Editorial

Coronavirus, a crash test for the Chinese insurance business

The year 2020 is off to a bad start for insurers. An epidemic is turning into a pandemic that is terrorizing the planet.

Many pandemics such as AIDS, Ebola, foot-and-mouth disease and avian flu have broken out in recent years. The novelty, in 2020 the virus hit a country with 1.4 billion inhabitants. On a worldwide scale China accounts for 20% of GDP. It is the second economic power, the real driving force of global growth.

The Chinese insurance market is the first to be concerned with the health crisis and its repercussions on local economy. The 2020 insurers’ turnover has already been impacted by factory closures, slowing exports, decline of tourism and travel restrictions imposed on the population. Health insurance has come under pressure while the financial market is poised to sustain some disruptions with a decline in stock market shares that would inevitably strain the financial soundness of Chinese insurance companies.

Global insurance will also be affected by the fallout of the Coronavirus. At the level of personal line risks, policies pertaining to travel cancellation and health largely exclude epidemic risks, hence, the probable increase of insurer-insured litigations. The only consolation left for personal insurance consists in guarantees tied to use of credit cards. Death insurance policies, irrespective of causes are not concerned with the crisis.

At the corporate level, the impact of the epidemic mainly affects disruptions of supply chains and business interruption cover. The latter is provided only after the occurrence of a material damage claim. For the current case, only a specific policy covering business interruption, due to transmissible disease, could result in compensation.

Marine and reinsurance classes of business are equally penalized by the slowdown of the Chinese economy, with declining premium volumes.
MENA region: insurance mergers & acquisitions boom in 2020

Insurance markets in the Middle East & North African (MENA) region are expected to witness an increase activity in 2020. This was predicted by New Dawn Risk (NDR), a British brokerage firm specialised in property and casualty insurance.

The recent mergers and acquisitions recorded or in preparation pave the way to greater market concentration. In most countries, capital requirements are expected to increase in 2020. This type of decision would push companies to merge in order to remain competitive. The new laws limiting the claim payment deadline shall also put insurers to the test. Some companies are already lacking liquidity.

MENA zone: 2020, the year of legislative reforms

Almost all MENA insurance markets are expected to undergo regulatory reforms in 2020. Several countries in the area have already prepared draft laws or begun conducting studies in this respect. For example, the United Arab Emirates has set up a committee to submit draft laws to the government. In Jordan, the Parliamentary Committee for the Economy and Investment approved a bill to transfer the management of the insurance market to the Central Bank.

Morocco has made natural disasters insurance mandatory while the Algerian government has introduced a pollution tax. Egypt is also working on new regulatory measures.

Insurers reluctant to cover cyber-risks

Insurance companies are reluctant to cover cyber-risks. The accumulation of claims and their rising cost (+8%) is a threat to insurers who still have a poor management of the risk. Allianz's Risk Barometer 2019 places cyber-risks at the top of insurers' concerns. Risks linked to climate change are ranked second.

The Association for Enterprise Risk Management and Insurance (AMRAE) notes a decline in the number of cyber-risk coverages suggested by insurers. The latter's commitments are said to have fallen, in some cases, from 30 to 15 million EUR (from 33.4 to 16.7 million USD).

On average, data hacking is believed to cost 42 million USD per million stolen recordings.
A company, a story
Malath Cooperative Insurance

Date of creation: 9 April 2007, Saudi Arabia
Class of business: Non life
Rating: Moody’s: « Baa2 » Stable

Malath Cooperative Insurance is, in 2018:

- a share capital of **133 105 000 USD**
- a turnover of **194 087 000 USD**
- assets of **328 377 000 USD**
- a shareholder’s equity of **119 819 000 USD**
- a net result of **4 522 000 USD**
- a net loss ratio of **68.48%**
- a net management expenses ratio of **30.56%**
- a net combined ratio of **99.04%**

Date of creation: 9 April 2007, Saudi Arabia
Class of business: Non life
Rating: Moody’s: « Baa2 » Stable

Management

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mubarak Bin Abdullah Al-Khafra</td>
<td>Chairman of the board</td>
</tr>
<tr>
<td>Fawaz Bin Abdurahman Al-Haji</td>
<td>Chief executive officer (CEO)</td>
</tr>
<tr>
<td>Rami Omer Al-Hushan</td>
<td>Senior EVP - Marketing &amp; Sales</td>
</tr>
<tr>
<td>Tarek Saleh Al-Ghamdi</td>
<td>Senior EVP - property and casualty</td>
</tr>
<tr>
<td>Ammar Fawaz Al-Sairafi</td>
<td>Chief Financial Officer (CFO)</td>
</tr>
<tr>
<td>Ahmed Bassam Al-Hariri</td>
<td>Chief Health and Group Life Insurance Officer</td>
</tr>
<tr>
<td>Khaled Mustafa Aref</td>
<td>General manager - IT</td>
</tr>
</tbody>
</table>

Contact

- **Head office**: Mohammed Bin Abdulaziz St., PO Box 99763, Riyadh 11625, Saudi Arabia
- **Tel**: +966 11 416 8222
- **Fax**: +966 11 416 8333
- **Email**: info@malath.com.sa
  malath@malath.com.sa
- **Website**: www.malath.com.sa

*In 2019, Mamdoh S. Al Sharhan became chairman of the board*
Main technical highlights: 2014 - 2018

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross written premiums</td>
<td>376,098,274</td>
<td>496,430,539</td>
<td>577,516,838</td>
<td>193,725,097</td>
<td>194,087,322</td>
</tr>
<tr>
<td>Net written premiums</td>
<td>336,943,715</td>
<td>405,935,791</td>
<td>399,784,349</td>
<td>173,522,716</td>
<td>170,068,259</td>
</tr>
<tr>
<td>Net earned premiums</td>
<td>275,113,175</td>
<td>458,547,394</td>
<td>379,311,509</td>
<td>217,141,228</td>
<td>157,423,284</td>
</tr>
<tr>
<td>Net incurred losses</td>
<td>246,782,041</td>
<td>395,729,208</td>
<td>432,440,194</td>
<td>198,996,338</td>
<td>107,811,057</td>
</tr>
<tr>
<td>Management expenses</td>
<td>44,421,326</td>
<td>77,068,987</td>
<td>91,167,674</td>
<td>56,855,906</td>
<td>51,976,171</td>
</tr>
<tr>
<td>Net loss ratio (1)</td>
<td>89.70%</td>
<td>86.30%</td>
<td>114.01%</td>
<td>91.64%</td>
<td>68.48%</td>
</tr>
<tr>
<td>Net management expenses ratio (2)</td>
<td>13.18%</td>
<td>18.99%</td>
<td>22.80%</td>
<td>32.77%</td>
<td>30.56%</td>
</tr>
<tr>
<td>Net combined ratio (3)</td>
<td>102.88%</td>
<td>105.29%</td>
<td>136.81%</td>
<td>124.41%</td>
<td>99.04%</td>
</tr>
<tr>
<td>Net result</td>
<td>-1,653,634</td>
<td>-501,631</td>
<td>-40,006,354</td>
<td>-2,938,741</td>
<td>4,521,843</td>
</tr>
</tbody>
</table>

Figures in USD

Exchange rate as at 31/12/2018: 1 SAR = 0.26621 USD; at 31/12/2017: 1 SAR = 0.26648 USD; at 31/12/2016: 1 SAR = 0.2664 USD; at 31/12/2015: 1 SAR = 0.2664 USD; at 31/12/2014: 1 SAR = 0.2662 USD

(1) Net loss ratio = Net incurred losses / Net earned premiums
(2) Net management expenses ratio = Management expenses / Net written premiums
(3) Net combined ratio = Net loss ratio + Net management expenses ratio
### Breakdown of turnover per class of business: 2014 - 2018

<table>
<thead>
<tr>
<th>Class of Business</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2018 shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property damage</td>
<td>20 750 556</td>
<td>21 409 769</td>
<td>19 441 606</td>
<td>10 614 165</td>
<td>12 873 117</td>
<td>6.63%</td>
</tr>
<tr>
<td>Engineering</td>
<td>12 752 843</td>
<td>11 656 865</td>
<td>11 339 316</td>
<td>1 178 641</td>
<td>2 023 196</td>
<td>1.04%</td>
</tr>
<tr>
<td>Motor</td>
<td>308 573 982</td>
<td>422 440 070</td>
<td>506 328 631</td>
<td>142 372 003</td>
<td>117 421 770</td>
<td>60.49%</td>
</tr>
<tr>
<td>Health</td>
<td>23 090 987</td>
<td>24 416 359</td>
<td>25 351 157</td>
<td>34 258 669</td>
<td>54 599 405</td>
<td>28.13%</td>
</tr>
<tr>
<td>Others</td>
<td>10 929 906</td>
<td>16 507 476</td>
<td>15 056 129</td>
<td>5 301 620</td>
<td>7 169 834</td>
<td>3.70%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>376 098 274</td>
<td>496 430 539</td>
<td>577 516 838</td>
<td>193 725 097</td>
<td>194 087 322</td>
<td>100%</td>
</tr>
</tbody>
</table>

Figures in USD

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### Breakdown of 2018 turnover per class of business

- **Motor**: 60.49%
- **Health**: 28.13%
- **Others**: 3.7%
- **Property damage**: 6.63%
- **Engineering**: 1.04%
Net written premiums per class of business: 2014 - 2018

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property damage</td>
<td>1 003 574</td>
<td>2 799 864</td>
<td>672 926</td>
<td>112 455</td>
<td>713 975</td>
<td>535.55%</td>
</tr>
<tr>
<td>Engineering</td>
<td>1 139 336</td>
<td>466 733</td>
<td>59 141</td>
<td>7 994</td>
<td>25 024</td>
<td>213.33%</td>
</tr>
<tr>
<td>Motor</td>
<td>308 573 982</td>
<td>369 786 643</td>
<td>365 212 289</td>
<td>139 056 192</td>
<td>114 452 198</td>
<td>-17.61%</td>
</tr>
<tr>
<td>Health</td>
<td>23 090 987</td>
<td>24 416 359</td>
<td>25 351 157</td>
<td>32 901 753</td>
<td>52 767 614</td>
<td>60.54%</td>
</tr>
<tr>
<td>Others</td>
<td>3 135 836</td>
<td>8 466 192</td>
<td>8 488 836</td>
<td>1 444 322</td>
<td>2 109 448</td>
<td>46.20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>336 943 715</td>
<td>405 935 791</td>
<td>399 784 349</td>
<td>173 522 716</td>
<td>170 068 259</td>
<td>-1.89%</td>
</tr>
</tbody>
</table>

Exchange rate as at 31/12/2018: 1 SAR = 0.26621 USD; at 31/12/2017: 1 SAR = 0.26648 USD; at 31/12/2016: 1 SAR = 0.2664 USD; at 31/12/2015: 1 SAR = 0.2664 USD; at 31/12/2014: 1 SAR = 0.2662 USD

Net earned premiums per class of business: 2014 - 2018

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property damage</td>
<td>979 350</td>
<td>2 823 041</td>
<td>691 308</td>
<td>132 707</td>
<td>574 215</td>
<td>333.13%</td>
</tr>
<tr>
<td>Engineering</td>
<td>1 030 460</td>
<td>478 454</td>
<td>243 223</td>
<td>51 697</td>
<td>-3 461</td>
<td>-106.70%</td>
</tr>
<tr>
<td>Motor</td>
<td>220 927 632</td>
<td>424 810 764</td>
<td>347 421 298</td>
<td>180 532 206</td>
<td>113 099 319</td>
<td>-37.29%</td>
</tr>
<tr>
<td>Health</td>
<td>49 749 586</td>
<td>26 340 300</td>
<td>22 400 777</td>
<td>30 030 164</td>
<td>41 677 838</td>
<td>38.93%</td>
</tr>
<tr>
<td>Others</td>
<td>2 426 147</td>
<td>4 094 834</td>
<td>8 554 903</td>
<td>6 394 454</td>
<td>2 075 373</td>
<td>-67.51%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>275 113 175</td>
<td>458 547 394</td>
<td>379 311 509</td>
<td>217 141 228</td>
<td>157 423 284</td>
<td>-27.43%</td>
</tr>
</tbody>
</table>

