

Nepal Insurance and Risk Management Association

नेपाल बीमा तथा जोखिम व्यवस्थापन संघ



PROFILE - 2019

Background

Across the globe academicians, professionals and experts in the area of insurance and risk management have been organized and established forum in state, regional and global level. The objective of these forums is to promote industry, develop professionalism and impart the knowledge in the field of risk management and insurance. In advanced economies, such forums were established many decades back while in developing countries people have just realized its necessity and importance. The world's three leading think tank and academic associations in risk and insurance are American Risk and Insurance Association (1932), Asia-Pacific Risk and Insurance Association (1997), and European Group of Risk and Insurance Economists (2003). These organisations represent insurance industry of the almost entire world.

Realising the necessity of the common forum of professionals, academicians, experts and researchers in the area of insurance, risk management and social security, Nepal Insurance and Risk Management Association (NIRMA) has been established. This is the think tank in the field of risk management, insurance, and social security. NIRMA aims to promote the insurance industry in Nepal through research, publications

and interaction. The NIRMA will help develop the capacity of Nepalese insurance industry to intermingle with national, regional and global level forum of same nature, exchange the experience and bilateral and multilateral cooperation among the organisations.

This is non-profit sharing organization registered in Office of the Company Registrar, Nepal. It's headquarter is located in Kathmandu. Anyone interested to contribute further in insurance industry of Nepal may join the association. Members of NIRMA need to participate in different programs and perform responsibilities as assigned by the Board of Directors.



Objectives

NIRMA is dedicated for the expansion and improvement in the field of academics in general and instruction to the students of risk management and insurance in particular by providing information, support and networking. It facilitates the link among the members and offers the continuous professional development opportunities via Training, Interaction, Workshop, Seminar, Colloquium, Conference, Certification Courses and so on. The general objective of NIRMA is to support the insurance industry through research, education and professional development. The motto of the association is developing professionalism for the promotion of insurance industry in Nepal.

The general purpose of the association is to promote the insurance industry through the awareness raising training, education, research and publication. It aims at increasing the awareness about the risk management and insurance among the citizens and suggests the government agencies for the proper implementation of social security program in the country.

The objectives of the NIRMA is to promote the risk management, insurance, and social security (RIMISS). Following are the specific objectives of the association:

- To create a forum for academia and professionals to exchange the knowledge and experiences, idea and expertise among them.
- To establish professional relationship between national and international academia and industry.
- To try to accommodate curriculum of insurance in school, collegiate and university level course,



encourage academia to carry out research and publish their works.

- To organise various activities like interactions, trainings, conference, workshop, seminar, and colloquium in respective areas.
- To develop the forum as a think tank institution and provide expertise to the concerned authorities in the area of risk management insurance and social security.
- To carry out research, publish journals and other relevant materials, and provide consultation services.
- To establish fraternal relationship with national and international organization related to insurance, risk management and social security.

Organizational Structure

NIRMA is a member based, volunteer and professional organization. Its activities are guided according to the Memorandum of Association, decisions of AGM and the Board of Directors. The Board of Directors (BOD) is a supreme body elected by life members every two years. Board of Directors appoints Chief Executive Officer, other officers and hires required human resources. BOD forms various committee out of members to meet the objectives of life members of NIRMA. BOD approves the policy, program and budget while committee and staff implement the plans and programs. The sources of income are membership fee, consultancy fees, income from investments and donation.

For the efficient operation of association, NIRMA mobilizes members appointing in different committees, task force and consultancy projects.

Permanent committees of NIRMA are:

Membership Committee

It looks after members' affairs, maintain the records of members, update their information, identify their potentiality and aptitude and recommend for the appointment in the appropriate sector to BOD.

Seminar and Training Committee

The committee carries out activities like seminar, workshop, training and interaction programs.

ORGANIZATIONAL STRUCTURE

General Assembly

Board of Director

Different Committees

Members

Research Committee

The committee develops and carries out the research works and submits the reports to the concerned authorities. This is one of the highly academic committee to explore the reality in the field of RIMISS.

Committee for International Affairs

The committee is responsible for the establishment of the functional relationship with international (foreign, regional, and global) organizations of similar nature to exchange the expertise and knowledge.

Journal Publication Committee

The Journal publication Committee is also known as The Editorial Board which is responsible for publishing the research based journal. Currently, NIRMA publishes The Nepalese Journal of Insurance and Social Security which is double blind peer reviewed journal.

