

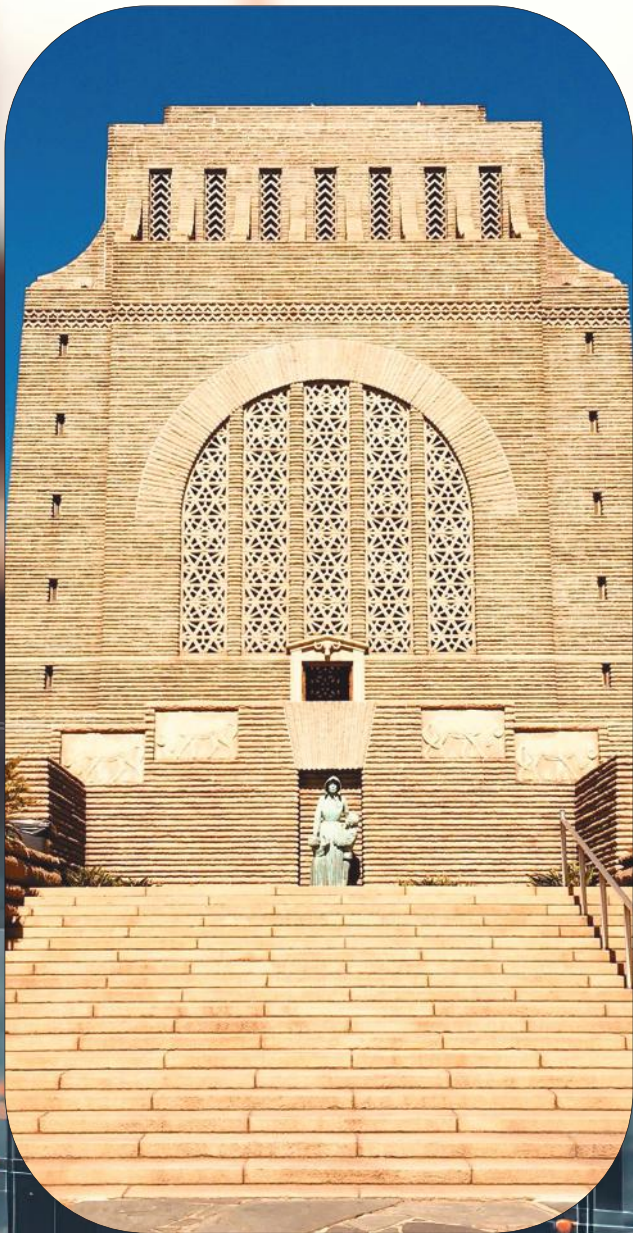


FAIR Review

Issue No. 207 (2026-Q1)

Market Overview of South Africa

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The “FAIR Review” is published quarterly by the central office and circulated to over 6000 of FAIR’s members & friends from various insurance markets. It is devoted to disseminate the research work, articles and information, to enhance professional knowledge among insurance professionals.

The articles in FAIR Review represent the opinion of the authors and are not representative of the views of FAIR. Responsibility for the information and views expressed lies entirely with the author(s).

Issue No. 207 2026 - Q1

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Global Markets



• **Prolonged Middle East Conflict Will Test Global Market Resilience of (Re)Insurers**

By OECD, Dec 2024 (Updated May 2025)

Principal Takeaways

* The wider economic impact stemming from the conflict could have repercussions for the sector. A reemergence of inflation, supply chain disruptions and economic slowdown will be a concern for global insurance markets.

* While the immediate impact of the conflict is being felt globally, most of the economies of the Gulf Cooperation Council are likely to see a contraction in revenues; however, any prolongation of the conflict could have much more severe implications for the region and the global economy.

* Regional insurers may have limited net exposure, but reinsurance renewals for this region could see challenges.

* Adequacy of risk management and governance practices will be tested

Tensions in the Middle East remain elevated as the region prepares to enter the third week of the US/Israel conflict with Iran. While many observers view the conflict as a regional one, its implications have the potential to be more pronounced globally, with economies likely to suffer stock market volatility, supply chain disruption and the reemer-

gence of inflationary pressures.

With the region producing approximately 20% of global energy resources, the disruption caused by the conflict has resulted in the countries of the Gulf Cooperation Council (GCC) halting or reducing production of oil and gas. Even if the conflict comes to a swift end, the infrastructure is not expected to be back running at full capacity any time soon.

As a consequence of the US/Israeli military action that began on February 28, the price of oil and gas on global markets surged considerably and remains volatile (see Exhibits 1 and 2).

At the time of writing, the Strait of Hormuz remains almost completely closed to shipping in and out of the Persian Gulf, with increasing concerns regarding the transportation and its impact on the pricing of commodities such as fertiliser and helium.

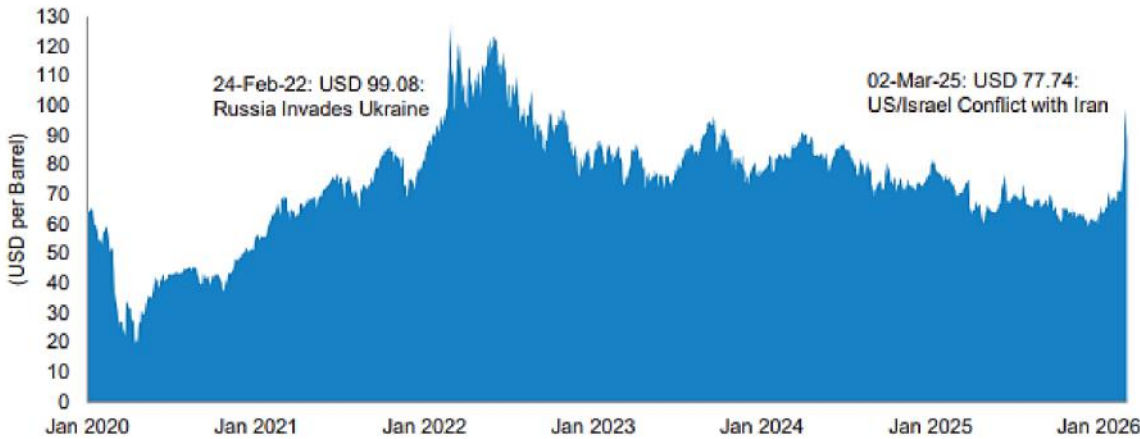
With the consequent supply chain disruption and price increases in oil and gas, alongside stock market volatility, a resurgence in the rate of inflation cannot be ruled out in economies worldwide.

Loss to Global Reinsurers Limited at Present

AM Best notes that losses to the global reinsurance market are limited at present and would generally be characterised by single large losses. War risks are commonly excluded from policies but are offered as riders on certain risks. Iranian risks are largely uninsured by global reinsurers due to sanctions, so damage to infrastructure will have little impact on loss experience.

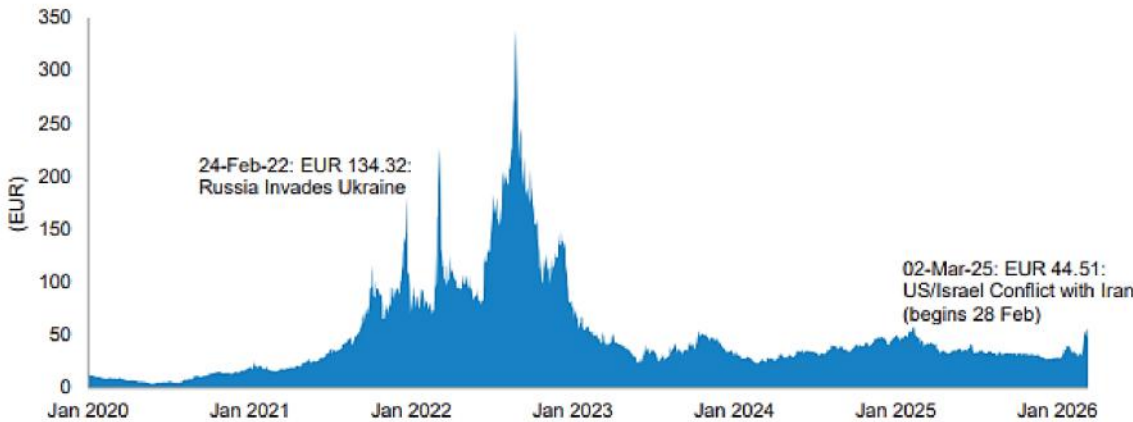


Exhibit 1
Oil Prices – Europe Brent Spot Prices (From 2020)
(US Dollars per Barrel)



Note
Data correct to Mar 11, 2026
Source: Investing.com

Exhibit 2
ICE Dutch TTF Natural Gas (From 2020)
(EUR/MWh)



Note
Data correct to Mar 11, 2026
Source: Investing.com



However, if the conflict continues there is scope for accumulations across countries and products. Re-insurers are monitoring the situation closely and adapting to the changing landscape.

In the medium term, the global re-insurance community shares the concerns that the conflict has the potential to invigorate inflationary pressures, interest rates and bond yields if the conflict is not swiftly resolved.

Regional Insurance Markets Have Limited Net Exposure to High Value Risks

Despite Iran's attacks on the infrastructure of its GCC neighbours, insurers' operations have not been hampered by the conflict. However, should attacks continue, there may be some adverse impact on their operations. Protocols effected during COVID-19 have enabled insurers to develop suitable mechanisms to operate during uncertain times. It is also worth noting that the majority of senior professionals working in the region's insurance industry are expatriates.

Marine, aviation, trade credit, (contingent) business interruption and

political risk insurance have experienced (or are likely to experience) the most direct and immediate impacts. Marine insurers were quick to adjust rates following the start of the conflict, outlining zones of concern from the Strait of Hormuz to the Suez Canal and neighbouring waterways. While capacity is being provided, pricing has increased substantially.

Commercial risks in the GCC are typically placed through a local insurer. These high value risks are generally reinsured with little retention for the primary insurer. Furthermore, riders (such as war risk or political violence cover) are generally fully reinsured into the international market, with pricing and expertise driven by the foreign reinsurer or a specialty writer.

Business is usually written on a proportional basis, however, the greatest risk to insurers arises through significant facultative protection on high-value risks. As such, the credit risk exposure to the primary insurer can be significant, with gross exposures significantly exceeding the company's capital and surplus in many cases. Given the high reinsurance dependence, the accumulation of net exposures should be manageable.

Underwriting expertise and terms and conditions, alongside exclusions, are largely driven by leading global (re)insurers. However, it is important for the primary insurers to ensure policies are back-to-back to ensure there are no gaps in contract wordings between the reinsurer and insurer, and the insurer and cedent, as well as pay-as-paid clauses to reduce any liquidity concerns. More often, the lead reinsurer will instruct a loss-adjuster to manage claims directly with respective parties.

Another area to track is the investment profile of insurers. Regional insurers tend to invest in cash but also have a concentration on real estate and equity assets. Equity markets in the region have fallen by about 5%, but shares are rarely traded and are generally held for the long term. This should provide some insulation for local insurers. Global stock market indices have also seen volatility and there exists a potential for wider fluctuations. However, during stress situations, if investments are to be sold to shore up liquidity for claims, realised losses are possible.

Real estate pricing could be a concern over the longer-term as a knock-on impact to investor confidence in the region could have a material impact on real estate valuations. Despite holding significant positions in real estate and equity assets, AM Best views regional insurer's balance sheets as sufficiently strong to absorb movements in these asset values.

Stress Testing Behind the Curve for Regional Insurers

The conflict re-emphasises the importance of stress testing in general and bespoke stress testing in particular. Anticipating volatility and scenarios such as these as insurers plan for capital and risk management options are critical to the resilience of an insurer and is considered within AM Best's ratings process.

For regional insurers stress testing, scenario and sensitivity analysis are still evolving (and with the assistance of third parties on natural catastrophes). However, there are still gaps in their approach. Stress testing beyond underwriting scenarios are generally not conducted (such as investment stresses). Scenarios of regional conflict, or war, are not contemplated by insurers and hence their impact can be

uncertain. Also, most insurers are single market players with very little diversification, and elements of concentration within their underwriting and investment portfolios.

Companies do not always adopt appropriate governance practices to ensure contracts are in line with reinsurers, and there is some evidence of misalignment in the past, such as facultative cover purchased after the contract being on-risk, or potential spillovers from reinsurance cover. It is important that insurers have strong governance practices in place to ensure there are no misalignments or gaps in coverage that may unduly over-expose an insurer's balance sheet.

AM Best's view is that more robust practices need to be adopted to ensure balance sheets are protected from a range of scenarios, and business continuity plans are in place for scenarios like a mass migration out of the GCC countries.

For global reinsurers, stress testing and scenario analysis is fundamental to their risk management approach. In addition to regulatory stress testing and sensitivity analysis, most reinsurers will consider a range of scenarios to test their balance sheet resilience. These will include considerations for severe events, and correlations and accumulations within their portfolios on both insurance and economic risks.

Moreover, the use of reverse stress testing—looking at extreme scenarios in the tail, such as geopolitical conflict—are also tested. While the modelling of such risks is complex, reinsurers have shown that their balance sheets have the ability to absorb severe events, and have contingency plans in place if capital needs to be raised.

US International Development Finance Corporation Ready to Mobilize its Political Risk Insurance and Guaranty Products

On March 3, 2026, the US International Development Finance Corporation (DFC) announced that it was ready to mobilise its Political Risk Insurance and Guaranty Products to “...stabilize international commerce and support American and allied businesses operating in the Middle East during this period of conflict with the Iranian regime”.

In a subsequent announcement, the DFC stated that its maritime reinsurance facility would insure losses up to approximately USD 20 billion on a rolling basis, with a focus on hull & machinery and cargo in the first instance. The DFC further stated that it had identified what it termed “best-in-class, preferred American insurance partners”. Subsequently, it announced that Chubb would act as the lead underwriter.

The DFC and Chubb have identified other US insurance companies to provide reinsurance policies behind Chubb and to expand market capacity.

While further announcements are expected, the actual mechanics, structure, and implementation of the proposal are not clear yet. AM Best is of the opinion that the impact of the scheme can only be assessed when more clarity is provided by the DFC.

Dynamics of Market Could Change at Renewals

For the regional markets, reinsurance renewals will be a critical inflexion point for the sector. Should the conflict continue for any length of time (or indeed, escalate), reinsurers may need to re-evaluate risk. This could lead to higher pricing on commercial risks, and changes to terms and conditions, exclusions and event limits. Moreover, the commis-

sion rates on certain classes may be adjusted, and there may be greater pressure for the local market to retain more.

Cyber Insurance Considerations

While AM Best notes that cyber insurers have been excluding war or state-sponsored attacks, there are products that cover war risks that could be affected in the medium term if cyber risks escalate by state sponsored actors.

In its most recent Market Segment Outlook on the global cyber insurance market, AM Best noted that while the US remains the world’s leading cyber insurance market, AM Best expects international markets to steadily gain a larger share of global premiums in the coming years. Events such as this conflict may be a catalyst for growth if cyber attacks become a weapon of choice in the region.

State-sponsored cyber actors are expected to increase their activities amid geopolitical tensions, with the impact and success of such attacks depending significantly on the cyber defenses and cyber hygiene of the insureds.

War exclusions are common in insurance contracts due to the potentially systemic nature of war-related losses. Lloyd’s of London required syndicates to include specific exclusions addressing state-backed cyber attacks in standalone cyber policies effective from March 31, 2023. In 2024, Lloyd’s issued additional guidance indicating that where coverage for state-backed cyber attacks is offered, it must be structured in a controlled and measurable way to manage systemic risk.

The broader insurance market has also been cautious. As shipping and maritime commerce face direct impacts, cyber security for the P&I segment is a potential and critical target

that could amplify the current situation.

See AM Best's Market Segment Report, "Market Segment Outlook: Global Cyber Insurance" (July 2025)

The dynamic could be challenging for the sector, which is heavily dependent on reinsurance. While risk-adjusted capitalisation is robust for rated insurers in the region, the absolute capital size is small for most participants. Their ability to increase retention is likely to be modest at best, and reinsurance capacity and expertise will still be required for the market to function effectively.

Impact on AM Best's Ratings

AM Best continues to monitor and assess the evolving situation and any impact on ratings. At present the insurance impact to both domestic and international (re)insurers is manageable. The scale of losses at this stage is not material. With low net retention from the regional market, net losses should be adequately absorbed. Similarly for reinsurers, one-off large losses are absorbable to the sector.

While AM Best does not anticipate any rating actions in the short term, much will depend on the length of the conflict. If it were to last several months, then the impact on global and regional economies is likely to be significant in terms of oil and gas prices, supply chain disruptions and inflationary pressures. These multiple points of pressure will affect both global and regional insurance companies.

AM Best will also consider other factors, such as the resilience (or lack thereof) of the region's economies in response to this conflict (whether short- or long term) when it assesses country risk, and also the response of insurers and reinsurers as they look to recover and reposition themselves.

In the longer term at renewals, reinsurers may adjust pricing, terms and conditions, and commission rates in the regional markets. And while demand may rise for covers such as property, infrastructure and business interruption, supply at appropriate pricing levels will also need to be there. ■

Source: Best's Commentary - March 12, 2026





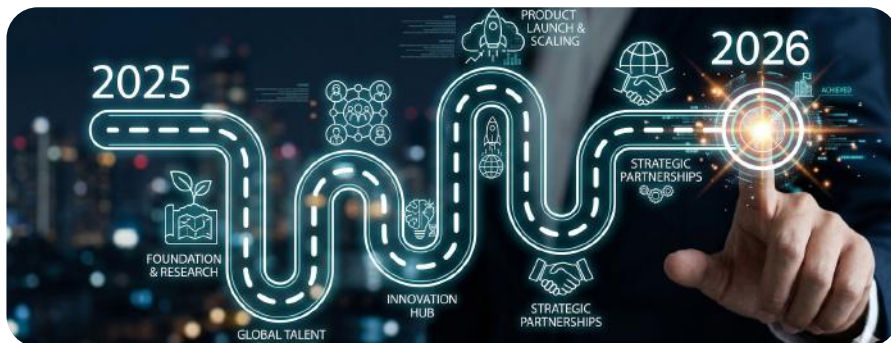
By
Emma Ann Hughes

Insurance POST

02 Jan 2026

• **Four Biggest Challenges Facing Insurers in 2026 Revealed**

As the insurance industry enters 2026, carriers face a series of interconnected strategic, operational, and technological challenges that threaten profitability, resilience and long term growth. Industry stakeholders — including analysts from EY, the International Underwriting Association, AM Best, Moody’s, S&P Global Ratings, KPMG, Pathlight Associates and Sicsic Advisory — highlight four overarching areas of concern that will shape the competitive landscape in the year ahead



1) Soft Landing and Margin Pressure

Entering 2026, many insurers are dealing with a **soft market environment** characterized by slowing premium rate momentum and persistent inflationary pressures. Although inflation is moderating compared to recent years, it remains high enough to squeeze both personal and commercial lines profitability.

- **Premium Softening:** Some commercial lines, especially in the UK, have seen rate reductions of **25% or more**, indicating intense price competition that chips away at underwriting margins.
- **Cost Pressures:** Insurers continue to absorb higher expenses due to labour shortages, supply chain volatility, and inflationary cost increases for claims, technology and operations.
- **Underwriting Discipline:** Analysts stress that disciplined underwriting and careful risk selection will be essential to protect margins, as broad rate increases become harder to sustain.

This environment suggests that the industry’s earnings performance will hinge on carriers’ ability to balance competitive pricing with cost control and tailored risk assessment.

2) Navigating Uncharted Risk Territory

Insurers are increasingly confronted with **emerging and complex exposures** that defy traditional underwriting models. These include:

- **Intangible and interconnected risks**, such as cyber threats, AI related liabilities, geopolitical uncertainties, and climate driven event patterns that transcend historical data.
- **Abstract exposures**, which are less defined by past loss experience and more by rapidly evolving societal and technological drivers — requiring new modelling approaches. This shift pushes carriers out of well understood, physically quantifiable risk models into domains where conventional actuarial tools struggle to keep pace. Experts argue that insurers must elevate their risk assessment frameworks and adopt more flexible, forward looking models capable of integrating real time data and cross sector risk correlations.

3) Digital Transformation and the “Digital Domino Effect”

While artificial intelligence (AI) and digital technologies offer transformative potential for underwriting, claims handling, customer

engagement and operational efficiency, adoption has been uneven across the industry. Legacy systems, inconsistent or poor data quality, and unclear regulatory guidelines around new technologies are slowing meaningful progress.

Key digital challenges include:

- **Legacy Infrastructure:** Outdated platforms limit insurers' ability to scale AI enabled tools across enterprise functions, creating integration bottlenecks.

- **Data Quality:** Without reliable, unified data across underwriting, claims and customer service, digital investments struggle to deliver value.

- **Regulatory Ambiguity:** Insurers face uncertainty around how regulators will treat AI and automated decision making — especially in areas such as fairness, explainability and accountability.

Experts suggest that this “digital domino effect” will accelerate as companies that have not yet modernised face competitive disadvantage. Rather than waiting for prescriptive regulation, some industry leaders view the UK's technology neutral regulatory approach as an opportunity to innovate responsibly.

4) Regulatory Expectations and Stress Readiness

Regulators around the world are tightening scrutiny on insurers' risk management practices, resilience planning and operational readiness. In particular:

- **The Prudential Regulation Authority (PRA)** in the UK is introducing its first **Dynamic General Insurance Stress Test**, which will require insurers to rapidly model and respond to sequential macroeconomic and insurance specific stress scenarios, exposing weaknesses in legacy models and data systems.

Stress testing in this new paradigm will not just be about solvency ratios, but also about **scenario agility**

— the ability to answer questions such as where risk concentrations lie, how assumptions change under different shocks, and what actions management would realistically take under duress.

This heightened regulatory focus extends beyond solvency into **governance, risk culture and operational resilience**, forcing insurers to invest in:

- governance and risk frameworks,
- real time risk aggregation and reporting,
- and senior management oversight dedicated to stress response planning.

