



# Globex Underwriting Services

## GLOBEX UPDATE

*Events, developments, and opportunities in the international marketplace*  
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**Key words in this issue:** *Ghana NIC Levy, GDPR in the EU, Tanzania less fronting....*

### **India – Deadline for “Aadhar” card Requirement Extended to 3/31/2018**

The deadline for all Indian policyholders to link up their “Aadhar” cards to all existing and new policies has been extended to a deadline of March 31, 2018. All these movements are in line with India’s push to implement the Prevention of Money Laundering Act (PMLA) Rules, 2005. Insureds should be made aware and notified that this request will be upcoming and a regulatory requirement, despite initial push back from local insurers who will be subjected to more administrative costs.

### **Ghana – NIC levy Increase Effective January 1 2018**

The Ghanaian Government has decided to increase the NIC (National Insurance Commission) Levy from 1% to 1.5% effective 2018. This move is due to the increase in operational costs that are associated with the processing and approving of reinsurance transfers. All policies going forth will have this tax increase applied.

### **The European Union and GDPR in 2018**

The European Union has approved and adopted the most aggressive set of data privacy regulations since the onset of the personal computer, known as the General Data Protection Regulation (GDPR). These regulations, in effect May 25th, 2018, have vast and deep financial impacts, and potential penalties on businesses of all size and scope. In terms of who will be impacted: this will include American multi-nationals with a presence in Europe that transact, store, or serve as a conduit for covered privacy elements, any entity in the E.U., or foreign entity who transacts in the E.U. will be impacted. Having a deeper understanding of what is covered under GDPR will assist cyber insurance underwriters in gauging existing policy risk (post-May 2018), as well as new cyber underwriting that occurs once fully implemented.

### **Tanzania – Reinsurance in 2018**

The Tanzania Insurance Regulatory Authority (TIRA) is revisiting all existing reinsurance arrangements for insurers in the country and imposing much stricter regulations. Insurers are being forewarned among other requirements, about excessive use of Facultative Reinsurance Arrangements, 100% externalization (fronting) of risks which could be partly retained locally. This implies that even accounts that are renewals will undergo changes in conditions. All of these steps are aligned with the African Regulators’ goal to increase local capacity within the region.

### **RECENT SUCCESSES**

- Secured fronting Marine policy in the UAE for a global company dealing in road safety equipment.
- Placed fronting Employers’ Liability policy in Singapore for a leading distributor of athletic equipment.
- Secured reinsured Commercial General Liability and Products Liability policies in Mongolia and India for a leading distributor and manufacturer of electrical engineering & control systems including transformers, power distribution, electronic equipment & electrical protection.
- Placed Directors’ and Officers’ fronting policy in China for leader in products and services across asset management and workplace benefits.
- Placed fronting Marine policy in Singapore for International Transit and Storage for a France-based company that is principally engaged in the design, manufacturing and marketing of industrial and port trailers and self-propelled barges.

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