Committee of Board of Studies

The committee is responsible for designing the courses of short and long term trainings as well as globally certified courses. Besides, different Adhoc Committee also can be formed as per the requirement. Similarly, Task Force also can be formed to meet the special purpose of the organisation.

As NIRMA is non-profit sharing charity organization, its strength depends on the quality and quantity of the members.



Membership

Membership

- The person having at least Bachelor's Degree in any discipline and at least one year of teaching, research or working experience in insurance, risk management and social security or having master degree in any discipline and those who show deep interest in any one of the above mentioned areas,
- The person who has contributed to Nepalese insurance industry will get membership irrespective of his/her qualification and citizenship.
- Honorary membership can be offered to the personality of national and international repute in risk management, insurance and social security.
- NIRMA may offer Advisory membership to eminent personality in the area of association. There is no need to pay membership fee by both Honorary and Adviser Members.
- Both Honorary and Adviser Members have no rights of voting and right of candidacy in the post of BoD.

Membership Procedure

Membership can be obtained following the due procedures. Interested applicants can fill the application form online (www.nirma.com.np) along with scanned copy of citizenship certificate, academic certificate of the highest degree and passport size photographs. The decision of the Board of Director regarding the award of the membership will be communicated to applicants on time. Applicants need to deposit membership fee to get the membership after the approval of the application.

Membership Type and Responsibility

NIRMA offers two types of membership. All the members except honorary and advisory member get life membership and all of them have rights to cast vote and to be a candidate in different position like President, Vice President, Secretary General, and Treasurer as well as Executive Members. The fee for **Individual membership is Rs. 10,000 and Institutional membership is Rs. 20,000.**

NIRMA is a member based volunteer and professional organization, it encourages the members to contribute in the development of insurance industry in different capacity.

The members of NIRMA get golden opportunity to learn with peer and senior, carry out research, publish their papers,

interact with experts and put forth own ideas among the scholars and professionals.

The members should involve in various activities of their interest, ability and expertise bearing the responsibility of different committees.

NIRMA aims to bring thousands of professional, practitioners, academicians, researchers and experts in the area of RIMISS as life members. Under the network the number will be grown every year and will be stood as one of the largest member based organisations in Asia. Its contribution in national economy, regional and global insurance industry will be remarkable.

President's Message



I would like to congratulate all academicians, professionals, practitioners involved in the field of risk management, insurance and social security and wishing you for the better future. Now, it is the time to think about and act on risk management. Now, it is the right time to demonstrate best efforts and find out a way to manage the

challenges in insurance industry. It is our responsibility to explore the best model of social security program to cover the entire population. These disciplines are not completely different but complementary to each other.

NIRMA provides a common learning platform to all interested beginners, sharing avenue to experienced and mentoring opportunity to the seasoned and veteran professionals in the area of risk management insurance and social security (RIMISS). NIRMA is a think tank forum where professionals, academicians and experts in the area of RIMISS are organized, discoursed and conferred.

Risk Management is emerging discipline in Nepal but it is essential to introduce in the curriculum of secondary level and above. Nepal is considered as a high risk zone in terms of earthquake, flood, landslide and other natural calamities and disasters. Risk is high in Himalayan region due to the global warming, climate change and melting of Himalayas very fast.

Hilly region is mostly affected by landslide, hailstorm, wind and flood. Terai is plain so that flood is common problem across the east to west. In summer season the snake bite and flood and in winter season fog and cold wind are being the killer of the human being. Inhabitants of Terai are also suffering from the violence from the illegal cross border activities and many other reasons. Road accident is another emerging and challenging issue. Fighting against the risk is difficult task which requires more knowledge, skills and techniques. Absconding from risk is impossible but we can mitigate the risk to some extent.

Insurance is not new subject but the penetration is very low and the coverage is not sufficient in Nepal. The professionalism in insurance industry is essential but there is lack of professionalism even though the history of Insurance has already passed seven decades. Our Universities are not being able to offer Insurance education extensively. Due to the lack of insurance qualified human resources, the growth of the insurance industry is not satisfactory. NIRMA emphasizes on insurance education through research to promote and develop the industry.

Social Security is the backbone of the society of social justice and happiness. A few rich people can upraise the per capita income but it doesn't bring the happiness in the country. Social security program is one of the pillars of welfare society.

