2020, what a waste!

The 2020 balance sheets posted by the various market players in the first quarter of 2021 have once again come to confirm the strength and resilience of the insurance business paradigm. Although impacted by the health crisis, the insurance industry has resisted the global economic downturn better than many other industries.

This resilience is accounted for by the fact that pandemic risk is generally ruled out from insurance policies and reinsurance treaties. The crisis is weighing less heavily on insurers than on public finances, bound to support entire sectors of the economy, whatever the cost. The cost is even heavier for the public authorities, who turned out to be totally unorganized and hardly prepared when the pandemic struck.

Impacted to varying degrees by the declining economic activity, the lockdown measures and a financial market at its lowest point, the vast majority of insurers and reinsurers have reported 2020 results that are clearly down in comparison with the previous years.

In terms of premiums, Swiss Re's projections call for a decline in global sales of around 1.4% in 2020 after increases of 2.3% in 2019 and 4.8% in 2018. In 2020, the fall in life premiums would be more significant than that of the property & casualty class of business.

This decline in premiums comes at a time when the market is experiencing a higher natural catastrophe loss than in 2019. In addition to this loss experience, the 2020 pandemic is poised to cost nearly 4.7 billion USD to the Munich Re group, 3.9 billion USD to Swiss Re and 5 billion USD to the Lloyd's of London. These losses reported for 2020 did not include any of the capital losses reported as a result of the stock market crash and the economic crisis.

As a consequence of the decrease in premiums and increase in claims, insurers' technical results are declining with combined ratios on the rise. As a result, the year 2020 will end with net profits very often divided by two or more.

After a stressful year in 2020, insurers will have a hard time recovering their profitability in 2021, especially in view of the market outlook still looking bleak.
Impact of Covid-19 on MENA reinsurers

According to Fitch Ratings, reinsurers operating in the Middle East and North Africa are faced with a number of threats during this pandemic period. Covid-19 exacerbates the macroeconomic and sectoral pressures on the region’s professionals. Given the high exposure of MENA reinsurers’ balance sheets to regional investments, the economic environment also represents a challenge for local reinsurers.

Suez Canal blockade: 1 billion USD of compensations

The Suez Canal Authority (SCA) could claim 1 billion USD in compensation for the damages caused by the blockade of Ever Given. The head of the SCA, Osama Rabie, says this amount would compensate for losses associated with transit fees, damage to the waterway during the dredging and salvage efforts which lasted six days. For the record, Egypt lost between 12 million and 14 million USD in revenues per day of closure.

Beirut port explosion: accident or act of terrorism?

According to the World Bank’s estimates, the damages caused by the Beirut port explosion are believed to range between 3.8 billion USD and 4.6 billion USD. By the end of March 2021, the insurers’ customer compensations reached 1 591 billion LBP (1.05 billion USD), that is 7.9% of the total claims.

Axa and Microsoft to launch an e-health platform

The Axa Group and the IT giant Microsoft have signed a partnership to set up a digital healthcare platform. The platform will provide access to an ecosystem of healthcare services open to everyone. The range of services offered includes a self-assessment and prevention tool, a concierge medicine service, a teleconsultation interface, a digital safe, home care services and a directory of healthcare professionals. A pilot program of this platform is currently available in Germany and Italy and will be deployed by 2022 in the UK, Belgium, Spain and Switzerland.

Covid-19 speeds up the digital transformation of the insurance industry

Covid-19 has accelerated the digital transformation of the insurance market, primarily in the life and health classes of business, according to professionals in the industry. The pandemic has prompted insurers to reassess their digital capabilities in new business processing and claims management. Also, according to experts, insurance companies will have to deploy new distribution channels in order to keep up with the changes in the market.

Most popular articles on www.atlas-mag.com

Atlas Magazine monthly offers you the top most popular articles on the website: www.atlas-mag.com

1. Shipowners’ responsibility: the P&I Clubs
2. Covid-19 in the top 10 worst epidemics in the last 50 years
3. Covid-19 vaccine: ranking of countries per doses administered
4. UAE insurance market in 2019: top 30 insurers per GWP
5. Arig - Arab Insurance Group (B.S.C)
6. The Saudi insurance market
A company, a story

General Insurance Corporation of India (GIC Re)

Creation date:
22 November 1972, Mumbai, India

Classes of business:
Life and non-life

Rating:
A.M Best / B++ / Stable

Regional presence:
3 subsidiaries: South Africa, London and Moscow
3 branches: Dubai, Labuan and London
1 representation office in Brazil

Number of employees: 567

Devesh Srivastava
Chairman of the Board of Directors and CEO

General Insurance Corporation of India (GIC Re)

Is, in 2020:
- a share capital of 116,580,000 USD
- a turnover of 6,781,904,000 USD
- total assets of 15,442,475,000 USD
- a shareholder’s equity of 12,407,428,000 USD
- a net result of -47,723,000 USD
- a net non-life loss ratio of 97.43%
- a net non-life management expenses ratio of 17.19%
- a net non-life combined ratio of 114.62%

Management

Devesh Srivastava
Chairman of the Board of Directors and Chief Executive Officer (CEO)

Suchita Gupta
Chief Financial Officer (CFO)

Deepak Prasad
Marketing and underwriting Manager

Jayashree Ranade
Investments Manager

Jayashri Balkrishna
Chief Risk Officer (CRO)

Madhulika Bhaskar
Director of Internal Audit

Satheesh Bhat
Actuary (non-life)

Vikash Kumar Sharma
Actuary (life)

Contact

Head Office
170, Jamshedji Tata Road,
Churchgate, Mumbai - 400 020, India

Phone +91 22 2286 7000

Fax +91 22 2288 4010

E-mail info@gicofindia.com

Website www.gicofindia.com

Shareholding as at 31/03/2020

Indian State 85.78%

Institutional Investors 12.38%

Others 1.84%
Main technical highlights: 2016 - 2020 *

<table>
<thead>
<tr>
<th>Highlights</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tr>
<td>Gross written premiums</td>
<td>2 780 121</td>
<td>5 175 516</td>
<td>6 424 563</td>
<td>6 357 000</td>
<td>6 781 904</td>
</tr>
<tr>
<td>Gross non-life written premiums</td>
<td>2 745 339</td>
<td>5 119 644</td>
<td>6 357 288</td>
<td>6 278 813</td>
<td>6 654 909</td>
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<tr>
<td>Gross life written premiums</td>
<td>34 782</td>
<td>55 872</td>
<td>67 275</td>
<td>78 187</td>
<td>126 995</td>
</tr>
<tr>
<td>Net written premiums</td>
<td>2 469 318</td>
<td>4 649 899</td>
<td>5 784 416</td>
<td>5 603 721</td>
<td>6 200 504</td>
</tr>
<tr>
<td>Net non-life written premiums</td>
<td>2 440 782</td>
<td>4 597 841</td>
<td>5 726 357</td>
<td>5 531 116</td>
<td>6 080 720</td>
</tr>
<tr>
<td>Net earned premiums</td>
<td>2 288 064</td>
<td>4 116 766</td>
<td>5 855 364</td>
<td>5 414 484</td>
<td>5 866 927</td>
</tr>
<tr>
<td>Net non-life earned premiums</td>
<td>2 252 240</td>
<td>4 080 556</td>
<td>5 797 121</td>
<td>5 344 645</td>
<td>5 761 702</td>
</tr>
<tr>
<td>Net incurred losses</td>
<td>1 945 299</td>
<td>3 335 711</td>
<td>5 064 961</td>
<td>4 848 430</td>
<td>5 719 466</td>
</tr>
<tr>
<td>Net non-life incurred losses</td>
<td>1 919 663</td>
<td>3 282 588</td>
<td>5 001 580</td>
<td>4 763 054</td>
<td>5 613 912</td>
</tr>
<tr>
<td>Management expenses</td>
<td>553 595</td>
<td>869 760</td>
<td>1 012 359</td>
<td>914 145</td>
<td>1 047 419</td>
</tr>
<tr>
<td>Non-life management expenses</td>
<td>552 117</td>
<td>868 453</td>
<td>1 011 613</td>
<td>912 635</td>
<td>1 045 218</td>
</tr>
<tr>
<td>Net non-life loss ratio (1)</td>
<td>85.23%</td>
<td>80.44%</td>
<td>86.28%</td>
<td>89.12%</td>
<td>97.43%</td>
</tr>
<tr>
<td>Net non-life management expenses</td>
<td>22.62%</td>
<td>18.89%</td>
<td>17.67%</td>
<td>16.50%</td>
<td>17.19%</td>
</tr>
<tr>
<td>ratio (2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net non-life combined ratio (3)</td>
<td>107.85%</td>
<td>99.33%</td>
<td>103.95%</td>
<td>105.62%</td>
<td>114.62%</td>
</tr>
<tr>
<td>Net result after taxes</td>
<td>429 537</td>
<td>481 974</td>
<td>497 002</td>
<td>319 633</td>
<td>-47 723</td>
</tr>
</tbody>
</table>

* Fiscal year as at 31 March

Exchange rate as at 31/03/2020 : 1 INR = 0.01329 USD; 31/03/2019 : 1 INR = 0.01437 USD; at 31/03/2018: 1 INR = 0.01537 USD; at 31/03/2017 : 1 INR = 0.01541 USD; at 31/03/2016 : 1 INR = 0.01508 USD

(1) Net non-life loss ratio = Net non-life incurred losses / Net non-life earned premiums
(2) Net non-life management expenses ratio = Non-life management expenses / Written premiums net of non-life reinsurance
(3) Net non-life combined ratio = Net non-life loss ratio + net non-life management expenses ratio
Turnover breakdown per class of business: 2016-2020

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>194 801</td>
<td>1 502 834</td>
<td>2 019 519</td>
<td>1 909 646</td>
<td>2 055 972</td>
<td>30.32%</td>
</tr>
<tr>
<td>Fire</td>
<td>976 600</td>
<td>1 252 293</td>
<td>1 536 721</td>
<td>1 481 913</td>
<td>1 598 384</td>
<td>23.57%</td>
</tr>
<tr>
<td>Motor</td>
<td>676 834</td>
<td>1 020 819</td>
<td>1 236 601</td>
<td>1 199 849</td>
<td>1 254 577</td>
<td>18.50%</td>
</tr>
<tr>
<td>Health</td>
<td>377 632</td>
<td>643 041</td>
<td>813 780</td>
<td>739 659</td>
<td>742 712</td>
<td>10.95%</td>
</tr>
<tr>
<td>Marine</td>
<td>152 817</td>
<td>172 179</td>
<td>204 138</td>
<td>254 754</td>
<td>280 325</td>
<td>4.13%</td>
</tr>
<tr>
<td>Aviation</td>
<td>68 339</td>
<td>102 074</td>
<td>115 214</td>
<td>163 337</td>
<td>208 193</td>
<td>3.07%</td>
</tr>
<tr>
<td>Engineering</td>
<td>134 303</td>
<td>135 324</td>
<td>152 224</td>
<td>147 610</td>
<td>162 641</td>
<td>2.40%</td>
</tr>
<tr>
<td>Miscellaneous accident</td>
<td>164 013</td>
<td>291 080</td>
<td>279 091</td>
<td>382 045</td>
<td>352 105</td>
<td>5.19%</td>
</tr>
<tr>
<td>Total non-life</td>
<td>2 745 339</td>
<td>5 119 644</td>
<td>6 357 288</td>
<td>6 278 813</td>
<td>6 654 909</td>
<td>98.13%</td>
</tr>
<tr>
<td>Life</td>
<td>34 782</td>
<td>55 872</td>
<td>67 275</td>
<td>78 187</td>
<td>126 995</td>
<td>1.87%</td>
</tr>
<tr>
<td>Grand total</td>
<td>2 780 121</td>
<td>5 175 516</td>
<td>6 424 563</td>
<td>6 357 000</td>
<td>6 781 904</td>
<td>100%</td>
</tr>
</tbody>
</table>

