to other dignitaries for delivering in the seminar. The students and other participants appreciated the program very much.



ASSOCHAM: Health Insurance – Rethinking Business Models

The Associated Chambers of Commerce and Industry of India (ASSOCHAM) organized “Health Insurance – Rethinking Business Models” on 14th February, 2020 at Kolkata. Mr. Deepak Godbole, Secretary General was invited to chair the Technical Session ‘New Partnerships for Health Insurance in India’.

The Panelist were Mr. Siddharth Jain, Assistant Vice President, Bharti AXA General Insurance, Mr. Ayanabh Deb Gupta, Co-Founder and Group President Medica Hospitals, Ms. Sophia Singh, General Manager, National Insurance, Mr. Rupak Barua, Group CEO, AMRI Hospitals.

The discussions revolved around the use of technology and its effect on the health insurance delivery and cost. References to utility and role of TPAs and PMJAY were also made during the discussion.



Report on the National Seminar on “Regulatory Framework: Insurance Policyholder Protection and Recent Amendments”

by Pondicherry Insurance Institute on 04th December 2019

Pondicherry Insurance Institute has conducted a National seminar on the topic of “Regulatory Framework: Insurance Policyholder Protection and Recent Amendments” on 04.12.2019 at Seminar Hall of the Department of Management, Pondicherry University, Karaikal Campus.

The major discussion was on the points like Protection of Policy Holders Interest, Recent amendments in Motor Vehicle Act, File and Use Procedures and applications.

Key Speakers:

1. Shri K. Segar, Branch Manager, The Oriental Insurance Co. Ltd. Thiruvapur, Tamilnadu.
2. Shri R. Selvanathan, Sr. Divisional Manager (I/C), National Insurance Co. Ltd., Pondicherry.
3. Shri S. Thanigainathan, Branch Manager, LIC of India, Pondicherry.
4. Shri P. Natesan, Chief Manager (Retd.) New India Assurance Co. Ltd., Head Office, Mumbai.

Total 140 nos. participants were present for the seminar.



Report on the Local Seminar on “Career Prospects in Insurance Sector and Insurance Education”

By Bikaner Insurance Institute on 20th February, 2020

Bikaner Insurance Institute has conducted a Local Seminar on the topic of “Career Prospects in Insurance Sector and Insurance Education” at B.J.S Rampuria MBA College, Bikaner on 20th February, 2020.

Main theme of the Insurance awareness program was on the importance of insurance education & career with Insurance Institute of India. Also about the importance of technical knowledge of Insurance Sector, how it is necessary & useful for product development to various claims.

Key Speaker:

1. Shri A. K. Chhimpa, Manager (NB), LIC of India.
2. Shri Sushil Khtari, Vice-President, Bikaner Insurance Institute
3. Dr. A.K. Pandey, Admin Officer
4. Shri Rakesh Kumar Joshi, Honorary Secretary, Bikaner Insurance Institute

The program was well received by the student. Around 83 nos. students participated in the program.



Report on the Insurance Awareness Program by Rajahmundry Insurance Institute

Rajahmundry Insurance Institute has organized an Insurance Awareness Program at Sri Raja Junior College, Rajahmundry on 09.01.2020.

The major discussion was on Basic Concept of Insurance, Need and importance of Insurance, Importance of Life Insurance, Vehicle Insurance and Health, Various forms of Insurance etc.

Key Speaker:

1. Shri M. Kodanda Ram, Honorary Secretary, Rajahmundry Insurance Institute

The program was well received by the student. Around 100 nos. students participated in the program.



Program Calendar for 2020-2021

Training Programs - Mumbai

Sr. No.	Code	Sub Code	Program	Date	Fees for Residents	Fees for Non-Residents	Designed for
1	CP	C1	Compliance Governance and Risk Management in Insurance	7-9 Apr, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Exclusive Program for those registered for the Compliance Governance and Risk Management Course.
2	CP	C2	Regulatory Compliance for Insurance Brokers	16-17 Apr, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Compliance Officers, Principal Officers and Senior Management of Broking Companies
3	CP	C3	Certified Insurance Anti Fraud Professional	22-24 Apr, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Exclusive program for those registered for 'Certified Insurance Anti-Fraud Professional' Course.
4	CP	C4	Insurance Marketing for Corporate Agents	22-23 Apr, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Specified Persons of Corporate Agents dealing with Insurance Marketing.
5	CP	B1	Programme for Principal Officers	4-5 May, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Principal Officers and SPs of Corporate Agents including Banks
6	CP	L1	Life Insurance Underwriting Challenges	11-12 May, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Underwriting Managers and Executives with Life Insurance Companies
7	CP	G1	Marine Cargo Claims and Fraud Control	13-14 May, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, Surveyors, Investigators and Insureds/Port authorities/ shipping lines
8	CP	G2	Motor Insurance Claims and Fraud control	13-14 May, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Professionals from Motor, Audit, Fraud Control in Insurance Companies, Brokers, Surveyors and Investigators.
9	CP	C5	Program for Women Executives	14-15 May, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Women Professionals in Insurance Companies

