

IRDAI Master Circular on Reinsurance, 2024
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PART II
CHAPTER I

Directions for issue of File Reference Numbers (FRN) to Cross Border Reinsurers

17. Filing of applications on CBR Portal

- (1) These directions aim to streamline the regulatory approval process with respect to cross border reinsurers (CBRs). All insurers shall ensure that CBRs meet, inter-alia, rating requirements as per IRDAI (Reinsurance) Regulations, 2018 and shall have a valid File Reference Number (FRN), before placing any business with them. Such FRNs are issued for each financial year by the Authority.
- (2) Procedure for issue of FRN to CBRs
 - (a) Application for New FRN:
 - (i) The CBRs which meet the eligibility criteria as per the extant regulations, shall qualify as 'Eligible CBRs'. The CBRs which do not meet the eligibility criteria shall be regarded as Non-Eligible CBRs';
 - (ii) The insurers which wish to place re-insurance business with CBRs, shall file an online application with the Authority at CBR Portal (<https://cbr.irdai.gov.in>) in the format as specified at Form CBR— 1, for allotment of FRN to CBRs under the category of either 'Eligible CBR' or Non-Eligible CBR', as the case may be;
 - (iii) The Authority may raise any other requirements, if necessary, for processing of such application while issuing FRN to CBRs. After examination of submissions made by the insurer, the Authority shall issue system generated FRN to the CBRs;
 - (iv) Filing of application for issue of FRN to CBRs shall be commensurate with Reinsurance programme of the insurer, as per extant regulations.
 - (b) Application for Renewal of FRN:

The CBRs which meet all the eligibility criteria shall be issued FRN in the automatic mode on the portal, upon application made by the ceding insurer. The CBRs, which do not qualify for Auto-renewal, shall be issued FRN in normal mode every financial year. The detailed procedure is as under:

- (c) Process for 'Auto — Renewal' of FRN:
- (i) The eligibility criteria for Auto-renewal of a CBR, shall be as below -
 - a. Credit rating of the CBR shall not be less than 'Standard & Poor's A- or equivalent. The latest credit rating of the CBR shall not be older than 12 months from the date of application for Auto-renewal;
 - b. CBR has been allotted FRN under 'Eligible CBR' by the Authority in the financial year preceding to the financial year for which application is made;
 - c. necessary and latest information is furnished; and
 - d. such CBR meets the other requirements as per Reg. 4 (1) of IRDAI
 - e. (Reinsurance) Regulations, 2018 to qualify as 'Eligible CBR'
 - (ii) The portal would be available for Auto-renewal for the current financial year and would also be available three months in advance for the next financial year.
 - (iii) The auto-renewal facility is available for three consecutive financial years for a CBR. After three financial years, normal renewal application has to be submitted by the insurer through the CBR portal.
- (d) Process for normal renewal of FRN for the CBR, which does not qualify for Auto-renewal:
- (i) While doing auto-renewal process, if the applicant insurer notices that CBR does not meet the requirements as per (i) (a) above, it shall file the application for normal renewal as per the process stated below.
 - (ii) An insurer may make an application for Renewal of FRN of a CBR through the portal in the specified format.
 - (iii) The Competent Authority, on examination of submissions made by the insurer, may issue system generated FRN to the CBR.
- (3) General Provisions:
- (a) The validity of FRN issued to CBRs shall be for one financial year.
 - (b) No insurer shall place re-insurance business with any CBR without valid FRN.
 - (c) Once FRN is issued for a particular CBR, the same shall be used by all insurers for placement of reinsurance business with such CBR.
 - (d) The Insurer, while placing reinsurance business with CBR (which has valid FRN), shall satisfy itself and shall be solely responsible to ensure that the CBR meets the eligible conditions as per the extant regulations.
 - (e) The Board of Directors/Executive Committee of the ceding insurers shall have appropriate oversight and control over all the re-insurance business placements made with the 'Non-Eligible' CBRs.