Exchange rate as at 31/12/2018: 1 SAR = 0.26621 USD; at 31/12/2017: 1 SAR = 0.26648 USD; at 31/12/2016: 1 SAR = 0.2664 USD; at 31/12/2015: 1 SAR = 0.2664 USD; at 31/12/2014: 1 SAR = 0.2662 USD.
Net incurred losses per class of business: 2014 - 2018

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property damage</td>
<td>106 746</td>
<td>-300 499</td>
<td>30 103</td>
<td>22 384</td>
<td>236 128</td>
<td>955.95%</td>
</tr>
<tr>
<td>Engineering</td>
<td>13 044</td>
<td>61 805</td>
<td>-6 926</td>
<td>-96 199</td>
<td>178 627</td>
<td>-285.87%</td>
</tr>
<tr>
<td>Motor</td>
<td>224 321 948</td>
<td>379 202 818</td>
<td>416 993 789</td>
<td>173 690 065</td>
<td>71 752 912</td>
<td>-58.65%</td>
</tr>
<tr>
<td>Health</td>
<td>21 412 862</td>
<td>14 945 573</td>
<td>15 873 444</td>
<td>20 978 904</td>
<td>38 963 028</td>
<td>85.91%</td>
</tr>
<tr>
<td>Others</td>
<td>927 441</td>
<td>1 819 512</td>
<td>-450 216</td>
<td>4 401 184</td>
<td>-3 319 639</td>
<td>-175.50%</td>
</tr>
<tr>
<td>Total</td>
<td>246 782 041</td>
<td>395 729 208</td>
<td>432 440 194</td>
<td>198 996 338</td>
<td>107 811 057</td>
<td>-45.77%</td>
</tr>
</tbody>
</table>

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Net loss ratio per class of business: 2014-2018

<table>
<thead>
<tr>
<th>Class of Business</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property damage</td>
<td>10.90%</td>
<td>-10.64%</td>
<td>4.35%</td>
<td>16.87%</td>
<td>41.12%</td>
</tr>
<tr>
<td>Engineering</td>
<td>1.27%</td>
<td>12.92%</td>
<td>-2.85%</td>
<td>-186.08%</td>
<td>-5161.54%</td>
</tr>
<tr>
<td>Motor</td>
<td>101.54%</td>
<td>89.26%</td>
<td>120.03%</td>
<td>96.21%</td>
<td>63.44%</td>
</tr>
<tr>
<td>Health</td>
<td>43.04%</td>
<td>56.74%</td>
<td>70.86%</td>
<td>69.86%</td>
<td>93.49%</td>
</tr>
<tr>
<td>Others</td>
<td>38.23%</td>
<td>44.43%</td>
<td>-5.26%</td>
<td>68.83%</td>
<td>-159.95%</td>
</tr>
<tr>
<td>Total</td>
<td>89.70%</td>
<td>86.30%</td>
<td>114.01%</td>
<td>91.64%</td>
<td>68.48%</td>
</tr>
</tbody>
</table>
Technical ratios: 2014-2018

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net loss ratio</td>
<td>89.70%</td>
<td>86.30%</td>
<td>114.01%</td>
<td>91.64%</td>
<td>68.48%</td>
</tr>
<tr>
<td>Net management expenses ratio</td>
<td>13.18%</td>
<td>18.99%</td>
<td>22.80%</td>
<td>32.77%</td>
<td>30.56%</td>
</tr>
<tr>
<td>Net combined ratio</td>
<td>102.88%</td>
<td>105.29%</td>
<td>136.81%</td>
<td>124.41%</td>
<td>99.04%</td>
</tr>
</tbody>
</table>

Evolution of ratios 2014-2018

Source: Malath Cooperative Insurance
Aviation loss experience

According to the 2020 AGCS Aviation Risk Report conducted by Allianz Global Corporate & Specialty, in association with Embry-Riddle Aeronautical University, aircrafts remain the safest means of transportation. This finding is not questioned by the latest setbacks of Boeing and the crashes of the 737 MAX of Lion Air in October 2018 and Ethiopian Airlines in March 2019.

Aviation losses : 2013-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of accidents</th>
<th>Number of deaths</th>
<th>Number of passengers (in millions)</th>
<th>Number of flights (in millions)</th>
<th>Passengers carried</th>
<th>Number of flights</th>
<th>Number of deaths</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>15</td>
<td>556</td>
<td>4.300</td>
<td>37.8</td>
<td>7 733 813</td>
<td>67 986</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>10</td>
<td>44</td>
<td>4.100</td>
<td>36.7</td>
<td>93 181 818</td>
<td>834 091</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>16</td>
<td>303</td>
<td>3.800</td>
<td>35.4</td>
<td>12 541 254</td>
<td>116 832</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>10</td>
<td>537</td>
<td>3.500</td>
<td>34</td>
<td>6 517 691</td>
<td>63 315</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>18</td>
<td>961</td>
<td>3.300</td>
<td>33</td>
<td>3 433 923</td>
<td>34 339</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>23</td>
<td>256</td>
<td>3.100</td>
<td>32</td>
<td>12 109 375</td>
<td>125 000</td>
<td></td>
</tr>
</tbody>
</table>

Despite a relatively low number of accidents, the year 2018 witnessed quite a heavy death toll, with 15 accidents reported during this year claiming the lives of 556 people. The 29 October 2018 Boeing 737 MAX crash of Lion Air, off the coast of Indonesia, alone, caused the disappearance of 189 passengers and crewmembers. This disaster came shortly after that of Boeing 737 of Cubana de Aviación in Cuba on 18 May 2018, leaving 112 people dead.
The human losses reported in 2018 stand among the highest in the 2013-2018 period, ranking just after those reported in 2014 with 961 deaths. Unlike 2014 and 2018, 2017 remains the safest ever reported by civil aviation. The ten claims sustained during this period had killed 44 people. With 39 deaths, the Turkish Airlines crash of 16 January remains the deadliest in 2017.

By way of other comparisons, the year 2017 accounts for 1 death per 93 million passengers carried and for 834,091 flights. 2018 accounted for 1 death for 7 million passengers and for 67,986 flights whereas in 2014, we reported 1 death for 3 million passengers and 34,339 flights.

Financial loss toll according to the origin of the claims: July 2013 - December 2018

Allianz survey shows that collisions and crashes account for 57% of aviation claims paid by insurers in the course of the 2013-2018 period. Manufacturing and maintenance defects account for just 12% of the amounts of claims for that period under study. The figures do not take into account the anomalies spotted recently in the Boeing 737 MAX and incidentally on the 737 NG. These latter are likely to cost insurers nearly 20 billion USD.

<table>
<thead>
<tr>
<th>Origin</th>
<th>Amount (in millions USD)</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collision/crash</td>
<td>9,291</td>
<td>57%</td>
</tr>
<tr>
<td>Manufacture defect/maintenance</td>
<td>1,956</td>
<td>12%</td>
</tr>
<tr>
<td>Machine breakdown</td>
<td>978</td>
<td>6%</td>
</tr>
<tr>
<td>In-flight problem (including loss of luggages and delays)</td>
<td>652</td>
<td>4%</td>
</tr>
<tr>
<td>Property damage (including handling and storage)</td>
<td>489</td>
<td>3%</td>
</tr>
<tr>
<td>Others</td>
<td>2,934</td>
<td>18%</td>
</tr>
<tr>
<td>Total</td>
<td>16,300</td>
<td>100%</td>
</tr>
</tbody>
</table>

Number of claim reports according to the origin of incident: July 2013 - December 2018

51,867 aviation claim reports were recorded between July 2013 and December 2018, totaling 16.3 billion USD in damages. Plane collision and crashes account for 27% of the number of claims, followed by manufacturing and maintenance defects with 19% of the overall compensation applications.

<table>
<thead>
<tr>
<th>Origin</th>
<th>Number of claims</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collision/crash</td>
<td>14,005</td>
<td>27%</td>
</tr>
<tr>
<td>Manufacture defect/maintenance</td>
<td>9,855</td>
<td>19%</td>
</tr>
<tr>
<td>Machine breakdown</td>
<td>7,261</td>
<td>14%</td>
</tr>
<tr>
<td>In-flight problem (including loss of luggages and delays)</td>
<td>2,593</td>
<td>5%</td>
</tr>
<tr>
<td>Property damage (including handling and storage)</td>
<td>1,556</td>
<td>3%</td>
</tr>
<tr>
<td>Others</td>
<td>16,597</td>
<td>32%</td>
</tr>
<tr>
<td>Total</td>
<td>51,867</td>
<td>100%</td>
</tr>
</tbody>
</table>
Main cause behind mortality

The 2020 aviation risk report compares the different causes of death worldwide. It found that travel by plane remains much safer than cars whereby other events that may endanger human lives.

Death likelihood based on causes of mortality

<table>
<thead>
<tr>
<th>Type of accident</th>
<th>Number of deaths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lightning</td>
<td>1/218 106</td>
</tr>
<tr>
<td>Plane crash</td>
<td>1/188 364</td>
</tr>
<tr>
<td>Dog attack</td>
<td>1/115 111</td>
</tr>
<tr>
<td>Gun attack</td>
<td>1/8 527</td>
</tr>
<tr>
<td>Bicycle accident</td>
<td>1/4 047</td>
</tr>
<tr>
<td>Car accident</td>
<td>1/103</td>
</tr>
</tbody>
</table>

The likelihood of death by plane crash is lower than that of a dog attack or a bicycle accident while death in car accidents remains the highest cause of mortality.

Plane hull loss rate by region

<table>
<thead>
<tr>
<th>Region</th>
<th>Rate 2018</th>
<th>Average annual rate 2013-2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>0</td>
<td>1.06</td>
</tr>
<tr>
<td>North and East Africa</td>
<td>0</td>
<td>0.72</td>
</tr>
<tr>
<td>North America</td>
<td>0.10</td>
<td>0.22</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>0.76</td>
<td>0.51</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>0.32</td>
<td>0.37</td>
</tr>
<tr>
<td>Commonwealth of Independent States (CIS)</td>
<td>1.19</td>
<td>1</td>
</tr>
<tr>
<td>Europe</td>
<td>0</td>
<td>0.14</td>
</tr>
</tbody>
</table>

The aircraft loss rate remains quite high in Africa. That is why many African airliners are denied flight outside their national or regional territory. That is, for instance, the case of the companies of the Democratic Republic of Congo, the Congo Republic, Angola, Zimbabwe, Sierra Leone, Nigeria, Sudan, Liberia, Libya,…

Top 5 risks of the aviation insurance market in 2019

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Risk</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Cyber-risks</td>
<td>43%</td>
</tr>
<tr>
<td>2</td>
<td>Business interruption</td>
<td>37%</td>
</tr>
<tr>
<td>3</td>
<td>Legislative and regulatory changes</td>
<td>36%</td>
</tr>
<tr>
<td>4</td>
<td>Market evolution</td>
<td>33%</td>
</tr>
<tr>
<td>5</td>
<td>Natural catastrophes</td>
<td>19%</td>
</tr>
</tbody>
</table>

According to Allianz 2019 risk barometer, cyber risks should be at the top of the concerns of the aviation insurance market. There is no doubt that the setbacks of the Boeing 737 MAX will impact this order in the years to come.
Air safety and insurance

The number of air crashes has diminished during the 2013-2018 period. However, these accidents proved to be even more costly to insurance companies. The increase in the amounts of air claims is accounted for by human error, rising repair costs and avian or land collision and cyber-attacks.