Exchange rate as at 31/03/2020: 1 INR = 0.01329 USD; 31/03/2019: 1 INR = 0.01437 USD; at 31/03/2018: 1 INR = 0.01537 USD; at 31/03/2017: 1 INR = 0.01541 USD; at 31/03/2016: 1 INR = 0.01508 USD

(1) Including workmen's compensation, personal accident, third party liability and credit insurance
## Net non-life written premiums per class of business: 2016-2020

**Figures in thousands USD**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>180 978</td>
<td>1 398 220</td>
<td>1 830 762</td>
<td>1 640 757</td>
<td>1 857 999</td>
<td>22.44%</td>
</tr>
<tr>
<td>Fire</td>
<td>773 701</td>
<td>928 019</td>
<td>1 204 388</td>
<td>1 156 374</td>
<td>1 360 598</td>
<td>27.22%</td>
</tr>
<tr>
<td>Motor</td>
<td>676 834</td>
<td>1 020 819</td>
<td>1 236 600</td>
<td>1 199 848</td>
<td>1 254 577</td>
<td>13.06%</td>
</tr>
<tr>
<td>Health</td>
<td>377 632</td>
<td>625 901</td>
<td>796 062</td>
<td>735 218</td>
<td>737 175</td>
<td>8.41%</td>
</tr>
<tr>
<td>Marine</td>
<td>128 601</td>
<td>137 021</td>
<td>1 65 672</td>
<td>204 025</td>
<td>236 730</td>
<td>25.46%</td>
</tr>
<tr>
<td>Aviation</td>
<td>53 649</td>
<td>88 831</td>
<td>97 390</td>
<td>129 790</td>
<td>160 661</td>
<td>33.84%</td>
</tr>
<tr>
<td>Engineering</td>
<td>115 521</td>
<td>130 980</td>
<td>148 602</td>
<td>125 599</td>
<td>145 742</td>
<td>25.47%</td>
</tr>
<tr>
<td>Miscellaneous accident (2)</td>
<td>133 866</td>
<td>268 050</td>
<td>246 881</td>
<td>339 505</td>
<td>327 238</td>
<td>4.22%</td>
</tr>
<tr>
<td><strong>Total non-life</strong></td>
<td>2 440 782</td>
<td>4 597 841</td>
<td>5 726 357</td>
<td>5 531 116</td>
<td>6 080 720</td>
<td>18.87%</td>
</tr>
</tbody>
</table>

(1) Evolution in local currency

(2) Including workmen's compensation, personal accident, third party liability and credit insurance

---

## Net non-life earned premiums per class of business: 2016 - 2020

**Figures in thousands USD**

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>131 547</td>
<td>1 277 038</td>
<td>1 817 592</td>
<td>1 622 128</td>
<td>1 839 122</td>
<td>22.59%</td>
</tr>
<tr>
<td>Fire</td>
<td>679 196</td>
<td>865 576</td>
<td>1 125 613</td>
<td>1 154 884</td>
<td>1 203 660</td>
<td>12.69%</td>
</tr>
<tr>
<td>Motor</td>
<td>625 349</td>
<td>861 736</td>
<td>1 327 787</td>
<td>1 193 502</td>
<td>1 149 498</td>
<td>4.14%</td>
</tr>
<tr>
<td>Health</td>
<td>347 622</td>
<td>509 287</td>
<td>897 371</td>
<td>670 631</td>
<td>770 456</td>
<td>24.22%</td>
</tr>
<tr>
<td>Marine</td>
<td>142 283</td>
<td>163 286</td>
<td>132 582</td>
<td>174 538</td>
<td>213 213</td>
<td>32.09%</td>
</tr>
<tr>
<td>Aviation</td>
<td>70 961</td>
<td>73 401</td>
<td>92 579</td>
<td>111 017</td>
<td>138 468</td>
<td>34.86%</td>
</tr>
<tr>
<td>Engineering</td>
<td>110 837</td>
<td>125 964</td>
<td>137 590</td>
<td>132 841</td>
<td>130 149</td>
<td>5.94%</td>
</tr>
<tr>
<td>Miscellaneous accident (2)</td>
<td>144 445</td>
<td>204 268</td>
<td>266 007</td>
<td>285 104</td>
<td>317 136</td>
<td>20.27%</td>
</tr>
<tr>
<td><strong>Total non-life</strong></td>
<td>2 252 240</td>
<td>4 080 556</td>
<td>5 797 121</td>
<td>5 344 645</td>
<td>5 761 702</td>
<td>16.56%</td>
</tr>
</tbody>
</table>

(1) Evolution in local currency

(2) Including workmen’s compensation, personal accident, third party liability and credit insurance

Exchange rate as at 31/03/2020: 1 INR = 0.01329 USD; 31/03/2019: 1 INR = 0.01437 USD; 31/03/2018: 1 INR = 0.01537 USD; 31/03/2017: 1 INR = 0.01541 USD; 31/03/2016: 1 INR = 0.01508 USD.
## Net non-life incurred losses per class of business: 2016 - 2020

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>213 314</td>
<td>1 029 337</td>
<td>1 943 707</td>
<td>1 475 087</td>
<td>2 205 789</td>
<td>61.69%</td>
</tr>
<tr>
<td>Fire</td>
<td>520 142</td>
<td>675 733</td>
<td>982 192</td>
<td>1 191 888</td>
<td>1 077 973</td>
<td>-2.21%</td>
</tr>
<tr>
<td>Motor</td>
<td>587 995</td>
<td>830 395</td>
<td>971 666</td>
<td>1 015 440</td>
<td>1 004 940</td>
<td>7.01%</td>
</tr>
<tr>
<td>Health</td>
<td>320 781</td>
<td>456 204</td>
<td>630 432</td>
<td>592 055</td>
<td>729 163</td>
<td>33.17%</td>
</tr>
<tr>
<td>Marine</td>
<td>95 426</td>
<td>116 485</td>
<td>40 941</td>
<td>117 792</td>
<td>151 931</td>
<td>39.46%</td>
</tr>
<tr>
<td>Aviation</td>
<td>49 824</td>
<td>66 954</td>
<td>100 744</td>
<td>130 455</td>
<td>159 697</td>
<td>32.36%</td>
</tr>
<tr>
<td>Engineering</td>
<td>35 328</td>
<td>56 948</td>
<td>69 614</td>
<td>81 824</td>
<td>123 145</td>
<td>62.73%</td>
</tr>
<tr>
<td>Miscellaneous accident (2)</td>
<td>96 853</td>
<td>50 532</td>
<td>262 284</td>
<td>158 513</td>
<td>161 274</td>
<td>10.01%</td>
</tr>
<tr>
<td><strong>Total non-life</strong></td>
<td><strong>1 919 663</strong></td>
<td><strong>3 282 588</strong></td>
<td><strong>5 001 580</strong></td>
<td><strong>4 763 054</strong></td>
<td><strong>5 613 912</strong></td>
<td><strong>27.44%</strong></td>
</tr>
</tbody>
</table>

Figures in thousands USD

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## Net non-life management expenses per class of business: 2016 - 2020

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>26 121</td>
<td>157 038</td>
<td>230 960</td>
<td>106 896</td>
<td>123 467</td>
<td>24.89%</td>
</tr>
<tr>
<td>Fire</td>
<td>197 070</td>
<td>264 528</td>
<td>279 581</td>
<td>321 530</td>
<td>402 191</td>
<td>35.25%</td>
</tr>
<tr>
<td>Motor</td>
<td>130 233</td>
<td>180 678</td>
<td>230 059</td>
<td>181 518</td>
<td>230 599</td>
<td>37.36%</td>
</tr>
<tr>
<td>Health</td>
<td>81 487</td>
<td>130 129</td>
<td>172 209</td>
<td>121 424</td>
<td>101 226</td>
<td>-9.86%</td>
</tr>
<tr>
<td>Marine</td>
<td>28 454</td>
<td>25 682</td>
<td>33 640</td>
<td>40 780</td>
<td>45 003</td>
<td>19.33%</td>
</tr>
<tr>
<td>Aviation</td>
<td>11 399</td>
<td>15 274</td>
<td>18 386</td>
<td>29 729</td>
<td>33 789</td>
<td>22.89%</td>
</tr>
<tr>
<td>Engineering</td>
<td>31 881</td>
<td>32 130</td>
<td>-81</td>
<td>35 469</td>
<td>32 534</td>
<td>-0.82%</td>
</tr>
<tr>
<td>Miscellaneous accident (2)</td>
<td>45 472</td>
<td>62 994</td>
<td>46 859</td>
<td>75 289</td>
<td>76 409</td>
<td>9.73%</td>
</tr>
<tr>
<td><strong>Total non-life</strong></td>
<td><strong>552 117</strong></td>
<td><strong>868 453</strong></td>
<td><strong>1 011 613</strong></td>
<td><strong>912 635</strong></td>
<td><strong>1 045 218</strong></td>
<td><strong>23.83%</strong></td>
</tr>
</tbody>
</table>

Figures in thousands USD

---

1 Evolution in local currency
2 Including workmen's compensation, personal accident, third party liability and credit insurance

Exchange rate as at 31/03/2020: 1 INR = 0.01329 USD; 31/03/2019: 1 INR = 0.01437 USD; at 31/03/2018: 1 INR = 0.01537 USD; at 31/03/2017: 1 INR = 0.01541 USD; at 31/03/2016: 1 INR = 0.01508 USD
### Net non-life loss ratio per class of business: 2016-2020