10	CP	G3	Medical Management and Fraud Control	18-20 May, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Executives working in the claims departments of Health Insurers/EB lines of Brokers and TPAs. Officials working in Government Health schemes
11	IP	C6	Regulatory Drawing Board - A Comprehensive Program for Insurance Regulators	18-22 May, 2020	\$ 500 USD		For Insurance Regulators and Self Regulatory bodies from all countries
12	CP	G4	Engineering Project Claims	1-2 Jun, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Officials having Insurance knowledge/ Brokers/ Surveyors/ Customers having awareness about Project Insurance.
13	CP	C7	Happy Retirement	10-11 Jun, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Retiring Executives of Insurance Companies
14	CP	L2	Life Insurance Claims Management	15-16 Jun, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives Working at Middle Management levels in Life Insurance Companies
15	CP	G5	CGL and Non-Financial Liabilities	22-23 Jun, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives dealing with Liability Insurance in Insurance Companies/Brokers/Legal firms
16	IP	G6	Reinsurance Management	22-27 Jun, 2020	\$ 600 USD		International Participants- Executives working in General Insurance Companies in Reinsurance, Underwriting and claims
17	CP	G7	Cattle and other forms of Rural Insurance	29-30 Jun, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Professionals in Insurance Companies, Brokers / Surveyors having 2 years exposure to Agriculture Insurance
18	CP	L3	Strategies for Marketing Heads : Life	1-2 Jul, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Branch Managers / Marketing Unit Heads with 2-3 years experience

19	CP	B2	Bancassurance	6-7 Jul, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Managers / Executives dealing with Bancassurance in Banks
20	CP	G8	Fire Insurance Claims and Fraud Control	13-14 Jul, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Middle Level Executives of General Insurance Companies
21	IP	G9	Excellence in Insurance Technical - Non Life	27 Jul - 7 Aug, 2020	\$ 1200 USD		International Participants - Mid/Junior Executives working in General Insurance Companies and Brokers
22	CP	G10	Crop Insurance	3-4 Aug, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives looking after Rural and Micro Insurance in General Insurance Companies, Brokers, Communities, Reinsurers and Banks
23	CP	L4	Finance and Accounts for Non Finance Executives - Life	5-6 Aug, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives working at Senior and Middle Management levels in Non Finance departments in Life Insurance
24	CP	C8	Customer Relationship Management	10-11 Aug, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Insurance Executive and intermediaries
25	CP	G11	Cyber Liability Insurance	11-12 Aug, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Practitioners from Insurance Companies, Brokers, Information Technology Industry and related areas and the insured.
26	CP	G12	Special Purpose Policies	13-14 Aug, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Insurance officials looking after special purpose Policies/ Miscellaneous policies in Insurance Companies, Brokers, Surveyors.
27	CP	G13	International Classification of Diseases and Health Insurance (ICD 10)	17-21 Aug, 2020	Rs 25000 + G.S.T.	Rs 18000 + G.S.T.	Officials of Insurance Companies, TPAs, Brokers

28	CP	G14	International Classification of Diseases and Health Insurance (ICD 10)	19-21 Aug, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Medical Doctors
29	CP	G15	Fire Insurance Underwriting	7-8 Sept., 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from the Underwriting Department of Insurance Companies
30	CP	G16	ERM for Insurance and the role of CROs	10-11 Sept., 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Chief Risk Officers, Risk Managers and those handling similar functions in the Insurance Industry.
31	CP	G17	Reinsurance Cedant Empowerment Program	14-18 Sept., 2020	Rs 25000 + G.S.T.	Rs 18000 + G.S.T.	Exclusive program for business partners of GIC Re
32	CP	C9	Personal Financial Planning	21-22 Sept., 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives of Insurance Companies and financial institutions
33	IP	L5	Excellence in Life Insurance	5-10 Oct, 2020	\$ 600 USD		Senior/ Middle level Executives working in Life Insurance Companies abroad
34	CP	G18	Comprehensive Port Package Policies	6-7 Oct, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Officials handling Port Policies in Insurance Companies/ Brokers/ Surveyors and various Port Authorities in India and abroad
35	CP	G19	Reinsurance Treaty	12-14 Oct, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Participants presently working in designing or placing treaties with Reinsurance Companies or RI Brokers
36	CP	C10	Program for Young Leaders	12-14 Oct, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Young Managers / Executives keen to acquire leadership qualities from both General and Life Insurance Companies and intermediaries