Human error

Improved air safety is the result of technical progress and improved quality control in the manufacture and maintenance of aircrafts. Despite this progress, human error will always be there as a major cause behind accidents. Pilot errors are generally associated with pilots conduct, their inadequate reactions to unexpected situations or even lack of training. It is estimated that 95% of aviation disasters are due to pilot errors.

Rising repair costs

It is true that over a long period of time, the number of air disasters is clearly declining. However, claim costs are now on a rising curve. The payments in damages and compensation made by insurers are getting higher and higher due to the rising repair cost and aircraft value. The design complexity, along with that of manufacture and technology, contribute to the increase in costs. The 2013 Boeing 787 Dreamliner accident, witnessing electrical problems related to Lithium-ion batteries, required huge reparation and compliance expenses.

Collisions

Collisions account for major causes of claims, with most of them attributed to birds that are aspirated by reactors or that crash into the aircraft windshield. Approximately 1000 compensation claims of this kind have been filed in the 2013-2018 period with damages amounting to 340 million USD. The average cost of such a claim amounts to nearly 360 000 USD, with some cases amounting to 16 million USD.

The economic toll of bird impact is estimated at 400 million USD per year in the United States and at 1.2 billion USD elsewhere. Land collisions are also considered as major aviation risk. The AGCS report finds that 470 ground track errors had cost 883 million USD in the 2013-2018 period.

Airport congestion

With the growing number of passengers and aircrafts, airports have become extremely saturated. This airport congestion has triggered an increase in the number of ground collision. These incidents generally originate from plane impact with towing machines, luggage tractors, forklifts or with clean-up and supply vehicles. Ground collisions are, according to this rationale, among the main insured risks, with the bill likely to amount to 1 billion USD for a major claim.

Cyber-attacks

Air transportation is not safe from hackers. A cyber-attack may trigger a failure of information system either on the ground or on board of planes. Such a threat may trigger:

- the outright disruption of airport operations,
- flight suspension,
- attack on operational softwares,
- material damage to aircrafts,…

According to the 2019 Allianz risk barometer, cyber-risks stand as the biggest threat to the aviation sector, topping the rankings of the concerns of air transportation professionals.

The number of air passengers is expected to double to attain 8 billion in 2037
The crisis of Boeing 737 MAX

The last two years have been particularly rough for Boeing. In five months, between October 2018 and March 2019, Boeing 737 MAX, had sustained two crashes. The manufacturer's disclosure of a design defect on this model was the first step towards descent into hell for Boeing whose ordeals are only starting. Following both crashes, all 737 MAX in operation, that is, 371 aircrafts, were grounded while thousands of flights were cancelled by airliners. Moreover, Boeing was compelled to suspend delivery of new aircrafts and to slow down production of the 737 MAX. It was later obliged to set aside 5.6 billion USD to compensate losses sustained by its customers.

A further difficulty is the discovery made in October 2019 regarding cracks to the pickle fork (1) of Next Generation Boeing 737. Consequently, fifty defective devices were grounded. By late September 2019, Boeing losses would amount to 8 billion USD, a figure that does not include the compensation fees disbursed to the victims' relatives, the fines levied, settlement of disputes and delayed deliveries. It is noteworthy that the aeronautic giant proposed the disbursement of 144 500 USD to each family of the 346 victims of both crashes.

Another setback to be added is when experts placed Boeing below standards in terms of protection against cyber-risks. Security failures were noted at the level of its construction sites, its networks and software. These failures are real menace for the clients as well as for civilian and military aircrafts.

Interruption of production of Boeing 737 MAX

Boeing’s crisis worsened following the announcement made on January 1, 2020, to shutdown of the production of 737 MAX for an undetermined period. The cost pertaining to the maintenance and storage of the grounded aircrafts since March 13, 2019 has considerably impacted the accounts of the manufacturer. In view of the lack of parking and maintenance area, priority goes to the delivery of the stored aircrafts and not to their manufacture.

Historic losses for Boeing

The crisis of the 737 MAX has heavily affected the 2019 balance accounts of the American manufacturer. For the first time since 1997, Boeing sustained a net loss. The latter amounted to 636 million USD in 2019 versus 10.1 billion USD in profits in 2018. With an order backlog of 5400 aircrafts, Boeing’s Commercial Aircraft Division has reported an operational loss worth 6.6 billion USD versus 8 billion USD in profits one year earlier. Following the injection of 9.2 billion USD earmarked to address the compensation of the airliners affected by the grounding of aircrafts and delivery delays, Boeing’s bill is now amounting to 18.4 billion USD. Boeing 737 MAX is now the biggest disaster in the history of civil aviation.

(1) Part that connects the wings to the fuselage.
Flashback

Insurance news, best of 2019

Atlas Magazine takes stock of the events which marked the past year. The retrospective reproduces, for this seventh edition, the articles and information published in the magazine and on the website (1). Click on event titles to access to the entirety of the content on the website www.atlas-mag.com.

Summary

Companies mentioned ................................................................. 15

Markets’ activity

Regulation/Legislation ................................................................. 16-17
Restrictions/New requirements .................................................... 17-18
Strategy ...................................................................................... 19

Companies’ activity

Creations/Acquisitions/Mergers .................................................... 20-21
Withdrawal of licenses/Sanctions .................................................. 22
Companies in difficulty ................................................................. 22
Restructuring/New brand/Cession ................................................ 23
Capital increase ........................................................................... 24
Strategy/Distribution .................................................................... 25-26

Insurance people

Reshuffle ...................................................................................... 27-28
Obituary ...................................................................................... 28

Losses

Natural catastrophes ..................................................................... 29
Technical and man-made catastrophes ........................................... 30
New risks/Innovation ..................................................................... 31
Miscellaneous ............................................................................. 32

Training and distinctions ............................................................. 33-34

Unusual news............................................................................... 35

(1) Articles are classified according to the date of their publication on Atlas Magazine website and not to their occurrence date.
### Companies mentioned

| A | Acacia Assurances, Cameroon | 20, 21, 26 |
|   | Activa Assurances, Cameroon | 20, 21, 26 |
|   | Active Assurances, France    | 22          |
|   | AG2R La Mondiale, France     | 20, 23      |
|   | AIA Group, Singapore         | 25          |
|   | AIG, United States           | 20, 21, 25, 26 |
|   | Allianz Africa, Africa       | 23, 24, 25, 27 |
|   | Allianz, Morocco             | 25          |
|   | Allianz, Germany             | 20, 21, 25, 26, 31 |
|   | AMAN, United Arab Emirates   | 25          |
|   | Amesa Assurance, Senegal     | 21          |
|   | Anbang Insurance, Japan      | 22          |
|   | Angore, Angola               | 21          |
|   | Aon, United Kingdom          | 25          |
|   | Arab Re, Lebanon             | 28          |
|   | Arig, Bahrain                | 22          |
|   | Assurances SALIM, Tunisia    | 23          |
|   | Atlantique Assurances, Cameroon | 26         |
|   | Atlantique Assurances, Côte d’Ivoire | 25 |
|   | Aviva, United Kingdom        | 23          |
|   | AXA, France                  | 22, 23, 25, 26, 31 |
|   | Axa Cooperative Insurance, Saudi Arabia | 24 |
|   | Axa Maroc, Morocco           | 24, 34      |
| B | Beassur, Morocco             | 21          |
|   | Belife Insurance, Côte d’Ivoire | 21         |
|   | Beneficial Life, Togo        | 23          |
|   | Berkshire Hathaway, United States | 20, 21, 35 |
|   | Britam Holdings, Kenya       | 20          |
| C | CAARAMA Assurance, Algeria   | 25, 26      |
|   | CAAT, Algeria                | 28          |
|   | Carte, Tunisia               | 16          |
|   | CASH Assurances, Algeria     | 26          |
|   | CCR Re, France               | 31          |
|   | Chanas assurances, Cameroon  | 28          |
|   | Chuub, United States         |              |
|   | CICA-RE, Togo                | 23, 24, 28, 33 |
|   | Cigna Life Insurance Company, United States | 20, 23 |
|   | Continental Re, Nigeria      | 20, 28      |
|   | Covéa, France                | 25          |
| D | Discovery, South Africa      | 28, 34      |
| F | Fidea NV, China              | 20          |
|   | Fidelity, United Arab Emirates| 20          |
| G | GAT Vie, Tunisia             | 28          |
|   | General Accident Insurance, Kenya | 21         |
|   | Generali, Italy              | 21, 26      |
|   | Great-West Lifecco, Canada   | 21          |
|   | GTAC2A-IARDT et Vie, Togo    | 23          |
|   | Guinea Insurance, Nigeria    | 24          |
|   | Gulf Union Cooperative Co., Saudi Arabia | 24 |
| H | Hannover ReTakaful, Bahrain  | 27          |
|   | Hiscox, United Kingdom       | 33          |
| I | ICI, United Arab Emirates    | 26          |
| J | Japan Post Insurance, Japan | 22          |
|   | JP Morgan, United States     | 20          |
| K | Kenya Re, Kenya              | 21          |
| L | La Bâloise Holding, Switzerland | 20         |
|   | LASACO Assurance, Nigeria    | 24          |
|   | Linkage Assurance, Nigeria   | 24          |
|   | Lloyd’s, United Kingdom      | 21, 35      |
|   | Lloyd Assurances, Tunisia    | 34          |
|   | Macir Vie, Algeria           | 25          |
|   | Mapfre Asistencia, Spain     | 23          |
|   | Marsh, United States         | 21          |
|   | Matmut, France               | 20, 23      |
|   | Mauritian Eagle Insurance, Mauritius | 23       |
|   | MetLife AIG ANB, Saudi Arabia | 21        |
|   | MetLife, United States       | 27          |
|   | MNA IARD, France             | 21, 22      |
|   | Munich Re, Germany           | 20, 31      |
|   | Mohandes Insurance, Egypt    | 34          |
|   | NEM Insurance, Ghana         | 20          |
|   | Nova Insurance Company, Uganda| 21          |
|   | NSIA, Côte d’Ivoire          | 24, 25, 28  |
|   | Ogar Assurance, Gabon        | 21          |
|   | Old Mutual, South Africa     | 32, 34      |
|   | Oman Re, Oman                | 33, 34      |
|   | Optimus, Côte d’Ivoire       | 26          |
|   | Phoenix Group Holdings, United Kingdom | 23 |
|   | Prudential Plc, South Africa | 21, 23      |
|   | Prudential, United Kingdom   | 23, 25      |
|   | Qatar Insurance, Qatar       | 34          |
|   | Qatar General Insurance, Qatar| 27          |
|   | Qatar Re, Bermuda            | 27          |
|   | Saham Assurance, Morocco     | 20, 24, 27  |
|   | Sanlam, South Africa         | 20, 21, 23  |
|   | Sarwa Capital, Egypt         | 20          |
|   | Sava Re, Slovenia            | 28          |
|   | SCG-Re, Gabon                | 28          |
|   | SCOR, France                 | 20, 21, 25, 26, 27, 31, 34 |
|   | Seguradoras Unidas, Portugal  | 21          |
|   | Sen Re, Senegal              | 28          |
|   | SFAM, France                 | 22          |
|   | Soras, Rwanda                | 20          |
|   | Sonas, DR Congo              | 33          |
|   | SUNU Group, Côte d’Ivoire    | 23, 26      |
|   | Swiss Re, Switzerland        | 20, 21, 23, 31 |
|   | Takaful International Company, Bahrain | 23 |
|   | Tesla, United States         | 26          |
|   | Tokio Marine Kiln Insurance (TMKI), United Kingdom | 23 |
|   | Trust Re, Bahrain            | 22, 25, 27, 28 |
|   | Turk Re, Turkey              | 21          |
|   | UAB, Burkina Faso            | 26          |
|   | United General Insurance, Egypt| 22          |
|   | United Insurance, United Arab Emirates | 20 |
|   | Wafa Assurance, Morocco      | 20, 21      |
|   | Waica Re, Sierra Leone       | 23, 24      |
|   | Wafa Cooperative Insurance, Saudi Arabia | 21, 24 |
|   | Wapic Insurance, Nigeria     | 24          |
|   | Willis Towers Watson, United Kingdom | 23, 25 |
|   | Zep Re, Kenya                | 27          |
|   | Zurich International Life, United States | 22 |
|   | Zurich Life, United States   | 22          |
|   | Zurich, Switzerland         | 21          |
## Markets’ activity