Strategic Implications for Insurers in 2026

Taken together, these challenges point to a year of strategic realignment for insurers. Key implications include:

- Underwriting discipline: Insurers cannot rely solely on broad rate increases. Tailored pricing and risk selection are critical.
- Enhanced risk modelling: Companies must invest in next generation risk frameworks that incorporate dynamic and interconnected exposures.
- Tech enabled operations: Modernising technology stacks and data infrastructure is no longer optional but essential to compete.
- Regulatory readiness: Stress testing and governance reforms demand proactive engagement with regulators and internal risk teams.

The combination of economic pressures, technological shifts and regulatory evolution will separate resilient, adaptive insurers from those that lag in innovation and risk responsiveness.

Note: This rewritten version reconstructs the original article based on summaries and topic coverage

■

• **INCLUSIVE INSURANCE:
A Systematic Review of the Literature (2013 to 2024)**

Inclusive insurance, which is insurance that is aimed at underserved or unserved populations, has been a keen focus of those working on social finance and financial inclusion for at least the last two decades.

The vision is that insurance can be used as one of the tools for social and economic development through the pooling of risk, relieving the insured from the full burden of a financial shock. For low-income households and small businesses, financial shocks could mean poverty, over indebtedness or bankruptcy.

With ongoing threats and challenges related to climate change, persistent levels of poverty, regional conflicts, gender inequality and a lack of decent work to name a few, building resilience through risk management should be given priority; the implications of not doing so are serious. As stated by the ILO in 1944, “poverty anywhere constitutes a danger to prosperity everywhere”.

Although it is unrealistic to think that insurance alone is the solution, **the question is, Does it really help and how? Does it ultimately achieve its purpose of helping people cope better with financial shocks? And even where these shocks do not occur, does having insurance change the way people behave in a positive way that has a positive social or economic outcome?**

The purpose of this study, therefore, is to analyse the academic literature on inclusive insurance to understand its impact on individuals, households and small business-

es, regardless of whether it was positive, negative or neutral.

Key findings from a review of academic papers over the last decade reveal that:

- Inclusive insurance can shape agricultural production by ensuring input access, fostering innovation, and driving economic growth, thereby boosting productivity and sustainability.
- Ongoing innovation is necessary to meet agriculture’s evolving needs, with tailored approaches maximizing benefits across regions.
- There is strong evidence to show that having, not having or removing insurance changes behaviours around risk taking, with an impact on reward. With insurance, more farming inputs are purchased, leading to an increase in production.
- Inclusive insurance schemes can have diverse impacts on health and well-being. They reduce out-of-pocket health expenditure, improve access to healthcare, and enhance utilization, particularly benefiting maternal and child health services. Agricultural insurance initiatives improve nutritional status and food security in rural areas, while community-based health insurance programs lower mortality rates, especially among children under five. However, challenges remain in optimizing the effectiveness of health microinsurance and integrating primary care.
- Inclusive finance strategies, ranging from microinsurance to cooperative loans, showcase diverse impacts on households’ coping mechanisms. They can

mitigate child labour, influence borrowing behaviours, safeguard assets, and shape education and consumption expenditure choices, highlighting their pivotal role in enhancing household resilience and financial stability.

- Inclusive insurance can safeguard assets, reduce health-care costs and enhance income and savings, especially in rural areas, which aids economic resilience and poverty reduction.
- Moreover, index-based insurance bolsters agricultural productivity and mitigates climate-related financial risks. These efforts promote financial stability and equitable access to essential services.
- Inclusive insurance initiatives can contribute to several Sustainable Development Goals (SDGs).
- They play a crucial role in poverty eradication (SDG 1) by providing a financial safety net, foster resilience in rural communities, contributing to long-term food security (SDG 2), improved health outcomes (SDG 3) by facilitating access to finance towards medical services or indirect costs, empower women (SDG 5) through tailored products, foster economic growth (SDG 8) by mitigating risks for smallholder farmers and entrepreneurs, and support climate action (SDG 13) by providing resilience against climate-related risks.

In conclusion, the academic literature shows that inclusive insurance schemes have demonstrated significant potential in enhancing financial security, promoting health and well-being, fostering economic growth, and building resilience against climate-related and other risks among underserved populations.

Having said this, clearly some schemes are better than others at achieving these goals and care should be taken to design them so that the likelihood of having a positive impact is maximised – reading broadly about the experience of others and following best-practice advice is highly recommended. Furthermore, insurance may not be the best or only solution and will need to be weighed up alongside and/or in combination with other financial and risk management mechanisms. Research gaps continue to exist, especially concerning the long-term sustainability and differential impacts of inclusive insurance programs.

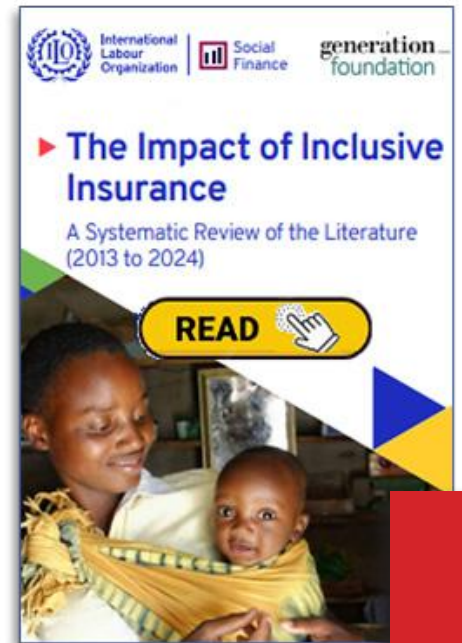
Further investigation is needed into the mechanisms behind behavioural change and financial protection outcomes. Stakeholders should prioritize longitudinal studies, assess scalability, and innovate to address the specific needs of vulnerable populations.

Collaboration among policymakers, practitioners, and researchers is essential to enhance financial literacy, strengthen regulatory frameworks, and expand access to inclusive insurance.

This paper also provides a set of recommendations based on the evidence uncovered in the literature review.

Conclusions and recommendations can be found in Section 4. Integrating these initiatives into broader development agendas and empowering communities will maximize their potential for sustainable development and social progress. ■

To view the full study, click on the attached cover image.



Legal Issue:

- **Warranties, indemnities and double recovery: A learning curve on the fine print in an SPA**

by Andrew Smith, Charles Allin, Harriet Michael & Lotte Frorup (DLA Piper)



LEXOLOGY

Introduction:

Share Purchase Agreement disputes often hinge on the fine print of warranties and indemnities. The High Court's decision in *Learning Curve (NE) Group Ltd v Lewis1* is a textbook example, highlighting the importance of precise drafting and the Court's reluctance to imply terms where the SPA is clear. Most notably, the case clarifies that a buyer's right to claim under a specific indemnity does not prevent a warranty claim. While double recovery under both the warranty and indemnity will be prevented by law, the buyer can choose between them as it sees fit.

Background

Learning Curve (NE) Group Ltd bought a company called APCymru Limited from Mr Lewis and Ms Probert for GBP16.8 million, with further earn-out possible. Soon after, an audit revealed the APCymru had over-claimed GBP1.25 million in Education and Skills Funding Agency funding, resulting in a negotiated clawback from the agency of GBP783,000. Learning Curve argued this breach of funding regulations meant that APCymru was worth far less than it had paid, and brought claims for breach of warranty and under the SPA's funding indemnity. In the Claim Form, Learning Curve expressly reserved the right to elect between its remedies for breach of warranty and claims under the indemnity.

The Defendants argued that they had paid Learning Curve the amount of the clawback under the terms of the funding indemnity. They also argued that they had not been properly notified of Learning Curve's 's warranty and indemnity claims within the time limits and validity requirements under the SPA (including raising issues as to the meaning of "notice or other communication" and "served"), and so were deemed withdrawn. They also counterclaimed for the return of the sum of the clawback, arguing that if Learning Curve's claims were time-barred or deemed withdrawn, then there had been unjust enrichment.

Key issues and judgment

- The Court found Mr Lewis and Ms Probert liable for breach of warranty: APCymru had not complied with Education and Skills Funding Agency rules, and other warranties (accounts accuracy, management accounts) were also breached.
- Crucially, the buyer's ability to claim under a specific indemnity did not preclude a warranty claim. The buyer could choose between an indemnity claim for the clawback sum or a warranty claim for the greater loss in value, but not both as there can be no double recovery.
- Notices of claim were held to be sufficient and timely; the SPA did not require every warranty to be specified in the initial notice, nor did it prevent later adjustment of the claimed loss.
- Damages were assessed using the parties' original valuation method: maintainable EBITDA, adjusted for the clawback and a lower multiplier reflecting increased risk – the Court carried out detailed analysis in this regard, considering expert evidence.
- Mr Lewis and Ms Probert's counterclaim for return of the indemnity payment failed – payment under a binding contract cannot be reclaimed for unjust enrichment.
- Other technical defences (on notification, limitation of liability, composite warranties, and quantum of loss) were rejected.

Conclusion

This case is a clear reminder: the right to claim under a specific indemnity does not bar a buyer from bringing a warranty claim, provided double recovery is avoided. The buyer may elect the route that best compensates their loss. The judgment also reinforces the value of careful SPA drafting and the Court's preference for upholding clear contractual terms over implied ones. For practitioners, the message is simple – draft with precision, and understand the interplay between indemnities and warranties.

A Comparative Perspective under English Law and Other Legal Systems

1 – Overview of the Learning Curve Judgment

The High Court's decision in *Learning Curve (NE) Group Ltd v Lewis* reaffirms a key principle in SPA disputes:

The existence of a specific indemnity does not bar a warranty claim, provided there is no double recovery.

The judgment reflects the English courts' consistent emphasis on contractual clarity and reluctance to imply terms where the SPA is unambiguous.

2 – Comparison with English Case Law

* *Transocean Drilling UK Ltd v Providence Resources Plc*

The Court confirmed that warranties and indemnities serve distinct legal purposes:

- Warranties allocate risk and influence price.
- Indemnities provide pound-for-pound compensation.

Consistent with *Learning Curve*, one does not automatically exclude the other.

* *Sycamore Bidco Ltd v Breslin*

The Court held that double recovery is prohibited as a matter of law,

even without express contractual wording.

Learning Curve applies the same principle while preserving the buyer's right of election.

* *Zayo Group International Ltd v Ainger*

The Court adopted a commercial, non-technical approach to notice requirements.

Similarly, in *Learning Curve*, notices were upheld despite not listing every breached warranty.

3- Comparison with Other Legal Systems

* *United States (Delaware Law)*

- Clear contractual separation between warranties and indemnities.
 - Strong reliance on:
 - Exclusive remedy clauses
 - Anti-double recovery provisions
- Courts strictly enforce contractual limitations, often more rigidly than English courts.

* *French Law*

- Claims typically framed under *garantie d'actif et de passif*.
- Less conceptual separation between warranties and indemnities. Greater doctrinal unity, but less flexibility in claim structuring.

* *Civil Law Jurisdictions (incl. Arab jurisdictions)*

- Warranty and indemnity concepts often subsumed under contractual liability.
- Multiple claims may be viewed as duplicative unless expressly regulated.

4 – Comparative Conclusion

English law stands out for:

- Upholding contractual autonomy
- Allowing alternative claims
- Preventing double recovery without restricting choice

Other systems either:

- Contractually restrict remedies (US), or
- Merge legal concepts (civil law systems)



Practical takeaway:

For cross-border SPAs, careful drafting is essential to align:

- Governing law
- Remedy structure
- Anti-double recovery mechanisms. ■

Source: Lexology - 12 January 2026

• **Court of Auditors' authority reform recently enacted – impact on public officials' liability and insurers**

by David Maria Marino (DLA Piper)

LEXOLOGY



1- Amendments to Law 14 January 1994, No. 20

By law 7 January 2026 no. 1 introduced important changes on public officials' liability towards the public purse and new insurance requirements for any those public officials handling with public funds. The reform is effective 22 January 2026.

These are the main changes introduced by the Law.

- **Clarification on Liability:** The law defines what constitutes gross negligence for public officials, specifying that clear violations of applicable law, misrepresentation of facts, or denial of facts clearly established by the record are considered gross negligence. However, actions based on prevailing jurisprudence or competent authority opinions are not considered gross negligence.
- **Liability for Damages to the Public Purse:** Responsibility is limited to intentional misconduct (dolo) in specific cases, such as settlements in mediation or judicial proceedings by public administration representatives, and certain tax-related agreements.

- **Calculation of Damages:** When quantifying damages, the possible contribution of the damaged administration is considered. Save in case of fraud, the Court must reduce the amount owed, with a cap of 30% of the ascertained damage and in all events not exceeding twice the gross annual salary/compensation of the responsible party.
- **Presumption of Good Faith:** Political office holders are presumed to act in good faith unless proven otherwise, especially when their actions are supported by technical or administrative officials.
- **Sanctions:** In severe cases, the Court may suspend convicted officials from managing public resources for 6 months to 3 years.
- **Insurance Requirement:** Anyone assuming a role involving management of public resources must take out insurance against damages caused to the public purse by gross negligence. Insurers shall be added to the relevant action before the Cour of Auditors.

- **Statute of Limitations:** The law clarifies the timing for liability actions, including cases of deliberate concealment of damage. The above provisions apply also the pending actions.

2. Amendments to Public Contract Controls

- **Thresholds and Procedures:** Updates the thresholds for public works, services, and supply contracts subject to prior legitimacy control by the Court, aligning them with current public procurement codes.
- **PNRR/PNC Projects:** Special provisions for contracts related to the National Recovery and Resilience Plan (PNRR) and its complementary investments, including mandatory and expedited controls.
- **Regional and Local Autonomy:** Regions and local entities may opt to subject certain contracts to prior control by the Court.

3. Advisory Activities

- The central section of the Court provides advisory opinions on public accounting matters, especially for projects related to the PNRR/PNC, upon request from central administrations or other public bodies. Opinions must be issued within 30 days, and compliance with these opinions excludes gross negligence.

4. Government Delegation for Reorganization

- The Government is delegated to reorganize the Court of Auditors within 12 months, aiming to increase efficiency and regulate reimbursement of legal expenses for public officials acquitted of administrative liability.
- **Key Principles for Reorganization:**
 - o Central and territorial sections to perform unified consultative, control, and judicial functions.

- o Strengthening the binding effect of joint section rulings.
- o Regulation of the prosecutorial function, including coordination and oversight powers.
- o Introduction of rotation and training requirements for magistrates.
- o Regulation of disciplinary actions and access to the magistracy.
- o Rationalization of the legal framework and codification of relevant laws.
- o Introduction of mechanisms to reduce litigation and allow for early settlement of liability cases.

5. Sanctions for Delays in PNRR/PNC Procedures

- Public officials responsible for delays exceeding 10% of the established timeframe in PNRR/PNC-related procedures may face financial penalties ranging from €150 to two years of gross annual salary, depending on the severity of the fault.

Conclusion:

This reform aims to clarify and modernize the rules governing the liability of public officials, strengthen the preventive and consultative functions of the Court of Auditors, streamline procedures for public contracts (especially those linked to EU recovery funds), and reorganize the Court for greater efficiency and transparency. It also introduces new safeguards for public officials and mechanisms to reduce litigation and ensure timely execution of public projects. ■

Source: Lexology - 20 January 2026

- **Growing EV Adoption Forces Oil & Gas Companies to Diversify Revenue Streams**

GlobalData highlights strategic shifts as EV penetration reshapes energy demand

GlobalData, a leading data and analytics company, has revealed that the rapid growth of electric vehicle (EV) adoption is exerting increasing pressure on traditional oil and gas companies to diversify their business models and revenue sources in response to long-term shifts in energy demand.

According to the report, global battery electric vehicle (BEV) sales rose 13% in 2024, reaching 10.4 million units and accounting for approximately 14% of new personal vehicle sales, based on International Energy Agency data.

The report notes that many regions are promoting EV uptake through government support to reduce reliance on fossil fuels — a trend that is beginning to impact demand for traditional gasoline and diesel fuels, and potentially reshape downstream oil markets.

In response, major oil and gas players — particularly European firms such as Shell, BP, TotalEnergies, and ENI — are expanding investments in electric vehicle charging infrastructure. For example, Shell

currently operates around 75,000 public charging points worldwide, while TotalEnergies aims to install 150,000 charging points by 2026.

The report also highlights opportunities for oil marketing companies to leverage existing retail networks and fuel stations to develop EV charging hubs, especially along highways and in urban centers. Additional diversification avenues include battery value chain investments, energy storage and recycling, and integrated power supply with renewable energy solutions. Despite advancing EV adoption, GlobalData emphasizes that internal combustion engine (ICE) vehicles will remain part of the transport landscape for many years due to consumer attachment and long vehicle lifespans, meaning that demand for petroleum fuels will continue during the energy transition period. ■

Source: Global Data – 8 January 2026



- **SCOR and AXA Launch a Lloyd's Insurance Consortium to De-Risk and Finance Ecological Restoration Projects**

- SCOR and AXA have jointly launched a dedicated Lloyd's insurance consortium focused on underwriting ecological and environmental restoration projects worldwide.
- The consortium aims to address the funding gap in nature restoration by de-risking project execution, thereby improving the bankability of large-scale restoration initiatives.
- It underwrites SCOR's Restore insurance solution, which covers performance and implementation risks related to achieving agreed ecological restoration outcomes.
- The consortium is operated through SCOR's Lloyd's Syndicate 2015, with capacity support from AXA XL's Syndicate 2003, providing scalable and globally deployable insurance capacity.
- This initiative builds on SCOR's NatReCo programme, launched in 2024, which focuses on innovative insurance solutions for nature restoration, biodiversity protection, and climate resilience.
- Both groups emphasized that environmental degradation and biodiversity loss pose material financial and economic risks, reinforcing the strategic role of insurance in supporting the emerging nature-based economy.
- SCOR and AXA also called on project developers, investors, and public stakeholders to engage with the consortium to accelerate ecological restoration efforts globally.

- **AI: American insurers may stop covering certain risks**



US insurance companies are considering excluding risks related to artificial intelligence (AI) from corporate insurance policies.

Faced with the rapid and massive use of artificial intelligence, market players now fear larger claims that are difficult to anticipate and insure.

They could also face simultaneous disputes related to the use of chatbots and other automated agents. ■

Atlas Magazine - 05/01/2026



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African Markets



Côte d'Ivoire



• Côte d'Ivoire Construction & Insurance Market Transformation (2020–2025)

The government of Côte d'Ivoire has taken a landmark step in strengthening infrastructure risk management with the introduction of two mandatory insurance policies in the construction sector: Construction All Risks (CAR) and Decennial Liability Insurance (DLI). This reform, announced in December 2025 (Source: Atlas Magazine), marks a structural shift toward a regulated and insurance-backed construction ecosystem, positioning Côte d'Ivoire among the leading African markets adopting international best practices in infrastructure risk governance.

A Rapidly Expanding Construction Market

Côte d'Ivoire's construction sector has emerged as a key pillar of economic growth, supported by strong macroeconomic performance and ambitious national development programs.

- The sector is estimated to have expanded from \$10–11 billion in 2020 to \$15–17 billion in 2025
- Average annual growth: ~7–9%
- Contribution to GDP: ~7–8%

This growth trajectory reflects sustained investments in infrastructure, urbanization, and industrial development, supported by institutions such as the World Bank, IMF, and African Development Bank.

Major Projects Driving Demand

Large-scale infrastructure and energy projects are fueling demand for construction and associated insurance solutions:

- Abidjan Metro Project (≈ \$1.5–2.0 billion)
- Port of Abidjan Expansion (Phase II)
- National road and highway modernization programs
- Energy projects, including Azito and CIPREL power plant expansions
- Offshore oil developments, notably the Baleine field led by Eni



These projects are transforming Côte d'Ivoire into a regional infrastructure and logistics hub in West Africa.

Insurance Market Expansion: A New Growth Engine

The introduction of compulsory CAR and DLI policies is expected to unlock significant growth in construction-related insurance lines, including:

- Engineering insurance (CAR/EAR)
- Energy and oil & gas insurance
- Liability insurance (including long-tail decennial cover)

Estimated Market Impact (2025):

- Engineering insurance: \$220–300 million
- Energy insurance: \$150–250 million
- Liability (including emerging DLI): \$30–50 million
- Total construction-related insurance market: \$400–600 million annually

The market is projected to expand further to \$700–900 million by 2028–2030, driven by regulatory enforcement and continued infrastructure investment.

Reinsurance & Market Structure

Given the scale of infrastructure risks, the market remains heavily supported by international and regional reinsurers, including: Africa Re and CICA-RE

This underscores the importance of global risk-sharing mechanisms in supporting large-scale development projects.

Strategic Implications

The reform introduces a new era for infrastructure risk management in Côte d'Ivoire:

Opportunities:

- Increased insurance penetration
- Enhanced project bankability
- Stronger investor confidence
- Development of local underwriting expertise

Challenges:

- Enforcement of compulsory insurance requirements
- Pricing adequacy and underwriting discipline
- Managing long-term liabilities (DLI)
- Strengthening claims management capabilities

Outlook

Côte d'Ivoire is transitioning from a project-driven insurance approach to a structured, regulation-led insurance market.

Key forward trends include:

- Rapid growth in Decennial Liability Insurance as a new business line
- Increased reliance on reinsurance capacity
- Expansion of technical underwriting capabilities

• Côte d'Ivoire introduces two mandatory insurance policies in the construction sector

The Ivorian government has adopted a bill introducing two compulsory insurance policies in the construction sector: Construction All Risks Insurance (CAR) and Decennial Liability Insurance (DLI).

These mandatory insurance requirements apply to all stakeholders involved in construction projects, including construction companies, project owners, developers, and property owners.

CAR insurance covers material damage and bodily injury occurring during the execution of construction works. This policy must be underwritten before the commencement of construction.

DLI provides coverage for a period of ten years against material damage that may affect the structural integrity or use of a building after the works have been formally accepted by the project owner. ■

Sources: Atlas Magazine 15/12/2025

Conclusion

The introduction of mandatory CAR and DLI insurance represents a transformational milestone for Côte d'Ivoire's construction and insurance sectors.