37	CP	L6	Strategies for Marketing Heads : Life	2-3 Nov, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Branch Managers / Marketing Unit Heads with 2-3 years experience
38	CP	G20	Motor Insurance Workshop	3-5 Nov, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Executives from Insurance Companies, Broking firms/ Surveyors/ Motor dealers dealing with Motor OD and TP Insurance.
39	CP	C11	Compliance Governance and Risk Management in Insurance	23-25 Nov, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Exclusive Program for those registered for the Compliance Governance and Risk Management Course.
40	CP	G21	Engineering Projects Insurance	23-25 Nov, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Middle Level Executives from the Underwriting Department of Insurance Companies Brokers / Customers.
41	CP	L7	Insurance Regulations - Life	26-27 Nov, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Officers in Senior Level and Middle Management in Life Insurance Companies
42	CP	G22	Liability Insurance - Financial Lines	1-2 Dec, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives of Insurance Companies, Brokers, Surveyors, Customers.
43	CP	B3	Programme for Principal Officers	3-4 Dec, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Principal officers of Corporate Agents including Banks
44	CP	G23	Emerging trends in Motor Insurance Claims	4 Dec, 2020	Rs 5000 + G.S.T.	Rs 3600 + G.S.T.	Professional working in Insurance companies/Brokers/Surveyors/Claims and Fraud depts./Motor dealers/Vehicle manufactures
45	CP	C12	Happy Retirement	7-8 Dec, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Retiring Executives of Insurance Companies

46	CP	G24	Health Insurance	8-10 Dec, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Middle Level Executives of Third Party Administrators, Insurance Companies, Broking Firms and Hospitals.
47	CP	C13	Certified Insurance Anti Fraud Professional	15-17 Dec, 2020	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Exclusive Program for those registered for the 'Certified Insurance Anti- Fraud Professional' Course.
48	CP	G25	Marine Cargo Insurance	11-13 Jan, 2021	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Executives dealing with Marine Cargo in Insurance Companies, Brokers and Surveyors and Insureds
49	IP	G26	Excellence in Insurance Technical - Non Life	11-22 Jan, 2021	\$ 1200 USD		International Participants - Mid/ Junior level Executives working in General Insurance Companies and Brokers
50	CP	L8	Finance and Accounts for Non Finance Executives - Life	18-19 Jan, 2021	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives working at Senior and Middle Management levels in Non Finance departments of Life Insurance Companies
51	IP	L9	Excellence in Insurance - Technical - Life	8-19 Feb, 2021	\$ 1200 USD		Senior and Middle level Executives of the International Life Insurance Industry
52	CP	G27	Reinsurance Cedant Empowerment Program	15-19 Feb, 2021	Rs 15000 + G.S.T.	Rs 10800 + G.S.T.	Exclusive program for business partners of GIC Re

Program Calendar for 2020-2021

Training Programs - Kolkata

Sr. No.	Code	Sub Code	Program	Date	Fees for Residents	Fees for Non-Residents	Designed for
1	CP	G1	Management of Fire Insurance (Material Damage and LOP)	27-28 Apr, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, IMFs, Surveyors and Customers
2	CP	G2	Developing Managerial Skills for Insurance Officials	18-19 May, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Officials of Insurance Companies including Branch/Divisional - Incharges/ Marketing Department
3	CP	G3	Miscellaneous Insurance, Focus on Jewellers', Bankers', Money and Event Insurance; looking beyond traditional products.	01-02 Jun, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, IMFs, Surveyors and Customers
4	CP	G4	Capacity Building in One Man offices	22-23 Jun, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Officials from One Man offices of Insurance Companies
5	CP	G5	Empowering Women Executives	13-14 Jul, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Women Executives from Insurance Companies, other Government and PSU Companies
6	CP	G6	Management of Engineering Insurance- Focus on Project and Machinery Insurance including Business Interruption	03-04 Aug, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, IMF, Surveyors and Customers
7	CP	G7	Managing Grievances, RTI, Consumer and Ombudsman Cases	24-25 Aug, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies,
8	CP	G8	Liability Insurance, focus : Statutory and financial lines	07-08 Sept., 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, IMFs, Surveyors and Customers

9	CP	G9	Managing Motor TP claims and Frauds	12-13 Oct, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, Surveyors, Investigators dealing with Motor TP claims
10	CP	G10	Managing Marine Cargo Underwriting and Claim	14-15 Dec, 2020	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, IMF, Surveyors and Customers
11	CP	G11	Aviation Insurance	11-12 Jan, 2021	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, IMFs and Customers
12	CP	G12	Motor Own Damage Claims workshop	15-16 Feb, 2021	Rs 10000 + G.S.T.	Rs 7200 + G.S.T.	Executives from Insurance Companies, Brokers, IMFs, Surveyors dealing with Motor OD claims