### Regulation/Legislation

<table>
<thead>
<tr>
<th>Month</th>
<th>Region</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>Africa</td>
<td>Share capital of insurance companies: compliance with CIMA standards</td>
</tr>
<tr>
<td></td>
<td>Egypt</td>
<td>21 licenses granted for issuing insurance online</td>
</tr>
<tr>
<td></td>
<td>Oman</td>
<td>New regulation for Takaful and health insurance in Oman</td>
</tr>
<tr>
<td>March</td>
<td>Kuwait</td>
<td>Mandatory insurance for visitors</td>
</tr>
<tr>
<td></td>
<td>Morocco</td>
<td>Natural catastrophes cover: adoption of the draft decree</td>
</tr>
<tr>
<td>May</td>
<td>China</td>
<td>The Chinese regulator to strengthen the prudential rules</td>
</tr>
<tr>
<td>June</td>
<td>Bahrain</td>
<td>Central Bank to issue a legislation on insurtechs</td>
</tr>
<tr>
<td></td>
<td>Morocco</td>
<td>ACAPS amends the Moroccan insurance regulation</td>
</tr>
<tr>
<td></td>
<td>Turkey</td>
<td>New regulatory measures to boost the Turkish insurance market</td>
</tr>
<tr>
<td>July</td>
<td>China</td>
<td>Tougher insurance regulation</td>
</tr>
<tr>
<td></td>
<td>Egypt</td>
<td>Finalisation of a new bill to regulate the insurance sector</td>
</tr>
</tbody>
</table>
| | Morocco | - Takaful insurance approved by the House of Representatives  
   - Parafiscal tax and natural disasters |
| February | Côte d’Ivoire | New decree on the issuance of professional cards |
| | Tunisia | The new insurance code |
| April | Qatar | Central Bank of Qatar issues a legislation for insurance intermediaries |
| July | Egypt | Finalisation of a new bill to regulate the insurance sector |
| | Morocco | - Takaful insurance approved by the House of Representatives  
   - Parafiscal tax and natural disasters |
## Regulation/Legislation

<table>
<thead>
<tr>
<th>October</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Africa</strong></td>
<td><strong>Philippines</strong></td>
</tr>
<tr>
<td>CIMA: regulation of takaful insurance</td>
<td>Insurance reform</td>
</tr>
<tr>
<td><strong>Saudi Arabia</strong></td>
<td></td>
</tr>
<tr>
<td>Regulation of online brokerage activity</td>
<td></td>
</tr>
<tr>
<td><strong>United Arab Emirates</strong></td>
<td></td>
</tr>
<tr>
<td>New regulation of life insurance and family takaful</td>
<td></td>
</tr>
<tr>
<td><strong>Tunisia</strong></td>
<td></td>
</tr>
<tr>
<td>Revision of motor insurance pricing</td>
<td></td>
</tr>
<tr>
<td><strong>Turkey</strong></td>
<td></td>
</tr>
<tr>
<td>Creation of an independent insurance supervisory body</td>
<td></td>
</tr>
</tbody>
</table>

## Restrictions/New requirements

<table>
<thead>
<tr>
<th>January</th>
<th>February</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Egypt</strong></td>
<td><strong>Africa</strong></td>
</tr>
<tr>
<td>Towards an increase in the minimum capital of Egyptian insurers and reinsurers</td>
<td>FANAF: CIMA zone insurers ordered to triple their size within 3 months</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>March</th>
<th>April</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Saudi Arabia</strong></td>
<td><strong>Saudi Arabia</strong></td>
</tr>
<tr>
<td>SAMA launches a resolution center to handle insurance complaints</td>
<td>Share capital increase for the Saudi insurance companies</td>
</tr>
</tbody>
</table>
## Flashback

<table>
<thead>
<tr>
<th>Month</th>
<th>Region/Country</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>May</strong></td>
<td>Nigeria</td>
<td>Capital increase for insurance and reinsurance companies</td>
</tr>
<tr>
<td></td>
<td>Republic of Congo</td>
<td>Consolidation of the Congolese insurance intermediary market</td>
</tr>
<tr>
<td><strong>July</strong></td>
<td>Myanmar</td>
<td>Three foreign insurers forced to cancel investments</td>
</tr>
<tr>
<td></td>
<td>Nigeria</td>
<td>Recapitalization of Nigerian insurers</td>
</tr>
<tr>
<td></td>
<td>Oman</td>
<td>Creation of an emergency fund for insurers</td>
</tr>
<tr>
<td></td>
<td>Zimbabwe</td>
<td>The Zambian regulator to impose a code of good practice on insurers</td>
</tr>
<tr>
<td><strong>November</strong></td>
<td>Nigeria</td>
<td>NAICOM approves the recapitalization plans of 44 Nigerian insurers</td>
</tr>
<tr>
<td><strong>December</strong></td>
<td>Zimbabwe</td>
<td>Minimum capital increase for insurance and reinsurance companies</td>
</tr>
</tbody>
</table>
### January
- **France**
  - Road safety in France: historical decrease of road mortality
- **Nigeria**
  - Digitalisation of marine insurance

### February
- **South Africa**
  - South Africa is combating fraud and abuse in insurance
- **Philippines**
  - Philippine insurers allowed to invest in infrastructure

### March
- **Vietnam**
  - Restructuring plan of the Vietnamese insurance market

### October
- **China**
  - China opens borders to foreign banks and insurance companies
- **United Arab Emirates**
  - Emiratisation of insurance
- **India**
  - Insurance advertising: stricter regulation
- **United Kingdom**
  - Brexit: an agreement can be reached

### November
- **Saudi Arabia**
  - Construction insurance to be launched
- **Ghana**
  - Introduction of a national agricultural insurance policy
- **India**
  - Insurance - Compensation process to become easier
- **Indonesia**
  - The Indonesian State is insuring its assets
- **Madagascar**
  - Madagascar to get insured against drought
- **Malta**
  - Malta, an alternative destination for UK insurers and reinsurers after Brexit

### December
- **Saudi Arabia**
  - Saudi insurance market: a 5% annual growth expected until 2024
- **Burma**
  - Eleven foreign companies licensed to operate in Burma
- **Lebanon**
  - Towards the creation of a regional insurance brokers' association
- **United Arab Emirates**
  - Significant drop in road deaths
**Companies’ activity**

**January**

**Cameroon**
Continental Re creates a reinsurance subsidiary in Douala

**China**
NWS Holdings acquires FTLife Insurance

**Ghana**
AFIG acquires 29.9% of the NEM Insurance

**India**
Allianz Global Corporate & Speciality opens a reinsurance branch in India

**Kenya**
AfricInvest increases its stake in Britam Holdings’ capital

**United Kingdom**
AIG purchases the British insurer Ellipse from Munich Re

---

**February**

**Asia**
Mergers and acquisitions increasing in Asia Pacific

**South Korea**
Creation of two new insurance companies and one reinsurer

**Egypt**
Sarwa Capital obtains two life and non-life insurance licenses

**Guinea**
Creation of a new agricultural insurance company

**Ireland**
Berkshire Hathaway Insurance Group obtains a license in Ireland

**Luxembourg**
Brexit: Swiss Re creates an entity in Luxembourg

**Rwanda**
Sanlam merges its two companies, Saham and Soras

---

**March**

**United Arab Emirates**
Merger between Fidelity and United Insurance forges a new identity

**United States**
Amazon, JPMorgan and Berkshire Hathaway outline the ambitions of their health insurance company Haven

**Democratic Republic of Congo**
Activa Assurances settles in the Democratic Republic of the Congo

---

**April**

**Bahrain**
Cigna Life Insurance Company settles in Bahrain

**Belgium**
La Bâloise Holding acquires Fidea NV

**Cameroon**
Wafa Assurance acquires a life and a non-life insurer in Cameroon

**Côte d’Ivoire**
Activa Assurances settles in Côte d’Ivoire

**France**
Merger between Global Life and SCOR Global P&C

**Democratic Republic of Congo**
Four insurance companies authorized to practice in the D R of Congo
### Creations/Acquisitions/Mergers

**May**
- **Australia**
  - Zurich completes the acquisition of OnePath Life
- **Angola**
  - AngoRe: creation of a national reinsurer
- **Morocco**
  - Marsh shareholder of Beassur
- **United Kingdom**
  - Allianz to consolidate its presence in the UK

**July**
- **Côte d’Ivoire**
  - Prudential Plc to acquire Belife Insurance
  - Swiss Re to settle in Abidjan
- **Egypt**
  - Wafa Assurance, creation of a subsidiary
- **Spain**
  - Berkshire Hathaway Specialty Insurance to open an office in Madrid
- **Gabon**
  - Amsa Assurance to become a shareholder of Ogar Assurance
- **Nigeria**
  - Launching of two new takaful insurance companies
- **Uganda**
  - Kenya Re to open a new subsidiary
- **Portugal**
  - Generali to acquire Seguradoras Unidas and AdvanceCare
- **United Kingdom**
  - Scor to finalise the acquisition of Coriolis
- **Tunisia**
  - Carte Group to take control of 39% of UBCI’s capital

**June**
- **United States**
  - Creation of AIG Re
- **France**
  - Berkshire Hathaway Specialty Insurance to settle in Paris
- **Iraq**
  - Creation of a Takaful insurance company
- **Morocco**
  - Sanlam creates Sanlam Takaful

**October**
- **Saudi Arabia**
  - Merger between MetLife AIG and Walaa
- **United States**
  - AIG settles in the Lloyd’s
- **Turkey**
  - Creation of Turk Re, a State-owned reinsurer

**November**
- **Africa**
  - Activa’s network is expanding
- **China**
  - Allianz, first 100% foreign-owned insurance company in China
- **Italy**
  - "Arte Generali", a new entity dedicated to works of art
- **Uganda**
  - General Accident Insurance to acquire Nova Insurance Company

**December**
- **Canada**
  - Great-West Lifeco to merge its brands
### Withdrawal of licenses/ Sanctions

**April**
- **Azerbaijan**
  - AXA MBask Insurance closes its activities in Azerbaijan
- **United States**
  - Zurich Life and Zurich International Life to pay a penalty in the United States for tax evasion
- **Kuwait**
  - Kuwaiti authorities suspend the activities of 12 insurers

