

## GLOBEX UPDATE

*Events, developments, and opportunities in the international marketplace*

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### India – Efforts to Attract Global Reinsurers

In recent years, foreign reinsurers have been setting branches in India. Among the requirements from the Insurance Regulatory and Development Authority ( IRDAI), the Net Owned Funds' amount (NOF) has reduced. The Indian government has relaxed its mandatory conditions for foreign companies to setup a base in the International Financial Services Centre (IFSC).



The significant reduction in the NOF requirement is expected to attract global reinsurance companies operating in financial centers like London, United Arab Emirates, Hong Kong, Malaysia and other parts of the globe. One of the effects of this move is to allow global players to cater to the needs of customers outside the jurisdiction of the domestic economy.

*For any additional information about the requirements for foreign reinsurers in India, please contact any member of our Globex Underwriting team.*

### Jordan – Fire Cover Premiums on the Rise



Local insurance companies in Jordan are receiving criticism from traders and industrialists after a large fire consumed warehouses that contained furniture and electrical appliances in a commercial compound. Losses resulting from this fire accrued to over US\$1 million. Some

commercial complexes, stores and warehouses are not being readily covered for Property cover. Insureds who seek fire cover for underground warehouses, and do not comply with the required safety regulations, will experience marked increases in premiums.

## Costa Rica – New 0.5% Stamp Duty

As of June 2019, there is a new reinsurer payable cost of 0.5% stamp duty in Costa Rica. This would make the total reinsurer cost of placing a local admitted policy in Costa Rica to 4.5 % of the base premium.



## Sudan – Riot Claims Payments



Sudanese insurance companies are currently preparing to compensate policyholders that may amount to millions of Sudanese pounds, for losses incurred in deadly riots and confrontation with government militias last June. The payouts are to be made to those with riot coverage. Insurance policies that cover riots and disturbances are bought as a rider to fire insurance. The National Insurance Supervisory Authority, which monitors and licenses local and foreign companies in Sudan, has not yet received details of the extent of the losses sustained by the State, individuals and companies as a result of the protests. However, policyholders are being reassured by the Supervisory Authorities that they need not worry about non payments, nor any insurance companies becoming insolvent due to the premium payments.

- Involved in the placement of Professional Indemnity and Real Estate in China, India, and South Korea for a business services and industrial company.
- Successfully secured the placement of Directors and Officers Liability for a Global management consulting firm in Argentina, Chile, China, India, and UAE.
- Diligently worked to place a Reinsured General Liability policy in Egypt that oversees the operations of hotels.
- Coordinated the successful placement of Reinsured Property, General Liability, Employer Liability and Terrorism policies in Europe for a multinational insurer.

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