By embedding insurance into the core of infrastructure development, Côte d'Ivoire is setting a benchmark for sustainable, risk-aware growth across Africa. ■

Sources: Atlas Magazine (2025); World Bank; IMF; African Development Bank; Swiss Re; Munich Re; Africa Re.

GUARANT

INSURANCE & REINSURANCE

Introducing Guarant

Guarant Limited is a regulated insurance and reinsurance company registered in the Autonomous Island of Anjouan and operating from our branch in Kigali, Rwanda. With a strong commitment to excellence and client satisfaction, we provide innovative, reliable, and globally competitive reinsurance solutions. Backed by a solid financial foundation and a seasoned underwriting team, we serve clients across Africa, the Middle East, Asia, and select emerging markets.

What We Do

We support Facultative and Treaty placements across nearly all non-life lines of business, offering tailored, technically sound capacity for:

- ▮ **Property & Engineering** - construction, industrial risks, energy and infrastructure.
- ▮ **Casualty & Liability** - general, product, and professional liability.
- ▮ **Marine & Aviation** - cargo and aviation risks.
- ▮ **Financial Lines** - political risk, surety, and bonds (facultative up to USD 50M).
- ▮ **Specialty Lines** - cyber, terrorism, and niche risks.

(Excluded: Marine Hull & Agriculture.)

Our Strengths

Guarant combines technical expertise, innovation, and relationship-driven underwriting. Our financial stability - supported by the company's robust capital base and strong reserves - allows us to participate with up to USD 10M per risk, and in exceptional cases up to USD 50M. We also provide fronting solutions across all lines of business, enabling clients to execute large and complex projects with confidence.

Client-Centric Approach

We view reinsurance not as a transaction but as a partnership. Our underwriting is supported by strong compliance standards, transparent communication, and an experienced claims team committed to fair, timely, and efficient resolution. At Guarant, we do more than underwrite risk - we build solutions that strengthen projects, unlock growth, and create long-term value for our partners worldwide. We look forward to working with you.

 [guarantre.com](https://www.guarantre.com)

Secure Your Future with GUARANT - Your Trusted Reinsurance Partner!





EGYPT

• Insurance premiums expand by over 30% in 2025 to over US\$2bn

The insurance sector reported total premiums of EGP110.1bn (\$2.3bn) in 2025, growing by 30.6% over 2024, the Financial Regulatory Authority (FRA) revealed in its annual report for the year 2025.

The life and savings insurance accounted for EGP61.9bn of the total, while the property and liability branch raked in EGP48.2bn. The distribution ratio was 56.2% and 43.8%, respectively.

Compensation payouts totalled EGP47bn in 2025, increasing by 34.3%, compared to EGP35bn in 2024.

The FRA stressed that 2025 represented a real turning point in the path of reforming and developing the Egyptian insurance market, whether at the level of financial indicators or legislative and regulatory frameworks. These are reflected in enhancing stability, protecting the rights of customers, and supporting insurance inclusion.

FRA Chairman Dr Mohamed Farid affirmed that 2025 was the culmination of a series of reforms that began in 2022. He added that the Authority does not rely on quick solutions or a “magic wand”, but rather on a clear vision and disciplined implementation, with constant interaction with market participants to achieve a balance between growth and stability.

The report indicated that the market currently includes 39 insurance companies and 95 insurance brokerage companies, in addition to 671 active private insurance funds catering to 5m subscribers, as well as six government insurance funds serving about 28m citizens.

Regarding regulatory reforms, 2025 saw the issuance of a broad package of decisions and executive rules for the Unified Insurance Law that was passed in July 2024.

The annual inflation rate in Egypt was 10.3% in December 2025, declining from 24.0% in January of the same year, according to data from the Central Agency for Public Mobilisation and Statistics (CAPMAS).

According to projections by consulting firm IMARC Group, the Egyptian business insurance market is expected to generate a turnover of 5.33 billion USD by 2034, reflecting an average annual growth rate of 6.73% over the 2026–2034 period.

Premium volume is estimated at 2.96 billion USD in 2025, with the market currently dominated by motor insurance, which accounts for a 28% share.

Premium growth is expected to be driven by several factors, including the implementation of the unified insurance law, increased investment in large-scale infrastructure projects, rising awareness among SMEs of the need to protect against operational risks, and the continued expansion of digital distribution channels. ■



Sources: MEIR, 27 Jan & Atlas Mag, 26 Jan 2026

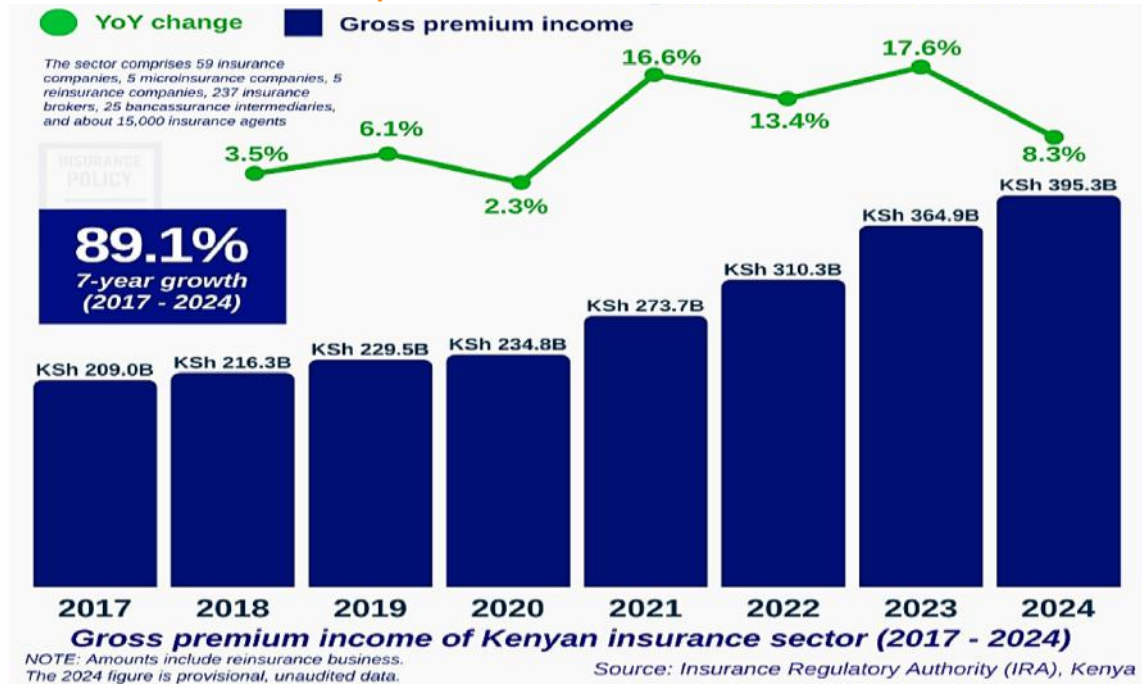


KENYA

Kenyan Insurance Market: 2017-2024 Highlights

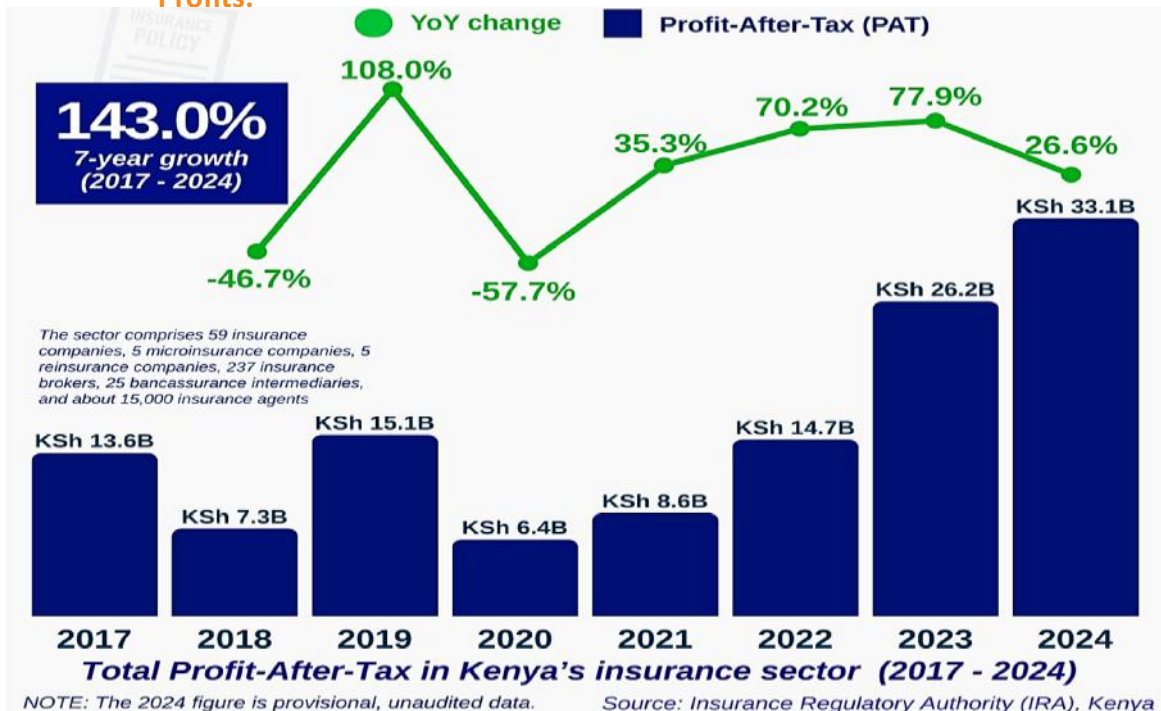


Gross premium income:



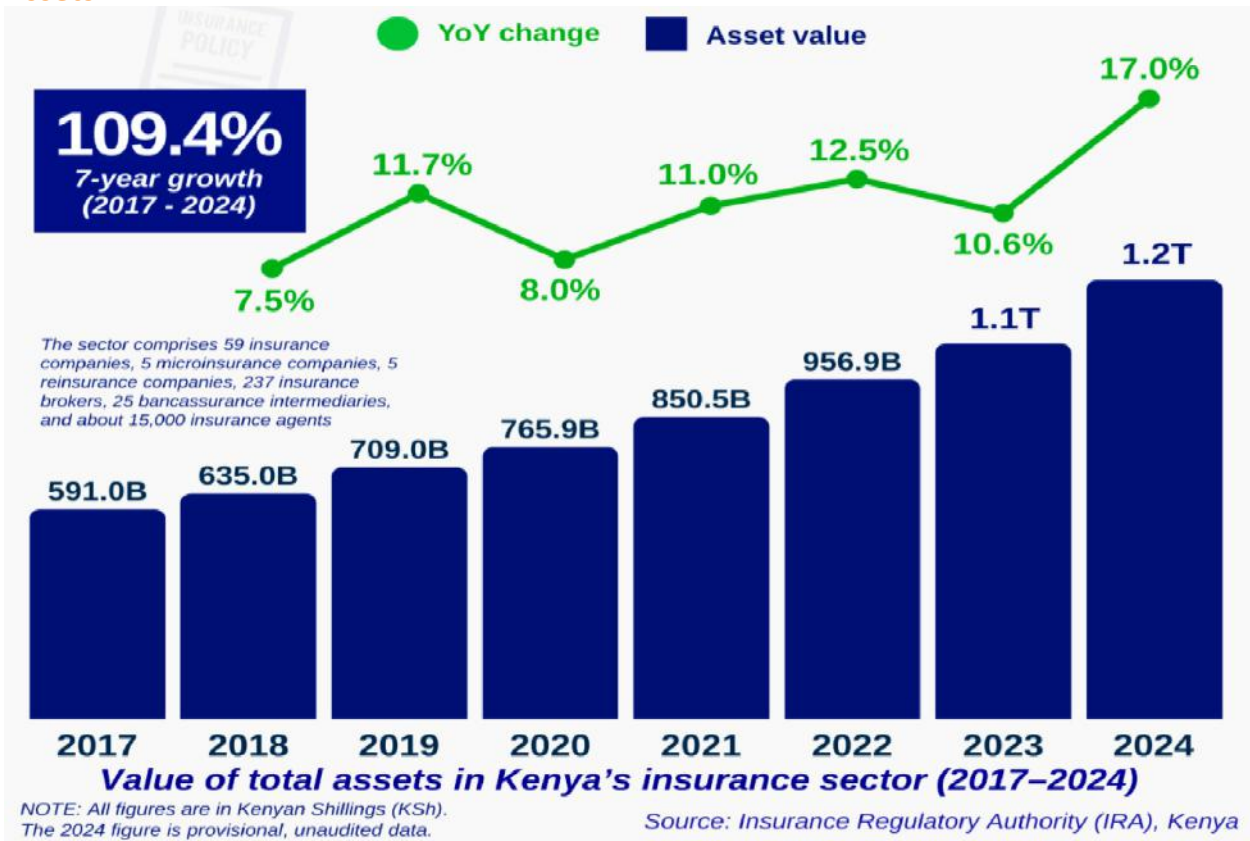
- Gross premium income in Kenya’s insurance sector grew by 89.1% between 2017 and 2024.
- Premiums rose from KSh 209.0B in 2017 to KSh 395.3B in 2024.
- The most substantial annual growth occurred in 2023 at 17.6%.
- 2021 also recorded a significant rise of 16.6% growth.
- The slowest growth was observed in 2020, at just 2.3%, likely reflecting the impact of the pandemic.
- Despite fluctuations, the sector has maintained an upward growth trajectory across the 7 years.

Profits:



- Kenya’s insurance sector PAT grew by 143% between 2017 and 2024.
- The lowest point came in 2020, with profits dropping 57.7% to KSh 6.4B.
- A sharp rebound followed, with profits rising steadily each year from 2021 to 2024.
- The strongest yearly growth was in 2019, with a 108% surge in profits.
- By 2024, PAT stood at KSh 33.1B, the highest in the seven-year period.
- Profits more than quadrupled from 2020 (KSh 6.4B) to 2024 (KSh 33.1B).

Assets:



- Kenya’s insurance assets more than doubled in seven years, from KSh 591B in 2017 to KSh 1.2T in 2024.
- This represents a 109.4% growth over the period.
- The sector recorded positive growth every single year, with no declines.
- The most substantial growth occurred in 2024, at 17%.
- Asset growth averaged between 7.5% and 12.5% annually until the surge in 2024.
- 2023 marked the first time assets crossed the KSh 1 trillion mark.

Source: Intelpoint



NIGERIA

• Nigerian Insurance Market – 2025 Performance Review Market Growth and Premium Performance

The Nigerian insurance industry reported strong premium growth and expanding market performance in 2025, reflecting enhanced sector activity despite ongoing economic headwinds.

According to National Insurance Commission (NAICOM) data, the industry’s gross written premiums (GWP) climbed significantly, driven by strong demand across both life and non life business lines.



•Record Premium Growth:
In the second quarter of 2025, the Nigerian insurance industry achieved a gross written premium of ₦1.21 trillion (approx. \$798 million USD), representing a 49.3% year on year increase and a 57.8% quarter on quarter rise.

•Quarterly Milestones:
The first quarter of 2025 delivered a historic high premium of ₦769.2 billion (approx. \$506 million USD), sustaining the positive momentum established earlier in the year.

•Segment Contributions:
Non life insurance continued to dominate the premium pool — contributing roughly 67.2% of total industry premiums in Q2 2025 — led by key portfolios such as motor, fire, and oil & gas.

Claims and Underwriting Dynamics

•Claims Activity:
Available data indicates robust claims reporting in the period, with gross claims reported at approximately ₦420.2 billion (approx. \$277 million USD) in Q2 2025, underscoring active claims settlement across the industry.

•Net Claims:
Net claims remained elevated, reflecting ongoing settlement obligations that weighed on underwriting performance in certain classes.

Segment and Product Performance

•Life Insurance:
Life insurance continued to contribute meaningfully to industry premiums, supported by growth in group and individual life cover uptake.

•Non Life Insurance:
Non life segments, including motor, fire, marine, and oil & gas insurance, collectively formed the bulk of mar-

ket premiums, showcasing diverse demand for risk coverage.

•Emerging Trends:
Increased policyholder awareness, digital distribution expansion, and targeted product innovations supported premium growth throughout 2025.

Regulatory Environment and Outlook

•Regulatory Reform:
The Nigeria Insurance Industry Reform Act (NIIRA) 2025 brought enhanced capital frameworks, consumer protection measures, and digitization incentives aimed at strengthening long term industry resilience. (Regulatory updates widely noted in industry analysis)

•Industry Outlook:
Despite macroeconomic pressures, continued structural reform, capital adequacy improvements, and broader risk management adoption are expected to support the market’s sustainable expansion in the medium term. (Industry outlook consensus)

Executive Commentary

Industry experts view the 2025 performance as a testament to Nigeria’s evolving insurance landscape, marked by strong premium generation, active claims settlement, and gradual sector strengthening. While underwriting challenges persist in selected lines, overall market dynamics point to a maturing and more resilient insurance ecosystem.

Summary:

The Nigerian insurance market in 2025 recorded robust premium growth, strengthened capital bases, and expanded claims engagement, underpinning continued progression toward deeper market penetration and operational resilience. ■

NOTE: Exchange Rate: ₦1,518.4 per USD (2025 average) — based on historical exchange rate data for the year 2025

• **Recapitalization deadline for Nigerian insurers and reinsurers will not be extended**

The Nigerian National Insurance Commission (NAICOM) has confirmed that no extension will be granted to insurance and reinsurance companies to comply with the minimum capital requirements.

According to NAICOM, the deadline of 30 July 2026 is stipulated under the applicable law and cannot be amended.

Nigerian insurers and reinsurers must therefore meet the following minimum capital requirements by 30 July 2026:

- 15 billion NGN (9.8 million USD), instead of 3 billion NGN (2 million USD), for non-life insurers
- 10 billion NGN (6.5 million USD), instead of 2 billion NGN (1.3 million USD), for life insurers
- 35 billion NGN (22.8 million USD), instead of 10 billion NGN (6.5 million USD), for reinsurers

Atlas Magazine - 07/01/2026

• **Nigeria to develop its first mortality tables**

The Nigerian Insurers Association (NIA) has commenced work on the development of the country's first mortality tables.

The initiative aims to equip the market with actuarial benchmarks that reflect Nigeria's demographic and socioeconomic realities, supporting more accurate pricing and sustainable development of life insurance products. ■

Atlas Magazine - 21/01/2026



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Asia Markets

ASIA MAP



• **The Insurance Regulation in Asia Pacific 2026 – NRF Report**

This report provides a standardised and consolidated review of insurance regulatory frameworks across 19 jurisdictions in the Asia-Pacific region, namely:

Australia,	Indonesia,	Myanmar,	Sri Lanka,
Cambodia,	Japan	New Zealand	Taiwan,
China,	Macau,	the Philippines	Thailand,
Hong Kong,	Malaysia,	Singapore	Vietnam
India,	Mongolia,	South Korea	

The report focuses on key regulatory dimensions, including:

- Supervisory authorities and regulatory responsibilities
- Licensing of insurers and foreign branches
- Investment and ownership restrictions
- Capital adequacy and risk-based supervision requirements
- Policyholder protection mechanisms
- Oversight of outsourcing arrangements
- Reporting and disclosure obligations

These summaries provide a concise executive-level overview, enabling insurers, re-insurers, intermediaries, and investors to assess and compare key regulatory differences across markets efficiently.