**May**
- **France**
  - The insurer MMA IARD penalized for late payment
- **India**
  - The license of ITI Re cancelled
- **Kuwait**
  - Suspension lifted for three insurers

**June**
- **France**
  - Heavy fine for the insurer SFAM

**July**
- **France**
  - CNIL to impose a fine of 200 000 USD on Active Assurances
- **United Kingdom**
  - Abusive sale of credit insurance

**October**
- **Egypt**
  - Withdrawal of United General Insurance’s license

**December**
- **Saudi Arabia**
  - Suspension of four underwriting agencies

### Companies in difficulty

**May**
- **Bahrain**
  - Arig’s cessation of activity, directives of the Central Bank

**July**
- **Bahrain**
  - Nest Investments Holdings to inject 130 million USD into Trust Re
- **Japan**
  - Anbang Insurance to sell its Japanese property portfolio
  - Japan Post Insurance facing a scandal
## Restructuring/New brand/Cession

### February
- **Bahrain**
  - Takaful International Company launches a new logo
- **Mauritius**
  - Gras Savoye Brokers and Consultants becomes Willis Towers Watson
- **World**
  - AXA XL: reorganization project
- **Togo**
  - Revision of CICA-Re’s legal cession

### March
- **South Africa**
  - Sanlam Emerging Markets becomes Sanlam Pan Africa (SPA)
- **Togo**
  - Rebranding of GTAC2A-IARDT and GTAC2A-Vie

### April
- **Africa**
  - Allianz Africa cedes a number of its subsidiaries to SUNU group

### June
- **Mauritius**
  - Mauritian Eagle Insurance changes its name and visual identity
- **United Kingdom**
  - Reorganization of Tokio Marine Kiln Insurance (TMKI)
  - Aviva: reform and new structure

### July
- **Morocco**
  - Restructuring of the Moroccan group
  - Holmarcom’s Finance pole
- **United Kingdom**
  - Prudential split into two entities
- **Sierra Leone**
  - Birth of Waica Re Group

### October
- **France**
  - Mapfre Asistencia to cease its operations
- **World**
  - AXA: Towards a divestment of business in Central Europe

### December
- **United States**
  - Cigna sells its life and group benefits business
- **United Kingdom**
  - Swiss Re cedes ReAssure Group to Phoenix Group Holdings
- **Togo**
  - Beneficial Life becomes Prudential
  - Beneficial Life Insurance
- **China**
  - Aviva leaves Hong Kong
- **United States**
  - AXA to cede its life insurance activities in the United States
- **Tunisia**
  - Rebranding: Assurances SALIM becomes BH Assurance
### Flashback

#### Capital increase

<table>
<thead>
<tr>
<th>Month</th>
<th>Location</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>Saudi Arabia</td>
<td>Gulf Union Cooperative Company increases its share capital</td>
</tr>
<tr>
<td>May</td>
<td>Nigeria</td>
<td>Wapic Insurance: share capital increase</td>
</tr>
<tr>
<td>May</td>
<td>Cameroun</td>
<td>Saham Life Insurance increases its capital</td>
</tr>
<tr>
<td>May</td>
<td>Saudi Arabia</td>
<td>Walaa Insurance to increase its capital</td>
</tr>
<tr>
<td>May</td>
<td>Niger</td>
<td>Saham Assurance Niger: capital increase</td>
</tr>
<tr>
<td>May</td>
<td>Togo</td>
<td>CICA-RE: capital increase</td>
</tr>
<tr>
<td>July</td>
<td>Cameroon</td>
<td>AREA: capital increase to 5 billion FCFA</td>
</tr>
<tr>
<td>July</td>
<td>Morocco</td>
<td>Axa Maroc to increase its capital</td>
</tr>
<tr>
<td>July</td>
<td>Morocco</td>
<td>Axa Maroc to increase its capital by 1 billion FCFA</td>
</tr>
<tr>
<td>July</td>
<td>Sierra Leone</td>
<td>Waica Re: capital increase</td>
</tr>
<tr>
<td>October</td>
<td>Egypt</td>
<td>Eight Egyptian insurers witness capital increase</td>
</tr>
<tr>
<td>October</td>
<td>Nigeria</td>
<td>- Linkage Assurance to increase its capital</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- LASACO Assurance to increase its capital</td>
</tr>
<tr>
<td>December</td>
<td>Africa</td>
<td>NSIA’s subsidiaries to comply with the new requirements of the CIMA zone</td>
</tr>
<tr>
<td>December</td>
<td>Saudi Arabia</td>
<td>Axa Cooperative Insurance Company capital increase</td>
</tr>
<tr>
<td>December</td>
<td>Nigeria</td>
<td>Guinea Insurance: share capital increase</td>
</tr>
</tbody>
</table>

*Photo credit: Tumisu - pixabay*
### Strategy/Distribution

**January**

**Algeria**
Macir Vie and SantéDom launch a home care service

**France**
Know you can, the new brand signature of AXA group

**Ireland**
Brexit: Axa will transfer part of its activities to Ireland

**Morocco**
Allianz invests in the sector of electric vehicles in Morocco

**Singapore**
AIA Group launches its coverage of mental deceases in Singapore

**February**

**Africa**
British insurer Prudential to continue its expansion in Africa

**South Africa**
Discovery launches banking business

**Germany**
Allianz increases the funds dedicated to digital investment

**United Arab Emirates**
American International Group expands its activity in the Middle East

**France**
Rising tension between SCOR and Covéa

**Guinea**
NSIA Assurance Guinée launches a motor assistance service

**Nigeria**
NSIA Insurance launches a new health insurance product

**March**

**Côte d’Ivoire**
Allianz opens a new hub in Africa

**World**
Aon abandons its merger plan with Willis Towers Watson

**April**

**Cameroon**
Atlantique Assurances Cameroun embarks on low-cost insurance

**United Arab Emirates**
AMAN sets up a five-year plan and elects a new board of directors

**May**

**Algeria**
CAARAMA Assurance launches «Sihati»

**Côte d’Ivoire**
Atlantique Assurances launches a new product for cotton producers

**June**

**Bahrain**
Trust Insurance Management to launch new cyber products
Flashback

Strategy/Distribution

July

Brazil
Allianz to continue its external growth strategy

United States
Californian insurers no longer willing to underwrite natural disaster risks

France
- SCOR launches Quantum Leap, its seventh strategic plan
- Allianz Assistance: two helpline services available to the elderly

Italy
Generali’s encouraging beginnings of the three-year plan

World
AXA to open medical centres in emerging countries

October

Algeria
Caarama on the rise

China
Chubb consolidates its activities in China

Côte d’Ivoire
SUNU Assurance to launch a new product

United Arab Emirates
Business agreement between IGI and Tiberius Acquisition Corp

World
AXA: A geographic refocusing strategy

November

Africa
Activa’s network is expanding

Algeria
CASH Assurances: new products

Côte d’Ivoire
Optimus launches three insurance packs

United Arab Emirates
Non-renewal of comprehensive motor insurance for high-risk customers

France
AIG launches CLIC! By AIG

Ghana
Activa International Insurance to launch an insurance program for women

World
- Allianz and Microsoft: strategic cooperation
- AXA XL to launch an innovation incubator

Photo credit: Randy Fath - Unsplash
### Insurance people

#### January

**Burkina Faso**
Retirement of Soumaïla Sorgho, general manager of UAB

**United States**
Michel Khalaf, new president and CEO of MetLife

**Morocco**
Appointment of Mohamed Afifi as general manager of Saham Assurance

**Senegal**
Adja Samb, new CEO of Allianz Senegal

**Togo**
Simon Pierre Gouem general manager of Saham Assurances Togo

#### February

**France**
Appointment of Jean-Paul Conoscente CEO of SCOR Global P&C

#### March

**Kenya**
Thierry Ravoaja quits Zep Re

**Qatar**
Hassan Ahmed Hassan Al Efrangi, new CEO of Qatar General Insurance

#### April

**Bahrain**
Talal Al Zain appointed group CEO of Trust Re

**Ghana**
Allianz Life Ghana: Gideon Ataraire appointed general manager

#### May

**Bermuda**
Michael van der Straaten to head Qatar Re

#### June

**Africa**
Delphine Maidou Traoré, new President of the African Insurance Organisation (AIO)

**Bahrain**
Adham El-Muezzin Managing Director of Hannover Re Takaful

**Morocco**
Abderrahim Chaffai at the head of Morocco’s compensation scheme for catastrophic events

Photo credit: IADE-Michoko - pixabay
## Reshuffle

<table>
<thead>
<tr>
<th>July</th>
<th>November</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bahrain</strong></td>
<td><strong>Gabon</strong></td>
</tr>
<tr>
<td>Trust Re, a new executive management team</td>
<td>César Ekomie-Afene, leads NSIA Assurance and NSIA Vie Gabon</td>
</tr>
<tr>
<td><strong>Côte d'Ivoire</strong></td>
<td><strong>Senegal</strong></td>
</tr>
<tr>
<td>Ibrahima Ndoye quits Continental Re</td>
<td>Adama Ndiaye, new general manager of Sen Re</td>
</tr>
<tr>
<td><strong>Lebanon</strong></td>
<td><strong>Tunisia</strong></td>
</tr>
<tr>
<td>Hussein Abdel Karim Mallouk new general manager of Arab Re</td>
<td>Meriem Zine new general manager of GAT Vie</td>
</tr>
<tr>
<td><strong>Tunisia</strong></td>
<td><strong>United States</strong></td>
</tr>
<tr>
<td>César Ekomie-Afene, leads NSIA Assurance and NSIA Vie Gabon</td>
<td>AIG: Peter S. Zaffino, new President</td>
</tr>
</tbody>
</table>

## Obituary

<table>
<thead>
<tr>
<th>January</th>
<th>July</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cameroon</strong></td>
<td><strong>Middle East</strong></td>
<td><strong>Algeria</strong></td>
</tr>
<tr>
<td>Death of Jacqueline Casalegno, founder of Chanas Assurances</td>
<td>Death of Wael Khatib - Lockton MENA</td>
<td>Abdelkrim Djafri former chief executive officer of CAAT passed away</td>
</tr>
<tr>
<td><strong>Gabon</strong></td>
<td><strong>Tunisia</strong></td>
<td></td>
</tr>
<tr>
<td>Death of Edouard-Pierre Valentin, Chairman of SCG-Ré</td>
<td>Death of Rachid Ben Yedder, founder of Amen Group</td>
<td></td>
</tr>
<tr>
<td><strong>Tunisia</strong></td>
<td><strong>December</strong></td>
<td></td>
</tr>
<tr>
<td>Death of Rachid Ben Yedder, founder of Amen Group</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Natural catastrophes

January
United States
An extreme cold wave invades the United States

March
Africa
- Floods devastating Mozambique and Malawi
- Cyclone Idai: already 700 fatalities reported and a high risk of epidemics
Canada
The Canadian winter burdens the insurers
Iran
Devastating floods

April
South Africa
Floods in South Africa: the toll gets heavier
Mozambique
Kenneth the second cyclone that ravages Mozambique

May
Tunisia
Crop fires

June
China
A second earthquake hits China in less than a week time
Japan
An earthquake hits Northwestern Japan

July
Algeria
Agricultural land fires in Algeria: 22.52 million USD of insurable damages
United States
Hurricane Dorian likely to cost insurers 25 billion USD
Japan
How much will Typhoon Faxai cost to insurers?

