

PRESS RELEASE

The “Regulatory Sandbox Approach” can be used to carve out a safe and conducive environment to experiment with innovative approaches (including Fin-Tech solutions), and where the consequences of failure, if any, can be contained. In light of the same, the Insurance regulatory and Development Authority of India has created a Regulatory Sandbox whose objective is to use innovative ideas to foster growth and increase the pace of most innovative companies, in a way that provides flexibility in dealing with regulatory requirements and at the same time focussing on policyholder protection. The Authority notified the IRDAI (Regulatory Sandbox) Regulations, 2019 on 26th July, 2019.

The objectives of these Regulations are:

- (i) To strike a balance between orderly development of Insurance sector on one hand and protection of interests of policyholders on the other, while at the same time facilitating innovation.
- (ii) To facilitate creation of regulatory sandbox environment and, if deemed fit, to relax such provisions of any existing Regulations as needed.

Further as per Regulation 13(3) of the IRDAI (Regulatory Sandbox) Regulations, 2019, the Authority has issued the guidelines on the operation of the Regulatory Sandbox outlining the procedure to be followed in implementing the “innovation in insurance” programme.

The Authority has invited applications for the Regulatory Sandbox within a window from 15th September, 2019 and shall receive applications till 14th October, 2019.