Practitioner-Focused Regulatory Insights

- * Most Open & Internationally Friendly Markets
 - Singapore, Hong Kong, Australia
 - Suitable for regional hubs, MGAs, reinsurers, InsurTechs
- * Large but Heavily Regulated Markets
 - China, India, South Korea
 - High compliance burden, but significant scale
- * High-Growth Emerging Markets
 - Vietnam, Philippines, Indonesia
 - Regulatory frameworks evolving rapidly
- * Outsourcing & Delegated Authority (Critical for MGAs)
 - More permissive: Singapore, Australia, New Zealand
 - Highly restricted: India, China, Korea
- * Policyholder Protection Maturity
 - Very strong: Singapore, Japan, Australia
 - Developing: Cambodia, Vietnam, Mongolia



Comparative Table – Insurance Regulation in Asia Pacific (2026)

Jurisdiction	Regulator(s)	Foreign Market Entry	Capital / Solvency Re-gime	Policyholder Protection	Outsourcing / Delegation	Key Regulatory Differentiators
Australia	APRA / ASIC	Branch or subsidiary permitted	High – risk-based capital	Strong + compensation schemes	Highly regulated	Dual prudential & conduct regulation; mature market
Cambodia	Insurance Regulator of Cambodia	Local incorporation required	Medium	Developing	Limited	Emerging market with tightening supervision
China	NFRA (ex-CBIRC)	Permitted with strict approval	Very high	Strong	Highly restricted	Intense regulatory intervention and capital controls
Hong Kong	Insurance Authority	Open and flexible	Risk-based	Strong	Permitted with oversight	Regional insurance hub; flexible structure
India	IRDAI	Local company; FDI caps apply	High	Strong	Severely restricted	Major reforms underway (Insurance 2.0, MGA recognition)
Indonesia	OJK	Joint ventures common	Medium–high	Moderate	Restricted	Increasing capital and governance requirements
Japan	Financial Services Agency (FSA)	Permitted	High	Very strong	Permitted with controls	Group-wide supervision and stability focus
Macau	AMCM	Limited	Medium	Moderate	Limited	Small, conservative regulatory environment
Malaysia	Bank Negara Malaysia	Restricted; approval-based	High	Strong	Restricted	Strong product and pricing oversight
Mongolia	Financial Regulatory Commission	Limited	Low–medium	Relatively weak	Limited	Nascent market with growth potential
Myanmar	Ministry of Planning & Finance	Very limited	Low	Weak	Limited	High regulatory and political risk
New Zealand	Reserve Bank of New Zealand	Branch or subsidiary allowed	Medium	Moderate	Permitted	Lighter prudential regime vs Australia
Philippines	Insurance Commission	Permitted with conditions	Medium	Strong	Restricted	Rapid growth with tightening regulation
Singapore	Monetary Authority of Singapore (MAS)	Open and structured	High (RBC 2)	Very strong	Closely regulated	Global benchmark for governance and risk
South Korea	FSC / FSS	Permitted	High	Strong	Restricted	Active regulatory intervention
Sri Lanka	Insurance Regulatory Commission	Limited	Medium	Moderate	Limited	Stability-focused, smaller market
Taiwan	Financial Supervisory Commission	Restricted	High	Strong	Restricted	Conservative capital supervision
Thailand	Office of Insurance Commission	Restricted	Medium	Strong	Restricted	Localisation and approval-driven
Vietnam	Ministry of Finance	Joint ventures common	Medium	Developing	Limited	Fast-growing market with evolving rules

• **APAC Reinsurance Market Trend**

Chinese firms to continue to dominate APAC reinsurers market, says GlobalData

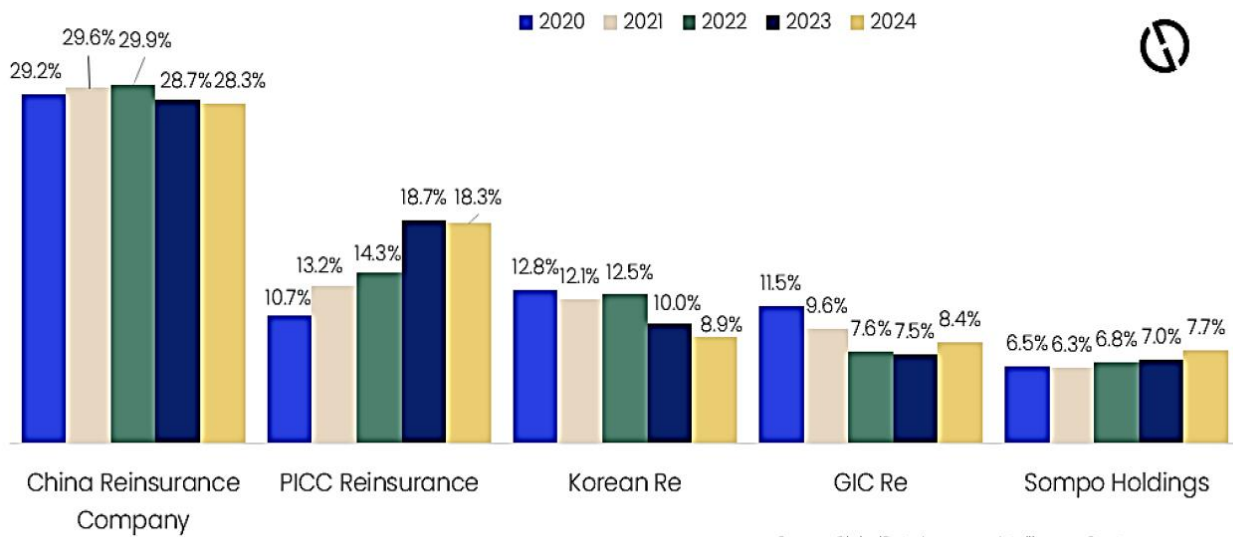
Asia-Pacific (APAC) reinsurers’ premiums amounted to \$58.6 billion in 2024, representing a decline from \$60.2 billion in 2023, mainly due to some reinsurers adopting the IFRS 17 accounting standard. Reinsurers in China continued to dominate the regional market, with a share of 48.7% in 2024. This dominance and the resulting market concentration is expected to remain in the APAC region, according to GlobalData, a leading intelligence and productivity platform.

GlobalData’s [Asia-Pacific Reinsurers Database](#) reveals that APAC reinsurers accounted for 14.2% of global reinsurance premiums in 2024, down from 15% in 2023. Overall, however, they registered a compound annual growth rate (CAGR) of approximately 1.4% during 2020–24.

0.4 percentage points (pp); Korean Reinsurance (Korean Re) declined by around 1.1pp; whereas the General Insurance Corporation of India (GIC Re) and Sampo Holdings gained approximately 0.9pp and 0.7pp, respectively.”

Top Five APAC Reinsurers Market Share Trend

Market shares of top five reinsurers in the APAC region by premiums, 2020 – 2024



Source: GlobalData Insurance Intelligence Center

Manogna Vangari, [Insurance Analyst](#) at GlobalData, comments: “The APAC market remains highly concentrated. Indeed, its five largest reinsurers captured 71.7% of total premiums in 2024. Among them, China Reinsurance Company continued as market leader, albeit with a slight decline: its share fell from 28.7% in 2023 to 28.3% in 2024. Meanwhile, other top entities experienced modest shifts: PICC Reinsurance’s share decreased by about

Looking beyond the top five, four of the top 10 reinsurance groups are based in Japan (namely Sampo Holdings, MS&AD Insurance Group, Tokio Marine & Nichido Fire Insurance, and Toa Reinsurance).

The remaining six include two from China (including Hong Kong (China SAR)), one from India, and one from South Korea. Notably, among these leading groups, MS&AD Insurance Group posted the strongest

premium growth during the 2020–2024 period, at a CAGR of 22.6%, followed by PICC Reinsurance at 16%.

Vangari adds: “Regarding geographic business mix, most of the reinsurance companies are heavily dependent on their global operations. However, China Reinsurance Company derives 83.5% of its business from the APAC region, while the remainder comes from its international operations, which include its CNIP and Chaucer businesses. In contrast, Korean Re holds only 25.8% of its business from APAC, while 74.2% comes from global markets.”

Turning to recent challenges, several catastrophic events have placed stress on property and casualty portfolios in the APAC reinsurance market. For example, in March 2025, a magnitude-7.7 earthquake struck Myanmar, and severe flooding affected China, India, and several ASEAN nations. In addition, Hong Kong (China SAR) suffered a fatal apartment building fire in November 2025. Similarly, Typhoon Wutip and flooding in Beijing later in 2025 further underscored persistent protection gaps and exposed accumulation risks, thereby raising questions about pricing adequacy. Alongside those natural catastrophe losses, the mid-2025 Air India Flight AI-171 Boeing-787-8 crash triggered about \$475 million in claims, according to GIC Re, intensifying reinsurance pricing and aviation risk scrutiny.

In response to mounting losses, reinsurers are increasingly offering parametric reinsurance and catastrophe bonds (insurance-linked securities) to help both governments and insurers manage risk, particularly where traditional indemnity cover has gaps.

Vangari continues: “APAC reinsurers are also increasingly leveraging

AI models that synthesize real-time environmental, geographic, and exposure data. These models support catastrophe modelling and risk scoring by integrating inputs such as up-to-date satellite imagery and geospatial mapping, which help reinsurers access risk across property, marine, and energy lines. This enhances loss prediction and supports treaty placements that more accurately reflect localized exposure.”

AI agents automate labor-intensive tasks—such as treaty pricing, bordereaux reconciliation, submission parsing, and clause extraction—lowering error rates and accelerating processes so specialists can concentrate on judgment-intensive work.

Major reinsurers in APAC plan to embed these tools across underwriting, claims, and policy administration by 2026, aiming for cost savings, faster decision-making, and better alignment between exposure, pricing, and reserve setting.

Vangari concludes: “Emerging trends in the region signal cautious but constructive progress for APAC reinsurers. Factors such as innovation in pricing, analytics, and automation by reinsurers is becoming essential for maintaining margin, managing risk exposure, and aligning business processes with evolving regulatory, operational, and environmental realities.” ■

Source: GlobalData - 29 Oct 25

CAMBODIA



- **Cambodia insurance premiums slip 0.1% as policy count drops 14%**

The regulator reported 485,575 policies in November 2025.

Cambodia’s insurance sector inched down 0.1% year-on-year (YoY) to \$26.3m in gross premiums for November 2025, data from the Insurance Regulator of Cambodia showed.

Its November performance was mainly dragged by the contraction seen in the life insurance market, which fell 3% YoY to \$15.8m.

This was slightly offset by the 4% YoY rise to \$10.5m seen in the general insurance market.

Meanwhile, the number of policies toppled down 14% YoY to 485,575.

General insurance policies grew by 199% to 60,709, whilst life insurance policies fell 22% to 424,866.

The total sum insured increased by 15% YoY to \$6.1b. Gross claims, meanwhile, decreased by 5% YoY to \$5.8m. ■

Insurance Asia – 3 Feb 2026





CHINA

• **China Insurance Market: GlobalData**

» **China life insurance market to grow at 7.9% CAGR during 2026-30,**

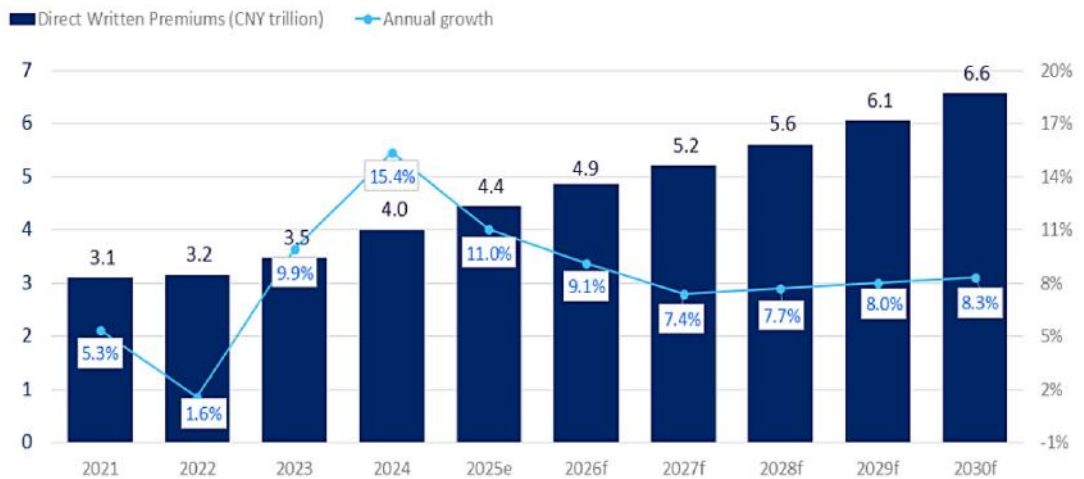
The life insurance market in China is projected to grow from CNY4.9 trillion (\$679.5 billion) in 2026 to CNY6.6 trillion (\$927.5 billion) in 2030, registering a compound annual growth rate (CAGR) of 7.9% in terms of direct written premiums (DWP), according to GlobalData, a leading data and analytics company.

GlobalData’s Global Insurance Database indicates that the Chinese life insurance market is estimated to register a robust 11.0% growth in 2025, driven by distribution channel reform, product redesign following a benchmark rate cut, and rapid digitalization that has improved distribution and claims efficiency. Additionally, bancassurance regained primacy, as a result of the removal of the cap in May 2024 on the number of banks insurers can affiliate with, and contributed around 60% of the new premiums in H1 2025.

Swarup Kumar Sahoo, Senior Insurance Analyst at GlobalData, comments: “Accelerating demographic change and retirement needs are expanding the demand for protection products. Additionally, reductions in guaranteed interest rates have driven the demand for long-term savings products, which will support life insurance premium growth in the country during 2026-30.”

According to the World Health Organization (WHO), China is one of the countries with the fastest aging population. The population aged 60 and above in China is expected to account for 22% of the population in 2025, according to the National Bureau of Statistics. Also, the population above 65 years of age is expected to account for around 15%. Such a demographic factor is driving the demand for whole life insurance products, which account for 81% of the life insurance DWP in 2025.

China Life Insurance - Direct written premiums (CNY Trillion) and annual growth, 2021 - 2030f



The growth of whole life insurance is also supported by high-net-worth individuals, who use life insurance for inheritance and estate planning. Many prioritize conflict free legacy planning through beneficiary designations and flexible policy structures, with life insurance becoming the preferred choice.

Sahoo adds: “The 15th five-year plan (2026-30) of China aims to strengthen the insurance sector by emphasizing the importance of long-term care insurance to improve livelihoods. Increasing rural pensions and enhancing financial resilience under the five-year plan will boost demand for life insurance during 2026-30. Long-term financial sustainability is becoming a significant concern with the rise in the aging population. Financial sector reforms, such as a gradual increase in retirement age from 60 to 63 in a span of 15 years starting January 2025, are expected to support growth.”

Furthermore, disciplined product transitions toward participation-based solutions, digital innovation in underwriting and claims, and a more flexible investment regime provide a solid foundation for sustained premium expansion in the coming years. Insurers are using digital acceleration through the use of AI to strengthen operations, improve risk control, and customer experience, considering the rising digital adoption among young buyers.

Although the bancassurance and online channels are gaining popularity and growing rapidly, the agent channel has started stabilizing after several years of contraction. This reflects a new equilibrium as insurers integrate multi-channel strategies and improve agent quality under the new NFRA framework, which has introduced a tiered sales qualification system for agents, rea-

lining commission incentives, and enhancing professional standards. This move is expected to support the growth of life insurance.

Product economics are undergoing a decisive transition. The benchmark rate for ordinary life products was lowered to 1.99% in August 2025, triggering product portfolio revisions across the market. Insurers are accelerating new product launches to align with the revised pricing guidance. At the same time, insurers are pivoting toward participating (dividend) and universal life, which limit liability costs and balance with guaranteed and floating returns.

Sahoo concludes: “Despite near-term headwinds—including periodic softness in new policy volumes and the reset in guaranteed rates—the structural outlook for China’s life insurance market remains positive.” ■

Source: GlobalData - 19 Nov 25

» **China motor insurance industry to reach \$174 billion by 2030,**

The motor insurance industry in China is projected to grow at a compound annual growth rate (CAGR) of 5.4%, increasing from CNY999.1 billion (\$140.0 billion) in 2026 to CNY1.2 trillion (\$174.0 billion) by 2030, in terms of gross written premium (GWP), according to GlobalData, a leading data and analytics company.

GlobalData’s Insurance Database estimates that the Chinese motor insurance industry will reach CNY953.7 billion (\$133.1 billion) in 2025, reflecting an annual growth rate of 4.4%, supported by the recovery in vehicle sales, regulatory reforms, and rising new energy vehicle (NEV) penetration.

Swarup Kumar Sahoo, Senior Insurance Analyst at GlobalData, comments: "The ongoing reforms for mandatory third party cover and growing telematics adoption are expected to support premium growth during 2026-30. The trade-in policy and subsidies on vehicles, tax incentives for NEVs, and an increase in household disposable income, which led to an increase in the production and sale of vehicles in 2024, will further support the growth during the next five years."

Vehicle production in China grew by 3.7%, while sales grew by 4.5% in 2024. According to the China Association of Automobile Manufacturers (CAAM), the sales of commercial vehicles registered an annual growth of 14.1% in July 2025. Similarly, passenger car sales registered an annual growth of 16.3% in the same month. This surge in vehicle sales correlates directly with the growth of the motor insurance market, which is projected to grow at a CAGR of 5.4% from 2026 to 2030.

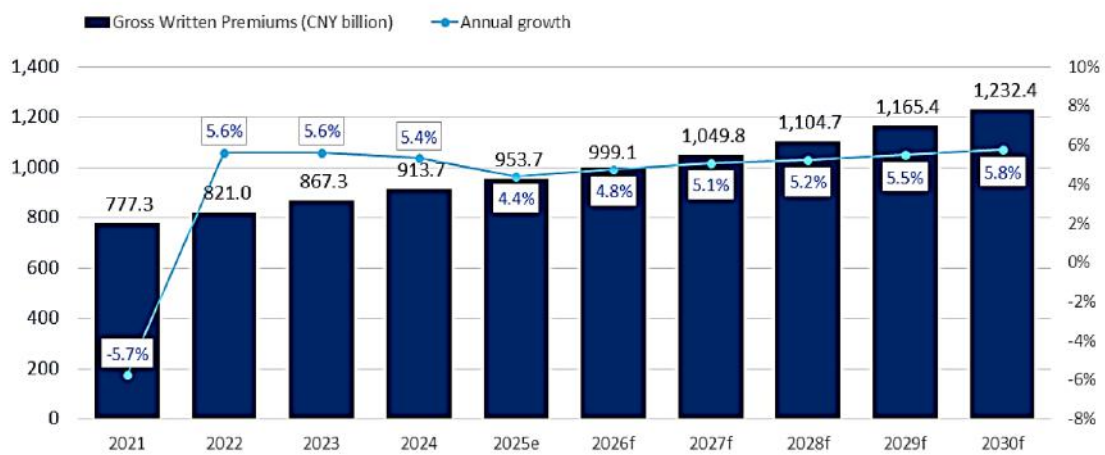
The trade-in incentive provides a subsidy of CNY20,000 for NEVs and CNY15,000 for traditional fuel-powered vehicles for scrapping old cars and purchasing new ones.

This is part of the government's plan to meet the National IV emission standard. Additionally, the government provides a 10% purchase tax exemption, followed by 5% additional tax exemption.

NEVs in China accounted for 49.7% of total new vehicle sales in 2025, according to CAAM. During January-July 2025, NEV sales were 8.22 million, a growth of 38.5% compared to the same period in 2024. According to National Financial Regulatory Administration (NFRA) data, NEVs contributed around 15% of the total motor insurance premiums in 2024.

Sahoo adds: "The rise in the sale of NEVs is expected to be a major growth driver of the motor insurance market during 2026-30. Considering the growth opportunity, car manufacturers are gradually entering the insurance market. Manufacturers have data such as the health status of the battery, driving trajectories, and operating data, which put them in an advantageous position to underwrite policies. In May 2024, NFRA approved BYD to offer compulsory traffic accident liability insurance for motor vehicles in eight regions."

China Motor Insurance - Gross written premiums (CNY Billion) and annual growth, 2020 - 2030f



NEV premiums are higher due to high associated risks. To tackle NEV owners' opinion of too expensive insurance, the insurance regulator issued EV-guidelines to stabilize the market, and insurers have come up with split coverage (battery and vehicle coverage), usage-based insurance (UBI), and a risk-sharing mechanism to maintain coverage for high-risk NEVs.

Sahoo continues: "During 2020–24, the motor insurance loss ratio increased from 57.32% to 70.04%. Factors such as higher wreck and parts costs, and greater NEV exposure led to the increase in loss ratio."

Insurers are investing in technology as customers are looking for solutions such as a one-stop platform, speed and efficiency of claims processing, dispute resolution, and technology-driven damage assessment. The Chinese motor insurance market is moving towards a service ecosystem, intelligent claims processing, and product differentiation.

Sahoo concludes: "The growth of the Chinese motor insurance market remains positive during 2025-30, benefitting from higher vehicle sales, accelerating NEV fleet additions, and government measures to achieve National IV emission standard. Regulators' focus on claims transparency and pricing flexibility will support risk-based premiums. The profitability of insurers will depend upon the deployment of NEV actuarial capacities, telematics, and claims automation, and ongoing collaboration with traffic authorities to contain loss severity."

Source: GlobalData - 29 Oct 25

» **China property insurance industry to surpass \$53 billion by 2030,**

The Chinese property insurance industry is projected to grow at a compound annual growth rate (CAGR) of 7.7%, increasing from CNY282.5 billion (\$39.6 billion) in 2026 to CNY380.5 billion (\$53.7 billion) by 2030, in terms of gross written premium (GWP), according to GlobalData, a leading intelligence and productivity platform.

GlobalData's Insurance Database forecasts that the Chinese property insurance industry is expected to register an annual growth rate of 6.1% in 2026, up from 4.9% growth in 2025. Growth is likely to be sustained by initiatives to narrow the home insurance protection gap, rising disaster-risk solutions (including parametric covers), and continued technology adoption in pricing and claims. Industry actions supporting this trajectory include inclusive home insurance pilots, catastrophe-risk modelling, and the development of catastrophe and disaster insurance solutions addressing both urban and rural exposures. These measures are expected to bolster penetration and improve risk adequacy across property lines.

Swarup Kumar Sahoo, Senior Insurance Analyst at GlobalData, comments: "The China's property insurance market growth during 2021–25 reflects firm non-life sector performance and balanced product expansion beyond motor. However, GlobalData projects slower growth during 2026–30 but on a significantly larger premium base as penetration deepens.

Regulatory agencies have maintained a stable sector outlook by easing capital pressures and backing disciplined underwriting, which should support sustainable growth and pricing adequacy across property lines."

The Wang Fuk Court fire in Hong Kong in November last year amplified public awareness of the home insurance protection gap in mainland China and highlighted reliance on estate or contractor policies where household covers are absent. In response, Chinese P&C carriers are introducing customized inclusive home insurance to close protection gaps. However, growth may be constrained by low awareness and underwriting challenges in underpenetrated segments, indicating the need for product redesign and targeted education efforts.

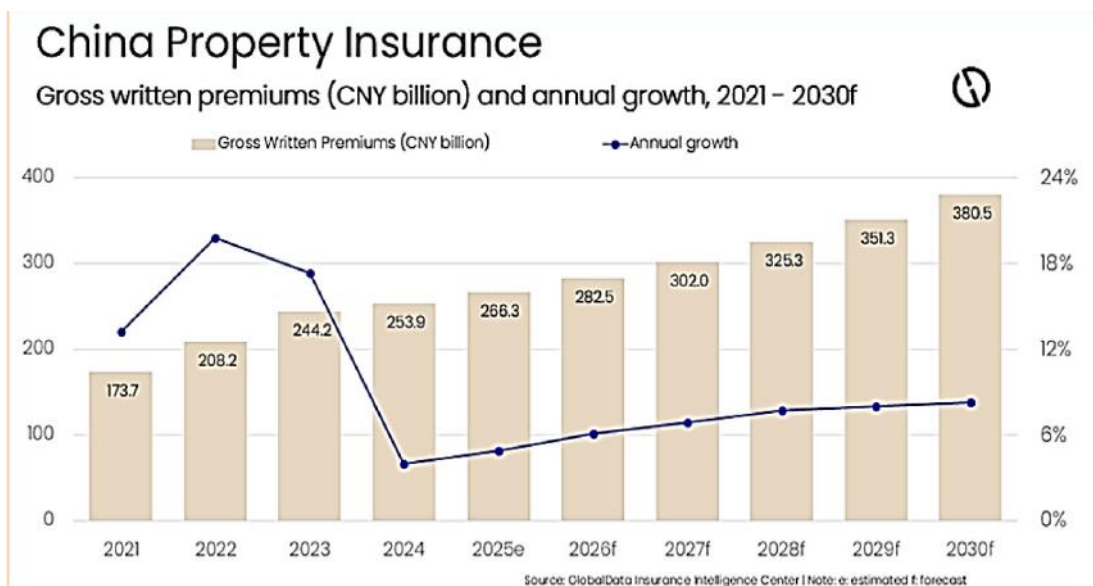
Insurers are investing in advanced catastrophe modelling, sensors, satellite data, and AI to strengthen underwriting and accelerate claims settlement, which are key levers for improving property insurance penetration. Earthquake catastrophe models are intended to improve pricing accuracy and risk prevention. Broader adoption of AI, big data, IoT, and remote sensing is also strengthening urban disaster-risk management and enabling rapid post-event claim settlement, in some cases within minutes.