<table>
<thead>
<tr>
<th>Class of business</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>162.16%</td>
<td>80.60%</td>
<td>106.94%</td>
<td>90.94%</td>
<td>119.94%</td>
</tr>
<tr>
<td>Fire</td>
<td>76.58%</td>
<td>78.07%</td>
<td>87.26%</td>
<td>103.20%</td>
<td>89.56%</td>
</tr>
<tr>
<td>Motor</td>
<td>94.03%</td>
<td>96.36%</td>
<td>73.18%</td>
<td>85.08%</td>
<td>87.42%</td>
</tr>
<tr>
<td>Health</td>
<td>92.28%</td>
<td>89.58%</td>
<td>70.25%</td>
<td>88.28%</td>
<td>94.64%</td>
</tr>
<tr>
<td>Marine</td>
<td>67.07%</td>
<td>71.34%</td>
<td>30.88%</td>
<td>67.49%</td>
<td>71.26%</td>
</tr>
<tr>
<td>Aviation</td>
<td>70.21%</td>
<td>91.22%</td>
<td>108.82%</td>
<td>117.51%</td>
<td>115.33%</td>
</tr>
<tr>
<td>Engineering</td>
<td>31.87%</td>
<td>45.21%</td>
<td>50.60%</td>
<td>61.60%</td>
<td>94.62%</td>
</tr>
<tr>
<td>Miscellaneous accident (1)</td>
<td>67.05%</td>
<td>24.74%</td>
<td>98.60%</td>
<td>55.60%</td>
<td>50.85%</td>
</tr>
<tr>
<td><strong>Total non-life</strong></td>
<td><strong>85.23%</strong></td>
<td><strong>80.44%</strong></td>
<td><strong>86.28%</strong></td>
<td><strong>89.12%</strong></td>
<td><strong>97.43%</strong></td>
</tr>
</tbody>
</table>

### Net non-life management expenses ratio per class of business: 2016-2020

<table>
<thead>
<tr>
<th>Class of business</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>14.43%</td>
<td>11.23%</td>
<td>12.62%</td>
<td>6.52%</td>
<td>6.65%</td>
</tr>
<tr>
<td>Fire</td>
<td>25.47%</td>
<td>28.50%</td>
<td>23.21%</td>
<td>27.80%</td>
<td>29.56%</td>
</tr>
<tr>
<td>Motor</td>
<td>19.24%</td>
<td>17.70%</td>
<td>18.60%</td>
<td>15.13%</td>
<td>18.38%</td>
</tr>
<tr>
<td>Health</td>
<td>21.58%</td>
<td>20.79%</td>
<td>21.63%</td>
<td>16.52%</td>
<td>13.73%</td>
</tr>
<tr>
<td>Marine</td>
<td>22.13%</td>
<td>18.74%</td>
<td>20.31%</td>
<td>19.99%</td>
<td>19.01%</td>
</tr>
<tr>
<td>Aviation</td>
<td>21.25%</td>
<td>17.19%</td>
<td>18.88%</td>
<td>22.91%</td>
<td>21.03%</td>
</tr>
<tr>
<td>Engineering</td>
<td>27.60%</td>
<td>24.53%</td>
<td>-0.05%</td>
<td>28.24%</td>
<td>22.32%</td>
</tr>
<tr>
<td>Miscellaneous accident (1)</td>
<td>33.97%</td>
<td>23.50%</td>
<td>18.98%</td>
<td>22.18%</td>
<td>23.35%</td>
</tr>
<tr>
<td><strong>Total non-life</strong></td>
<td><strong>22.62%</strong></td>
<td><strong>18.89%</strong></td>
<td><strong>17.67%</strong></td>
<td><strong>16.50%</strong></td>
<td><strong>17.19%</strong></td>
</tr>
</tbody>
</table>

(1) Including workmen's compensation, personal accident, third party liability and credit insurance
Net non-life combined ratio per class of business: 2016-2020

<table>
<thead>
<tr>
<th>Class of business</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural risks</td>
<td>176.59%</td>
<td>91.83%</td>
<td>119.56%</td>
<td>97.46%</td>
<td>126.59%</td>
</tr>
<tr>
<td>Fire</td>
<td>102.05%</td>
<td>106.57%</td>
<td>110.47%</td>
<td>131.00%</td>
<td>119.12%</td>
</tr>
<tr>
<td>Motor</td>
<td>113.27%</td>
<td>114.06%</td>
<td>91.78%</td>
<td>100.21%</td>
<td>105.80%</td>
</tr>
<tr>
<td>Health</td>
<td>113.86%</td>
<td>110.37%</td>
<td>91.88%</td>
<td>104.80%</td>
<td>108.37%</td>
</tr>
<tr>
<td>Marine</td>
<td>89.20%</td>
<td>90.08%</td>
<td>51.19%</td>
<td>87.48%</td>
<td>90.27%</td>
</tr>
<tr>
<td>Aviation</td>
<td>91.46%</td>
<td>108.41%</td>
<td>127.70%</td>
<td>140.42%</td>
<td>136.36%</td>
</tr>
<tr>
<td>Engineering</td>
<td>59.47%</td>
<td>69.74%</td>
<td>50.55%</td>
<td>89.84%</td>
<td>116.94%</td>
</tr>
<tr>
<td>Miscellaneous accident (1)</td>
<td>101.02%</td>
<td>48.24%</td>
<td>117.58%</td>
<td>77.78%</td>
<td>74.20%</td>
</tr>
<tr>
<td>Total non-life</td>
<td>107.85%</td>
<td>99.33%</td>
<td>103.95%</td>
<td>105.62%</td>
<td>114.62%</td>
</tr>
</tbody>
</table>

(1) Including workmen’s compensation, personal accident, third party liability and credit insurance

Evolution of net ratios: 2016-2020

![Graph showing net ratio evolution from 2016 to 2020](image)
Maritime transport, the race towards gigantism worries insurers

The incident involving the container ship Ever Given, which was blocked for six days on one of the busiest shipping lanes in the world, has revived the debate on the gigantic size of ships. Some of these ocean-going behemoths are currently exceeding the symbolic 22 000 TEU capacity mark, holding thousands of containers stored in stacks several storeys high. Their ever-growing size has become a source of concern for the maritime transport market and in particular for insurers who are required to deal with increasingly higher risks and increasingly higher insured values.

In 1999, the largest container ship had a capacity of 7 200 TEU. According to a study published at the same time, it would be impossible for shipowners to build vessels of more than 18 000 TEU. This assertion was quickly dismissed, since in 2020, of the 5 371 container ships serving the world’s shipping lanes, more than 100 have a tonnage of more than 20 000 TEU. In addition, nearly a quarter of the ships currently under construction in Chinese and South Korean shipyards exceed 24 000 TEU.

In May 2020, Korean shipowner Hyundai Merchant Marine was delivered the largest container ship ever built. Built by South Korea’s Daewoo Shipbuilding and Marine Engineering (DSME), HMM Algeciras holds the world record in terms of capacity with 23 964 TEU. HMM Algeciras is inaugurating a series of twelve other mega-ships that will soon leave the shipyards.

New generation of mega-container ships

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1 TEU, twenty-foot equivalent unit, corresponds to a container 20 feet long (6.096 meters), 8 feet wide (2.468 meters) and 9.5 feet high (2.9 meters)
It is therefore unlikely that this frantic race to gigantism is about to stop at this stage. A project to build a 25 000 TEU container ship is already underway by the Chinese shipbuilding group Hudong-Zhonghua Shipbuilding. At this rate, we are not far from seeing 30 000 TEU monsters cruising the oceans before the end of the decade.

**Evolution of the capacity of container ships: 1968-2020**

<table>
<thead>
<tr>
<th>Year</th>
<th>Country of manufacture</th>
<th>Name of container ship</th>
<th>Shipowner</th>
<th>Capacity in TEU</th>
</tr>
</thead>
<tbody>
<tr>
<td>1968</td>
<td>Germany</td>
<td>Encounter Bay</td>
<td>Scottish Shire Line</td>
<td>1 530</td>
</tr>
<tr>
<td>1972</td>
<td>Germany</td>
<td>Hamburg Express</td>
<td>Hapag-Lloyd AG</td>
<td>2 950</td>
</tr>
<tr>
<td>1980</td>
<td>United Kingdom</td>
<td>Neptune Garnet</td>
<td>Neptune Orient Lines</td>
<td>4 100</td>
</tr>
<tr>
<td>1984</td>
<td>United States</td>
<td>American New York</td>
<td>United States Lines</td>
<td>4 600</td>
</tr>
<tr>
<td>1996</td>
<td>Denmark</td>
<td>Regina Maersk</td>
<td>AP Moller-Maersk</td>
<td>6 400</td>
</tr>
<tr>
<td>1997</td>
<td>Denmark</td>
<td>Susan Maersk</td>
<td>AP Moller-Maersk</td>
<td>More than 8 000</td>
</tr>
<tr>
<td>2002</td>
<td>Denmark</td>
<td>Charlotte Maersk</td>
<td>AP Moller-Maersk</td>
<td>8 890</td>
</tr>
<tr>
<td>2003</td>
<td>Denmark</td>
<td>Anna Maersk</td>
<td>AP Moller-Maersk</td>
<td>More than 9 000</td>
</tr>
<tr>
<td>2005</td>
<td>Denmark</td>
<td>Gjertrud Maersk</td>
<td>AP Moller-Maersk</td>
<td>More than 10 000</td>
</tr>
<tr>
<td>2006</td>
<td>Denmark</td>
<td>Emma Maersk</td>
<td>AP Moller-Maersk</td>
<td>More than 11 000</td>
</tr>
<tr>
<td>2012</td>
<td>South Korea</td>
<td>Marco Polo (CMA CGM)</td>
<td>CMA CGM group</td>
<td>More than 16 000</td>
</tr>
<tr>
<td>2013</td>
<td>South Korea</td>
<td>Maersk Mc-Kinney Møller</td>
<td>AP Moller-Maersk</td>
<td>18 270</td>
</tr>
<tr>
<td>2015</td>
<td>South Korea</td>
<td>MSC Oscar</td>
<td>Mediterranean Shipping Company</td>
<td>More than 19 000</td>
</tr>
<tr>
<td>2017</td>
<td>South Korea</td>
<td>OOCL Hong Kong</td>
<td>Orient Overseas Container Line</td>
<td>21 413</td>
</tr>
<tr>
<td>2020</td>
<td>South Korea</td>
<td>HMM Algeciras</td>
<td>Hyundai Merchant Marine</td>
<td>23 964</td>
</tr>
</tbody>
</table>

Source: Allianz Global Corporate & Specialty (AGCS)
Race for profitability at the expense of safety

One might think that the Ever Given misadventure would bring shipowners’ unbridled race for gigantism to a halt. Yet unfortunately, the considerable economic, financial and logistical stakes do not grant the shipping industry the luxury to contemplate such a prospect in the short term.

For the time being, container ships are the backbone of world trade. These giants of the seas alone account for more than 60% of all shipping, which in terms of value, represents 14 trillion USD worth of goods transported in 2019. In the same year, 863 million containers, accounting for about 2 billion tons of cargo, have transited from one port to another across the globe.

This evolution in value and volume is supported by the decline in shipping costs. Over the last ten years, the price of this type of freight has almost halved, while the price of road and air transport has remained stable.

With increasing globalization and intense competition, companies are more than ever looking for greater profitability through lower production and transportation costs. Container ships are thus becoming an essential link in the production chain. This mode of transport is gaining more and more ground thanks to:

► an economy of scale achieved thanks to a significant reduction of costs in fuel, labor,…
► a loading capacity much higher than that offered by other means of transport: road, train, airplane. This capacity has gone fourfold in twenty-five years.
► a large number of ports that can be served on a single trip.
► the possibility of loading all kinds of goods: liquids, bulk, cars, livestock,…
► intermodularity: ability to transport goods from door to door within the same container.

