

# OVERVIEW OF NEPALESE INSURANCE INDUSTRY



नेपाल बीमा प्राधिकरण  
NEPAL INSURANCE AUTHORITY



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# Nepal Insurance Authority

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## Establishment and Legal framework

- Insurance Board (Beema Samiti) was established in 1969
- Insurance Board was converted into Nepal Insurance Authority with the enactment of Insurance Act, 2022
- Authority established to regulate insurance sector
- Major role is to perform prudential supervision, conduct supervision and market development
- Act as Advisor of Government of Nepal to formulate National Insurance Policy
- Issue license for establishment of Insurance companies and insurance intermediaries
- Quasi Judiciary Authority for dispute settlement
- Provision of establishment of Insurance college and insurance information bureau in Insurance Act
- Provision of licensing of standalone microinsurance companies in Insurance Act 2022

# INSURANCE INDUSTRY AT A GLANCE

## Number of Insurers



**14** Life  
Insurance  
Companies



**14** Non-Life  
Insurance  
Companies



**2** Re-  
Insurance  
Companies



Micro-Insurance  
Companies  
**Licensed - 7**  
**In operation - 6**

## Insurance Intermediaries



**15**  
Reinsurance  
Brokers



**268,073**  
Individual Agents

**202**  
Institutional Agents



**1,217**  
Surveyors

# INSURANCE INDUSTRY AT A GLANCE

## Regulatory Licensing Capital Requirement

Life Insurance	\$37.94 Million
Non-Life Insurance	\$18.97 Million
Micro- Insurance	\$ 5.69 Million

Indicators	FY 2021/22	FY 2022/23	Growth
GDP Contribution	3.60%	3.40%	
Insurance Coverage	41.39%	44.38%	

As of : July 2023

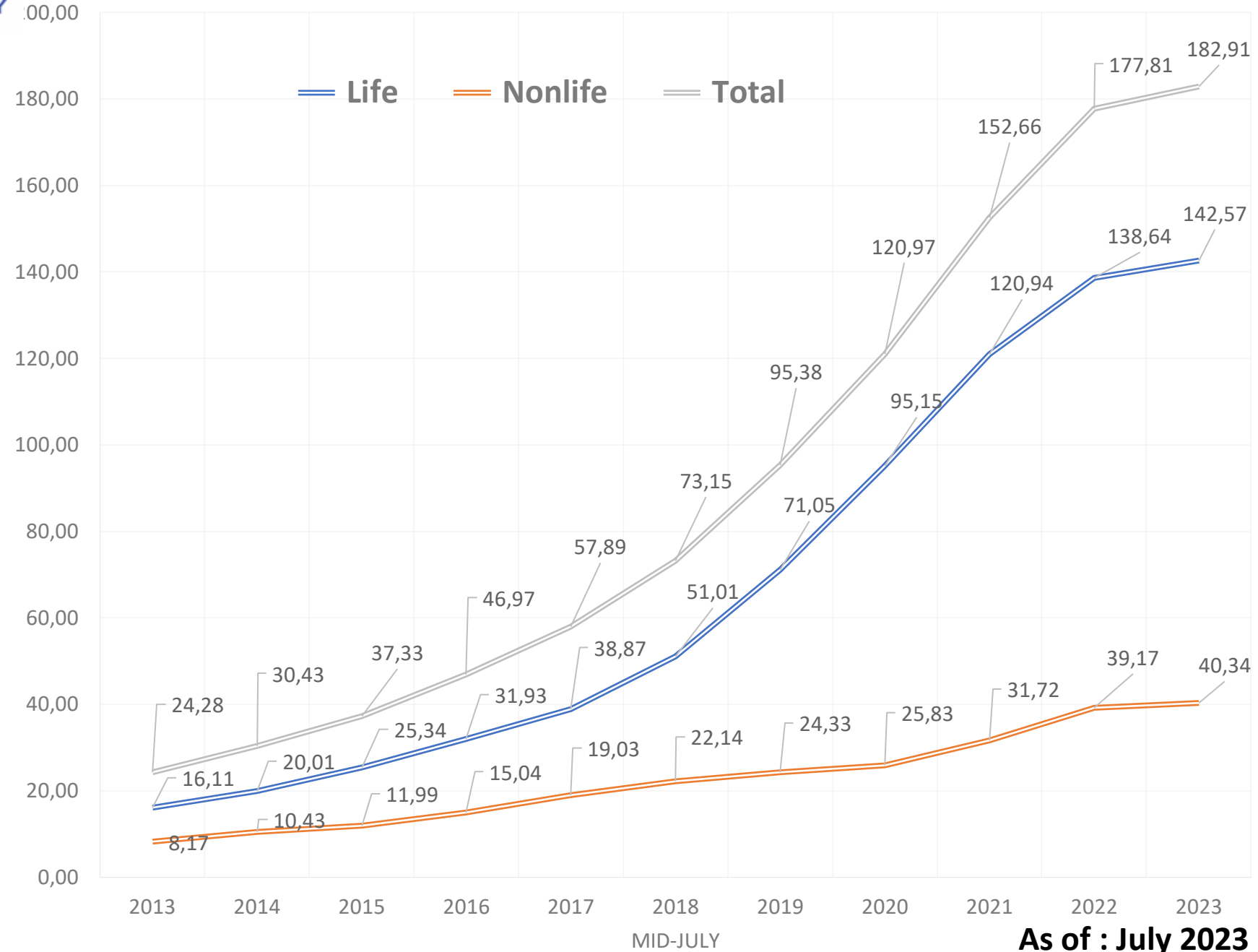
Exchange Rate 1\$ =131.77 NPR



# Gross Premium Collection

80% Government subsidy  
in agriculture insurance  
premium

**NRs. In Billion**



**As of : July 2023**

# Micro Insurance Initiatives

- **Formulation of Microinsurance Directive, 2015 initiated Microinsurance in Nepal**
- **Insurance Act -2022 – Provision for establishment of standalone Microinsurance Company**
- **Revised Microinsurance Directive, 2022 issued**
- **Recently 7 Microinsurer (3 life and 4 nonlife) has been licensed**
- **Regulatory Service Fee set at 0.50 percent of Total Gross Premium (0.75 % for conventional insurers)**
- **Specific Product Directive for standalone microinsurance products is being drafted**
- **Mobile Insurance Guidelines and Digital Policy Guidelines being drafted**
- **Standardized products to be designed by regulator for micro non-life insurers**
- **Insurance education and awareness programs**



**Thank you**