October
Japan
Typhoon Hagibis, a catastrophic toll

November
France
Floods: major damage in Southeastern France
## Technical and man-made catastrophes

<table>
<thead>
<tr>
<th>Month</th>
<th>Event</th>
<th>Location</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>January</strong></td>
<td><strong>Brazil</strong></td>
<td></td>
<td>Collapse of a mining dam</td>
</tr>
<tr>
<td></td>
<td><strong>Tunisia</strong></td>
<td></td>
<td>Collision of Tunisian and Cypriot ships: the responsibility is shared</td>
</tr>
<tr>
<td><strong>April</strong></td>
<td><strong>France</strong></td>
<td></td>
<td>Notre Dame Cathedral in Paris burst into flames</td>
</tr>
<tr>
<td></td>
<td><strong>Russia</strong></td>
<td></td>
<td>Russian aircraft fire causes 41 fatalities</td>
</tr>
<tr>
<td><strong>March</strong></td>
<td><strong>Ethiopia</strong></td>
<td></td>
<td>An Ethiopian Airlines Boeing 737 crashes shortly after takeoff</td>
</tr>
<tr>
<td></td>
<td><strong>France</strong></td>
<td></td>
<td>Shipwreck of Grande America, Italian cargo ship</td>
</tr>
<tr>
<td><strong>May</strong></td>
<td><strong>France</strong></td>
<td></td>
<td>The yellow vests cost 245.9 million USD to insurers</td>
</tr>
<tr>
<td></td>
<td><strong>Algeria</strong></td>
<td></td>
<td>Fire in a petrochemical area</td>
</tr>
<tr>
<td></td>
<td><strong>World</strong></td>
<td></td>
<td>737 Max case: Boeing’s on-going woes</td>
</tr>
</tbody>
</table>

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**Atlas e-learning**

Atlas Technology Solutions

[www.group-atlas.com/ats/en](http://www.group-atlas.com/ats/en)
New risks/Innovation

January

World
Allianz Risk Barometer 2019: cyber-risks are the first threat to companies

February

France
Piracy of bank cards on French websites

March

World
CCR Re launches 157 Re, the first sidecar domiciled in France

April

United States
Tesla to launch self-driving robo-taxis

World
Axa and Scor firmly commit to environment

Turkey
Allianz to set up earthquake lab in Turkey

May

United Arab Emirates
Autonomous vehicles will represent 25% of Dubai’s fleet

World
- Health insurance and artificial intelligence
- Coverage against emerging risks deemed inadequate

June

Germany
Munich Re invests in cyber-risk coverage

World
Luko sets up a home insurance based on satellite imagery

July

France
Air France delays will henceforth be insured

World
- Capital One victim of computer hacking
- Tesla to launch a motor insurance product

Switzerland
Swiss Re to focus on artificial intelligence

October

France
Allianz Travel and Air France to offer medical teleconsultation to their customers

World
First insurance guide to protect UNESCO world heritage sites

December

World
The electronic cigarette on the insurers’ radar
**March**

**Saudi Arabia**
70,000 women obtained a driving licence

**April**

**United States**
Huge scam to health insurance

**July**

**South Africa**
Old Mutual to use drones to assess motor risks

**Egypt**
New insurance pool for natural disasters

**World**
Loss of Emirati FalconEye1 satellite and Vega rocket will cost a great deal to insurers

**Turkey**
The number of Earthquake-resistant structures on the rise

**November**

**United States**
Google embarks on digital health business via Fitbit acquisition

**France**
Lower motor premium for dashcam users

**October**

**Inde**
Road safety, 133 users of two-wheelers die every day

**World**
Cryptocurrency: PayPal to withdraw from Facebook’s Libra project

**Tunisia**
The Tunisian agricultural damage compensation fund to begin operations

**December**

**Japan**
Bicycle insurance mandatory in several Japanese prefectural governments
Training and distinctions

February
Tunisia
Training in agricultural insurance

April
Côte d’Ivoire
I.S.M-Cameroun organises a training on marine insurance
France
Hiscox provides a cyber security training to its insured
Morocco
Morocco launches a new degree program in insurance techniques and consultancy

May
Ethiopia
Oman Re organizes a reinsurance workshop in Addis Ababa

June
Côte d’Ivoire
CICA-RE: training on the coverage of terrorism risk

July
Egypt
The Insurance Institute of Egypt to expand its activities

October
DR Congo
SONAS training workshop

December
Jordan
Jordan Insurance Federation (JIF): free training for staff
Distinctions

January
Qatar
Qatar Insurance, best motor insurance company of the MENA area in 2018

South Africa
Discovery and Old Mutual amongst the world’s top 100 brands

Oman
Oman Re rewarded during Business Vision Award’s 8th edition

June
Africa

Egypt
Mohandes Insurance: Insurance Company of the Year

July
Ghana
Solomon Lartey, “Best General Insurance CEO of the year 2019”

October
United States
SCOR named “North America Reinsurer of the Year”

November
Morocco
AXA Assurance Maroc, “Elected Customer Service of the Year 2020”

December
World
Actuarial Awards 2019, SCOR rewards the winners

Tunisia
Rapid compensation of motor claims: Lloyd Assurances ranks first on the market
## Unusual News

### January

**United States**
- Boeing’s first autonomous flying car takes off
- New York insurers entitled to access customer’s privacy on social networks

### May

**Indonesia**
Indonesian company exchanges waste for health insurance

### July

**Egypt**
The Egyptian authorities to impose divorce insurance

**United States**
Berkshire Hathaway in the face of a cash build up

**United Kingdom**
- Lloyd’s of London to clean up its staff members
- AI: Cyber criminals reproduce a chairman’s voice and steal 244,000 USD

### October

**France**
Medical risk: record conviction for a general practitioner

**United Kingdom**
Driverless cars on British roads

### November

**France**
Motor insurance: women are victims of gender parity

**United Kingdom**
Uber: Unlicensed and uninsured drivers carrying passengers in London

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**ARC**

Atlas Reinsurance Consultants
Reinsurance broker

www.group-atlas.com/arc
**Burkina Faso**

Allianz Burkina renamed SUNU Assurances

Purchased in April 2019 by SUNU, Allianz Burkina Assurances has recently been renamed SUNU Assurances IARD Burkina Faso. This rebranding was made official at a ceremony held on 10 January 2020 in Ouagadougou.

In all, SUNU Assurances has completed the acquisition of five subsidiaries of Allianz in West Africa namely in Benin, Burkina Faso, Central African Republic, Mali and Togo.

**Cameroun**

VAT on life insurance contracts

The Cameroonian government has abandoned the introduction of the Value Added Tax (VAT) applied to life insurance contracts. Indeed, the Ministry of Finance’s circular on 2020 financial guidelines has removed VAT for life insurance contracts and commissions with a view to promoting savings.

As a reminder, the Ministry of Finance had introduced, in the Finance Act 2019, a VAT of 19.25% on life insurance contracts. The tax was never applied because of the insurers’ protest.

**Gabon**

SCG-Re: Death of Nestor Yannick Digoba, reinsurance underwriter

Nestor Yannick Digoba, Underwriter in charge of the local market and the special risks within the Technical and Marketing Department of the Commerciale Gabonaise de Réassurance (SCG Ré) passed away on Friday 17 January 2020 in Libreville, Gabon.

N. Diogba held a degree in banking and insurance from the Kaiserslautern University of Applied Sciences in Germany. He joined the Gabonese reinsurance company in 2017.

**Kenya**

MUA to acquire SAHAM Insurance Kenya

The Mauritius Union Assurance Company (MUA) is about to acquire 100% of SAHAM Insurance Kenya. This merger is part of the Mauritian insurer’s three-year strategic plan “MUA Ambition 2020”.

Through this acquisition, MUA intends to strengthen its presence in East Africa and particularly in Kenya. The group already has branches in Seychelles, Kenya, Tanzania, Uganda and Rwanda.

**New motor insurance application**

Kenya’s first digital motor insurer, Griffing Insurance, has launched a new mobile application which facilitates the management of insurance policies. The latter provides for the immediate risk underwriting and the reduction of claims processing deadline from 30 days to one week. The customer can also pay the premium in instalments or pause his motor insurance policy in case of travelling abroad.

**Namibia**

Legal cession: Namibian insurers required to comply with the law

In Namibia, legal cession is a matter of conflict between insurers and the regulator. At the end of 2017, the Ministry of Finance introduced a law binding any insurance company to cede 20% to NamibRe on any reinsurance treaty and 12.5% on any underwriting above 100 000 NAD (6 890 USD).

Since this measure has come into effect in June 2018, several insurers have notified the ministry of their reluctance to comply with it. The companies believe that the authorities must not force them to deal with NamibRe.

The Supreme Court is calling on insurers to comply with the legislation reiterating that the regulation is fully applicable. It therefore calls on the Ministry of Finance to take all necessary measures to enforce the law.
**Nigeria**

**Deadline extension of capital increase for Nigerian insurers**

After the Progressive Shareholders Association of Nigeria and the Constance Shareholders Association of Nigeria have put pressure on the NAICOM, the supervisory authority has decided to extend by six months the deadline for increasing the paid-up capital of Nigerian insurance companies. The new deadline is therefore set to December 31st, 2020 instead of June 30th, 2020. This extension shall be beneficial for the companies facing difficulties to raise a capital. Microinsurance and takaful activities are not subject to this minimum paid-up capital requirement.

**South Africa**

**Old Mutual ready to invest 8 billion USD in sustainable development**

Old Mutual plans to invest 8.3 billion USD in sustainable development as announced by the group’s executives at the last annual meeting of the World Economic Forum (WEF) in Davos, Switzerland. For Iain Williamson, interim CEO, a sustainable development strategy requires a public-private partnership to deal with climate change. The preservation of natural resources also requires the establishment of a sustainable energy policy. The Davos meeting held from 21 to 24 January 2020, brought together more than 3,000 participants from around the world, including 50 South Africans.

**Togo**

**CICA-Re: increasing 2019 turnover**

According to Jean Baptiste Kouamé, general manager, the Compagnie Commune Africaine de Réassurance (CICA-Re) ended the year 2019 with a turnover of 65 billion FCFA (110.9 million USD) that is 2 billion FCFA (3.41 million USD) more than the initial forecast. Since 1 January 2020, CICA-Re has benefited from a 5% mandatory legal cession on all direct business of CIMA’s insurance companies. This cession could bring the company’s turnover to 110 billion FCFA (187.7 million USD) by the end of 2020.

**Ogar Assurances ceases its operations**

Ogar Assurances quits West Africa after the closure of its subsidiary in Togo. As a reminder, the regional insurance control commission (CRCA), regulator of the Inter-African Conference of Insurance Markets (CIMA), withdrew the insurer’s license in December 2019.

**Zimbabwe**

**Natural catastrophes: a coverage for the most vulnerable populations**

Zimbabwe has signed an agreement with the African Risk Capacity (ARC) and the World Food Programme (WFP) to get insured against natural catastrophes risks. Premiums paid by WFP and the State of Zimbabwe amount to 200,000 USD and 1 million USD respectively, that is a total of 1.2 million USD.

This project could entitle maximum compensation of 6.3 million USD to be paid to populations most exposed to natural events such as drought and floods. Zimbabwe was hit in 2019 by Tropical Cyclone Idai, which affected nearly 270,000 people.
China
Life insurance: better conditions for foreign investors
In order to boost the Chinese life insurance market, the Chinese Insurance Regulatory Commission (CBIRC) is making a number of regulatory changes. First, as of January 1st, 2020, foreigners are able to own 100% of a local life insurance company. Second, the 30 years of insurance experience barrier and the requirement to have a representative office in China for at least two years before taking a stake in a local company are lifted. Despite these measures, the procedure for obtaining a license or approval is still relatively time-consuming. Indeed, it takes 12 months for the issuance of the preliminary license (1st stage) and the operational license (2nd stage) to be ready. In addition, every life insurer is required to obtain a licence for each office established in a province. In 2018, 28 foreign insurers in the Chinese life business controlled an 8.1% share of the same market.