It is therefore unlikely that this frantic race to gigantism is about to stop at this stage. A project to build a 25,000 TEU container ship is already underway.
Constraints of maritime gigantism

Despite these important developments, maritime gigantism showcases many shortcomings.

► Ships, being too large, become very difficult to maneuver,
► The slowness of container ships. To reduce fuel loads and improve their profitability, shipowners are slowing down the velocity of their ships. The Europe-China round trip is completed in ten weeks instead of eight with an average speed reduced to 19 knots (35 km/h),
► Fewer and fewer ports are big enough to accommodate these outsized ships, with many port basins being too small to allow these vessels to maneuver and dock. Some countries, particularly in Asia, are now planning on developing their ports, for instance, Hong Kong, Shanghai (China) or even Busan (South Korea),
► Land infrastructures (storage areas, port equipment,...) are sometimes not suitable enough to allow ship loading and unloading in good conditions,
► The mooring of a single container ship of this type, 350 to 400 meters long lengthens the waiting time for other ships,
► Container loading and unloading time is longer: unloading a container ship of more than 22 000 TEU requires several days of work,
► Some routes have to be permanently adapted to ensure the passage of these behemoths: Suez Canal, Panama Canal,...
► Pollution and ecological impact. Several thousand containers, which may contain toxic products, end up at the bottom of the oceans every year,
► A greater risk of grounding. No less than seven accidents have been reported between October 2020 and February 2021 in addition to the Ever Given incident in the Suez Canal at the end of March 2021,
► Colossal financial losses in case of grounding or incident.
Risks related to the accumulation of value

A 20 000 TEU container ship carries an average cargo value worth around 1 billion EUR. In addition to this amount, the damage to the vessel itself can reach up to 200 million USD in the event of total loss of the hull. In the event of a major incident, the accumulation of such values on a single vessel can trigger heavy losses for marine insurers. Moreover, the evaluation of the damages, which can last several years, is a real headache for the profession. Indeed, this operation is designed to look into certain elements such as:

- the determination of responsibilities,
- the evaluation of losses related to the interruption of the supply chain,
- the estimation of the lost revenues to be sustained by the different actors involved in the marine transport chain.

The constraints associated with gigantism and the accumulation of values pose a crucial problem of insurance coverage, especially in view of the high risk of fire.

Fire risk on board container ships

Fire is the most significant hazard dreaded by container ships. The frequency and severity of this type of loss reached an all-time high in 2019. According to the 2020 Annual Maritime Safety Report published by Allianz, no fewer than 40 fires were reported in 2019, an average of one every 10 days.

While in fifty years, ship size has tripled and capacity has been multiplied by 16 (from 1500 TEUs in 1968 to 24000 TEUs today), safety equipment, particularly firefighting equipment, has barely evolved.

Main port and maritime accidents involving container ships in 2020

<table>
<thead>
<tr>
<th>Date</th>
<th>Name of container ship</th>
<th>Shipowner</th>
<th>Capacity in TEU</th>
<th>Nature of the loss</th>
<th>Consequences</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 January</td>
<td>COSCO PACIFIC</td>
<td>COSCO Shipping, China</td>
<td>10 062</td>
<td>Fire</td>
<td>Several hundred containers burned</td>
</tr>
<tr>
<td>14 April</td>
<td>NYK Joanna</td>
<td>ONE, Singapore</td>
<td>2 664</td>
<td>Pirate attack in Manila</td>
<td>-</td>
</tr>
<tr>
<td>10 June</td>
<td>RIO CHARLESTON</td>
<td>Maersk, Denmark</td>
<td>4 300</td>
<td>Pirate attack near the port of Brass, Nigeria</td>
<td>-</td>
</tr>
<tr>
<td>22 April</td>
<td>CMA CGM DALILA</td>
<td>CMA CGM, France</td>
<td>8 465</td>
<td>Grounding near the port of Houston, USA</td>
<td>-</td>
</tr>
<tr>
<td>2 May</td>
<td>OOCL United Kingdom</td>
<td>OOCL, Hong Kong</td>
<td>21 413</td>
<td>Bad weather</td>
<td>Collapse of container stacks and loss of several others at sea</td>
</tr>
<tr>
<td>4 June</td>
<td>MSC Rosa M</td>
<td>Mediterranean Shipping, Switzerland</td>
<td>14 036</td>
<td>Collision with a quay crane in the port of Mumbai, India</td>
<td>The right side and the forward part of the vessel were severely damaged</td>
</tr>
<tr>
<td>4 June</td>
<td>LAURA MAERSK</td>
<td>Maersk, Denmark</td>
<td>4 258</td>
<td>Explosion and fire</td>
<td>Damage to the engines and injury of a sailor</td>
</tr>
<tr>
<td>11 September</td>
<td>ONE COSMOS</td>
<td>ONE, Singapore</td>
<td>8 100</td>
<td>Bad weather</td>
<td>Collapse of container stacks</td>
</tr>
<tr>
<td>30 November</td>
<td>ONE APUS</td>
<td>ONE, Singapore</td>
<td>14 052</td>
<td>Bad weather</td>
<td>Loss of 1 816 containers</td>
</tr>
<tr>
<td>2 December</td>
<td>MUNICH MAERSK</td>
<td>Maersk, Denmark</td>
<td>19 630</td>
<td>Undetermined</td>
<td>Loss of more than 200 containers</td>
</tr>
</tbody>
</table>
World container port rankings : 1970-2019

Over the past five decades, traffic at the world’s ports and seaboards has also undergone a profound change. With the increasing containerization of freight transport, maritime traffic has shifted to East Asian ports, particularly Chinese ports, at the expense of North American and European ports.

In 2019, seven Chinese ports will enter the top 10 hubs specializing in containerized cargo transport. No American, British, German or Japanese ports show in this ranking. Only the port of Rotterdam still appears in this ranking, which fell from third place in 1970 down to 10th place in 2019.

<table>
<thead>
<tr>
<th>Rank</th>
<th>1970</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Port</td>
<td>Country</td>
</tr>
<tr>
<td>1</td>
<td>New York</td>
<td>United States</td>
</tr>
<tr>
<td>2</td>
<td>Oakland</td>
<td>United States</td>
</tr>
<tr>
<td>3</td>
<td>Rotterdam</td>
<td>Netherlands</td>
</tr>
<tr>
<td>4</td>
<td>Liverpool</td>
<td>England United Kingdom</td>
</tr>
<tr>
<td>5</td>
<td>Tilbury</td>
<td>England United Kingdom</td>
</tr>
<tr>
<td>6</td>
<td>Bremen</td>
<td>Germany</td>
</tr>
<tr>
<td>7</td>
<td>Yokohama</td>
<td>Japan</td>
</tr>
<tr>
<td>8</td>
<td>Belfast</td>
<td>Northern Ireland United Kingdom</td>
</tr>
<tr>
<td>9</td>
<td>Seattle</td>
<td>United States</td>
</tr>
<tr>
<td>10</td>
<td>Virginia</td>
<td>United States</td>
</tr>
</tbody>
</table>

In 2019, seven Chinese ports will enter the top 10 hubs specializing in containerized cargo transport. No American, British, German or Japanese ports show in this ranking. Only the port of Rotterdam still appears in this ranking, which fell from third place in 1970 down to 10th place in 2019.
EXPERTS YOU CAN RELY ON

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History of French insurance

After China, the United States and India, Atlas Magazine is introducing the French insurance market. This month’s edition is dedicated to the historical aspect whereas the rest of the study, due to be published in our next issues, will focus on the structure of the market, the position of France at the regional and global level as well as the main indicators of insurance activity.

Mutual aid and solidarity are human needs that have been inherent in us since the dawn of time, playing out one way or another throughout the oldest of civilizations. In ancient Greece, these practices gave rise to a form of marine insurance: the “Nautika”, or bottomry loan.

It is in fact a loan granted at a very high interest rate by a private individual to finance the voyage of a merchant in maritime transport or to a merchant ship owner.

The “bottomry loan” popularized by the Greeks was taken up by the Romans and by other peoples of the Mediterranean basin.

Towards the end of the Middle Ages, which began in 476 with the collapse of the Roman Empire and ended in 1492 with the discovery of America by Christopher Columbus, the bottomry loan was banned in 1234 by Pope Gregory IX, who abolished usurious loans.

By the end of the Middle Ages, merchants, marine transporters, lenders, essentially Genoese, Venetians, Spaniards and Portuguese, embarked on the great discoveries, opening up maritime routes to Asia and the Americas. From then on, it was necessary to encourage expeditions and above all to secure the bankers who financed this new trade boom; hence, the birth of marine insurance around the Mediterranean ports and the establishment of the first insurance company in 1424 in Genoa.
In France, the beginning of modern insurance can be dated to the time of Colbert, Secretary of State of the King’s House, and Secretary of State for the Navy (1669-1683). It was under his leadership that marine insurance was first legislated.

One of the first French marine insurance companies was set up in Bordeaux in 1665 under the name of Compagnie des Assurances de Bordeaux. The Chambre d’Assurance and Grosses Aventures de France was established in 1668 before it was rebaptized in 1686 under the name of Compagnie Générale des Assurances et Grosses Aventures de France.

In 1717, the first fire insurance company was registered under the name of Compagnie d’assurance contre l’incendie.

While coverage for marine and fire risks was encouraged, life insurance was strongly discouraged for political and religious reasons. In its article 10, the Marine Ordinance issued by Louis XIV in 1681, is very clear on this point: “We forbid any insurance on the lives of people”. It was only a century later in 1787, just before the French Revolution of 1789, that the first life insurance company was born under the name of “Compagnie Royale d’Assurance sur la Vie”.

In the 18th century, the French Revolution raised doubt on the entire insurance business, dismissing the first fire insurers as criminals, some of whom were even executed. Insurance companies and all joint stock companies were strongly criticized and suppressed. At the initiative of MP Pierre-Joseph Cambon, the members of the National Convention, which governed France from 21 September 1792 to 26 October 1795 and which succeeded the Legislative Assembly, voted a decree in 1793 banning the financial companies including the insurance companies.

The 19th century: the advent of the market

During the First Empire (1804 to 1814), Napoleon I was not enthusiastic about the development of insurance in France. It was not until the end of the First Empire and the Restoration of the monarchy in 1814 that the public authorities witnessed the revival of insurance.

Birth of the market

A royal decree of 1816, governing property & casualty insurance, authorized fire insurance once again, with a large number of companies being therefore set up, paving the way for the insurance of other goods and risks to emerge.

In 1818, the Council of State legalized the practice of life insurance. However, it was not until the beginning of the 19th century and particularly under the July Monarchy (1830 - 1848), that life insurance experienced a real renaissance. Unlike Napoleon I, his nephew Napoleon III was favorable to this activity. Obstacles to the development of the life insurance had gradually disappeared as time went by, resulting in a real public frenzy about it.

Photo credit: Wikimages/Pixabay
The first developments in insurance

The insurance market really took off in the 1820s at times when the growth of activities was not only focused on mutual firms but also on capital companies (fixed premium insurers). While mutual companies opted to diversify their activities by introducing new schemes and opening offices in several regions, capital companies relied on the support of the financial market to expand.

