



World Federation of Insurance Intermediaries

Mr. Shri T. S. Vijayan
Chairman Insurance Regulatory and Development Authority,
Parishram Bhavan, 3rd Floor, Basheer Bagh,
Hyderabad - 500004 India

Brussels, 30 July 2014

Re: Office Order of IRDA IRDA/BRK/MISC/ORD/010/01/2014 and the Constitution of a committee to look into the issues relating to foreign direct investment in insurance intermediaries and TPAs

Dear Mr. Vijayan,

On behalf of the World Federation of Insurance Intermediaries (WFII), I write to express our support of your offices' recent efforts towards increasing Foreign Direct Investment opportunities within the Indian Insurance market. The WFII represents insurance agents and brokers from over 100 national associations (in over 80 countries) across the world, i.e. over 400,000 professional intermediaries who handle the vast majority of insurance placements globally. We view the recent actions taken by your office to increase Foreign Direct Investment as the beginning of a new era in the Indian Insurance market with countless opportunities for growth and development.

Insurance intermediaries play a very valuable role by aiding their customers in the navigation of an increasingly convoluted and rapidly developing global economy. Our association consists of some of the world's largest insurance intermediaries. It is due to our member's exclusive positioning in the economy that we see great virtue in increasing the current Foreign Direct Investment limits.

The majority of countries today allow for 100% FDI within the insurance intermediary markets allowing them to bolster local markets with the assistance of global know how and expertise. This knowledge and expertise today's Brokers are privy to, in terms of managing risk, would be made readily available to the Indian market in ways that are simply not possible under today's FDI limitations.

Along with the strengthening of insurance intermediaries in India, Indian consumers would be among the chief beneficiaries of this infusion of global expertise and resources. A stronger intermediary market will attract new forms of international reinsurance and insurance businesses. This will increase competition to attain Indian business, cut costs for consumers, and further boost the acclaim of domestic intermediaries.

Furthermore, if ownership limits are increased amongst Indian insurance intermediaries, brokers will likely support further development of the Indian markets, potentially attracting more regional insurance business. Finally the increased ownership would encourage brokers to increase investment in India, enhancing the provision of a greater range of risk and insurance services and solutions to Indian companies.

The Increase of Foreign Direct Investment in India's insurance intermediaries promises to provide opportunity for rapid development in the insurance industry and strengthen the Indian economy as a whole. It is for these reasons that we at WFII fully support a 100% Foreign Direct Investment for Indian insurance intermediaries.

Yours Sincerely,

A handwritten signature in black ink, appearing to read "Paul Carty". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Paul Carty

WFII Chairman