India
Loss prevention in India: IRDAI calls on market expertise
The Indian regulatory authority (IRDAI) is setting up a working group dedicated to improving disaster prevention. This group, headed by T Lakshmanachari Alamelu, CEO of United India Insurance, includes representatives of public and private insurance companies and associations. The panel’s aim is to suggest effective solutions limiting economic and insurance claims losses. This collaboration should also allow a firm grasp of risk prevention. The report is expected within three months.

Japan
New system for the assessment of flood risk
The non-life insurer Rakuten General Insurance is implementing a new system that calculates flood insurance premiums based on the probability of risk occurrence for each insured. This new cover will come into effect in April 2020 and could quickly spread to other local insurers. The proposed offer is included in the fire insurance policy underwritten by the insured for his home. Rakuten General Insurance has identified four categories of flood risk namely A, B, C or D. Category A is the least exposed to flood risk (houses located on a hill). Category D, having the highest risk, applies to residences along lowland river.

Japan to reduce Motor Third Party Liability premiums
The Japanese Financial Regulatory Authority (FSA) shall reduce the compulsory motor third party liability tariffs. This decision, effective in April 2020, derives from the decline in the number of road accidents. The use of increasingly safer vehicles explains the downward trend in motor claims in Japan. According to some sources, the drop in premiums could reach 16%. The Japanese government is to publish the exact rate at the end of January. Mandatory motor third party liability insurance, which on average amounted to 6 to 7%, has already known a decrease in 2017.

Philippines
Philippino insurers against capital increase
Life and non-life insurers’ associations are pressuring the market regulator to keep the companies’ share capital at 900 million PHP (17.2 million USD). Under the new legislation, the latter is expected to reach 1 billion PHP (19.1 million USD) for new companies wishing to enter the market while that of existing companies would increase to 1.3 billion PHP (24.9 million USD) in 2022. For the market professionals, companies are sufficiently capitalized and do not need more funds to operate. Instead of increasing the capital, insurers would like to invest more funds in the digitalization of their insurance processes.
Algeria

CNMA: 2019 turnover
According to its general manager, Cherif Benhabilès, the Caisse Nationale de Mutualité Agricole (CNMA) reported a turnover of nearly 15 billion DZD (125 million USD) by the end of 2019. This result is accounted for by the increasing number of underwritten contracts. Agricultural risks stand for 40% of the 2019’s turnover. The amount of indemnities is estimated at around 9 billion DZD (75.205 million USD) for the same year.

Decreasing road accidents in 2019
According to figures provided by the National Delegation for Road Safety, the number of road accidents amounted to 22,507 in 2019, down 2.1% compared to 2018. These accidents claimed the lives of 3,270 people and injured 31,010 others with deaths falling by 1.06% and the injured by 4.79%. As a reminder, traffic accidents caused the death of 4,600 people in 2015. Since then, the death toll has been declining.

Morocco

Moroccan insurance market: 2019 results’ forecast
The insurance market professionals expect a solid growth in 2019. This conclusion reflects the figures ending June 30, 2019 and the forecasts based on the companies’ performance during the second half of the year. According to forecasts, the market would report a turnover of 45 billion MAD (4.6 billion USD) in 2019. Click to read more: https://www.atlas-mag.net/en/article/moroccan-insurance-market-2019-results-forecast

Tunisia

BH Assurance: good performance in 2019
According to the preliminary figures published by BH Assurance (unaudited figures), the total written premiums amounted to 116.6 million TND (41.619 million USD) by the end of December 2019, up 14% compared to 2018. It is non-life insurance which accounted for this growth with an increase of 21% in one year: 74.2 million TND (26.484 million USD) at December 31, 2019 compared to 71.5 million TND (20.432 million USD) one year before. Health insurance ranked first with 32.469 million TND (11.589 million USD) of premiums, rising by 42% in one year. For its part, life insurance recorded growing contributions by 4% to 24.4 million TND (15.134 million USD), in comparison with 20.6 million TND (13.488 million USD) one year earlier. The incurred losses, all classes of business together, sharply improved to 53.1 million TND (18.953 million USD) in 2019 against 54.5 million TND (18.106 million USD) twelve months earlier, that is a decrease of 3%.

Tunis Re: excellent results 2019
According to the preliminary figures published by Tunis Re, the total written premiums amounted to 157.956 million TND (56.380 million USD) in 2019 that is an increase of 11% compared to 2018. The reinsurer thus has achieved 97% of its initial target turnover for 2019. The incurred losses sharply improved from 124.552 million TND (44.457 million USD) in 2018 down to 86.240 million TND (30.782 million USD) 12 months later, a 31% decrease in one year. The financial income grew by 12% at 24.453 million TND (8.728 million USD) by the end of December 2019 against 21.843 million TND (7.257 million USD) one year before. Non-life reinsurance accounted for 83% of the 2019 premiums with fire representing 37% of the portfolio followed by marine, miscellaneous accident and retakaful business. The latter reported an increase of 23% in one year.
Egypt
Creation of an Egyptian risk management department
The Egyptian Insurance Federation (EIFE) is setting up a risk management department which aims at supporting the insurers. The department will bring its technical expertise to all local companies, particularly during the renewal of reinsurance treaties. It may also help Egyptian insurers to obtain a rating from an international agency.
According to the President of IFE, Alaa El-Zohiry, the creation of this department goes hand in hand with the Financial Authority’s (FRA) will to implement this concept within the Egyptian insurance market.

Jordan
Draft law to regulate the Jordanian insurance sector
A new bill has been approved by the Parliamentary Committee for Economy and Investment. The text targets a better organization of the Jordanian insurance market.
Once the draft has been adopted and published in the official gazette, the Central Bank of Jordan shall replace the Ministry of Industry, Trade and Supply in the supervision of the sector.
According to Khair Abu Sallik, chairman of the committee, this will strengthen the role of the Central Bank in the good governance and supervision of insurance companies. The measures introduced include the regulation of takaful insurance and the creation of a fund for road accidents. The new legal text also requires insurers to establish a support fund for insurance companies facing difficulties. Each insurer should thus deposit an amount of 1.4 million USD to the regulator.

Oman
Takaful insurance : finalization of the legislations
The Omani market regulator (CMA) has published the texts regulating Takaful insurance. All companies operating in this segment have six months from December 23rd, 2019 to comply with the new provisions. The new regulations require the establishment of a Sharia Supervisory Committee within each Takaful company. The selection of the committee members is subject to the approval of the Supreme Sharia Supervisory Committee (SSC) monitored by the CMA.

The insurer must also use an external Sharia supervisor (auditor) at the end of each financial year to certify the compliance of its practices. Takaful insurance generated 53.6 million OMR (139.6 million USD) in gross premiums in 2018, that is 12% of the entire Omani market’s turnover.

Saudi Arabia
Two brokers banned from reinsurance activities
The Saudi Monetary Agency (SAMA) has stopped the reinsurance brokerage activities of Al-Haditha Insurance and Reinsurance Brokerage Company and Brokers Compliance Company. The reason is that the two companies failed to comply with the regulatory requirements. However, the regulator has allowed them to continue practicing insurance brokerage.

Gulf Union Cooperative and Al Ahlia Insurance: merger on the horizon
Gulf Union Cooperative and Al Ahlia Insurance Company settle on establishing a possible merger. The document agreed upon by both parties is valid for nine months starting from December 24th, 2019. It may be interrupted by the signature of the merger or by termination by mutual agreement.
Saudi Kuwaiti Finance House (SKFH) and Aljazira Capital have been selected as financial advisors to Gulf Union and Al Ahlia respectively.

MetLife - Walaa merger approved by the supervisory authority
The merger between MetLife AIG ANB and Walaa Cooperative Insurance has been approved by the Saudi Arabian Monetary Authority. This merger has already received a favourable response from the General Authority for Competition (GAC). Extraordinary general meetings would be held before the transaction is finalized. The merger should be approved by the shareholders and boards of directors of both companies.
Obligation to separate insurance and reinsurance brokerage activities
By 2021, the combination of insurance and reinsurance brokerage activities will be prohibited in Saudi Arabia. The local legislation requires the creation of separate companies for any brokerage entity aiming to operate in direct insurance and reinsurance.
Brokers currently active in both activities have three months to submit their restructuring plans to the market regulator (SAMA). They shall then be required to comply with the law within one year. According to the SAMA the new rules will help to reduce the malpractices currently prevalent in the market.

United Arab Emirates
Draft of e-insurance regulation
The draft regulation of e-insurance in the United Arab Emirates has not yet been implemented by the Emirati authorities.

Published in early 2019, the text includes new measures regulating all online insurance operations among which premiums collection and claims management. It also establishes a regulatory framework for the marketing of insurance policies by insurers and brokers. The requirement to obtain a prior authorization for the online marketing of insurance policies is one of the new measures. The owner of a website dedicated to the sale of insurance contracts must provide a detailed action plan of his business, particularly the volume of online transactions planned over three years. An action plan must also be presented to the supervisory authorities in the event of disruption of online operations. The establishment of an IT department for the management of electronic insurance also becomes mandatory under the new regulations. Failing that, an external provider has to be assigned.
**France**

*Good results of the French life insurance market in 2019*

Despite a difficult environment related to low interest rates, the French life insurance market performed well in 2019. The premiums collected by life insurance companies amounted to 144.6 billion EUR (161.932 billion USD) in 2019 compared to 139.7 billion EUR (159.788 billion USD) in 2018, an increase of 3.5%. The paid benefits reached 118.7 billion EUR (132.927 billion USD) against 118.2 billion EUR (135.196 billion USD) one year before, slightly increasing by 0.4%. The net inflows amounted to 25.9 billion EUR (29.004 USD) by the end of December 2019 versus 21.5 billion EUR (24.591 billion USD) at the same period of 2018.

**Netherlands**

*Data stolen from 160 000 Allianz customers*

Allianz Partners (Netherlands) was the victim of a physical data theft in August 2019. Documents relating to the claims of 160 000 Belgian customers were stolen from inside a safe where they were deposited. The files included policyholders' addresses, bank details and medical information. Allianz has pointed out that the stolen data does not contain any access code to customers' bank accounts. According to the German insurer, criminals would not manage to make use of the documents without specific tools. The offence was reported to the relevant authorities (Dutch police and Belgian data protection authorities) and legal proceedings were opened.

**Slovenia**

*Sava Re acquires NLB Vita*

Sava Re has acquired the Slovenian life insurer NLB Vita, which is equally owned by Nova Ljubljanska Banka (NLB) and KBC insurance NV (KBC), both of which are also Slovenian. The transaction would be completed in the first half of 2020. Once the transaction is finalised, KBC will withdraw completely from the Slovenian market to focus on Belgium, the Czech Republic, Slovakia, Hungary, Bulgaria and Ireland. NLB Vita is Slovenia's second largest life insurer with a market share of 14.8% in 2018.

**Spain**

*Helvetia strengthens its position in Spain*

Helvetia is expanding its activities in Spain. The Swiss group has agreed to acquire up to 70% of shareholding in the Spanish insurer Caja de Seguros Reunidos (Caser). This operation could reach 780 million EUR (873.492 million USD). Helvetia intends to finance two thirds of the acquisition by issuing hybrid bonds and one third by issuing new shares. The remaining 30% of the capital remain in the hands of the banks Ibercaja, Unicaja, and Liberbank. With this acquisition, the Swiss group plans to enhance its non-life activities and expand its distribution network in Spain. Caser reported, in 2018, a turnover of 1.639 billion EUR (1.874 billion USD), 62% of which is accounted for by non-life activities. Its profit amounted to 87 million EUR (99.509 million USD) for the same year. The transaction could be finalized in the first half of 2020.