Fixed premium insurers

Known as fixed premium insurers, the first capital companies appeared as early as 1819. It was with the support of wealthy businessmen and the banking sector that these insurers set foot on the market.

The Breton banker Marie-Auguste de Gourcuff, close to King Louis XVIII, founded in 1819 the Société des Assurances Générales contre l'Incendie as a public limited liability company.

Other companies would follow:

► the Compagnie française du Phénix (which would give rise to Assurances Générales de France, the AGF) was set up in 1819 by Jacob Dupan and Charles Xavier Thomas,
► the Compagnie Royale, which became Nationale and then GAN, was founded in 1820 on the initiative of 16 bankers,
► the Union-Incendie, which came into being in 1828, had 20 bankers as its shareholders.
► the Union-Incendie gave birth to the Union des Assurances de Paris (UAP) which would later become AXA,
► the Soleil-Incendie began operations in 1829,
► the Union-Vie, established in 1829, was the first life insurer to see the light of day after the Restoration. Royale-Vie, a life insurance company followed, entering the market in 1830.
After the Restoration of 1814, nearly 100 insurance companies were, therefore, established. In spite of this boom, several young companies went bankrupt, with only 30 fixed-premium companies staying the course. The market was then driven by five main companies: Société d’Assurances Générales contre l’Incendie, Phénix, Compagnie Royale d’Assurances, Union-Incendie and Soleil-Incendie, all of which experienced robust growth based on a risk selection strategy.

It is noteworthy that the newly established companies were rapidly turning to international development. The Union-Incendie was the first French insurer to establish itself outside France, notably in Spain, Switzerland, Germany and England. The company managed to settle even in South America and the Far East.

At the end of the 19th century, French insurers were present in 16 foreign countries, mainly in Europe and North Africa.

Mutual insurance companies

The first mutual property & casualty insurance company was limited to the coverage of fire insurance. The “Compagnie d’Assurances Mutuelles contre l’Incendie de Paris” was set up in 1816.

Between 1816 and 1883, nearly 200 mutual companies had been established in France. As with fixed premium companies, a large number of these young companies quickly disappeared. In 1892, there were only 51 mutuals left on the market. Among the most active of these companies was the Mutuelle de Poitiers, founded in 1838 and still in operation.

The Mutuelle Immobilière Incendie was created in 1828 by a lawyer from Sarthe, Louis Basse, who in 1839 also introduced the Mutuelle Mobilière Incendie to the market. Still at the initiative of L. Basse, a third company appeared in 1842 under the name of Mutuelle Mobilière du Mans.

In 1883, another Sarthe man, Jean-Marie Lelièvre, created the Mutuelle Générale Française Accident (MGFA), which joined the Mutuelles du Mans group in 1969. In 1999, the group was renamed MMA, the core of the Covéa group, the leading French property & casualty insurer in 2020.
Late 19th century - early 20th century

At the end of the 19th century, several pieces of legislation had been promulgated to regulate the personal line insurance. Two of these provisions proved to be of crucial importance for the development of the market.

Law of 1 April 1898, which provided mutual companies with the option of marketing all types of insurance plans or specializing in just one of them.

Law of 9 April 1898, which made compensation for work-related accidents mandatory. The second Industrial Revolution, which started in Europe in 1890, brought about numerous cases of bodily injuries in the emerging industries. The law of 9 April 1898 was therefore a founding provision for the insurance business, meeting a new need for employees’ protection. France thus became the first country to offer insurance covering occupational accidents.

The First World War

During the First World War (1914-1918), the French government cancelled all insurance contracts concluded with powers considered as enemies. In 1917, the authorities banned the commercial activities of German and Austro-Hungarian companies throughout France. A blacklist of insurers and reinsurers with capital held by the so-called “enemy” countries was drawn up.

To fill the void left by the German operators, ten French entities had been founded between 1916 and 1921.

This period was also marked by inflation, which heavily penalized the insurance sector, with many life insurance companies sustaining a decline in their assets between 1913 and 1921. In order to cope with the economic situation, rates had substantially gone up and were three times higher. Half of the foreign life insurers present on the market before the war left France.

Paris in 1869 as seen by the painter Adolph von Menzel
The interwar period

With the end of the First World War and monetary stabilization, France returned to growth. However, the Wall Street crash of 1929 interrupted this short period of progress.

Shortly before the Second World War, the market had bounced back and the country succeeded in stabilizing inflation and its currency, embarking on a phase of rapid industrialization.

This period was characterized by insurance growth with the creation of new property & casualty schemes: credit insurance, motor insurance, and miscellaneous risks; hence the establishment of several entities designed to keep up with this development and regulate the sector.

Consequently, the following entities were created:

- the Fédération Nationale des Syndicats d’Agents Généraux d’Assurances (the national federation of the syndicates of general insurance agents), (FNSAGA) in 1919,
- the Bureau Central français des compagnies d’assurances pour l’étude des statistiques, (French central bureau of insurance companies) dealing with motor insurance in 1929,
- the Fédération Française des Sociétés d’Assurance (the French federation of insurance companies) in 1936.

The legislative framework has also kept pace with the revival, with the promulgation of several laws including those regulating the insurance contract and establishing State control over insurance companies.

► law of 13 July 1930 governing insurance contracts,
► decree-law of 8 August 1935 imposing control over motor insurance,
► decree-law of 28 October 1935 ordering compulsory affiliation of trade and industry employees to the social insurance plan,
► decree-law of 14 June 1938 standardizing the various regulations and State control over insurance and capitalization companies,
► law of 12 July 1940 attaching the Insurance Department to the Ministry of Finance.

The end of the Second World War

As soon as the Second World War ended, the Law of 25 April 1946 was enacted, authorizing the partial nationalization of 34 of the largest insurance companies (the Union, the Urbaine, the Phénix, the Assurances Générales, the Soleil, the Aigle, the Nationale, Cie Générale de Réassurance, the Mutuelle Générale Française Accidents,...).

The law of 25 April 1946 also created the Caisse Centrale de Réassurance (CCR).
The second half of the 20th century

Despite the difficult post-war context, France has continued to attract foreign stakeholders. In 1953, the country had 172 direct foreign insurers and 362 foreign insurance agencies. Most of these establishments were British, Belgian, Swiss, Dutch, Italian, etc. These foreign companies had coped with a French insurance sector composed of national, private and mutual companies.

This insurance landscape had undergone profound mutations after the Second World War, both from a regulatory and structural point of view.

The evolution of the regulatory framework is based on two provisions, namely:
► the Law of 27 February 1958, which provided for compulsory motor insurance,
► the Decree of 16 July 1976, which established the Insurance Code. This provision compiles in a single document all the legislation pertaining to the insurance activity.

From a structural point of view, the start of market concentration is carried by the Decree of 9 August 1953 governing State control on the national public companies and certain organizations having an economic or social purpose.

This provision had repercussions on the insurance sector, which included a large number of nationalized companies.

Modern times

In the early 1960s, the French market entered a phase of operational financialization and globalization, a move marking the beginning of a phase of major maneuvers.

New concentration

In 1968, the main nationalized companies were pooled up into three large entities. By ministerial decree of 17 January 1968, Michel Debré, Minister of the Economy and Finance, decided to "concentrate" the insurance sector in order to address the challenges encountered by some companies and "better face international competition". The 34 companies nationalized in 1946 were grouped into three large public insurance groups: UAP, AGF and GAN.

This measure was taken after these companies' general performance had deteriorated and their market share had fallen from 66% in 1946 to only 38% in 1968.

Development of mutual companies

Based on the principle of shared responsibility and solidarity between members, disregarding financial gains, mutual companies had made significant progress in the 1960s, with their portfolios growing considerably thanks to alliances with various socio-professional or specific interest groups.

These mutual companies have their own professional structure: the Groupement des Entreprises Mutuelles d’Assurance (GEMA), created in 1964.

The development of motor insurance

In 1958, compulsory motor insurance was introduced, creating a real boom in this business which became the driving force of the market. During the 1960s, car sales exploded, especially with the launch of small models (Volkswagen Beetle, Renault 4L, Citroën 2CV, Fiat 500...).

In 1951, public authorities created the Fonds de Garantie Automobile (Automobile Guarantee Fund).
Establishment of large international insurance groups

Several market players are developing their activities abroad. The creation of a common European market promoted cross-border operations. In 1969, the foreign activities of French insurers accounted for 11% of the total market revenues.

On the local market, major merger operations began at the end of the 1970s with Claude Bébéar on the move. The latter, at the head of the Ancienne Mutuelle de Rouen, took over the Compagnie Parisienne de Garantie in 1978. The Drouot group was taken over in 1982, followed by Secours and The Providence in 1986 and Compagnie du Midi in 1988. The AXA brand was launched in 1985. The privatized UAP group joined AXA in 1996. This last joint venture gave birth to the leading insurance company in the French market and to one of the world leaders in the business.

Reforms and return to the private sector

As early as 1980, new reforms were undertaken to encourage market privatization, with law of 2 July 1986 promulgated to privatize nationalized companies. Despite a difficult start due to structural problems, the privatization of the market leaders of the time was eventually achieved. MGF was privatized in 1987, UAP in 1994, AGF in 1996 and GAN in 1998.

The reinsurance market

Two French reinsurers dominate the market. CCR: Set up under the framework of the law of 25 April 1946, the Caisse Centrale de la réassurance (CCR) benefits from:
- a compulsory legal cession of 4% of the entire market,
- the status of a public reinsurer with commercial attributions, which allows it to develop products and to manage several State guarantees,
- the possibility of conducting reinsurance activities with French and foreign companies.
In 2017, CCR gave birth to CCR Re, a subsidiary specialized in commercial reinsurance.

SCOR: In 1970, the Société Commerciale de Réassurance (SCOR) was established by public authorities. It then took over the entire commercial reinsurance portfolio of the CCR and that of Nationale Réassurance, a subsidiary of The Nationale. In the 1980s, SCOR embarked on a process of consolidation with the purchase of La Vittoria Riassicurazioni (Italy) in 1988, UAP Re (France) in 1989, Deutsche Kontinentale Rück (Germany) in 1989 and the purchase of the reinsurance portfolio of the American insurer Allstate in 1996. Finally, SCOR bought the Swiss reinsurer Converium in 2007.

Solvency I and II

The single European market has been developing since the 1970s a common directive called Solvency I. This directive was designed to harmonize the rules of solvency for European insurance and reinsurance companies.

In February 2002, the “Solvency I” scheme was adopted. In practice, the requirements of this directive quickly proved to be limited, especially after the 2002-2003 financial crisis. The European Union then started a project of global reform of the European insurance regulation. The new directive, called “Solvency II”, was voted in April 2009 and came into force on 1 January 2016. The objective was to better adapt the shareholders’ equity of insurance companies to the risks they incur.