Sahoo adds: “As China’s weather-risk market expands, regulatory approvals for parametric solutions and weather derivatives are likely to increase capacity and spur in-

novation in property catastrophe protection. The parametric payouts after Typhoon Matmo and Typhoon Ragasa demonstrate that index-based programs can deliver rapid liquidity and help narrow protection gaps for climate-driven perils.”

Broader innovation in non-life products aligned with national priorities such as green energy, high-tech manufacturing, and disaster coverage will also support the property insurance growth, as insurers tailor solutions to evolving industrial and urban exposures. Infrastructure and power markets are seeing increased capacity and more competitive terms, with China’s power insurance premiums growing on the back of new projects and improved risk management.

Sahoo concludes: “Property insurance premium growth momentum in China is set to pick up over the next five years. Realizing this upside will hinge on closing the home insurance protection gap, embedding catastrophe-risk finance, and maintaining underwriting discipline under a supportive regulatory regime. Technology investments from catastrophe models to AI-enabled claims will help raise resilience and customer confidence during 2026–30.” ■ Source: GlobalData - 25 Mar 2026



• **China Moves to Standardize Humanoid Robot Insurance with New Model Clauses**

The Insurance Association of China has announced plans to introduce model clauses for humanoid robot insurance, marking a significant step toward formalizing insurance frameworks for emerging technologies.

Key Announcement

The initiative aims to:

- Establish standardized insurance policy wordings for humanoid robots
- Support insurers in underwriting complex, technology-driven risks
- Promote consistency and clarity across China's rapidly evolving tech insurance market

These model clauses are expected to serve as industry benchmarks, enabling insurers to design products more efficiently while reducing legal ambiguity.

Background: Why Humanoid Robot Insurance?

The growing deployment of humanoid robots across industries has introduced new and complex risk exposures, including:

- • Operational failures and mechanical breakdowns
- • Third-party liability risks (injuries or property damage)
- • AI-related uncertainties, including unpredictable autonomous behavior

Industry reports indicate that repair costs for advanced robots can reach up to CNY 300,000 per incident, while liability claims in certain cases have exceeded CNY 400,000, highlighting the need for structured risk transfer mechanisms.

Expected Scope of Model Clauses

Although full details have not yet been disclosed, the proposed clauses are expected to include:

- Clear definitions of insured risks and coverage triggers
- Standardized policy limits and indemnity structures
- Allocation of liability among:

Manufacturers, Operators/users & Software and AI providers

- Defined exclusions and conditions, including misuse and system tampering

Strategic Context

This initiative aligns with China's broader strategy to:

- Strengthen the role of insurance as a risk mitigation tool for innovation
- Accelerate the development of the AI and robotics ecosystem
- Expand the technology insurance segment, which has seen rapid growth in recent years
- The humanoid robotics market in China is projected to reach CNY 100–300 billion in the long term, reinforcing the importance of scalable insurance solutions.

Industry Implications

1. Emergence of a New Insurance Line

Humanoid robot insurance is expected to evolve into a distinct class of business, similar to cyber insurance and autonomous vehicle coverage.

2. Shift Toward Innovation Enablement

Insurers are increasingly positioned not only as risk carriers but as enablers of technological adoption.

3. Underwriting Challenges

The absence of historical loss data and the dynamic nature of AI systems present significant pricing and risk assessment challenges.

Conclusion

The introduction of model clauses for humanoid robot insurance represents a proactive regulatory and industry response to the rise of advanced robotics. By standardizing policy structures, China is positioning itself at the forefront of insuring next-generation technologies, paving the way for broader adoption and market stability. ■

Sources

- Asia Insurance Review – China's insurance association plans to introduce model clauses for humanoid robot insurance
- China Daily – Developments in robot insurance products
- 36Kr – Market insights and case data on robot-related claims
- Global Times / Chinese Government sources – Policy direction on technology insurance



INDIA

• *India set to outpace China, US in premiums by 2030*

The outlook for India marks a sharp rebound from 2025, when growth slowed to 3.1%.

The insurance market in India is projected to grow 6.9% through 2030 in terms of premium, pushing the country to be the strongest growing major insurance market, Swiss Re said.

“India is a true bright spot for insurance growth in the mid-term as opportunities emerge, especially in health and motor insurance,” Amitabha Ray, Swiss Re Market head for India, said in a press release.

The country is likely to benefit from “forward-looking regulatory reform, digital innovation and a disciplined but attractive product mix for consumers.”

“Insurance growth will benefit India, as it acts as a significant financial shock absorber for millions of Indian families and business as they face increased risk from natural catastrophes, increasing healthcare costs and the financial pressures of an ageing population,” Ray added.

The forecast puts India ahead of China, where growth is expected to be around 4%, and the United States, at about 2% over the same period.

The outlook marks a sharp rebound from 2025, when growth slowed to 3.1% as the market adjusted to new regulations.

Swiss Re said recent reforms by the Insurance Regulatory and Development Authority of India (IRDAI), alongside broader government policy changes, are improving transparency and reshaping the industry.

These include a higher foreign direct investment limit in insurance, modernisation of distribution channels, and goods and services tax reforms. The changes are expected to attract new

capital, expand access to insurance, and support demand growth.

Life insurance is forecast to grow by 6.8% a year over the next five years.

India is the second-largest life insurance market amongst emerging economies, with growth expected to be supported by wider distribution, rising demand for retirement products, and credit expansion.

In non-life insurance, near-term growth may be weighed down by regulatory changes and medical inflation, but Swiss Re expects a recovery in the medium term.

Health insurance is projected to grow by an average of 7.2% a year from 2026 to 2030, whilst motor insurance is expected to expand by 7.5% annually, driven by higher vehicle ownership.

Swiss Re also flagged rising natural catastrophe risks as a key challenge. The reinsurer estimates that assets worth about \$26t to \$29t are exposed at the national level, with some concentrated in high-risk regions.

Losses from major disasters in these areas could have a significant impact on economic growth.

Parvinder Singh, head of client underwriting for India at Swiss Re, said insurers will need to balance growth with risk discipline as exposures increase.

He said prudent underwriting and a focus on sustainable solutions will be critical in narrowing India’s protection gap and supporting long-term stability.

■
Insurance Asia – 21 Jan 2026

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INDIA

• **Parliament greenlights 100% FDI in insurance in 'Big Bang' reform**

Both of India's houses of Parliament have passed the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Bill, 2025 introducing major reforms including allowing 100% foreign ownership in insurance companies in the country. The upper house of Parliament, the Rajya Sabha, passed the Bill on 17 December 2025, a day after the lower house, the Lok Sabha, did so.

Commenting on the 100% FDI investment decision, the Finance Ministry said in a statement, "This will help in capital augmentation, adoption of advanced technology and bringing global best practices along with increasing employment opportunities. Increased competition would drive efficiency in products and services, proving beneficial for the citizens."



Other provisions in the Bill include:

* Ease of doing business is being promoted for intermediaries through provisions for one-time licensing and the suspension of licences rather than immediate cancellation.

* For insurers, the limit of seeking prior regulatory approval for transfer of share capital has been raised from 1% to 5%. The Net Owned Fund requirement of Foreign Reinsurance Branches has been reduced from INR50bn (\$554.4m) to INR10bn. LIC has been provided autonomy to open zonal offices in the country and to align its foreign offices with the laws and regulations of their respective jurisdiction.

* To protect the interests of policyholders, a dedicated fund, namely Policyholders' Education and Protection Fund, will be set up to spread awareness about insurance. Policyholders' data would now be required to be collected and protected in alignment with the Digital Personal Data Protection Act, 2023.

* Regulatory governance is being strengthened by introducing a standard operating procedure for regulation-making and mandating the process to be consultative. IRDAI is being given the power to disgorge wrongful gains from insurers and intermediaries. Penalties are being rationalised and factors for the imposition of penalties are being introduced.

"The reforms are aimed at extending insurance coverage to people, households and enterprises, deepening insurance coverage, providing ease of doing business, improving regulatory oversight and governance. All these measures would lead to the strengthening of the Indian insurance sector to provide financial resilience to the Indian economy," said the ministry's statement. ■

MEIR – 3 Feb 2026

- **India Implements Major Insurance Reforms and Paves Way for Managing General Agents (MGAs)**

India's sweeping Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025 took effect on February 5, 2026, after the Ministry of Finance issued the official commencement notification. This marks one of the most significant reform packages in the insurance sector in decades.

Among the key changes is the expanded statutory definition of insurance intermediaries to include Managing General Agents (MGAs) — specialised intermediaries that can undertake delegated underwriting and claims functions on behalf of insurers. This legal recognition provides a foundation for the introduction of a more sophisticated intermediary model within the Indian market.

The 2025 amendment also introduces full 100% foreign direct investment (FDI) in Indian insurers, enhances policyholder protections, and strengthens regulatory powers of the Insurance Regulatory and Development Authority of India (IRDAI) over insurers and intermediaries.

However, detailed operational rules for MGAs have not yet been formally issued by IRDAI — including requirements for registration, delegated authority limits, and oversight frameworks — although the legal basis for them is now in place. Meanwhile, market players, including insurtech firms and established intermediaries, have signalled readiness to adopt the MGA model once guidelines are in force.

These reforms are expected to drive growth, foster innovation, and expand insurance penetration in India's rapidly evolving insurance ecosystem. ■

SINGAPORE

- **Singapore General Insurance Market – 2025**



Singapore's domestic general insurance sector delivered stable and resilient growth in 2025, surpassing a key milestone despite a notable rise in claims across major business lines.

Gross written premiums (GWP) for the domestic segment reached S\$6.1 billion, representing an 8.4% year-on-year increase and exceeding the S\$6 billion mark for the first time. Combined GWP for both domestic and offshore segments rose 3.7% to S\$11.2 billion.

However, net incurred claims for the domestic segment increased by 8.7% year-on-year to S\$1.8 billion, driven primarily by higher claims in the motor and property insurance segments.

Key Market Highlights

- **Motor Insurance**

Motor claims rose 11%, despite stable accident volumes, indicating increased severity of accidents. Road fatalities reached a 10-year high.

GWP grew 5.2% to S\$1.28 billion, although the segment continued to report underwriting losses of S\$6.9 million.

- **Property Insurance**

Claims surged 60.5%, largely due to a rise in fire incidents, which increased to 2,050 cases (+3%).

Premiums grew 4.1% to S\$864.1 million.

- **Health Insurance**

Continued its upward trajectory, with premiums rising 7.4% to S\$1.24 billion. Claims increased 6.4% to S\$409.4 million, reflecting growing healthcare demand and medical inflation.

- **Travel Insurance**

GWP rose 8.6% to S\$336.7 million, supported by strong outbound travel demand, with 10.6 million trips recorded in 2025.

Underwriting profit moderated to S\$29.7 million (from S\$39 million in 2024).

- **Employer's Liability Insurance**

Delivered a strong double-digit improvement in underwriting performance, supported by enhanced workplace safety and risk management practices.

Underwriting Performance

Despite the elevated claims environment, the domestic segment demonstrated robust underwriting resilience, with underwriting profit increasing 32% to S\$289 million, up from S\$219 million in 2024.

Industry Perspective

The General Insurance Association (GIA) emphasized that the rise in claims underscores the critical role of insurance in enabling financial recovery for individuals and businesses. The industry remains committed to:

- Strengthening collaboration with regulators and stakeholders
- Enhancing customer support and accessibility of insurance protection
- Addressing evolving risk landscapes, including road safety and fire prevention

Conclusion

Singapore's general insurance market continues to reflect a mature and well-managed ecosystem, balancing premium growth, rising risk exposures, and improved underwriting profitability. The sector's performance in 2025 highlights its capacity to adapt and remain resilient amid increasing claims pressures and evolving risk dynamics





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إعادة Saudi Re



Saudi Re Reports 73% Revenue Growth and 32% Increase in Net Profit in Q1

Saudi Reinsurance Company “Saudi Re” reported a net profit after Zakat of SAR 46.7 million in the first quarter of 2026, representing a 32% increase compared to SAR 35.4 million in the corresponding period of the previous year. The first quarter results were driven by resilient underwriting and positive investment returns.

Insurance revenue in Q1 2026 recorded a significant 73% year-on-year increase, reaching SAR 560 million. Continued expansion across various lines of business in Saudi Arabia and international markets supported this growth. Gross Written Premiums in Q1 2026 jumped by 37% to SAR 2.38 billion, up from SAR 1.74 billion in the same period last year.

Commenting on the results, **Saudi Re CEO Ahmed Al-Jabr**, stated: “The strong results achieved in the first quarter reflect Saudi Re’s disciplined underwriting approach and prudent investment strategy. Saudi Re has maintained its balanced business model, focusing on improving net income while expanding the scope of its operations.”

He added: “We are progressing toward our strategic goals, backed by the strength of our financial position and our increasingly competitive market standing, ensuring our resilience and sustainability of our performance.”

About Saudi Re:

Saudi Reinsurance Company “Saudi Re”, a Public Investment Fund portfolio company, is listed on the Saudi Exchange. The company has the largest paid-up capital in MENA, standing at SAR 1.7 billion (US\$453 million). Saudi Re is rated ‘A-’ by S&P with a positive outlook, and A2 by Moody’s, reflecting its strong financial standing. The company operates in more than 40 markets across the Middle East, Asia, and Africa. Regulated by the Saudi Arabian Insurance Authority, Saudi Re conducts its operations from its headquarters in Riyadh and branches in Malaysia and India.



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SOUTH AFRICA

Insurance Market Overview



by Hussein Elsayed

(I) General Information

Region	Southern Africa	UN membership date	7 November 1945
Population (000, 2025)	64 747a	Surface area (km ²)	1 221 037b
Pop. density (per km ² , 2025)	53a	Sex ratio (m per 100 f)	94.8a
Capital city	Pretoria ^c	National currency	Rand (ZAR)
Capital city pop. (000, 2025)	2 472.6d	Exchange rate (per US\$)	18.7e

Economic indicators	2015	2020	2025
GDP: Gross domestic product (million current US\$)	346 486	338 291	377 782b
GDP growth rate (annual %, const. 2015 prices)	1.3	-6	0.6b
GDP per capita (current US\$)	6 108.0	5 586.0	5 976.0b
Economy: Agriculture (% of Gross Value Added)	2.5	2.9	2.8b
Economy: Industry (% of Gross Value Added)	26.3	25.8	27.3b
Economy: Services and other activity (% of GVA)	71.2	71.4	69.9b
Employment in agriculture ^f (% of employed)	15.4	21.4	18.8b
Employment in industry ^f (% of employed)	21.4	17.6	17.7b
Employment in services ^f (% employed)	63.2	61	63.5b
Unemployment (% of labour force)	25.1	29.2	33.7f
Labour force participation rate (female/male pop. %)	51.0 / 65.0	48.7 / 61.3	53.1 / 64.4f
CPI: Consumer Price Index ^{g,h} (2010=100)	130	164	202e
Agricultural production index (2014-2016=100)	101	111	114b
International trade: exports (million current US\$)	80 036	85 227f	110 109e
International trade: imports (million current US\$)	85 267	68 943f	101 240e
International trade: balance (million current US\$)	- 5 232	16 284f	8 869e
Balance of payments, current account (million US\$)	- 14 944	6 771	- 2 384e

Social indicators	2015	2020	2025
Population growth rate (average annual %)	2.3	1.6	1.1a
Urban population (% of total population)	64.8	66.9d	...
Urban population growth rate (average annual %)	2.2j
Fertility rate, total (live births per woman)	2.4	2.3	2.2a
Life expectancy at birth (females/males, years)	67.0 / 60.8	67.9 / 62.2	70.0 / 63.0a
Population age distribution ^k (0-14/60+ years old, %)	28.3 / 8.0	27.0 / 9.4	25.7 / 10.4a
International migrant stock ^l (000/% of total pop.)	3 162.6 / 5.6	2 639.1 / 4.4	2 631.1 / 4.1e
Refugees and others of concern to UNHCR (000)	912.6	266.7	163.4e
Under five mortality rate (per 1000 live births)	39.1	29.3	30.5a
Health: Current expenditure ^m (% of GDP)	8.1	9	8.8n
Health: Physicians (per 1 000 pop.)	0.8	0.8d	0.8n

Social indicators	2015	2020	2025
Education: Primary gross enrol. ratio (f/m per 100 pop.)	104.2 / 110.3	98.9 / 103.6	99.7 / 105.1n
Education: Lowr. sec. gross enrol. ratio (f/m per 100 pop.)	105.6 / 102.9	106.3 / 105.3	101.5 / 103.2n
Education: Upr. Sec. gross enrol. ratio (f/m per 100 pop.)	103.9 / 105.8	110.0 / 94.0	113.8 / 98.4n
Intentional homicide rate (per 100 000 pop.)	32.9	33	43.7n
Seats held by women in national parliaments (%)	41.5	46.4o	44.6o
Environment and infrastructure indicators	2015	2020	2025
Individuals using the Internetf (per 100 inhabitants)	51.9	72.1p	75.7b
Research & Development expenditure (% of GDP)	0.7	0.6	...
Threatened species (number)	527	597	1 039e
Forested area (% of land area)	14.2	14.1	14n
CO2 emission estimates (million tons/tons per capita)	465.7 / 8.2	444.6 / 7.3	437.1 / 7.0n
Energy production, primary (Petajoules)	6 465	6 219	5 789n
Energy supply per capita (Gigajoules)	100	89	87n
Tourist/visitor arrivals at national bordersq (000)	8 904r	2 802	5 698n
Important sites for terrestrial biodiversity protected (%)	17.8	19.5	19.9e
Pop. using safely managed drinking water (urban/rural, %)	84.3 / ...	81.6 / ...	80.5 / ...n
Pop. using safely managed sanitation (urban/rural, %)	70.9 / ...	72.5 / ...	73.1 / ...n
Net Official Development Assist. received (% of GNI)	0.42	0.36	0.4b

a: Projected est. (medium fertility variant).

b: 2023.

c: Pretoria is the administrative capital, Cape Town is the legislative capital and Bloemfontein is the judiciary capital.

d: 2019.

e: 2024.

f: Estimate.

g: All urban consumers.

h: Calculated by the UN Statistics Division from national indices.

i: Areas not elsewhere specified.

j: Data refers to a 5-year period preceding the reference year.

k: Calculated by the UN Statistics Division.

l: Including refugees.

m: Data refer to fiscal years beginning 1 April.

n: 2022.

o: Data at 1 January of the reporting year.

p: Population aged 10 years and over.

q: Excluding transit.

r: Break in the time series.

Source: <https://data.un.org>



1 - Country Risks

* Political & Security

- South Africa maintains relatively strong democratic institutions but faces:
- Rising political fragmentation and potential coalition instability
- High crime rates, particularly in urban areas
- Frequent social unrest driven by inequality and unemployment
- Governance and corruption challenges,, despite recent improvements

* Economic & Fiscal

- Modest economic growth constrained by structural issues (notably energy shortages)
- Elevated public debt limiting fiscal flexibility
- Very high unemployment, impacting social and economic stability
- Exposure to commodity cycles and currency volatility

* Financial Sector & Liquidity

- Well-developed banking sector with relatively strong regulation
- Manageable liquidity risks, but sensitive to capital outflows
- Currency volatility (ZAR) affecting investor confidence
- Rising interest rates impacting credit quality

* Geo-Regional Risks

- Spillover risks from Sub-Saharan regional instability
- Dependence on regional trade and supply chains
- Indirect exposure to global geopolitical shocks (energy, commodities)

2 - Natural Catastrophe (NatCat) Risks

* Flooding

- Major and recurring risk, especially in KwaZulu-Natal and eastern coastal areas
- Driven by intense rainfall and weak drainage infrastructure
- Leads to significant infrastructure and insured losses

* Drought & Heat Stress

- High-impact, long-term risk, especially in Western Cape and inland regions
- Causes water shortages, agricultural losses, and energy stress
- Increasing frequency due to climate change trends

* Coastal Erosion & Storm Surge

- Affects eastern and southern coastlines
- Driven by sea-level rise and severe storms
- Impacts coastal infrastructure, tourism, and ports

* Geophysical (Earthquake)

- Low natural earthquake risk
- Localized seismic activity linked to mining operations
- Overall limited geophysical exposure



Conclusion

South Africa combines structural economic and socio-political risks with notable climate-related exposures, particularly floods and droughts. These factors are key in shaping the country's overall risk and insurance landscape.

