



## Bangladesh Insurance Industry – Beyond Covid-19

### Background:

M/s. K. A. Pandit (KAP) and Professional Advancement Bangladesh Limited (PABL) jointly held a webinar on 10 July 2020 to facilitate some well needed professional and actuarial consulting expertise within the Bangladesh market. PABL has been the premier training institute to Bangladesh insurance industry for a number of years and with their expertise, knowledge of building capacity, competency and capability, KAP is partnering with PABL to bring international actuarial consulting experience to the insurance industry in Bangladesh.

The purpose of this webinar was to explore how the Bangladesh Insurance Industry can develop further, during and beyond Covid-19.

The Webinar's **Chief Guest** was Professor Shibli Rubayat-UI-Islam, Chairman of Bangladesh Securities and Exchange Commission and **Special Guest**, Dr. M. Mosharraf Hossain, Member, Insurance Development and Regulatory Authority, Bangladesh.

The **Panel** comprised insurance industry leaders, namely:

- Ms. Farzanah Chowdhury, Chartered Insurer, Managing Director & CEO, Green Delta Insurance Company Limited
- Mr. M M Monirul Alam, CEO, Guardian Life Insurance Limited
- Mr. Arup Dasgupta, MD & CEO, LIC Bangladesh Limited

**WEBINAR ON**  
**BANGLADESH INSURANCE INDUSTRY : BEYOND COVID-19**  
July 10, 2020 (Friday) 4:00 pm – 5:00 PM (BST)

**PANELISTS**

**CHIEF GUEST**  
**PROFESSOR SHIBLI RUBAYAT-UL-ISLAM**  
Chairman  
Bangladesh Securities and Exchange Commission (BSEC)

**SPECIAL GUEST**  
**DR. M. MOSHARRAF HOSSAIN**  
Member  
Insurance Development and Regulatory Authority (IDRA)

**M M MONIRUL ALAM**  
Chief Executive Officer,  
Guardian Life Insurance Limited

**ARUP DASGUPTA**  
MD & Chief Executive Officer,  
LIC Bangladesh Limited

**FARZANAH CHOWDHURY**  
Chartered Insurer,  
Managing Director & CEO  
Green Delta Insurance Company Limited

**MODERATOR**  
**ARUNDHATI GHOSHAL**  
F.I.A., F.A.I.,  
Actuary/Senior Consultant,  
M/s. K. A. Pandit  
Consultants and Actuaries (KAP)

**LIVE**  
<https://bit.ly/2ZbHafj>

**HOST**  
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**WEBINAR ON**  
**BANGLADESH INSURANCE INDUSTRY : BEYOND COVID-19**

Prof. Shibli Rubayat UI Isl.

Dr. M. Mosharraf Hossain

M M Monirul Alam

Arup Dasgupta

Farzanah Chowdhury

Arundhati Ghoshal

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We are excited to bring you a brief synopsis of the discussions below:

### What are the key risks faced by the insurance market in Bangladesh?

- Lack of policyholder confidence in insurance products and claim settlement processes.
- Low insurance penetration rate continues in the country and an overall protection gap exists in life insurance.
- Over reliance on limited distribution channels for insurance sales leading to difficulty in driving business needs.
- Effective fund management in an anticipated negative interest rate environment.
- Talent cultivation and retention within the insurance industry.
- Existence of legacy systems and inability to proactively adopt new technology in business.
- Increasing fixed costs in the wake of Covid-19.

### What opportunities exist within the insurance market in Bangladesh?

- Fostering policyholder confidence by providing relevant products and efficient claim settlement.
- Offer innovative and bundled products keeping in mind the needs of the population.
- Digitisation and technological advancement in services and product development.
- Business diversification and addressing the protection gap.
- Recognising and preparing for emerging risks.
- Insurance education and training.
- Building a strong capital base so that insurers can be self-sustaining.

### What are recent steps taken to develop the Insurance Market in Bangladesh?

- Relaxation in the Corporate Governance requirements by the Bangladesh Securities Exchange Commission (BSEC) to help companies reduce costs.
- Faster regulatory approval for innovative and need based insurance products.
- Work from home for the insurance workforce with technology in place to service new policies coupled with outsourcing of some processes to manage costs.
- Support provided by the BSEC to raise both equity and debt capital for insurance companies to strengthen their capital base and achieve financial stability via an IPO or innovative bonds.
- Recognising the important role actuaries perform globally led to the Government helping to develop the profession by funding a program to build capacity within the country by supporting actuarial education.

## What future developments are expected in the Bangladesh Insurance Market?

- Working towards developing a robust Enterprise Risk Management (ERM) framework to support the business strategy of insurance companies and strengthen corporate governance and risk culture.
- Development of new risk - based capital requirements to help ascertain the holistic financial position of a Company keeping in mind asset admissibility and investment opportunities available in Bangladesh. The need to further develop robust Financial Condition and risk-based statutory solvency reporting was emphasised.
- Product innovation via varied and bundled products, be it standalone or riders (additional benefits) in new areas of health insurance, group gratuity, pension, immediate annuity etc.
- Faster adoption of technology.
- The Chairman of the BSEC felt that Credit Insurance for Micro Insurance Industry needs to be bolstered and that Bond Insurance for Capital markets is the need of the hour.





## About the Organisers

*PABL currently plays a significant role in building the capability of insurance professionals in Bangladesh. Since its inception it can boast around 9,500 certifications issued. PABL is the only private training institution in Bangladesh which is strategic partnered with world's one of the best premier professional bodies for the insurance and financial planning professions, Chartered Insurance Institute (CII), UK. This expertise places PABL well to provide broader consulting services to the industry.*

*KAP is a 77 year family firm operating across South Asia and the Middle East. KAP are one of the leading domestically owned players in the South Asian market for actuarial and risk consulting. With several fully qualified and experienced actuaries and a significant technical consulting team, it is established as a top-tier firm and also part of [Abelica Global](#) (a consortium of actuarial firms around the world). KAP's clients cut across all industry sectors in its Employee Benefits practice, as well as serving regional Life Insurance and Non-Life Insurance companies. KAP offerings include Asset Liability Modelling, Scheme Design and Product Pricing, Statutory Valuations and Reporting, Risk Based Capital Valuations, Financial Conditions Reporting, Liability Adequacy Testing, Bonus Declaration, Debit/Credit Card Redeemable Points Valuations, IBNR Valuations, Employee benefits valuations and design for corporates etc.*

For further information see [www.pabl.com.bd](http://www.pabl.com.bd) and [www.ka-pandit.com](http://www.ka-pandit.com)

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