In November 2018, the European Commission launched a consultation to amend Solvency II. After consultation, the European Insurance Authority “EIOPA” proposed a new draft of Solvency II for June 2020. Due to the health crisis, this reform was postponed to a later date.
Highlights of French insurance

**Early insurance**

1665
Establishment of the Compagnie des Assurances de Bordeaux, one of the first marine insurance companies

1686
The Chambre d'Assurance et Grosses Aventures de France was rebaptized Compagnie Générale des Assurances et Grosses Aventures de France

1668
Establishment by Colbert of the first non-life insurance company: «The Chambre d'Assurance et Grosses Aventures de France»

1692
The Lloyd’s gets established in Paris

1717
Establishment of the first mutual fire company «Compagnie d'Assurance contre l'Incendie»

1750
«Association Mutuelle contre les Incendies» company sets foot on the market

1786
Establishment of the Société d'Assurances Générales contre l'Incendie and of Compagnie d'Assurances contre l'Incendie

1787
Establishment of the Compagnie Royale d'Assurance sur la Vie

1789
The French Revolution

1792
Adoption of a law levying taxes on shareholdings in insurance companies to restrict investors’ craze for joint-stock companies

1793
Decree of 24 August making certain financial companies, including insurance companies and discount banks, illegal.
19th century

1812
Establishment of a public insurance company for mining employees

1818
The Council of State authorizes life insurance. Creation of the Compagnie d'Assurances Maritimes

1816
Publication of a royal decree authorizing fire insurance. Establishment of the first mutual fire insurance company: "the Compagnie d'Assurances Mutuelles contre l'Incendie de Paris"

1819
Establishment of the insurance company the Phénix and of the Société des Assurances Générales contre l'Incendie

1820
Establishment of the Compagnie Royale Incendie. Signature of the first fire tariff agreement between the Compagnie Royale, the Soleil and the Phénix

1821
Signature of the first reinsurance contract between Royale Incendie and Propriétaires Réunis de Bruxelles

1828
Creation of the insurance company: Union-Incendie and Mutuelle Immobilière Incendie

1829
- Creation of Union-Vie, the first life insurer since the revolution
- Appearance of the first glass breakage insurance for store windows

1830
Establishment of the Royale-Vie

1838
- Development of insurance cover for transport accidents
- Birth of the Seine, insurance company against accidents caused by horses and carriages
- Birth of the Urbaine Incendie and the Mutuelle de Poitiers

1844
Establishment of the Urbaine Vie
End of the 19th century - Early 20th century

**1862**
Creation of the Syndicat général des compagnies d’assurances à primes fixes contre l’incendie which groups together 16 companies

**1864**
Birth of the first accident insurance company: the Préservatrice

**1868**
Decree of 22 January allowing the creation of insurance companies without authorization, except for tontines and life insurance companies

**1871**
Establishment of the Caisse Internationale de Réassurance

**1874**
Union takes over the International Reinsurance Fund

**1884**
Establishment of the Société Anonyme de Réassurance

**1886**
Creation of the Insurance Institute which offers free two-year courses

**1890**
Establishment of the French Actuaries’ Institute

**1898**
- Law of 1 April extending the powers of mutual companies, which can now operate in all insurance classes of business
- Law of 9 April introducing a workmen’s compensation insurance and instituting the employer’s third party liability

**1899**
- Law of 1 April extending the powers of mutual companies, which can now operate in all insurance classes of business
- Law of 9 April introducing a workmen’s compensation insurance and instituting the employer’s third party liability

**1905**
Publication of the first law aimed at protecting the insured and improving supervision of insurance companies

**1906**
Attachment of the Department of Insurance and Social Security to the Ministry of Labor and Social Security
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1917</td>
<td>Government ban on all commercial activities of German and Austro-Hungarian companies on French territory</td>
</tr>
<tr>
<td>1918</td>
<td>Confiscation of all assets belonging to German reinsurers established in France</td>
</tr>
<tr>
<td>1919</td>
<td>Establishment of the National Federation of the Syndicates of General Insurance Agents (FNSAGA)</td>
</tr>
<tr>
<td>1929</td>
<td>Creation of the French Central Bureau of Insurance Companies for the study of automobile accident statistics</td>
</tr>
<tr>
<td>1930</td>
<td>Law of 13 July which regulates the insurance contract, a law still in force nowadays</td>
</tr>
<tr>
<td>1935</td>
<td>Law of 13 July regulating motor insurance</td>
</tr>
<tr>
<td>1936</td>
<td>Establishment of the French Federation of Insurance Companies</td>
</tr>
<tr>
<td>1938</td>
<td>Publication of the decree-law of 14 June unifying the various regulations and State control over insurance and capitalization companies</td>
</tr>
<tr>
<td>1940</td>
<td>Attachment of the Insurance Department to the Ministry of Finance</td>
</tr>
<tr>
<td>1945</td>
<td>Abolition of the Insurance Organization Committee. Its responsibilities are transferred to the Insurance Department</td>
</tr>
<tr>
<td>1946</td>
<td>Partial nationalization of 34 insurance companies and creation of the Caisse Centrale de Réassurance</td>
</tr>
</tbody>
</table>
| 1947 | - Creation of the National Insurance School (ENASS)  
- Decree of 30 September: liberalization of rates for insurance companies |
### The second half of the 20th century

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1951</td>
<td>Establishment of the Automobile Guarantee Fund (FGA)</td>
</tr>
<tr>
<td>1953</td>
<td>Decree of August 9 allowing the merger and concentration of national insurance and capitalization companies</td>
</tr>
<tr>
<td>1957</td>
<td>Takeover of the Société Anonyme de Réassurance by the Compagnie Française de Réassurance Générale, giving birth to the Société Anonyme Française de Réassurance</td>
</tr>
<tr>
<td>1958</td>
<td>Law of 27 February making motor insurance mandatory</td>
</tr>
</tbody>
</table>

### Modern times

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>Establishment of the Mutuelle Assurance des Commerçants et Industriels de France (MACIF)</td>
</tr>
<tr>
<td>1963</td>
<td>Creation of the first assistance company in France, Europ Assistance</td>
</tr>
<tr>
<td>1964</td>
<td>Establishment of the Groupement des Entreprises Mutuelles d’Assurance (GEMA)</td>
</tr>
<tr>
<td>1967</td>
<td>Decree reducing CCR’s legal cessions from 4% to 2%</td>
</tr>
<tr>
<td>1968</td>
<td>Decree of 17 January pooling up national companies into three entities, UAP, AGF, GAN</td>
</tr>
<tr>
<td>1970</td>
<td>Establishment of the Société Commerciale de Réassurance (SCOR)</td>
</tr>
<tr>
<td>1972</td>
<td>Establishment of the Groupement des Assurés du Commerce et de l’Industrie (GACI)</td>
</tr>
</tbody>
</table>
1973
- Establishment of the headquarters of the Comité Européen des Assurances (CEA) in Paris
- Creation of the Paris Insurance Institute

1976
Establishment of the Insurance Code

1978
Spinetta Law of 4 January making construction insurance mandatory

1982
Law of 13 July on compensation for victims of natural disasters

1985
Groupe Mutuelles Unies-Drouot is renamed AXA

1987
Privatization of MGF

1989
Law of 31 December transforming all civil insurance companies into mutual firms

1990
Abolition of the Insurance Department and distribution of control and regulatory tasks between the Treasury Department (Ministry of Finance) and the Insurance Control Commission (CCA)

1993
- Creation of the European Union
- Modification of the status of the Caisse Centrale de Réassurance into a limited company whose major shareholder is the State

1994
- Major privatization wave in the insurance sector
- Privatization of UAP

1996
- Privatization of AGF
- AXA-UAP merger

1998
Privatization of GAN
### Focus

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>2001</td>
<td>Reform of the Mutuality Code</td>
</tr>
<tr>
<td>2002</td>
<td>Adoption of the European regulatory directive “Solvency I”</td>
</tr>
<tr>
<td>2003</td>
<td>Adoption of the law governing financial security</td>
</tr>
<tr>
<td>2005</td>
<td>- Integration of the intermediation directive into the Insurance Code&lt;br&gt;- Chatel Act of 28 January amending the provisions concerning tacitly renewable insurance contracts</td>
</tr>
<tr>
<td>2009</td>
<td>Adoption of the European regulatory directive “Solvency II”</td>
</tr>
<tr>
<td>2010</td>
<td>Creation of the Supervisory Authority (ACP)</td>
</tr>
<tr>
<td>2017</td>
<td>Creation of CCR Re, a subsidiary specialized in commercial reinsurance</td>
</tr>
<tr>
<td>2018</td>
<td>Publication of the Insurance Distribution Directive (IDD)</td>
</tr>
</tbody>
</table>

Photo credit: Jace & Afsoon - Unsplash
Oko raises 1.2 million USD for its development in Africa
The agricultural insurance start-up Oko which is currently operating in Mali and Uganda is raising 1.2 million USD from the venture capital company Newfund and the investment fund ResiliAnce. This fundraising will enable Oko to finance its expansion in Africa.

Covid-19: Burkina Faso's insurers show resilience
The Burkinabe insurance market seems to show resilience in the face of the health crisis notably by setting up Business continuity plans (BCP). In 2020, the sector's overall production increased by 14.4% set at 108.4 billion FCFA (202.97 million USD) against 94.7 billion FCFA in 2019. The non-life premiums reached 61.9 billion FCFA (115.9 million USD) compared to 46.5 billion FCFA (87.07 million USD) in life insurance.

New regulation for Egyptian insurance brokers
The Egyptian regulatory authority (FRA) is introducing a new regulation regarding the activities of insurance brokers. The text extends the suspension period for the issuance of licenses to brokerage companies by one year. However, those who have already applied for a license before the publication of the regulation are allowed to resume the process.

Draft law for the Egyptian insurance market
The Egyptian parliament is examining a draft unified insurance law. The bill sets out the rules governing the supervision and control mechanisms over insurance in Egypt. The new law stipulates that the Financial Regulatory Authority (FRA) shall have the exclusive jurisdiction to establish, license, and control insurance and reinsurance entities. The draft also introduces new categories of compulsory insurance. The new law is expected to be passed in 2021.

350 million USD of unpaid premiums in 2020
Companies, households and individuals would have paid 38.1 billion KES (349.1 million USD) for non-existent insurance covers.

Brokers, agents and banks have failed to transfer the premiums corresponding to the supposedly covered risks to insurers. According to Kenyan regulations, an insured can only be compensated for a loss if the insurance premium is collected by the insurer.

OGAR Vie, leader of the Gabonese life insurance market
OGAR Vie maintained its position as the leader of the life insurance market in 2020. The Gabonese insurer achieved a turnover of 10.4 billion FCFA (19.47 million USD) in 2020, which represents a 46% share of the local market.

The companies Sunu Assurances Vie Gabon and NSIA Vie Assurances ranked second and third with 9.2 billion FCFA (17.23 million USD) and 2 billion FCFA (3.74 million USD) of written premiums respectively. With 22.3 billion FCFA (41.76 million USD) of premiums, the life market witnessed a 6.91% growth in 2020.