(II) Insurance Market

Key Highlights

- The PA and FSCA regulate the South African insurance industry.
- The placement of non-admitted insurance is permitted only with an approval from the FSCA, provided no domestic insurer is providing such insurance at equitable terms.
- 100% FDI is permitted in the South African insurance industry.
- The key classes of compulsory insurance include third-party liability insurance for commercial flight operators, workers' compensation, insurance against oil pollution for tankers over 2,000 tons, clinical trials liability insurance for injury and damage and environmental liability insurance.
- Composite insurance is prohibited in South Africa. However, composite reinsurance is permitted

(A) Insurance Market - Historical Landmarks and Regulatory Environment

1830s – 1900 | ORIGINS & COLONIAL ERA

- **1831** The South African Fire & Life Assurance Company was founded in Cape Town
- **1890** Branch offices of British companies opened in South Africa. One of the first to do so was Guardian, which started operations in 1890 through the agency of C G Smith.
- **1845:** Old Mutual founded
- Mining boom (gold & diamonds) drives insurance demand
- Entry of UK & European insurers

1900 – 1970s | Emergence of large domestic insurance groups

- **1918** Santam opened for business in Cape Town
- **1943** The Insurance Act 27 of 1943 was promulgated. Post-1943 a number of other foreign companies worked through local underwriting agents, but following a change in the legislation which required insurance companies to be incorporated locally with a minimum of 30% of the share

capital held in South Africa, the major foreign insurance companies established local companies.

- **1970** The Mutual & Federal was formed following the merger of Royal Insurance Group and SA Mutual Fire and General Insurance.
- **1979** Following the Soweto riots, and the short-term insurance industry's reluctance to provide insurance cover for political risks, the South African Special Risk Insurance Association (Sasria) was formed to insure what might be termed "political riot".
- Rapid expansion of life insurance and Development of commercial insurance lines.

1980s – 1990 | Transition to structured and regulated market

- **1990** The Financial Services Board (FSB) was established as a statutory body by the Financial Services Board Act 97 of 1990.
- Market becomes more regulated
- The beginning of specialization in both life insurance and non-

life insurance and adoption of early IT systems.

- **1994 – 2005 | LIBERALISATION & GLOBALISATION**
- End of apartheid (**1994**)
- **1998** The Short-term Insurance Act 53 of 1998 was gazette.
- **2002** The Financial Advisory and Intermediary Services (FAIS) Act 37 of 2002 was passed.
- Market opens to foreign insurers & global reinsurers.
- Increased competition & product innovation.

2005 – 2015 | MARKET MATURITY

- **2008** The Consumer Protection Act 68 of 2008 came into operation incrementally and has been fully implemented since 1 April 2011. The act has significant implications for product liability insurance.
- **2009** The Companies Act 71 of 2008 (promulgated in 2009 and effective from 1 May 2011) introduced the concept of class actions into South African law.
- **2013** The Financial Services Laws General Amendment Act 45 of 2013 (FSLGAA2013) strengthened supervision and made the FSB the lead regulator where other legislation conflicted with financial legislation.
- Largest insurance market in Africa (~70%)
- High penetration (~15–18%)
- Rise of: Direct insurance & Digital distribution
- Market reaches advanced/emerging-market maturity

2016 – 2020 | REGULATORY TRANSFORMATION

- **2017** The Financial Sector Regulation Act 9 of 2017 introduced the Twin Peaks supervision model, with prudential

control being under the Prudential Authority and market conduct under the Financial Sector Conduct Authority (FSCA). The two bodies were inaugurated on 1 April 2018.

- **2018** Replacement Policyholder Protection Rules came into effect from 1 January 2018.
- The new Insurance Act 18 of 2017 (IA17) was signed into law on 17 January 2018 and most parts of the law were brought into effect on 1 July 2018. New financial soundness and governance standards and the Solvency Assessment and Management (SAM) regime took effect from the same date. A framework for microinsurance was included.

2020 – 2025 | TRANSFORMATION & FUTURE RISKS

2020 COVID-19 SHOCK: Surge in claims, Business interruption disputes & Profitability pressure.

2023: National Health Insurance Act 2023

Growth in Insurtech & Digital ecosystems & Rising risks of climate change, Energy crisis and Inflation.





Insurance Regulators:

Prudential Authority (PA):

The Prudential Authority (PA); which established April 1, 2018 under the South African Reserve Bank; is South Africa’s financial-sector regulator responsible for supervising banks, insurers, and financial market infrastructures. Established, it ensures the stability, safety, and soundness of financial institutions within the country’s “Twin Peaks” regulatory framework.

Purpose:

- Responsible for prudential regulation and supervision of insurers.
- Ensures financial soundness, solvency, and stability of insurance companies.
- Oversees capital adequacy, risk management, and governance frameworks.
- Operates under the central bank framework to safeguard the financial system.

Financial Sector Conduct Authority (FSCA):

Founded 2018 as part of South Africa’s “Twin Peaks” model of financial regulation, introduced under the Financial Sector Regulation Act, 2017.

Purpose:

- Supervises market conduct of insurers and intermediaries.
- Protects policyholders and consumers.
- Ensures fair treatment, transparency, and disclosure.
- Regulates brokers and advisors under conduct rules.



Insurance Associations:

Insurance Association of South Africa (IASA)

Purpose:

- Represents non-life insurers.
- Engages with regulators on policy, regulation, and industry standards.
- Promotes market development and risk awareness.

Actuarial Society of South Africa (ASSA)

Purpose:

- Governs actuarial profession and standards.
- Supports risk modelling, solvency, and pricing frameworks.

Financial Intermediaries Association of Southern Africa (FIA)

Purpose:

- Represents brokers and intermediaries.
- Supports compliance, advisory standards, and distribution practices

Key laws and regulations:

Insurance Association of South Africa (IASA)

Purpose:

- Establishes prudential regulatory framework for insurers
- Introduces risk-based supervision and solvency requirements
- Replaces parts of earlier insurance legislation
- Promotes financial stability and policyholder protection

Financial Sector Regulation Act 9 of 2017

Purpose:

- Introduces the Twin Peaks regulatory model
- Establishes PA and FSCA as dual regulators
- Enhances systemic risk oversight and financial stability

Financial Advisory and Intermediary Services Act

Enacted 15 November 2002 and amended through the Financial Sector Regulation Act 9 of 2017 and Financial Sector and Deposit Insurance Levies Act 11 of 2022

Purpose:

- Regulates insurance intermediaries and advisors
- Ensures fit & proper requirements and conduct standards
- Protects consumers from mis-selling and misconduct

Solvency Assessment and Management (SAM Framework)

Purpose:

- Risk-based solvency regime Equivalent to Solvency II framework
- Enhances capital adequacy, governance, and risk management
- Supports international equivalence and market integration

Company Registration and Operation

- Only licensed insurers may conduct insurance business.
- Must be registered as a public company, state-owned entity, or cooperative.
- Subject to fit & proper requirements for management and ownership.
- Must maintain robust governance, risk management, and internal controls.

Foreign Ownership & FDI

FDI Limit: No numerical cap (Fully open market)

Foreign Ownership: Up to 100% foreign ownership permitted

In Practice: Investment is subject to strict regulatory oversight, including:

- Approval requirements for significant shareholdings ($\geq 25\%$)



- Restrictions on market entry structure (typically via subsidiaries)
- Public interest and financial stability assessments

Subsidiary/Branch

- Foreign insurers may operate via:
 - » Subsidiary (locally incorporated entity)
 - » Branch (subject to equivalence of home regulation)
- Branches must demonstrate equivalent regulatory standards to South Africa.

Compulsory Insurances

The key compulsory insurances are:

- Motor third party bodily injury liability (state scheme).
- Clinical trials insurance (compulsory in terms of a Medicines Control Council guideline).
- Flight operators' liability for third parties and passengers.
- Shipowners' liability for marine oil pollution (financial guarantee or insurance).
- Professional indemnity for pension fund trustees.
- Professional indemnity and fidelity insurance for financial service providers.
- Workers' compensation insurance (state scheme).

South Africa operates a sophisticated insurance regulatory framework under the Twin Peaks model, which combines strong prudential supervision by the Prudential Authority (PA) with robust market conduct oversight by the Financial Sector Conduct Authority (FSCA). Supported by modern legislation, including the Insurance Act and the Solvency Assessment and Management (SAM) regime, this framework ensures financial stability, enhances policyholder protection, and aligns the market with international regulatory standards, positioning South Africa as one of the most advanced insurance markets in Africa from a supervisory perspective





Reinsurance Business:

South Africa’s reinsurance market consists of 9 professional reinsurers, all of which are foreign-owned, reflecting the market’s strong integration with global reinsurance capacity. The sector relies heavily on international reinsurance markets to support underwriting activities, particularly in managing large and complex risks. Reinsurance plays a critical role in the market by facilitating catastrophe risk transfer, enhancing capital efficiency and optimization, and providing essential capacity for large commercial and industrial risks.

Cross-border reinsurance:

Reinsurance permitted on a cross-border basis. But with significant restrictions. Foreign reinsurers may not actively seek business in South Africa, except through a local subsidiary or branch. South African cedants are permitted to purchase reinsurance from off-shore reinsurers.

Discriminatory collateral or asset localization requirements:

There are no discriminatory requirements on cross-border foreign reinsurers for collateralisation or localisation of assets

Foreign ownership and establishment of subsidiaries/branches:

There are no (i) any restrictions on foreign ownership of subsidiaries or (ii) any other discriminatory barriers affecting the establishment of branches or subsidiaries (if permitted)

Compulsory cessions and trade barriers:

There are no compulsory cessions, right of first refusal rules, or other trade barriers affecting foreign reinsurers, including examples of Government interference in risk pricing.

(B) Insurance Market Performance & Statistics

Market Structures: Registered Insurance Entities in South Africa

Category	December 2024	December 2025
Life primary insurers	59	59
Life cell captives	4	4
Life microinsurers	11	14
Non-life primary insurers	56	56
Non-life cell captives	6	6
Non-life captives	5	6
Non-life microinsurers	0	0
Composite microinsurers	3	3
Professional reinsurers	9	9
Composite reinsurers	5	4
Life reinsurers	0	0
Non-life reinsurers	1	1
Branches of foreign reinsurers	3	4
Other	2	2
Total	155	159

Market Performance: Statistical Key Highlights 2020-2023

	2020	2021	2022	2023
Total Premiums				
Total Premiums (US\$ m)	40411	49748	45831	43354
Total Insurance Growth (%) inflation-adjusted	-1.8	5.7	-4.5	-5.4
Total Insurance Density (US\$)	686	837	764	718
Total Insurance Penetration (%)	12	11.9	11.3	11.5
Global Ranking				21
Life Premiums				
Life Premiums (US\$ m)	32934	40488	36863	34833
Life Insurance Growth (%), inflation-adjusted	-1	5.6	-5.6	-5.5
Life Insurance Density (US\$)	559	681	614	577
Global Ranking				15
Non- Life Premiums				
Non-Life Premiums (US\$ m)	7478	926	8968	8520
Non-Life Insurance Growth (%), inflation-adjusted	-4.8	6.3	0.4	-5
Non-Life Insurance Density (US\$)	127	156	149	141
Non-Life Insurance Penetration (%)	2.2	2.2	2.2	2.3
Global Ranking				35

Source <https://www.sigma-explorer.com>

Market Overview

Key Market Indicators

- Total sector assets: Dominated by life insurers (~92%)
- Non-life share: ~6–7% of total assets
- Professional reinsurers: ~1.2% (all foreign-owned)



Market Structure

Segment	Share of Assets	Key Characteristics
Life	~92%	Savings-driven, asset-intensive
Non-Life	~6–7%	Short-tail, motor/property dominated
Reinsurance	~1%	Foreign-dominated

Concentration

- Top 5 life insurers hold ~71% of assets
- Top 10 non-life insurers generate ~65% of premiums

Indicates high market concentration and strong incumbency advantage

LIFE INSURANCE

Scale and Financial Strength

- Assets under management: ~ZAR 4.5 trillion
- Policies in force: ~45 million+
- Claims & benefits paid (2024): ~ZAR 639 billion

Solvency Position

- Solvency ratio around **1.9–2.0x SCR** (very strong buffer)

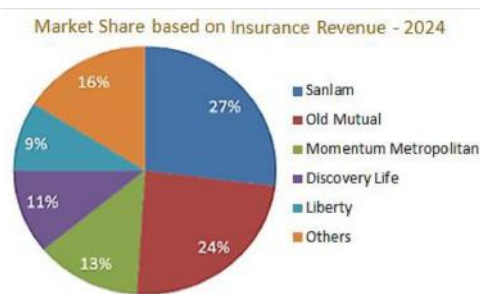
Business Characteristics

- Strong savings and retirement orientation
- High penetration of: Life risk products and Annuities and investment-linked policies

Key Trends

- Growth in retirement and savings products
- Increased policyholder withdrawals flexibility (regulatory reforms)
- Strong integration with asset management and wealth platforms

Life Insurance Companies in 2024 (Top 5)



NON-LIFE INSURANCE

Market Performance

Insurance revenue: ~ZAR 154.2 billion | Profit after tax: ~ZAR 17.7 billion (+24% YoY)

Key Lines of Business

Based on the 2024 Non-Life Industry Experience Report issued by the Prudential Authority, the South African non-life insurance market shows a clear concentration by line of business, although exact splits may vary slightly de-

pending on classification. Below approximate Premium Distribution by Line of Business (2024)

Line of Business	Share of Gross Written Premiums
Motor Insurance	~45% – 50%
Property Insurance	~25% – 30%
Liability Insurance	~5% – 7%
Engineering & Commercial Lines	~8% – 10%
Accident & Health	~5% – 7%
Marine, Aviation & Transport	~3% – 5%

> Motor insurance (dominant line)

> Property insurance (exposed to catastrophe risks)

> Liability and commercial lines

- **Motor insurance dominates the market**, accounting for nearly half of total premiums, driven by both personal and commercial motor segments.

- **Property insurance is the second largest line**, with significant exposure to catastrophe risks such as floods and severe weather events.

- **Liability lines remain relatively underpenetrated**, but are gradually expanding with corporate demand.

- **Commercial and engineering lines** play an important role due to South Africa’s industrial base (mining, energy, and infrastructure).

Key Trends

- Improved underwriting discipline
- Reduced catastrophe losses vs prior years
- Rising premium rates and risk selection tightening

Non-Life Insurance Companies in 2024 (Top 10)

The South African non-life insurance market maintained a stable structure in 2024, with the top 10 insurers continuing to dominate approximately 80% of total insurance revenue. However, beneath this structural stability, notable shifts in market share signal increasing competitive intensity and evolving business models.

Market leader Santam Limited retained its top position with a market share of 22.99% in 2024, slightly down from 23.50% in 2023. This marginal decline suggests a gradual redistribution of market share rather than a loss of dominance.

Hollard Group strengthened its position as the second-largest insurer, increasing its share from 10.20% to 10.68%, reflecting strong growth momentum and effective market expansion strategies.

Meanwhile, Old Mutual Insure experienced a modest decline from 8.91% to 8.73%, indicating rising competitive pressures. In contrast, Guardrisk Insurance Company Limited posted a slight increase to 8.44%, highlighting the continued success of alternative risk transfer and cell captive models.

OUTsurance Insurance Company Limited remained stable at approximately 7.9%, signaling a mature and steady market position.

Among mid-tier players, mixed performance was observed. Telesure Investment Holdings and Bryte Insurance Company Limited both recorded slight declines, while Escap SOC Limited and Sasria SOC Limited achieved noticeable gains, pointing to the growing relevance of niche and specialized insurance models. Absa Insurance Company Limited reported a marginal decrease in market share.

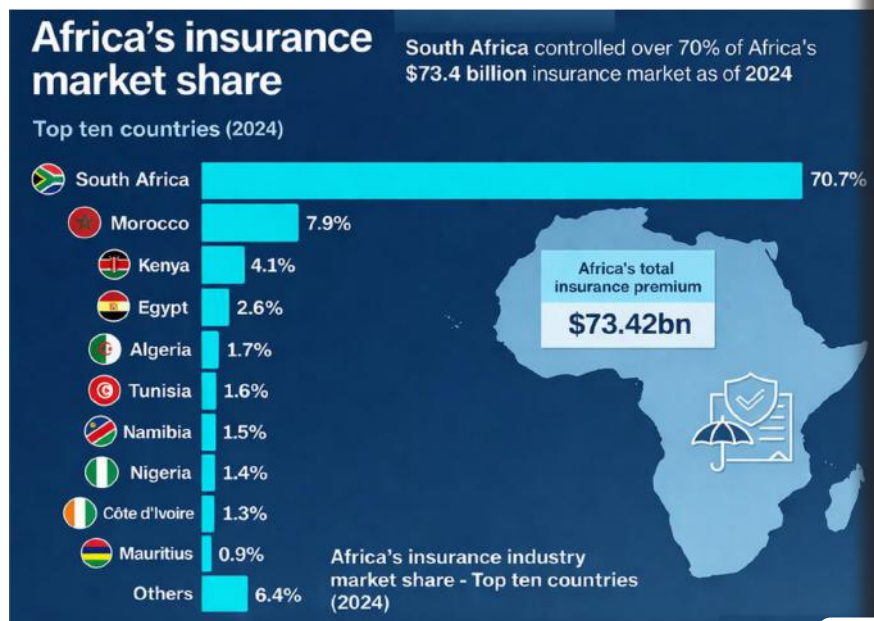
The “Other” segment remained broadly unchanged at just over 20%, underscoring the persistent concentration of the market.



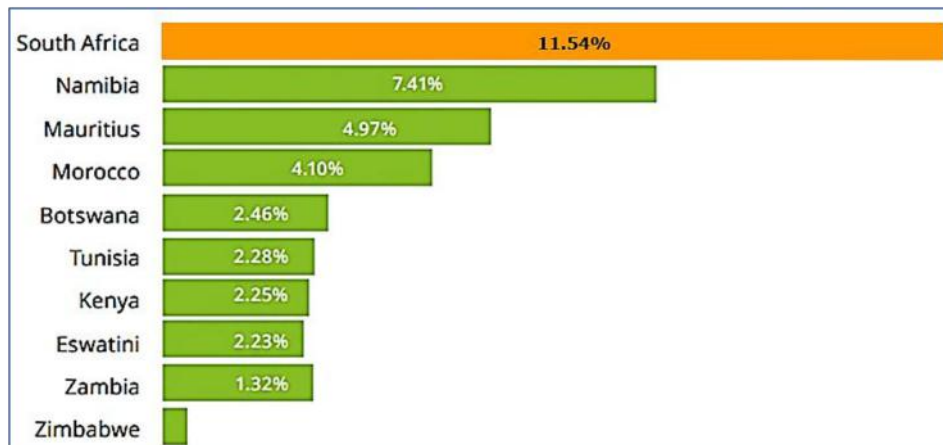
Insurance Market Regional Comparison

According to estimates by Atlas Magazine, the turnover of the African insurance sector is dominated by South Africa, followed by Morocco, Kenya, Egypt, and Algeria. These 5 countries account for a total market share of 87% in 2024, while the top 10 countries underwrite 93.6% of the continent’s premiums

Top 10 African markets by turnover in 2024



Top 10 African markets by Insurance Penetration Rate 2024



Note: Global Average = 6.80%

Insurance Market SWOT

A large population and low current rates of coverage indicate ongoing growth potential in South Africa’s insurance industry. However, limited affordability remains a concern, particularly as inflationary pressures contribute to increased premium prices and lower consumption.



Strengths

- A well-developed regulatory framework and highly regarded regulator provide a secure business environment.
- The competitive landscape is dominated by very large, well-capitalised and complex local groups.
- The life sub-sector in particular is well established, with good product awareness among the pool of consumers that can afford cover.
- Relatively easy access to capital exists through South Africa’s sophisticated financial markets and institutional investors globally

Weaknesses

- The scale, brands, networks and distribution relationships of local giants are barriers to entry forA foreign firms.
- A consistent downward trend in non-life penetration underscores the lack of awareness/affordability outside key basic lines.
- Poor economic growth is

weighing on profitability, and a significant proportion of the potential consumer base remains excluded owing to low incomes.

- Maturity in the life insurance market means that South Africa-based companies are looking to overseas markets for expansion potential

Opportunities

- - Providers are increasingly looking to bancassurance partnerships as a means of growing their customer base while also exploring digitalisation and direct mobile sales.
- - Promotion of microinsurance and other specialist products to lower-income groups provides scope for future growth.
- - Fragmentation of the competitive landscape - particularly in the life market - provides plenty of opportunities for acquisitions and mergers.
- - The national health insurance programme could create new growth opportunities for insurers

Threats

- Tariff wars could lead to slower economic growth, reducing demand for insurance.
- Slow economic growth threatens to derail growth in household incomes and demand for insurance products.
- High energy costs threaten to

erode disposable incomes and undermine industrial output, particularly as applies remain subject to disruption.

- Downward pressure on prices and margins owing to competition and demands from clients and distributors.
- Delays in putting legislation and regulation into effect, resulting in the duplication of efforts and higher expenses

Insurance Market Outlook

South Africa’s insurance market is entering a phase of stable, disciplined growth, supported by structural reforms and improved underwriting performance, according to leading global institutions such as Swiss Re Institute, AM Best, and GlobalData.

The non-life insurance segment is expected to grow at a CAGR of 6%–8% through 2030, driven by premium rate hardening, underwriting discipline, and rising demand for catastrophe-related coverage. Key lines such as motor, property, and engineering insurance will continue to lead growth, supported by increasing adoption of technologies like AI and telematics.

In contrast, the life insurance sector is projected to remain stable but slower-growing, reflecting its maturity and already high penetration levels. Growth will continue to be anchored in savings and retirement products, supported by strong capitalization and resilient profitability.

From a risk perspective, the market faces structural challenges including low economic growth, high unemployment, and rising climate-related risks, particularly floods and severe weather events. Additionally, ongoing energy constraints (load shedding) continue to impact economic activity and insurance

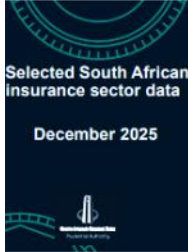





demand.

However, significant opportunities are emerging in:

- Innovative insurance solutions (e.g., parametric products)
- Expansion of inclusive insurance (microinsurance)
- Public-private partnerships for catastrophe risk management

Overall, the market is expected to maintain strong solvency and financial resilience under the advanced SAM regulatory framework, with future growth driven by innovation and operational efficiency.