**Turkey**

*Turkish insurance market: increasing 2019 turnover*

The turnover of the Turkish insurance market increased by 13.13% in 2019, from 62.11 billion TRY (10.45 billion) by the end of December 2018 to 69.2 billion TRY (11.63 billion USD) twelve months later. Non-life insurance premiums grew by 8.4% to 57.9 billion TRY (9.73 billion USD) in 2019 while life premiums rose to 11.4 billion TRY (1.92 billion USD), up 46.8% in one year. Takaful insurance also reported an increasing turnover worth 3.4 billion TRY (571.4 million USD), rising by 54% compared to 2018.
### Turnover 2017-2018 per company

**Figures in thousands**

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>2018 shares</th>
<th>2017-2018 evolution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In DZD</strong></td>
<td>In USD</td>
<td>In DZD</td>
<td>In USD</td>
<td></td>
</tr>
<tr>
<td><strong>Non life insurance companies</strong></td>
<td></td>
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</tr>
<tr>
<td>SAA</td>
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<td>231 672</td>
<td>26 528 000</td>
<td>228 142</td>
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<tr>
<td>CAAT</td>
<td>24 126 000</td>
<td>201 935</td>
<td>23 128 000</td>
<td>198 901</td>
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<tr>
<td>CAAR</td>
<td>15 195 000</td>
<td>127 182</td>
<td>15 154 000</td>
<td>130 324</td>
</tr>
<tr>
<td>CNMA</td>
<td>14 025 000</td>
<td>117 389</td>
<td>13 012 000</td>
<td>111 903</td>
</tr>
<tr>
<td>CIAR</td>
<td>10 099 000</td>
<td>84 529</td>
<td>9 174 000</td>
<td>78 896</td>
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<tr>
<td>CASH Assurances</td>
<td>9 499 000</td>
<td>79 507</td>
<td>10 761 000</td>
<td>92 545</td>
</tr>
<tr>
<td>Salama Assurances</td>
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<td>43 172</td>
<td>4 787 000</td>
<td>41 168</td>
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<tr>
<td>Alliance Assurances</td>
<td>5 002 000</td>
<td>41 867</td>
<td>4 802 000</td>
<td>41 297</td>
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<tr>
<td>GAM</td>
<td>3 859 000</td>
<td>32 300</td>
<td>3 464 000</td>
<td>29 790</td>
</tr>
<tr>
<td>2A</td>
<td>3 849 000</td>
<td>32 216</td>
<td>3 629 000</td>
<td>31 209</td>
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<td>Trust Algérie</td>
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<td>29 688</td>
<td>2 746 000</td>
<td>23 616</td>
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<tr>
<td>AXA Assurances Algérie Dommage</td>
<td>2 967 000</td>
<td>24 834</td>
<td>3 066 000</td>
<td>26 368</td>
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<tr>
<td><strong>Total non life companies</strong></td>
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<td>1 046 291</td>
<td>120 251 000</td>
<td>1 034 159</td>
</tr>
<tr>
<td><strong>Life insurance companies</strong></td>
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<tr>
<td>Cardif El Djazair</td>
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<td>2 441 000</td>
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<tr>
<td>SAPS</td>
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<td>17 292</td>
<td>2 075 000</td>
<td>17 845</td>
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<tr>
<td>AXA Assurances Algérie Vie</td>
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<td>Caarama Assurances</td>
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<td>18 309</td>
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<tr>
<td>Macir Vie</td>
<td>1 413 000</td>
<td>11 827</td>
<td>1 434 000</td>
<td>12 332</td>
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<tr>
<td>AGUC</td>
<td>1 302 000</td>
<td>10 898</td>
<td>532 000</td>
<td>4 575</td>
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<tr>
<td>TALA</td>
<td>1 119 000</td>
<td>9 366</td>
<td>1 850 000</td>
<td>15 910</td>
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<tr>
<td>Le Mutualiste</td>
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<td>4 034</td>
<td>504 000</td>
<td>4 334</td>
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<tr>
<td><strong>Total life companies</strong></td>
<td>12 726 000</td>
<td>106 517</td>
<td>13 434 000</td>
<td>115 532</td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td>137 731 000</td>
<td>1 152 808</td>
<td>133 685 000</td>
<td>1 149 691</td>
</tr>
</tbody>
</table>

(1) Growth rate in local currency

Exchange rate as at 31/12/2018 : 1 DZD = 0.00837 USD ; at 31/12/2017 : 1 DZD = 0.00862 USD
### Turnover 2017-2018 per class of business

#### Turnover 2018

<table>
<thead>
<tr>
<th>Class of Business</th>
<th>Turnover 2018 In DZD</th>
<th>Turnover 2018 In USD</th>
<th>Turnover 2017 In DZD</th>
<th>Turnover 2017 In USD</th>
<th>2018 shares</th>
<th>2017-2018 (1) evolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non life insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor</td>
<td>68 560 000</td>
<td>573 847</td>
<td>65 047 000</td>
<td>559 405</td>
<td>49.77%</td>
<td>5.40%</td>
</tr>
<tr>
<td>Property damage</td>
<td>48 228 000</td>
<td>403 668</td>
<td>47 584 000</td>
<td>409 222</td>
<td>35.02%</td>
<td>1.35%</td>
</tr>
<tr>
<td>Marine</td>
<td>5 697 000</td>
<td>47 684</td>
<td>5 840 000</td>
<td>50 224</td>
<td>4.14%</td>
<td>-2.45%</td>
</tr>
<tr>
<td>Agricultural risks</td>
<td>2 439 000</td>
<td>20 414</td>
<td>1 628 000</td>
<td>14 001</td>
<td>1.77%</td>
<td>49.82%</td>
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<tr>
<td>Credit</td>
<td>81 000</td>
<td>678</td>
<td>152 000</td>
<td>1 307</td>
<td>0.06%</td>
<td>-46.71%</td>
</tr>
<tr>
<td>Total non life</td>
<td>125 005 000</td>
<td>1 046 291</td>
<td>120 251 000</td>
<td>1 034 159</td>
<td>90.76%</td>
<td>3.95%</td>
</tr>
<tr>
<td>Life insurance</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life-Death</td>
<td>5 153 000</td>
<td>43 132</td>
<td>5 413 000</td>
<td>46 552</td>
<td>3.74%</td>
<td>-4.80%</td>
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<tr>
<td>Group benefits</td>
<td>3 243 000</td>
<td>27 144</td>
<td>3 244 000</td>
<td>27 898</td>
<td>2.35%</td>
<td>-0.03%</td>
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<tr>
<td>Accident</td>
<td>1 552 000</td>
<td>12 990</td>
<td>1 694 000</td>
<td>14 568</td>
<td>1.13%</td>
<td>-8.38%</td>
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<td>Assistance</td>
<td>2 689 000</td>
<td>22 507</td>
<td>2 961 000</td>
<td>25 465</td>
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<td>-9.19%</td>
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<tr>
<td>Health</td>
<td>77 000</td>
<td>644</td>
<td>122 000</td>
<td>1 049</td>
<td>0.06%</td>
<td>-36.89%</td>
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<tr>
<td>Capitalization</td>
<td>12 000</td>
<td>100</td>
<td>-</td>
<td>-</td>
<td>0.01%</td>
<td>-</td>
</tr>
<tr>
<td>Total life</td>
<td>12 726 000</td>
<td>106 517</td>
<td>13 434 000</td>
<td>115 532</td>
<td>9.24%</td>
<td>-5.27%</td>
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<td>137 731 000</td>
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<td>133 685 000</td>
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<td>100%</td>
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Gabon

44th FANAF General Assembly
From 17 to 20 February 2020 - Libreville, Gabon
Website: [https://fanaf.org/](https://fanaf.org/)

Maroc

7th CEO Summit
19 - 20 March 2020, Sofitel, Marrakech, Morocco
Contact: Elsie Mbera
Tel: +254 020-2429391/2/3
+254 020-5137701
Theme: « Leading profound change in Africa »
Email: embera@continental-re.com
Website: [www.continental-re.com/ceo-summit-2020-online-registration/#](http://www.continental-re.com/ceo-summit-2020-online-registration/#)

France

ParisMAT 2020 Rendez-Vous
4 - 5 May 2020, Maison de la Chimie, Paris
Mail: rendez-vous@cesam.org
Website: [www.cesam.org/fr/conference/lerendezvous/2020/menu.html](http://www.cesam.org/fr/conference/lerendezvous/2020/menu.html)

Nigeria

47th AIO conference and general assembly
From 31 May to 3 June 2020, Lagos, Nigeria
Theme: "The African Insurer in the Face of Digital Disruption"
Mail: aio@africaninsurance.net
Website: [https://www.africaninsurance.net/events/2020-aio-conference-general-assembly/event-summary-7dbb74a89de94121a3d0f8523369a5d1.aspx](https://www.africaninsurance.net/events/2020-aio-conference-general-assembly/event-summary-7dbb74a89de94121a3d0f8523369a5d1.aspx)
Cameroon

Allianz Cameroun Assurances

Olivier Malâtre has been appointed general manager of Allianz Cameroun Assurances. He takes over from Frédéric Desprez, whose new duties within the group will be announced subsequently. The appointment will take effect on May 1, 2020.

O. Malâtre has served as general manager of Allianz Côte d’Ivoire Non-Vie since 2015. He was also entrusted with the top management of Allianz Senegal between 2010 and 2015.

O. Malâtre has held various senior positions within the German group, notably in France, Lebanon and Asia Pacific.

Côte d’Ivoire

GNA Assurances Côte d’Ivoire

Mamadou Kouyaté has joined the board of directors of the Génération Nouvelle d’Assurance en Côte d’Ivoire (GNA CI), a decision taken at the company’s general assembly held on 14 January 2020 in Abidjan.

A graduate of Paris Dauphine University and the London School of Economics, M. Kouyaté is a Managing Partner of Jely Group, an investment and consulting firm based in Côte d’Ivoire.

Allianz Côte d’Ivoire Non-Vie

Mamadou Kone, general manager of Allianz Côte d’Ivoire Assurances Vie (life) has been appointed general manager of Allianz Côte-d’Ivoire Assurances Non-Vie (non-life).

On 1 March 2020, he will succeed Olivier Malâtre, appointed general manager of Allianz Cameroun Assurances. M. Kone joined Allianz in 2010 as deputy GM of the life insurance subsidiary in Côte d’Ivoire.

France

CCR Re

Bertrand Petras has been appointed senior underwriter in charge of life and personal line insurance in Middle Eastern and North African countries.

B. Petras, 51, holds a degree in finance and accounting and a master’s degree from the National School of Insurance (ENASS) in Paris. He began his career in 2000 as life insurance underwriter at SCOR before joining AIG Vie France in 2004 as senior underwriter and Partner in 2008 Re where he held various positions.

United States

AIG

Thomas Lillelund has been appointed Chief Executive Officer of American International Group (AIG) for the Middle East and Africa. He succeeds Steven Barnett, appointed Chief Executive Officer for Asia Pacific. However, T. Lillelund will maintain his position as AIG’s CEO for Continental Europe and Ireland.

He will be based in Luxembourg and Dubai and will report to Lex Baugh, Global Chief Underwriting Officer for Casualty and Financial Lines.