Hollard Ghana to market insurance products online
Hollard Ghana is considering a partnership with an African e-commerce company to market insurance policies online. The operation will start with the sale of products targeting individuals: travel, life, motor and homeowner's insurance.
Namibia
Business interruption: Hollard Insurance Namibia sued
Gondwana Collection, a tourism company, has filed a complaint against Hollard Insurance Namibia in the High Court. According to the plaintiff, the Namibian insurer is deliberately delaying the business interruption claim settlement of the company following its cessation of activity due to the pandemic. Gondwana Collection's losses amount to 638 million NAD (43 million USD).
Before going to court, Gondwana filed a complaint against Hollard Insurance with the Namibia Financial Institutions Supervisory Authority (Namfisa) which has opened an investigation.

Nigeria
New corporate governance rules for Nigerian insurers
The National Insurance Commission (NAICOM) has informed the industry that new corporate governance rules regulating the Nigerian insurance market will come into effect on 1 June 2021. The objective of the new guidelines is to improve the administration, supervision and control of insurance activities. Nigerian insurers are required to abide by the new rules and comply with the industry's best practices.

South Africa
The Covid-19 pandemic is speeding up the digital transformation process of the Standard Bank in South Africa. Customers now prefer to use digital solutions to carry out their transactions, particularly in insurance through the bank's insurance subsidiary, Standard Bank Insurance.
Between January and September 2020, online underwriting of insurance contracts increased by 90%. Underwriting using a mobile application is up by 28% during the period under review.

Madagascar
ARO: establishment of a "major accounts" division
Assurances Réassurances Omnibranches (ARO) has announced, on 15 March 2021, the creation of a "major accounts" division intended for a few privileged clients. The company will provide its major accounts customers with a series of customized services. These services include priority treatment, follow-up and personalized consulting. The division is made up of composite insurance experts (life and non-life) responsible for advising and anticipating the needs of the insured.
Other projects are under development, notably digitalization and the introduction of new insurance products.

Tanzania
Partnership between TanManagement Insurance Brokers and Micro Insurance Company
Micro Insurance Company (MIC), a global microinsurance platform, and Tanzanian broker TanManagement Insurance Brokers have signed a partnership agreement. The collaboration aims to develop new insurance products in the Tanzanian market. The objective is to strengthen the growth of microinsurance in the country.
China non-life insurance: online underwritings in decline

The Insurance Association of China reports that the non-life insurance market saw a decline in online earnings in 2020. The number of policies sold online decreased by 0.92% in 2020. The non-life premiums underwritten on the internet amounted to 79.8 billion CNY (12.2 billion USD) in 2020, degrading by 4.85% compared to 2019. The Chinese insurance market is dominated by accident, health, motor, and marine activities. These latter account for 82.3% of the total online P&C insurance premiums.

China Strategic Holdings plans to acquire Hong Kong Life Insurance

The investment company China Strategic Holdings is in talks to acquire Hong Kong Life Insurance. The life insurance company is valued between 400 and 500 million USD. Other potential bidders are also interested in the Hong Kong insurer's activities.

Health insurance fraud in China: stricter penalties

The Chinese government has introduced new regulations regarding health insurance fraud. Effective 1 May 2021, the new law increases the penalties regarding fraud committed against health insurance. Fraudulent acts may be subject to a 3 to 12 months suspension of compensation by the fund. A penalty of five times the amount of fraud could also be imposed.

India

IRDAI fines four Indian insurers

The Indian regulatory authority (IRDAI) has fined four insurers for a total amount of 5.1 million INR (68,050 USD). The sanctioned companies are SBI General Insurance, Liberty General Insurance, Bajaj Allianz General Insurance and Royal Sundaram General Insurance. This penalty follows the failure to comply with standards related to motor insurance.

Indonesia

Prudential Indonesia to reorganize its Takaful business

Prudential Life Assurance (Prudential Indonesia) is planning to place its Takaful insurance business into a separate entity. The transfer of the portfolio as well as human and technological resources is expected to be completed by 2024. The insurer submitted its plan to the Financial Services Authority (OJK) in October 2020. This move is in line with the draft law that requires insurers to separate Islamic insurance subsidiaries from conventional business units by 17 October 2024.

Malaysia

Generali interested in acquiring AXA’s assets in Malaysia

The Generali group is in talks with AXA regarding the purchase of its Malaysian assets. The current discussions concern the French group’s non-life insurance activities. The transaction is valued at 300 million EUR (357.52 million USD).

South Korea

Insurance fraud in South Korea

South Korean insurers recorded a 2% increase in fraudulent claim notifications during 2020. With 98,826 cases recorded last year, this scourge generated losses of about 898.6 billion KRW (808 million USD). Non-life insurance fraud accounts for 91.1% of the total amount of false claims.
Algeria

AXA Algérie: promotional offer
AXA Algérie has launched a promotional campaign for its motor products. The insured may benefit from two months of free insurance for any new subscription to an "All in 1" or "Classic +" annual policy. The offer is valid from 4 April to 31 May 2021.

CNMA: 2020’s results
The Caisse Nationale de Mutualité Agricole (CNMA) has recorded a 9% turnover decrease in 2020. The latter went from 14.3 billion DZD (119.49 million USD) by late 2019 to 13 billion DZD (98.08 million USD) in 2020. The agricultural risks stood for 80% of the recorded premiums in 2020. In 2020, the net result reached 1.8 billion DZD (13.58 million USD) against 1.2 billion DZD (10.03 million USD) in 2019, thus increasing by 50% over one year. CNMA posted a 33% increase in its net insurance margin. The loss ratio was set at 51%

Macir Vie launches a new health insurance product
In partnership with GE Healthcare, a world leader in advanced medical equipment, Macir Vie has launched a new health insurance product called "MyM Santé +".

Click to read more: https://www.atlas-mag.net/en/article/macir-vie-launches-a-new-health-insurance-product

Morocco

The history of SCR
The Société Centrale de Réassurance (SCR) has published a book retracing its sixty years of existence. The book chronicles the history of SCR and the building of modern Morocco.

Click to read more: https://www.atlas-mag.net/en/article/the-history-of-scr

RMA launches new inclusive insurance products
Royale Marocaine d’Assurance (RMA) has launched a new range of products as part of the national inclusive insurance strategy. The Moroccan company aims to offer banking-backed insurance solutions.

Click to read more: https://www.atlas-mag.net/en/article/rma-launches-new-inclusive-insurance-products

Tunisia

FTUSA: towards the establishment of an agency against insurance fraud
The Tunisian Federation of Insurance Companies (FTUSA) is working on a project to create an agency to fight against insurance fraud.

Click to read more: https://www.atlas-mag.net/en/article/ftusa-towards-the-establishment-of-an-agency-against-insurance-fraud

The CARTE group sells its stake in BH Assurance
The Tunisian-European Insurance and Reinsurance Company (CARTE Assurances) sells its entire 33.29% stake in the capital of BH Assurance. The latter registered on 31 March 2021 the entry of the Poullina group in its capital with a participation of 34%

Tunisian insurers: declining compensations in 2020
The General Insurance Committee (CGA) reported that the indemnities paid by Tunisian insurance companies decreased by 9.7% in 2020 to be set at 1.281 billion TND (472.66 million USD) against 1.419 billion TND (506.5 million USD) in 2019.

Click to read more: https://www.atlas-mag.net/en/article/tunisian-insurers-declining-compensations-in-2020

Click here for more news on Maghreb
Travel insurance: AXA Gulf offers a discount for vaccinated travellers

AXA Gulf provides the insured who have been vaccinated against Covid-19 with a 20% discount on the travel insurance product "Travel Smart". To benefit from the discount, customers are required to confirm that they have been vaccinated and indicate the date of their second dose. This initiative is part of the ongoing vaccination campaign in the Middle East.

Bahrain

Book on takaful insurance published in Bahrain

In partnership with the Gulf Insurance Group (GIG), the Bahrain Institute of Banking and Financial Studies (BIBF) is publishing a book entitled "Takaful: Technical and Operational Aspects". The book provides information on the various technical and operational aspects of Takaful operations in Bahrain and around the world.

Takaful International launches a health insurance product

In partnership with Hannover ReTakaful, Takaful International has created a new health insurance product for individuals. "AFYA" allows the insured up to the age of 75, to benefit from a wide range of health services including a diverse network of hospitals, health facilities and specialized clinics around the world. Through this initiative, the Bahraini insurer aims to provide health insurance coverage and services that meet the growing demand within this activity. "AFYA" will be presented in a variety of packages tailored to different income levels.

Oman

Oman Re holds workshops on risk management

In partnership with Xantray Consulting, Oman Re is conducting a series of workshops on Risk Engineering in insurance in April 2021. The eight-month program covers several topics including risk quality benchmarking and Fundamentals of Risk Engineering. More than 20 candidates from 10 Oman-based insurance organizations are taking part in the ongoing workshops.

Qatar

Alkhaleej Takaful Insurance: net profit increase in Q1 2021

Alkhaleej Takaful Insurance has recorded a net profit growth of 34.8% in the first quarter of 2021 which went from 16.19 million QAR (4.44 million USD) as at 31 March 2020 to 21.83 million QAR during the same period of 2021.

AM Best upgrades the rating of Qatar Islamic Insurance Group

AM Best upgrades Qatar Islamic Insurance Group's (QIG) financial strength rating to 'A-' from 'B+'. The long-term credit rating was raised to "a-" from "bbb+". The outlook for both ratings shifted from positive to stable. The rating agency justifies its decision by the strength of QIG’s balance sheet, its operational performance and its effective enterprise risk management.

In 2020, the Qatari insurer achieved a net profit of 76 million QAR (20.7 million USD). The return on equity was set at 13.6%.
**Saudi Arabia**

**Saudi listed insurers: increasing profits in 2020**

Badri Management Consultancy reports that the 29 Saudi listed insurers ended the year 2020 with a 42% net profit increase. The latter rose from 1.393 billion SAR (370.97 million USD) in 2019 to 1.972 billion SAR (525.15 million USD) in 2020.


**Chubb Arabia: share capital increase**

On 6 April 2021, the Saudi Central Bank (SAMA) has approved, Chubb Arabia Cooperative Insurance’s 50% share capital increase. The latter went from 200 million SAR (53.28 million USD) to 300 million SAR (79.93 million USD), thus increasing the number of shares from 20 million to 30 million.

**Merger between AlAhli Takaful and Arabian Shield**

AlAhli Takaful Company and Arabian Shield Cooperative Insurance have signed a non-binding memorandum of understanding (MoU) for a possible merger. The two companies are negotiating the final terms of the transaction. If an agreement is reached, the merger will be carried out through an exchange of shares between the two companies. The merged entity will be operating as Arabian Shield Cooperative Insurance Company and will be based in Riyadh.

**Saudi Re: 2020’s results**

In 2020, Saudi Cooperative Reinsurance Company (Saudi Re) has recorded a turnover of 935.114 million SAR (249.022 million USD) compared to 792.847 million SAR (211.145 million USD) in 2019, that is an increase of 17.9%.

Click to read more: [https://www.atlas-mag.net/en/article/saudi-re-2020-s-results](https://www.atlas-mag.net/en/article/saudi-re-2020-s-results)

**Successful mergers between Saudi insurers**

According to the Saudi Central Bank (SAMA), recent mergers between insurance companies have witnessed great success. SAMA still supports local insurers to accelerate M&A transactions to align the market with the “KSA Vision 2030” development strategy.