Reference & Resources

 <p>Selected South African Insurance Sector 2025</p>	 <p>Life Insurance Industry Experience 2024</p>	 <p>Non - Life Industry Experience 2024</p>
 <p>The South African Insurance Industry Survey 2025</p>	 <p>South Africa Outlook</p>	 <p>Insurance & Reinsurance Laws and Regulations South Africa 2026</p>

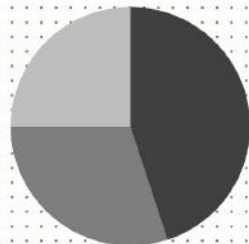


FAIR AVIATION POOL

FAIR AVIATION POOL'S UNDERWRITING CAPACITY

TREATY

- Treaty (Non-Proportional)
\$ 4 000 000
- Treaty (Proportional)
\$ 4 000 000



FACULTATIVE

- Facultative (Airline)
 - HULL \$ 4 000 000
 - LIABILITY \$ 26 000 000
- Facultative (Non Airline)
 - HULL \$ 3 000 000
 - LIABILITY \$ 15 000 000



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THAILAND

Insurance Market Overview



by Hussein Elsayed

(I) General Information

Region	South-eastern Asia	UN membership date	16 December 1946
Population (000, 2025)	71 620a	Surface area (km²)	513 140b
Pop. density (per km², 2025)	140.2a	Sex ratio (m per 100 f)	94.7a
Capital city	Bangkok	National currency	Baht (THB)
Capital city pop. (000, 2025)	10 350.2c	Exchange rate (per US\$)	34d
Economic indicators			
	2015	2020	2025
GDP: Gross domestic product (million current US\$)	401 296	500 462	514 945b
GDP growth rate (annual %, const. 2015 prices)	3.1	-6.1	1.9b
GDP per capita (current US\$)	5 689.0	6 986.0	7 182.0b
Economy: Agriculturee,f,g (% of Gross Value Added)	8.9	8.7	8.6b
Economy: Industrye,h (% of Gross Value Added)	36.2	33.3	32.9b
Economy: Services and other activitye,i (% of GVA)	54.9	58	58.5b
Employment in agriculturej (% of employed)	32.3	31.4	30.1b
Employment in industryj (% of employed)	23.7	22.6	22.1b
Employment in servicesj (% employed)	43.9	46	47.8b
Unemployment (% of labour force)	0.6	1.1	0.6j
Labour force participation rate (female/male pop. %)	61.1 / 77.9	59.1 / 75.5	58.4 / 74.3j
CPI: Consumer Price Indexk (2010=100)	110	112	123d
Agricultural production index (2014-2016=100)	97	99	103b
International trade: exports (million current US\$)	214 309	231 634	300 759d
International trade: imports (million current US\$)	202 642	206 150	307 555d
International trade: balance (million current US\$)	11 667	25 484	- 6 796d
Balance of payments, current account (million US\$)	27 753	20 933	11 089d
Social indicators			
	2015	2020	2025
Population growth rate (average annual %)	0.4	0.2	-0.1a
Urban population (% of total population)	47.7	50.7c	...
Urban population growth rate (average annual %)	2.1l
Fertility rate, total (live births per woman)	1.5	1.3	1.2a
Life expectancy at birth (females/males, years)	80.9 / 72.5	81.9 / 73.0	81.2 / 72.6a
Population age distributionm (0-14/60+ years old, %)	18.1 / 15.3	16.2 / 18.9	14.4 / 22.7a
International migrant stockn,o (000/% of total pop.)	2 853.2 / 4.0	3 015.0 / 4.2	3 179.4 / 4.4d
Refugees and others of concern to UNHCR (000)	625.3	573.5	673.9p,d
Under five mortality rate (per 1000 live births)	10.4	8.7	9.8a
Health: Current expenditureq (% of GDP)	3.9	4.4	5.4r
Health: Physicians (per 1 000 pop.)	0.5	0.5	0.5s

Social indicators	2015	2020	2025
Education: Primary gross enrol. ratio (f/m per 100 pop.)	101.6 / 108.8j	107.2 / 108.4j	101.2 / 105.7b
Education: Lowr. sec. gross enrol. ratio (f/m per 100 pop.)	120.0 / 131.6j	120.2 / 130.5	118.3 / 119.4b
Education: Upr. Sec. gross enrol. ratio (f/m per 100 pop.)	125.1 / 127.2j	113.2 / 112.1j	102.6 / 100.1b
Intentional homicide rate (per 100 000 pop.)	4.8t
Seats held by women in national parliaments (%)	6.1	16.2u	19.6u
Environment and infrastructure indicators	2015	2020	2025
Individuals using the Internetv (per 100 inhabitants)	39.3	77.8	89.5b
Research & Development expenditure (% of GDP)	0.6	1.3	1.2s
Threatened species (number)	595	674	905d
Forested area (% of land area)	39.3	38.9	38.8r
CO2 emission estimates (million tons/tons per capita)	253.5 / 3.6	253.4 / 3.5	246.3 / 3.4r
Energy production, primary (Petajoules)	3 148	3 024	2 733r
Energy supply per capita (Gigajoules)	81	80	79r
Tourist/visitor arrivals at national borders (000)	29 923	6 725	511s
Important sites for terrestrial biodiversity protected (%)	67.6	68	68.2d
Pop. using safely managed sanitation (urban/rural, %)	27.7 / 21.1	29.6 / 22.1	30.0 / 22.2r
Net Official Development Assist. disbursed (% of GNI)	0.02w	...	0.01r
Net Official Development Assist. received (% of GNI)	0.02	0.04	0.02b

a: Projected est. (medium fertility variant).

b: 2023.

c: 2019.

d: 2024.

e: Data classified according to ISIC Rev. 4.

f: Exc. irrigation canals and landscaping care.

g: Inc. taxes less subsidies on production and imports.

h: Exc. publishing activities. Inc. irrigation canals.

i: Inc. publishing activities and landscape care. Exc. repair of personal and household goods.

j: Estimate.

k: Calculated by the UN Statistics Division from national indices..

l: Data refers to a 5-year period preceding the reference year.

m: Calculated by the UN Statistics Division.

n: Including refugees.

o: Refers to foreign citizens.

p: The total statelessness figure includes 586,500 stateless persons reported by the Royal Thai Government and registered with the national civil registration system by the end of 2023.

q: Data refer to fiscal years beginning 1 October.

r: 2022.

s: 2021.

t: 2011.

u: Data at 1 January of the reporting year.

v: Population aged 6 years and over.

w: 2014.

Source: <https://data.un.org>



1 - Country Risks

* Political & Security

- Generally stable political environment, but with periodic instability linked to military influence and constitutional disputes.
- History of military coups and political polarization between conservative and reformist factions.
- Southern insurgency in the Malay-Muslim provinces (Pattani, Yala, Narathiwat) continues to pose localized security risks.
- Protests and political demonstrations occasionally disrupt economic activity in Bangkok.
- Security risks for foreign businesses remain moderate and largely localized

* Economic & Fiscal

- Upper-middle income economy with strong integration into global manufacturing and trade networks.
- Growth outlook moderate ($\approx 3\text{--}4\%$), driven by tourism, exports, and domestic consumption.
- Public debt rising but manageable ($\approx 60\text{--}65\%$ of GDP).
- Economy highly sensitive to global trade cycles, tourism demand, and supply-chain disruptions.
- Structural challenges include aging population, productivity slowdown, and income inequality

* Financial Sector & Liquidity

- Banking sector stable, well-regulated, and adequately capitalized, supervised by the Bank of Thailand.
- Exposure to household debt (among the highest in Asia) and SME credit risks.
- Strong foreign exchange reserves and generally stable Thai Baht, though vulnerable to global capital flows.
- Financial system relatively re-

silient but exposed to tourism downturns and export volatility

* Geo-Regional Risks

- Strategically located within ASEAN trade networks and regional supply chains.
- Maintains balanced diplomatic relations with both China and the United States.
- Regional geopolitical tensions (South China Sea, Myanmar instability) could indirectly affect trade and border security.
- Cross-border economic links with Cambodia, Laos, Myanmar, and Malaysia create exposure to regional political and economic shifts
- (modities)

2 - Natural Catastrophe (NatCat) Risks

* Flooding

- Primary natural hazard, causing significant economic losses.
- Major historical events include the 2011 floods, which disrupted global manufacturing supply chains.
- Hotspots: Chao Phraya River Basin, Bangkok Metropolitan Area, Central Plains, and Ayutthaya industrial zones.
- Urbanization and land subsidence increase flood vulnerability

* Drought & Heat Stress

- Increasing frequency due to El Niño cycles and climate change.
- Hotspots: Northeastern Thailand (Isan region) and parts of the Central Plains.
- Major impacts on agriculture, water availability, and hydropower generation

* Coastal Erosion & Storm Surge

- Long coastline along the Gulf of Thailand and the Andaman Sea exposed to storm surge and sea-level rise.



- Hotspots: Bangkok coastal areas, Samut Prakan, Chonburi, Phuket, and southern provinces.
 - Risks to tourism infrastructure, fisheries, and coastal communities
- * **Geophysical (Earthquake)**
 - Moderate seismic risk, mainly in northern and western regions near tectonic fault systems.
 - Hotspots: Chiang Rai, Chiang Mai, Tak, and border regions near Myanmar.
 - Earthquake risk lower than in many Pacific Ring of Fire countries but still relevant for infrastructure resilience

(II) Insurance Market

Key Highlights

- The Thai insurance industry is regulated by the OIC.
- The foreign direct investment (FDI) regime of Thailand allows up to 49% foreign ownership in the country with permission from the OIC, which can be increased to over 49% with permission from the Ministry of Finance.
- Composite insurance is not permitted in Thailand.
- Motor third-party liability insurance and workmen's compensation insurance are compulsory in Thailand.
- Non-admitted insurance is not permitted in the Thai insurance industry

(A) Insurance Market - Historical Landmarks and Regulatory Environment

Pre 1900 Various British companies had agencies in Thailand.

1911 The Partnerships and Companies Act required insurance companies to obtain government permission to operate.

1925 A Civil and Commercial Code introduced the first detailed regulation of insurance.

1929 The Division of Insurance Control in the Department of Commercial Registration was set up as the first regulatory agency.

1930 Thai Paiboon Insurance Company the first domestic non-life company was established.

1939 to 1941 All foreign insurance companies left Thailand at the outbreak of World War II and the war in the Pacific.

1949 American International Assurance was the first foreign company to return to Thailand after the cessation of hostilities.

1967 The first Non-Life Insurance Act was passed, requiring foreign insurance companies to apply for branch status and put up deposits.

1979 The first specialist health insurance companies were established.

1983 In the years leading up to 1983, foreign companies with branch offices were encouraged to establish joint venture operations with Thai shareholders. The foreign insurance companies that did so were allowed shareholdings of up to 49%. The government then

announced that no new insurance licences would be issued.

1992 A new Non-Life Insurance Act and the Protection for Motor Accident Victims Act were passed. The latter act introduced compulsory motor insurance on a no-fault basis.

1995 The first insurance licences since 1983 were approved for 13 new non-life and healthcare insurers.

2001 The Non-Life Insurance Act was amended, requiring the separation of life and non-life operations.

2004 The tsunami which struck Thailand on 26 December 2004 caused huge losses.

2007 The Department of Insurance (DOI) was converted into an independent regulatory body, the Office of the Insurance Commission (OIC).

2008 The Non-Life Insurance Act (1992) was amended, with changes including the introduction of a risk-based capital (RBC) regime, establishment of a policyholders' protection fund, a requirement that all insurance companies should become public companies within five years and allowing up to 49% foreign participation.

2009 A Product Liability Act came into force, along with the Consumer Case Procedure Act.

2011 The RBC system was fully implemented from 1 September. Major floods between June and December inundated large parts of the country, causing around 900 deaths locally and USD 12bn in insurance claims and contingent losses across the world.

2012 Property premiums increased dramatically in response to the flood losses and reinsurers imposed severe restrictions on natural catastrophe cover. A government-backed natural disaster fund was created, but this was short-lived as reinsurance conditions improved over the next two years.

2013 All local insurance companies converted to public company status.

2014 Capacity in the market, and the premium rates charged, returned to levels which had applied prior to the 2011 floods.

2015 Further amendments to the legislation introduced relaxations on the size of foreign shareholdings.

2016 The OIC introduced its new five-year Insurance Development Plan 2016 to 2020 and published draft new insurance laws. One of the objectives is for tariffs to be removed gradually.

2017 The Ministry of Finance issued a notification relating to the conditions required for a foreign shareholder to be allowed to hold more than 49% of the voting shares of a Thai insurance company.

2019: Enhancement of the Risk-Based Capital (RBC) regime to the RBC2 framework, strengthening capital adequacy and risk governance requirements.

2020–2022

- The insurance sector was significantly affected by the COVID-19 pandemic, particularly insurers offering infection coverage without sufficient reinsurance protection.
- Resulted in financial stress for some companies and led regulators to tighten product over-

sight and risk management supervision.

- Thailand adopted TFRS 17 (equivalent to IFRS 17) for insurance contracts, marking a major reform in insurance financial reporting.

2024

- Preparatory implementation programs for TFRS 17, including parallel reporting and infrastructure development for insurers.
- New regulatory guidelines introduced for battery electric vehicle (BEV) insurance policies, including standardized wording and premium structures.

2025

Full implementation of TFRS / IFRS 17, transforming financial reporting, profit recognition, and liability valuation in the insurance industry. Revision of premium reserve calculation rules to better reflect risk exposure by line of business.

2026

- Introduction of Group-Wide Supervision using a Full Consolidation approach, expanding regulatory oversight to the entire insurance group structure including parent companies and subsidiaries.
- Regulatory easing of investment rules for insurers, allowing greater equity investment flexibility while maintaining solvency requirements.
- A directive issued by Thailand's regulator, the Office of Insurance Commission (OIC), which addresses motor insurance policies and the issuance and delivery of coverage, entered into effect on 1 January 2026.
- Thailand Considers Mandatory Travel Insurance for Rail Passengers

Insurance Regulator

Office of Insurance Commission (OIC):

The OIC is the sole regulator and supervisor of Thailand's insurance sector. It was established as an independent regulatory authority under the Insurance Commission Act (ICA) in 2007. The OIC oversees the insurance industry under the Life Insurance Act (LIA) and the Non-Life Insurance Act (NLIA). For 2025 fiscal year, the OIC has an annual budget of around THB 2.25 billion (USD 65.5 million) and employed 633 professional staff.

Despite its formal designation as a versatile and independent supervisory body under the ICA, the OIC's operational independence is constrained by the legal framework. Notably, Section 45 of the ICA grants the Minister of Finance the authority to suspend or override any OIC decision deemed inconsistent with government policies. Similarly, Section 12 of the ICA stipulates that all insurance licences must be approved by the Minister of Finance or the Cabinet, while the OIC provides an opinion for the decision. Further limitations apply to supervisory enforcement powers. For instance, according to Sections 55 of the Life Insurance Act, the OIC can recommend revoking a licence or taking over a financially troubled insurer, but the Minister of Finance has the final say in whether to take such action. These legal provisions significantly limit the OIC's autonomy and may impede its ability to respond swiftly to supervisory risks and keep pace with market developments. They also diverge from international best practices under the Insurance Core Principles (ICP), particularly ICP 2, which calls for the operational independence of insurance supervisors.

While the OIC has made notable progress in enhancing its supervisory framework, its overall capac-



คปท.

สำนักงานคณะกรรมการกำกับและส่งเสริมการประกอบธุรกิจประกันภัย (คปท.)



ity and resources are perceived as constrained in relation to its oversight responsibilities. Stakeholders believe that the OIC may face challenges in fully implementing and operationalising risk-based supervision due to gaps in specialised expertise. This shortfall may hinder the OIC from fully exercising its regulatory function if the industry is granted greater flexibility to innovate and adopt more advanced modelling approaches. Without sufficient in-house technical capabilities, the OIC may struggle to keep pace with evolving market dynamics, comprehensively assess insurers' risk profiles, or critically evaluate internal models with the necessary level of rigour.

Insurance Associations

Thai General Insurance Association (TGIA) (<https://www.tgia.org>)

The stated objectives of the TGIA are:

- Main industry body representing non-life (general) insurance companies in Thailand.
- Established in 1967 as a non-profit organization supporting the development of the non-life insurance market.
- to co-ordinate with the OIC and the Ministry of Finance to support the Insurance Institute's operations
- to conduct public relations activities to promote the business and to create public awareness and fairness for all
- to serve as a non-profit organisation.

The Thai Life Assurance Association (TLAA) (<https://www.tlaa.org>)

- The central professional association representing life insurance companies in Thailand.
- Promotes industry development, policyholder protection, and cooperation with regula-

tors and international organizations.

Thai Insurance Brokers Association (TIBA) (<https://www.tiba.or.th>)

- Represents insurance and re-insurance brokers operating in Thailand.
- Focuses on professional standards, training, and market development.
- Co-organizes major industry events such as the Thailand Re-insurance Conference.

Thailand Insurance Institute (TII) (<https://www.tii.or.th>)

- Professional and educational body for insurance training, certification, and research.
- Provides technical education and professional qualifications for insurance practitioners.

Key laws and regulations

- The insurance sector, including insurers, brokers and agents, is regulated under both of: Life Insurance Act BE 2535 (1992) and the Non-Life Insurance Acts BE 2535 (1992), together with amendments in 2008 and 2015.
- Foreign Businesses Act (FBA) BE 2542 (1999), as amended
- Civil and Commercial Code

Recent Regulatory Trends (2024–2026)

- Strengthening risk-based supervision and solvency frameworks.
- Adoption of international accounting standards (IFRS 17).
- Promotion of InsurTech and digital insurance innovation.
- Increasing focus on ESG and climate-related risks in insurance supervision



Company Registration and Operation

To operate in Thailand's insurance market, companies must be incorporated locally, obtain a Ministerial insurance license, meet capital and solvency requirements, comply with foreign ownership rules, and operate under continuous supervision by the Office of Insurance Commission (OIC).

Key Steps Summary

1. Incorporate a public limited company in Thailand
2. Prepare business plan and capital structure
3. Submit license application to OIC
4. Obtain approval from the Ministry of Finance
5. Meet solvency and RBC requirements
6. Obtain approval for insurance products
7. Begin operations under regulatory supervision

Subsidiary/Branch

- Both Thai-incorporated public limited company (including subsidiaries of foreign insurers) and branches of foreign insurers are eligible to apply for an insurance licence; however, the OIC's current policy is not to grant new licences for either on the basis that the insurance company market requires consolidation.
- Brokers can be individuals or a legal entity in Thailand.
- Only individuals can be insurance agents.

Capital Requirements

Minimum paid-up capital requirement:

- **Life insurer/reinsurer** - THB500m (min registered capital)
- **General insurer/reinsurer:** THB300m (min registered capital)

FDI Restrictions

Foreigners (i.e., non-Thai individuals/entities) can hold the total issued shares of insurance and reinsurance companies as follows:

- Up to 25 per cent less one share is permitted, without any specific regulatory approval;
- Above 25 per cent but only up to 49 per cent with approval from the OIC; and
- Above 49 per cent with approval from the Minister of Finance (with the recommendation of the OIC).

Furthermore, the Thai Ministry of Finance allows foreign shareholding in insurers to exceed 49% subject to Ministerial approval and regulatory conditions.

To obtain approval, insurers must:

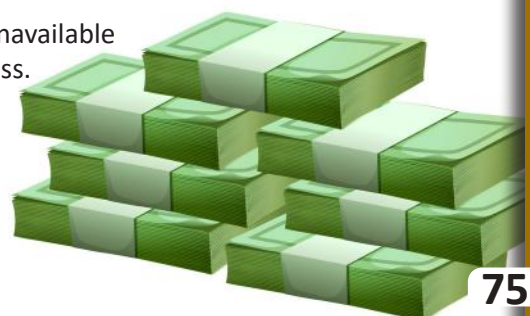
- Maintain an adequate capital adequacy ratio,
- Submit a business plan to strengthen insurer or industry stability, and
- Demonstrate the financial strength and insurance experience of the foreign investor.

Minimum capital requirements apply: THB 4 billion for life insurers; THB 1 billion for non-life insurers.

Additional conditions include Ministerial approval for certain share transfers, limits on multiple insurance operations by the foreign shareholder, and other conditions imposed by the Minister.

Foreign ownership above 49% may also be permitted when:

- the insurer faces financial or operational instability,
- existing shareholders cannot raise capital, and
- Thai investors are unavailable to support the business.



In such cases:

- foreign ownership may reach 75% for non-life insurers and unlimited for life insurers,
- approval is granted for 10 years (extendable 5 years for life insurers),
- after expiry, foreign ownership must return to ≤49% within one year.

Minimum foreign capital injection requirements: THB 2 billion (life); THB 500 million (non-life).

Foreign shareholders are prohibited from transferring shares to other non-Thai investors.

Solvency Margin

Thailand’s RBC framework requires insurers to maintain a minimum solvency ratio of 140%, with capital requirements calculated based on underwriting, market, credit, and operational risks. The regime is designed to ensure the financial stability of insurers and protection of policyholders.

Key developments in the Thai solvency regime include:

- Enhancement of RBC 2 framework to better reflect catastrophe and market risks.
- Increased focus on climate risk and catastrophe exposure.
- Integration with IFRS 17 / TFRS 17 financial reporting standards.
- Strengthened stress testing and enterprise risk management requirements

Compulsory Insurances

The key compulsory insurances are:

- Motor third party bodily injury.
- Aviation liability.
- Workers’ compensation (state scheme).
- Personal accident insurance for boat passengers.
- Worksite inspectors’ liability.
- Fire and explosion liability for operators of specified fuel oil

and gas facilities.

- Liability for transportation of hazardous substances.
- Shipowners’ liability against marine oil pollution (financial guarantee or insurance).
- Insurance for damage to hired-out jet-skis.
- Liability insurance for unmanned aircraft (drones) weighing more than 2 kg and up to 25 kg and used for non-commercial purposes.

