

No.Z-11025/38/2021-OE-III
Government of India
Ministry of External Affairs
(OE&PGE Division)

Akbar Bhawan, Chanakyapuri, New Delhi
28 November, 2023

Introducing Credit Insurance (CI) as additional option for financial security in tandem with existing Bank Guarantee (BG) for issue/renewal of Registration Certificate (RC) under the Emigration Act, 1983

With an aim to ensure faster resolution of grievances registered by Indian migrant workers and to enhance presence of registered Recruiting Agents (RAs) across the country to effectively widen available channels of safe and legal migration, the Ministry of External Affairs, has decided to introduce Credit Insurance (CI) as an alternative option for financial security in tandem with existing Bank Guarantee (BG). The scheme is not replacement of existing BG system, but to provide an additional option to eligible RAs to meet the requirements of providing financial security for issue/renewal of Registration Certificates (RC) under Section 11 of the Emigration Act 1983.

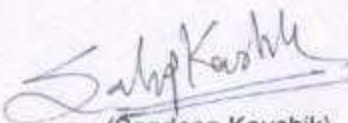
2. As per the scheme, insurance companies listed with the Ministry under Pravasi Bhartiya Bima Yojna (PBBY) desirous of offering their product meeting specific requirements and agreeing to terms and conditions of the scheme would be required to register their respective CI products with Insurance Regulatory and Development Authority of India (IRDAI). Once registered with the IRDAI and approved by the Ministry, the insurance companies can offer such CI products to eligible RAs. Other insurance companies may also approach the Ministry to register and offer their CI products by agreeing to terms and conditions of the scheme.

3. The scheme is to be introduced initially for RAs having RCs for recruitment capacity of 1000+ and to be considered for inclusion of other categories of RAs (having RCs for recruitment capacity below 1000) at suitable stage. Other categories of RAs, however, would be allowed to apply for increase in recruitment capacity of their existing RC to 1000+ by opting for CI scheme so as to promote healthy competition in the market.

4. Sum total of all claims settled/compensations provided by the insurance company during the tenure of 5 years under the CI scheme would be equal to the sum assured i.e. Rs.50 lakhs. This is equal to the amount of BG presently being provided by RAs for issue/renewal of RC of recruitment capacity of 1000+.

5. The date of commencement along with the SoPs/details of the scheme shall be notified in due course.

6. This issues with approval of competent authority.



(Sandeep Kaushik)

Under Secretary to the Govt. of India

Email : usoe3@mea.gov.in

To:

1. All PoEs
2. Office of Secretary(CPV&OIA), Ministry of External Affairs, New Delhi
3. All officers in the OE & PGE Division, Ministry of External Affairs, New Delhi
4. PMG/ Project Director eMigrate
5. eMigrate Portal