**United Arab Emirates**

**Dubai Investments acquires 21.53% of National General Insurance**

Dubai Investments, a Dubai-based investment company, has acquired 21.53% of the National General Insurance (NGI) capital. The transaction involves the acquisition of 32.3 million NGI shares worth 3.27 AED (0.89 USD) each. Dubai Investments’ total participation in the capital of the Emirati insurer is of 29.99%.

For the record, Emirates NBD Bank holds 15.19% of NGI’s capital.
Bermuda

Merger between Sirius International Insurance Group and Third Point Re

Sirius International Insurance Group and Bermuda-based reinsurer Third Point Reinsurance (TPRE) have recently completed their merger. The merger established on 26 February 2021 launched a new insurance and reinsurance company called SiriusPoint.

Click to read more: https://www.atlas-mag.net/en/article/merger-between-sirius-international-insurance-group-and-third-point-re

France

Covid-19 cost for France

The total cost of the pandemic is estimated at 425 billion EUR (512.718 billion USD) for France. This amount can be broken down into 158 billion EUR (191.060 billion USD) for 2020, 171 billion EUR (206.78 billion USD) for the current year and 96 billion EUR (116.08 billion USD) for 2022. As at 27 April 2021, the number of deaths due to Covid-19 stands at 103 603.

Moody’s confirms SCOR’s rating

Moody’s confirmed SCOR’s “Aa3” financial strength rating. The outlook has shifted from negative to stable. The rating agency says the pandemic-related losses should not affect the group’s credit profile in 2021. Moreover, SCOR’s solvency level, which has held up well during the crisis, remains high. The rating reflects the quality of the group’s business assets, its excellent commercial positioning as well as its diverse risk portfolio. The rating agency expects an overall growth in profitability by 2022.

CCR group: 2020’s results

The CCR group (Caisse Centrale de Réassurance) ended the year 2020 with a turnover of 1.866 billion EUR (2.291 billion USD) compared to 1.507 billion EUR (1.687 billion USD) in 2019, that is an increase of 23.8%.

Click to read more: https://www.atlas-mag.net/en/article/CCR-group-2020-results

Switzerland

AXA Switzerland: payment of non-life premiums in Bitcoin

AXA Switzerland is offering its policyholders the possibility to pay their non-life premiums with Bitcoin. The insurer is thus pursuing its digital evolution and responding to the growing demand from customers who would like more freedom in their choice of payment methods. This initiative makes AXA the first multi-line insurer to allow payment in cryptocurrency.

Turkey

Unified draft law for the Turkish insurance market

Turkish insurance companies are waiting for the passing of a unified law for the insurance market. The sector is currently governed by a multitude of different pieces of legislation. One of the main laws governing the insurance contract in Turkey is the Turkish Commercial Code (TCC). According to Fahri Altingoz, Chairman of the Insurance Practitioners Association, there is a need to unify the insurance legislation into a single law. According to F. Altingoz, the adoption of a standard bill can facilitate the development of the insurance sector.
The Lloyd's top 20 syndicates: premiums and combined ratios in 2019-2020

Figures in millions

<table>
<thead>
<tr>
<th>Rank</th>
<th>Syndicate</th>
<th>Manager</th>
<th>2020 turnover</th>
<th>2019 turnover</th>
<th>2019/2020* evolution</th>
<th>Combined ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>GBP USD</td>
<td>GBP USD</td>
<td></td>
<td>2020 2019</td>
</tr>
<tr>
<td>1</td>
<td>Beazley Furlonge</td>
<td>Beazley</td>
<td>1 980 2 688</td>
<td>1 801 2 362</td>
<td>9.9%</td>
<td>110.0% 99.0%</td>
</tr>
<tr>
<td>2</td>
<td>Brit Syndicates</td>
<td>Fairfax Financial Holdings</td>
<td>1 718 2 333</td>
<td>1 725 2 262</td>
<td>-0.4%</td>
<td>113.9% 97.5%</td>
</tr>
<tr>
<td>3</td>
<td>Catlin Underwriting Agenc</td>
<td>XL Group</td>
<td>1 676 2 276</td>
<td>2 091 2 743</td>
<td>-19.9%</td>
<td>133.8% 110.0%</td>
</tr>
<tr>
<td>4</td>
<td>Tokio Marine Kiln Syndic</td>
<td>Tokio Marine Holdings</td>
<td>1 472 1 999</td>
<td>1 450 1 902</td>
<td>1.5%</td>
<td>113.6% 89.8%</td>
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<tr>
<td>5</td>
<td>Hiscox Syndicates</td>
<td>Hiscox</td>
<td>1 456 1 977</td>
<td>1 558 2 044</td>
<td>-6.6%</td>
<td>113.0% 109.0%</td>
</tr>
<tr>
<td>6</td>
<td>QBE Underwriting</td>
<td>QBE Insurance Group</td>
<td>1 437 1 951</td>
<td>1 222 1 603</td>
<td>17.6%</td>
<td>96.5% 94.3%</td>
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<tr>
<td>7</td>
<td>MS Amlin Underwriting</td>
<td>MS&amp;AD Insurance Group Holdings</td>
<td>1 370 1 860</td>
<td>2 085 2 735</td>
<td>-34.3%</td>
<td>119.0% 103.0%</td>
</tr>
<tr>
<td>8</td>
<td>Liberty Managing Agency</td>
<td>Liberty Mutual Holding Company</td>
<td>1 289 1 750</td>
<td>1 286 1 687</td>
<td>0.2%</td>
<td>99.0% 108.0%</td>
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<tr>
<td>9</td>
<td>Chaucer Syndicates</td>
<td>Hanover Insurance Group</td>
<td>1 097 1 490</td>
<td>999 1 310</td>
<td>9.8%</td>
<td>104.5% 95.2%</td>
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<tr>
<td>10</td>
<td>Canopus Managing Agents</td>
<td>Sompo Holdings</td>
<td>1 010 1 371</td>
<td>1 364 1 789</td>
<td>-26.0%</td>
<td>112.3% 102.6%</td>
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<tr>
<td>11</td>
<td>Axis Managing Agency</td>
<td>AXIS Corporate Capital UK</td>
<td>925 1 256</td>
<td>871 1 143</td>
<td>6.2%</td>
<td>114.2% 113.5%</td>
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<tr>
<td>12</td>
<td>Ascot Underwriting</td>
<td>Canada Pension Plan Investment Board</td>
<td>824 1 119</td>
<td>689 904</td>
<td>19.6%</td>
<td>89.4% 96.4%</td>
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<tr>
<td>13</td>
<td>Talbot Underwriting</td>
<td>Validus Holdings</td>
<td>780 1 059</td>
<td>752 986</td>
<td>3.7%</td>
<td>110.0% 94.6%</td>
</tr>
<tr>
<td>14</td>
<td>RenaissanceRe Syndicate</td>
<td>RenaissanceRe Holdings</td>
<td>744 1 010</td>
<td>685 898</td>
<td>8.6%</td>
<td>117.0% 105.9%</td>
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<tr>
<td>15</td>
<td>Munich Re Syndicate</td>
<td>Munich Re Specialty Group</td>
<td>739 1 003</td>
<td>569 746</td>
<td>29.9%</td>
<td>108.0% 97.0%</td>
</tr>
<tr>
<td>16</td>
<td>AEGIS Managing Agency</td>
<td>Associated Electric &amp; Gas Insurance Services</td>
<td>708 961</td>
<td>653 856</td>
<td>8.4%</td>
<td>91.6% 96.8%</td>
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<tr>
<td>17</td>
<td>Atrium Underwriters</td>
<td>Atrium Underwriting</td>
<td>633 859</td>
<td>591 775</td>
<td>7.1%</td>
<td>94.0% 91.0%</td>
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<tr>
<td>18</td>
<td>Argenta Syndicate</td>
<td>Argenta Holdings</td>
<td>587 797</td>
<td>458 601</td>
<td>28.2%</td>
<td>113.0% 105.0%</td>
</tr>
<tr>
<td>19</td>
<td>Talbot Underwriting</td>
<td>Validus Holdings</td>
<td>534 725</td>
<td>- -</td>
<td>-118.2%</td>
<td>-</td>
</tr>
<tr>
<td>20</td>
<td>Chubb Underwriting Agencies</td>
<td>ACE Leadenhall</td>
<td>528 717</td>
<td>488 640</td>
<td>8.2%</td>
<td>97.6% 93.6%</td>
</tr>
</tbody>
</table>

* Evolution in GBP

Exchange rate as at 31/12/2020 : 1 GBP = 1.35772 USD ; 31/12/2019 : 1 GBP = 1.3116 USD
Nigeria

47th AIO conference and general assembly
From 29 May to 4 June 2021, Lagos, Nigeria
Theme: «The African insurer in the face of digital disruption»
Email: aio@africaninsurance.net
Website: https://www.african-insurance.org/fr/aio-events/aio-47th-conference-and-annual-general-assembly/

Jordan

8th International AqabaConf 2021
From 30 May to 2 June 2021, InterContinental Hotel, Aqaba
Tel: +96265689266
Fax: +96265689510
Email: Info@AqabaConf.com
Website: https://aqabaconf.com/

France

The 12th ParisMat 2021 Meeting
28 - 29 June 2021, organised online by Cesam,
Tel: +33(0)1 58 56 96 00
Email: rendez-vous@cesam.org
Website: www.cesam.org

31st International rendez-vous of life insurers and reinsurers
From 6 to 8 October 2021, Cannes, France
Email: congres-reavie@infopro-digital.com
Website: https://www.reavie.com/

Morocco

World social security Forum
Organized by CDG Prévoyance, the forum will be held in 2022 in Marrakech, Morocco
France

AXA Group
After operating within AXA for 26 years, Matthieu Bébéar is leaving the Group to pursue other opportunities.
A graduate of the ISG Business School Paris, M. Bébéar has held the position of Chief Business Officer for AXA International & New Markets since 2020.
Bébéar also served as Strategic Development Officer for Latin America.

Germany

Allianz Re
Holger Tewes-Kampelmann has been appointed Chief Executive Officer (CEO) of Allianz Re, the reinsurance arm of the Allianz group.
The newly promoted CEO is replacing Amer Ahmed who is leaving the German group based in Munich.
The appointment will take effect on 1 May 2021.
H. Tewes-Kampelmann is currently Chief Financial Officer (CFO) of Allianz Re. He simultaneously works as General Manager of the Resolution Management Unit of the same company.

Malaysia

AIA PUBLIC Takaful
Mahani binti Amat is the first woman to become board chairperson of AIA PUBLIC Takaful, a Malaysian takaful insurance company.

Switzerland

Swiss Re
The Board of Directors of Swiss Re has appointed Sergio P. Ermotti to succeed Walter B. Kielholz as the group’s Chairman of the Board of Directors.

Tunisia

UBCI
Upon holding an ordinary general meeting on 27 April 2021, the board of directors of UBCI, decided to appoint Hassine Doghri chairman of the board of directors to replace Fathi Mestiri.
Click to read more: https://www.atlas-mag.net/en/article/hassine-doghri-ceo-of-the-group-carte-appointed-chairman-of-ubci