Rabindra Ghimire, PhD
President

July 2019,
Kathmandu

Board of Directors

President

Rabindra Ghimire, PhD

Expert in Risk Management, Insurance and Social Security
Member- APRIA
Email: rabindraghimire@pu.edu.np

Vice President

Surendra Thapa

Expert in Risk Management and Insurance
Email: surendrathapaaslami@gmail.com

Secretary General

Dipak Adhikari

Expert in Insurance and Risk Management
Email: deepak0adhikari@gmail.com

Treasurer

Sukalyan Parajuli

Expert in Risk Management and Insurance
Email: skallyan@gmail.com

Executive Member

Jagadish Acharya

Expert in Risk and Insurance Management
Email: sjagadish64@gmail.com

Executive Member

Udaya Adhikary

Risk Analyst and Insurance Expert
Pivot Risk Pvt.Ltd
Email: udayapaudel7@gmail.com

Executive Member

Lok Raj Joshi

Expert in Risk and Insurance Management
Email: lokrajjoshi2038@gmail.com

Risk Management

Nepalese citizens are exposed to various types risk: risk of premature death and poor health, unemployment and decrement in income, loss of property and confrontation of financial liabilities. These risks can be minimized by the proper use of risk management tools. Similarly, institutional risk is also omnipresent and in increasing trend due to the high impact of climate change in Himalayan region.

Geographically, Nepal is highly vulnerable to natural disasters. Globally, it is ranked fourth, eleventh and thirtieth in terms of vulnerability to climate change, earthquake and flood risks respectively.

So, risk management functions need to be the primary objective of the government agencies, private and non-government institutions as well as individual. This is very important to insurers since without proper risk management education, insurance business can not be flourished.

Following are some of the programs under this thematic area:

- **Awareness program** on risk management techniques in most vulnerable areas of different level of government.
- **Research** about the risk perception and traditional risk management strategies adopted by the people. To know how people have perceived the risk and how they have managed the risk is the great interest to the experts
- **Discussion with academia and professionals** on risk reduction and mitigation, risk avoidance and retention and risk transfer strategies to be adopted in possible sector.

Programs

NIRMA organizes programs in three thematic area: risk management, insurance and social security. These three disciplines are interrelated and interconnected. Insurance is a tool of risk management while social security is complementary of insurance. Both insurance and social security programs aim to transfer the risk.

These programs are of three categories: awareness and promotional, interaction, training, seminar and conference in contemporary issues and empirical research (fact finding).

Insurance

Insurance is one of the most technical and complex fields in the financial instruments. The Nepalese insurance market is still in infant stage due to the lack of proper policy of government towards the insurance sector, integrated promotional campaign among the insurers and Insurance Board of Nepal and university education in insurance as per the market need. There is a lack of qualified and certified human resources, experts and professional in the field of insurance and risk management. The penetration ratio is less than 3 percent in aggregate while life insurance market is quite expanded than nonlife. Recently, new companies are entering into the market with aggressive marketing strategies and bringing many positive changes along with some negative impacts on insurance industry.



The association organizes various programs for the promotion of insurance industry. The ultimate goal of NIRMA is to contribute in the socio-economic development of the country. NIRMA organizes following programs:

Promotional / Awareness Raising Program

Government introduces universal social health, agriculture insurance for farmers, term insurance to foreign migrant workers, third party insurance to all vehicle owners. To increase the insurance coverage, the awareness program is required in our context. NIRMA organizes various programs to increase the awareness level among general public.

Seminar and Workshop

There are issues to be discussed and brought into a common forum for solution in the field of insurance. Regulators, insurers and employees working in insurance companies, agents and surveyors and brokers also can participate in these programs.

National and International Conference

Such programs boost the confident level; they have opportunity to exchange the experience, validate their findings, learn from the intellectual and share the experiences. International conference provides great exposure and the opportunities to the participants.

Professional Development

TRAINING



Members' Professional Development

NIRMA cares its members organizing members' professional development programs. Members get priority to participate in the program organized by NIRMA.

- **Update on contemporary concerns :** NIRMA organizes interaction program with experts to update members in contemporary issues.
- **Training :** Provides trainings to impart the skills and knowledge of members.
- **Participation in seminar, conference and international exposure :** Offers opportunities to participate in national and international seminar and conference to exchange the experiences.
- **Professional Courses :** Offers professional courses to members enhancing the knowledge on particular discipline.
- **Involves in research activities :** NIRMA carries out research activities mobilizing its members as per the expertise and qualifications.

International Affiliation

NIRMA aims at establishing functional relationship with various professional, academic and research based associations across the globe. The objective of relationship is to exchange the information, experience and ideas of different economies. The cooperation is reciprocal. Nepalese insurance industry requires to work with regional organisations like ARIA, EGRIE, APRIA and research based organisations like Geneva Association, International Insurance Society and Global Federation of Insurance Education and others many organisations.



