



A TRANSFORMATIVE Path to Holistic Financial Inclusion

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The Daily Star (TDS): What has been your experience with bancassurance so far?

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M Khorshed Anowar (MKA): Eastern Bank PLC (EBL) received approval from Bangladesh Bank to commence bancassurance operations on 24 January 2024. This landmark approval has opened new avenues to support the insurance sector's growth through the banking channel. While initial customer awareness posed a challenge, we are now seeing steady progress. Our relationship managers are becoming more adept at explaining insurance products, and customer interest is growing.

At EBL, we view bancassurance as more than just an additional product line—it is a strategic initiative that enhances the customer journey. This partnership model enables us to provide comprehensive financial solutions under one roof, simplifying our customers' ability to manage both banking and insurance needs. The response, especially from middle-income and emerging affluent segments, has been encouraging, as they value the trust and convenience that EBL brings.

TDS: What types of insurance are currently offered through your bancassurance partnerships?
MKA: We currently offer both life and general (non-life) insurance through our bancassurance model. Our life insurance offerings provide

protection in the event of death and other unforeseen circumstances, while our non-life portfolio includes

while our non-life portfolio includes motor, health, and travel insurance. To ensure smooth and compliant service delivery, EBL has established a dedicated bancassurance team. This team works closely with our insurance partners and is responsible for sales, product training, customer support, and regulatory compliance.

when needed, with special attention given to claims-related matters.

We maintain strict adherence to guidelines issued by Bangladesh Bank and the Insurance Development and Regulatory Authority (IDRA). Our practices include rigorous training, full disclosure, and documentation protocols. We also conduct regular audits and maintain proactive engagement with regulators to stay aligned with evolving compliance requirements.

TDS: What is your outlook on the

W.W.: What is your outlook on the future of bancassurance?

MKA: The future of bancassurance in Bangladesh is highly promising. With insurance penetration still below 0.5% of GDP, bancassurance offers a tremendous opportunity to bridge the gap through banks' wide-reaching customer networks. Leveraging digital platforms such as mobile and online banking will further enhance accessibility, efficiency, and cost-effectiveness in policy issuance and claims processing.

However, challenges remain. For instance, under current regulations, banks are not permitted to distribute major non-life products like fire and marine insurance. This restriction particularly affects banks serving SMEs, which often require such coverage.



The logo for BRAC BANK. It features a blue square at the top with a white circular emblem in the center. Below the square is a yellow wedge shape. The text "BRAC BANK" is written in large, bold, white, sans-serif capital letters. Below the bank name, the word "প্রাণের আশীর্বাদ" (Praner Ashirbad) is written in a smaller, blue, cursive script.

জীবনের প্রতিটি মনক্ষেপে নিশ্চিন্ত থাকুন জমাকৃত প্রিমিয়ামের ৩মের ৩০% পর্যন্ত ট্যাক্স রিবেট সুবিধা!

