

GOVERNMENT OF INDIA
DEPARTMENT OF ATOMIC ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 995
TO BE ANSWERED ON 26.07.2023

Insurance Coverage for Nuclear Disasters

995. DR. A. CHELLAKUMAR:

Will the PRIME MINISTER be pleased to state:

- (a) whether there is adequate and sufficient insurance coverage offered for nuclear incidents in the country and if so, the details thereof along with the measures taken by the Government to ensure the availability of insurance coverage for potential damages arising from a nuclear disaster; and
- (b) the details of initiatives or collaborations undertaken by the Government to enhance the insurance framework for nuclear disasters and attract participation from insurers?

ANSWER

THE MINISTER OF STATE FOR PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND PRIME MINISTER'S OFFICE (DR. JITENDRA SINGH):

- (a) Yes, Sir. India has enacted Civil Liability for Nuclear Damage (CLND) Act 2010 to provide for civil liability for nuclear damage and prompt compensation to the victims of a nuclear incident through a no-fault liability regime channeling liability to the operator. Under the Act, the operator has to maintain insurance or financial securities or a combination of both, for covering his liability in respect of the nuclear incident. The Act also limits the liability of the nuclear operator for each nuclear incident.

Without any Insurance or financial securities, the nuclear operator cannot operate the nuclear facilities, and the operator is also mandated to renew the insurance policy or financial securities from time to time, before the expiry of the period of validity.

The liability of an operator for each nuclear incident is–

- (i) in respect of nuclear reactors having thermal power equal to or above ten MW, rupees one thousand five hundred crores;
- (ii) in respect of spent fuel reprocessing plants, rupees three hundred crores;
- (iii) in respect of the research reactors having thermal power below ten MW, fuel cycle facilities other than spent fuel reprocessing plants, and transportation of nuclear materials, rupees one hundred crores.

India Nuclear Insurance Pool (INIP) was set up with GIC-re, and several other Indian insurance companies with a capacity of 1500 Crore on 12th June, 2015 to provide insurance to cover the liability as prescribed under CLND act, 2010. In addition to providing coverage for operators' liability, the INIP will also address liability-related concerns of suppliers (Both Domestic and Foreign). GIC-Re along with Several other Indian insurance companies are currently the participants in the insurance pool.

- (b) Under the CLND Act 2010, the Central Government may review the amount of the operator's liability from time to time and may specify, by notification, a higher amount for compensation, if deemed necessary.

India has also ratified Convention for Supplementary Compensation (CSC) in 2016. CSC offers a two-tier system w.r.t the amount of compensation, e.g., Installation state to ensure availability of the amount of compensation at least three hundred million SDR, and international fund for which all contracting parties obliged to contribute the amount based on a formula for calculation of contribution. It aims at increasing the amount of compensation available in the event of a nuclear incident through public funds to be made available by the Contracting Parties on the basis of their installed nuclear capacity and UN rate of assessment.