Nepalese Journal of Insurance and Social Security

NIRMA publishes research based journal the Nepalese Journal of Insurance and Social Security (NJISS) ISSN 2565-4942 (Print) since 2018. It is a double blind peer reviewed international refereed journal. The objective of the journal is to provide an opportunity to publish original paper for both fresh and renowned researchers. Authors are requested to send empirical research articles on any one of the following thematic areas but not limited to:

- Behavioural finance, perception of customers towards the risk management, insurance and social security.
- Catastrophic insurance, government insurance, commercial insurance, micro insurance, health insurance, community based insurance, social insurance etc.

- Depository and credit guarantee schemes, microfinance and micro insurance nexus.
- Disaster risk management, Project risk management, Enterprises risk management, corporate risk management, Credit risk management, climate change risk management and reinsurance practices
- Financial literacy, insurance education and insurance inclusions
- Life, property, casualty and liability insurance, micro insurance, social insurance etc.
- Performance, efficiency, and sustainability of insurance companies, customers' and employees' satisfaction, good governance etc.
- Regulatory issues, capital adequacy, solvency margin, and cross border activities
- Insurance accounting, financial management, assets management and investments
- Insurance and banking regulation, central Bank and bancassurance practices
- Social Security for formal and informal sector, social protection, and pension fund regulation
- Pension fund, retirement fund, old age, ageing and unemployment, health care benefits, and long-term care,
- Marketing strategies, distribution channels, fraud control and claims management

Paper should make a substantial contribution to the area of research. They should be technically well-crafted, most significantly should attract the interest to academia and professionals and be empirical in nature. Empirical papers on risk management, insurance and social security should be relevant to developing nations. The papers based upon original ideas are acceptable. Authors, peer reviewer's and editorial guidelines are well explained under the Journal section (www.nirma.com.np).

Volume 1 Issue 1 March 2018 ISSN 2565-4942 (Print)

NJISS

Nepalese Journal of Insurance and Social Security

In this issue

- A Critical Review of Social Protection Policies, Programs and Their Effectiveness in Nepal
- *Dilli Raj Khanal, PhD*
- Causes of Voluntary Dropout of Microfinance Clients in Bangladesh
- *Prof. Muhammad Ziaulhaq Mamun, PhD*
- Pension Reforms in Commonwealth of Independent States Countries
- *Lusine Karapetyan, PhD*
- Service Quality in Nepalese Insurance Market
- *Sharda Pandey Lohani, Prof. Fatta Bahadur K.C, PhD*
- Trends and Prospects of Social Security Program in Nepal
- *Ghanashyam Niroula*

Advisory Board and Editorial Board

NIRMA aims at bringing the journal in the international standard. It publishes the Journal of insurance and social security. The Advisory and Editorial Board comprise the academicians and professionals from reputed universities and/of different countries.

Advisory Board

Prof. Keshar Jung Baral

Tribhuvan University, Nepal

Prof. Rajan Bahadur Paudel

Tribhuvan University, Nepal

Prof. W. Jean Kwon

School of Risk Management, Insurance and Actuarial Science

St. John University, USA

Prof. Prashant Kumar

Banaras Hindu University, Varanasi, India

Prof. Sankharashan Basu

Indian Institute of Management, Bangalore, India

Prof. Muhammad Ziaulhaq Mamun

Institute of Business Administration

University of Dhaka, Bangladesh

Prof. Soon-Jae Lee

Sejong University, South Korea

Prof. Wei Zheng

Chair and Professor

Department of Risk Management and Insurance

School of Economics, Peking University, China

Editorial Board

Prof. Fatta Bahadur KC, PhD

Tribhuvan University, Nepal

Editor-in-Chief

Rabindra Ghimire, PhD

Associate Professor

Pokhara University, Nepal

Managing Editor

Manoj Kumar Pandey

Associate Professor

Birla Institute of Management and Technology, India

Editor

Lusine Karpentine, PhD

Associate Professor

Chair of Labor Economics

Armenia State University of Economics, Armenia

Editor

Sanjay Mali, PhD

Principal, PGDM

National Insurance Academy, India

Editor



For further inquiry please contact to:

**Nepal Insurance and
Risk Management Association**

Kathmandu, Nepal
Email : info@nirma.com.np

Editorial Board

**Nepalese Journal of Insurance
and Social Security**

Kathmandu, Nepal
Email: njiss@nirma.com.np
Post Box no. 2479, Kathmandu
Website: www.nirma.com.np