Pools

Thai National Crop Insurance Scheme (TNCIS)

Purpose: To provide agricultural insurance protection for farmers, particularly for rice and maize crops.

Mechanism:

- Operates as a coinsurance pool among several local insurers.
 - » Managed by the Thai General Insurance Association with participation from: Office of Insurance Commission, Ministry of Finance, Department of Agriculture Extension & Bank for Agriculture and Agricultural Cooperatives.
- Provides named-peril crop insurance and complements the government’s disaster relief programme.

National Catastrophe Insurance Fund (NCIF)

Purpose: To provide protection against natural catastrophe risks (floods, windstorms, earthquakes) following the severe 2011 floods in Thailand.

Mechanism:

- The fund acted as a reinsurance backstop for local insurers.
- Insurers retained about 0.5–1% of the risk, while the remainder was ceded to the fund.
- Initially capitalised at around THB 50 billion with government support.
- The programme was later dis-

continued once reinsurance market conditions stabilised.

Road Accident Victims' Protection Company (RVP)

Purpose: To administer Thailand's compulsory motor third-party liability insurance system.

Mechanism:

- A specialized company jointly owned by most licensed insurers in Thailand.
- Functions as a centralised mechanism for issuing and administering compulsory motor liability policies, especially for motorcycles.
- Ensures compensation for road accident victims.

Reinsurance Business:

Cross-border reinsurance:

- Permitted. However, the credit risk charges in RBC calculation do not apply to local reinsurers (e.g. Thai Re or other local insurers writing reinsurance inwards). This gives domestic insurance companies incentive to place business locally.
- Under the Rules, Methods, Conditions for Reinsurance of Non-Life Insurers BE 2566 (effective from 27 June 2023) there are no restrictions on using foreign reinsurers which are rated A- or above by Standard & Poor's (or the equivalent rating from AM Best, Fitch or Moody's). But for reinsurers rated BBB+ to BBB- (or equivalent), placements are limited to 50%.

Discriminatory collateral or asset localization requirements:

- There are no discriminatory requirements on cross-border foreign reinsurers for collateralisation or localisation of assets

Foreign ownership and establishment of subsidiaries/branches:

- The Office of the Insurance Commission (OIC) can permit up to 49% foreign ownership

and can permit foreign directors to comprise more than one out of four directors, but less than half of the total number of directors. However, a licensed insurance company may apply to the Finance Minister for permission to have 50% or more (and up to 100%) foreign shareholding, and for foreign directors to comprise more than half of the directors on its board.

Compulsory cessions:

- There is no Compulsory cession (The compulsory cession to Thai Re is no longer applicable)



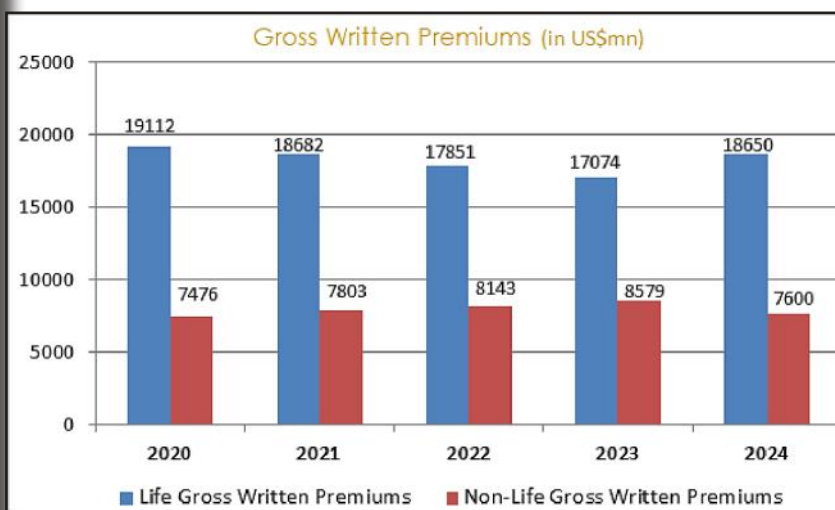
(B) Insurance Market Performance & Statistics

Market Structures

Type	2020	2021	2022	2023	2024
General Insurers	56	53	51	49	48
Life Insurers	21	21	21	21	22
Reinsurers	2	2	2	2	2
Total	79	76	74	72	72

Gross Written Premiums and Penetration

Type	2020	2021	2022	2023	2024
Life					
Gross Written Premiums (in US\$m)	19112	18682	17851	17074	18650
Penetration (%)	3.83%	3.69%	3.55%	3.32%	3.5%
Non-Life					
Gross Written Premiums (in US\$m)	7476	7803	8143	8579	7600
Penetration (%)	1.5%	1.54%	1.62%	1.67%	1.6%



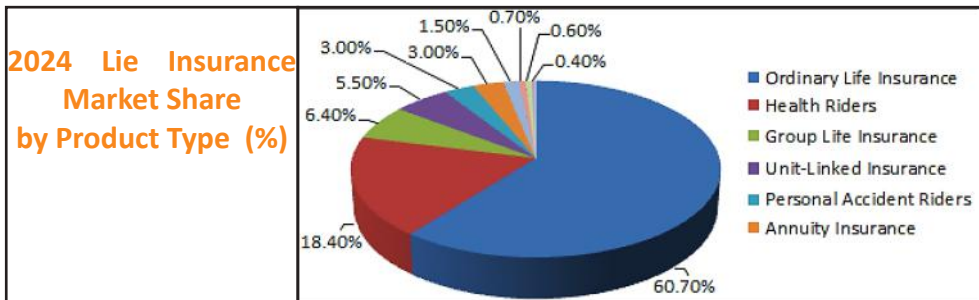
- The Thai insurance market has expanded rapidly over the last two decades. Currently, the insurance industry consists of 22 life insurance companies and 48 non-life insurance companies.
- Life insurance premiums have soared from USD 3.2 billion in 2000 to USD 19 billion in 2024, while non-life premiums have increased nearly quadrupled from USD 2.1 billion in 2000 to USD 8.2 billion in 2023. Insurance penetration, defined as the ratio of insurance premiums to GDP, reached 5.1% in 2024, positioning Thailand second only to Singapore among ASEAN members
- The market is expected to reach \$32.58 billion in gross written premiums by 2025, with life insurance accounting for the largest share.
- The Thai general insurance market is expected to continue growing at around 4% p.a. between now and 2028.
- The Thai Life Insurance Association (TLAA) forecasts growth of 2-3% in 2025, reaching \$21 billion. Life insurance remains a mainstay of the sector, accounting for a significant share of written premiums and offering savings and financial protection solutions.

Insurance Market 2024

1 - LIFE INSURERS

Premium Distribution by Product Type: (Unit: million baht)

Product Type	Premiums (THB mn)	Market Share	Key Insights
Ordinary Life Insurance	396,182	60.7%	<ul style="list-style-type: none"> Total Life Insurance Premiums: THB 653,042 million Traditional life insurance dominates the Thai life market, accounting for more than 60% of premiums. Health-related riders represent the second largest segment, reflecting growing demand for healthcare protection. Investment-linked policies (Unit-linked) are expanding but still represent a relatively small share of the market.
Health Riders	120,228	18.4%	
Group Life Insurance	41,702	6.4%	
Unit-Linked Insurance	35,827	5.5%	
Personal Accident Riders	19,442	3.0%	
Annuity Insurance	19,508	3.0%	
Other Riders	9,493	1.5%	
Personal Accident Insurance	4,380	0.7%	
Industrial Life Insurance	3,671	0.6%	
Universal Life Insurance	2,602	0.4%	



Source: OIC 2024 Annual Report

	Rank	Company	Market Share 2024	Market Share 2023	Trend
	Life Insurance Companies: 2024 Market Share (%)	1	AIA Thailand	~25%	~25%
2		Thai Life Insurance	~14–15%	~14%	Slight ↑
3		FWD Life Insurance	~14%	~13.7%	↑
4		Muang Thai Life Assurance	~11%	~11%	Stable
5		Krungthai-AXA Life	~7%	~7.4%	Slight ↓
6		Allianz Ayudhya	~5.7%	~5.6%	↑
7		Prudential Thailand	~5.5%	~5.1%	↑
8		Bangkok Life Assurance	~5.3%	~5.8%	↓
9		Ocean Life	~2.3%	~2.4%	Slight ↓
10		Tokio Marine Life	~1.8%	~1.7%	↑

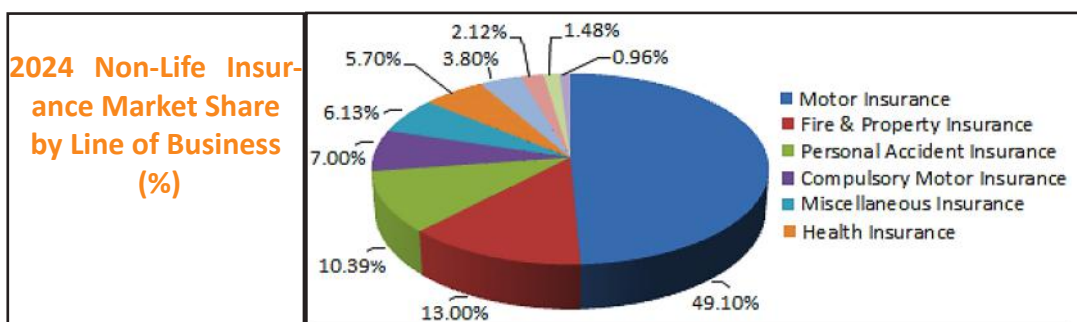
Top 10 companies control >90% of the market

Source: TLAA & Market reports

2 -Non- LIFE INSURERS

Premium Distribution by Product Type: (Unit: million baht)

Line of Business	Premiums (THB mn)	Market Share	Key Insights
Motor Insurance	140,735	49.1%	<ul style="list-style-type: none"> Total Non-Life Insurance Premiums: THB 286,556 million Motor insurance is the dominant non-life segment, representing nearly half of total premiums. Property and fire insurance remain significant due to industrial and catastrophe exposures. Health and personal accident products continue to grow in response to demographic and health-care trends
Fire & Property Insurance	37,289	13.0%	
Personal Accident Insurance	29,760	10.39%	
Compulsory Motor Insurance	20,199	7.0%	
Miscellaneous Insurance	17,553	6.13%	
Health Insurance	16,216	5.7%	
Marine Insurance	10,877	3.8%	
Property Insurance	6,076	2.12%	
Liability Insurance	4,242	1.48%	
Travel Insurance	2,739	0.96%	
Credit & Surety	760	0.27%	
Aviation Insurance	106	0.04%	



Source: OIC 2024 Annual Report

Non-Life Insurance Companies: 2024 Market Share (%)	Rank	Company	Market Share 2024	Market Share 2023	Trend
	1	Viriyah Insurance	~17–18%	~17%	↑
2	Dhipaya Insurance	~13–14%	~13%	↑	
3	Bangkok Insurance	10.3%	9.7%	↑	
4	Muang Thai Insurance	~6–7%	~6%	↑	
5	Syn Mun Kong Insurance	~5–6%	~5%	↑	
6	MSIG Thailand	~4–5%	~4%	↑	
7	Tokio Marine Safety	~3–4%	~3%	↑	
8	LMG Insurance	~3%	~3%	Stable	
9	AXA Thailand General	~3%	~2–3%	↑	
10	Roojai Insurance	~2–3%	~2%	↑	

Source: TGIA, Bangkok Insurance & Gallagher Re

Insurance Insurance Market Regional Comparison



1-Gross Written Premiums (USD million)

Country	2019	2020	2021	2022	2023	2024 (Est.)
Brunei	209	219	230	239	271	285
Cambodia	246	266	293	329	338	360–370
Indonesia	19,204	18,589	19,653	18,349	18,789	19,000–19,500
Malaysia	14,707	15,839	16,604	16,359	16,872	17,500–18,000
Myanmar	182	119	124	99	222	230–250
Philippines	6,345	6,995	6,971	7,708	7,826	8,200–8,500
Singapore	26,159	26,084	33,317	42,617	43,142	45,000–47,000
Thailand	26,265	26,588	26,485	25,994	25,653	26,000–26,500
Vietnam	6,887	8,036	9,363	10,269	9,122	8,800–9,200

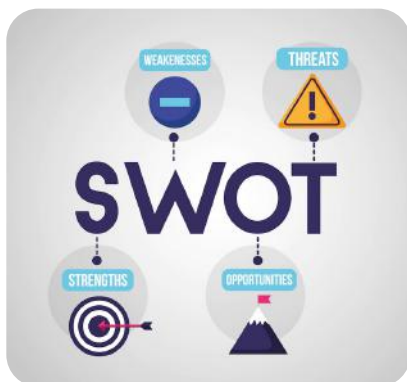
2-GDP (USD million)

Country	2019	2020	2021	2022	2023	2024 (Est.)
Brunei	13,468	12,006	14,046	16,669	15,277	15,500–16,000
Cambodia	27,089	25,291	26,961	29,505	31,773	33,500–34,500
Indonesia	1,118,527	1,061,054	1,058,420	1,319,100	1,392,800	1,450,000–1,500,000
Malaysia	364,778	353,352	370,982	406,486	396,957	410,000–420,000
Myanmar	76,086	79,852	65,068	59,360	65,820	67,000–70,000
Philippines	382,675	373,720	382,293	395,555	437,464	455,000–470,000
Singapore	375,976	354,972	395,456	480,043	509,805	530,000–550,000
Thailand	544,092	499,653	506,199	495,590	514,900	520,000–530,000
Vietnam	330,000	343,000	366,140	409,000	430,000	450,000–470,000

3-Insurance Penetration (%)

Country	2019	2020	2021	2022	2023	2024 (Est.)
Brunei	1.55%	1.82%	1.64%	1.43%	1.77%	~1.8%
Cambodia	0.91%	1.05%	1.09%	1.12%	1.06%	~1.05–1.10%
Indonesia	1.72%	1.75%	1.86%	1.39%	1.35%	~1.2–1.3%
Malaysia	4.03%	4.48%	4.48%	4.02%	4.25%	~4.2–4.4%
Myanmar	0.24%	0.15%	0.19%	0.17%	0.34%	~0.35%
Philippines	1.66%	1.87%	1.82%	1.95%	1.79%	~1.8–1.9%
Singapore	6.96%	7.35%	8.42%	8.88%	8.46%	~8.5–9.0%
Thailand	4.83%	5.32%	5.23%	5.25%	4.98%	~5.1%
Vietnam	2.09%	2.34%	2.56%	2.51%	2.12%	~2.0–2.2%

Source: 2024-ASEAN-Insurance-Council-Statistical-Report



Insurance Market SWOT

Among South East Asian markets, Thailand has one of more dynamic insurance industries. Therefore, multinationals will focus on the country as a source of future business. The life sub-sector is strong, and there is high long-term growth potential in the non-life market.

Strengths

- A large population and a growing middle class make Thailand one of the more dynamic insurance markets in South East Asia.
- Life insurance is well established among Thai consumers as a conduit for savings and investment.
- The leading life companies are innovative and well capitalised.

Weaknesses

- Many non-life companies are sub-scale and have relatively basic product offerings.
- Low income levels mean that many households are still too poor to use many forms of insurance.
- Vehicle ownership in Thailand is low, and this has restricted the market for motor insurance products

Opportunities

Rising household incomes and a growing retirement-age population are natural triggers for growth in life insurance demand.

There will be growth in motor insurance as vehicle ownership expands. The introduction of copayment health insurance from March 2025 should lead to lower premiums, potentially spurring uptake

Threats

- Prices and margins in the key motor insurance segment are under downward pressure.
- Thailand’s traditionally unsteady political climate remains a persistent challenge to overseas insurers and investors.
- The potential for massive natural disasters remains a risk for non-life insurers



OIC 2024 Annual Report



AIC 2024 ASEAN Statistical Report



OECD Capital Market Review of Thailand 2025



Acess Meditech Pvt. Ltd. successfully implements its Insurance ERP platform for Chubb Arabia Cooperative Insurance Company, enhancing operational efficiency and digital capabilities.

Acess Meditech, a leading InsurTech solutions provider, has successfully implemented and gone live with its Core Insurance ERP platform (LIMRA) for Chubb Arabia Cooperative Insurance Company, marking a significant milestone in advancing digital transformation within the Kingdom of Saudi Arabia's insurance sector.

The implementation introduces a centralized and scalable platform designed to streamline core insurance operations and enhance efficiency across the organization. By integrating multiple business functions into a unified system, Chubb Arabia is now equipped with a modern digital infrastructure that supports operational excellence, improved coordination, and long-term growth.

The deployed solution covers key functional areas including policy management, policy administration, claims processing, underwriting, compliance, finance, reinsurance, budgeting, and risk management, along with enhanced automation capabilities across workflows. This comprehensive approach enables improved coordination between departments, reduces manual intervention, and strengthens overall process efficiency across critical business functions.

Through this implementation, Chubb Arabia benefits from improved workflow management, enhanced data visibility, and increased system reliability across operations. The platform supports faster turnaround times, streamlined processing, and more informed decision-making, contributing to a more agile and responsive operational environment.

A key component of the solution includes integration with external financial systems, enabling seamless financial transactions and improving connectivity within the organization's broader ecosystem. The system has been carefully configured and optimized to align with regulatory requirements and industry standards, ensuring compliance while maintaining performance, scalability, and operational stability.

The project was executed through close collaboration between the teams at Access Meditech and Chubb Arabia, ensuring that the system was tailored to meet business requirements and operational priorities. From initial demonstration and planning to system configuration, testing, and final deployment, the implementation followed a structured approach focused on reliability, performance, and practical usability.

Beyond system deployment, the implementation represents a broader step toward strengthening digital capabilities within the organization. By leveraging advanced technology and integrated workflows, Chubb Arabia is now better positioned to adapt to evolving market dynamics, improve service delivery, and respond effectively to regulatory changes while maintaining operational efficiency.

Acess Meditech's ERP platform is built on a foundation of flexibility and scalability, enabling insurers to manage complex operations with greater control and efficiency. The solution incorporates intelligent automation and streamlined workflows that reduce operational complexity while enhancing accuracy across insurance processes.

This successful go-live highlights Access Meditech's ability to deliver robust and adaptable InsurTech solutions that address the evolving needs of insurers in dynamic and competitive markets. As the insurance industry continues to embrace digital transformation, such implementations play a critical role in enabling organizations to enhance efficiency, improve service delivery, and scale operations effectively for future growth.

Learn more via QR code



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THAILAND

Navigating the Next Horizon: Thailand's Blueprint for a Future-Ready Insurance Ecosystem



An Exclusive Insight into the Strategic Vision of the **Thai General Insurance Association (TGIA)**

Introduction

As the global insurance landscape faces an unprecedented confluence of macroeconomic volatility, technological disruption, and climate-related shifts, the non-life sector requires clear-sighted governance. In Thailand, the Thai General Insurance Association (TGIA) has stepped firmly into the role of a strategic “compass,” mapping out industry directions, consolidating critical statistical insights, and redefining traditional business models.

To understand how this Southeast Asian hub is navigating these complex dynamics, FAIR Review sat down with Dr. Somporn Suebthawilkul, President of TGIA. He shared a comprehensive look at the megatrends shaping the Thai market, the aggressive push for consumer literacy, the digitization of infrastructure, and the widening horizon for Afro-Asian collaboration.

The Four Megatrends Reshaping Thailand toward 2030

According to Dr. Suebthawilkul's analysis of the surrounding environment, Thailand's insurance sector is actively transitioning toward a highly sophisticated 2030 business model, driven by four distinct megatrends:

- Disruptive Technologies (From “Detect and Repair” to “Predict and Prevent”):** The integration of AI, hyper-automation, and cloud computing is no longer a future concept but a core operational reality. By 2030, TGIA projects that over 90% of retail underwriting processes in Thailand will be completely automated. Data, sourced from IoT devices and sensors, is becoming the new premium currency, allowing for hyper-customized, behavior-based pricing structures.
- Digital Ecosystems Consolidation:** Stand-alone insurance policies are rapidly evolving into embedded services native to everyday digital platforms—from health and mobility to housing and travel. Consequently, carriers are morphing into active risk management partners, while agents and brokers are adapting to serve as specialized risk advisors.
- Climate Change and Sustainability (The Era of “Global Boiling”):** With natural catastrophes escalating in severity, sustainability has become a core business norm. The Thai market is aggressively exploring advanced financial instruments like parametric insurance and catastrophe bonds to manage large-scale climate risks while transitioning toward low-carbon internal operations.

- Evolving Clients (The Demographic Tilt):** Thailand is rapidly heading toward a super-aging society, with the elderly expected to comprise approximately 28% of the population by 2033, creating entirely new protection needs. Simultaneously, the rising influence of digital-native Gen Z and Millennial consumers, along with gig-economy workers, demands flexible, on-demand, and values-aligned insurance solutions.

“Ultimately, these megatrends dictate that the insurance industry must move toward a technology-centric operating model and operate increasingly like a future-ready technology company,” notes Dr. Suebthawilkul

Setting the Gold Standard in Infrastructure and InsurTech Innovation

While the regional market moves toward a centralized data repository, TGIA has proactively established a highly secure, sophisticated technological ecosystem that serves as a benchmark for the ASEAN region. For the Association, information systems are not merely back-office utilities, but a powerful mechanism driving market evolution across four core institutional missions:

- Enterprise-Grade Security & PDPA Compliance:** To fortify industry credibility and public trust, TGIA has deployed international-standard cybersecurity frameworks—including IMPERVA, WatchGuard, Falcon CrowdStrike, and Tenable Nessus. Backed by bi-annual deep penetration testing from external specialists and dedicated outsourced Data Protection Officer (DPO) advisory support, the Association ensures flawless compliance with Thailand's Personal Data Protection Act (PDPA).



- **Next-Gen Workplace Operations:** Internally, TGIA has migrated its core architecture to Windows Server 2022 and launched the custom Nexus intranet system, introducing secure, automated short-link and QR-code generation to eliminate external data-sharing risks. Proactively embracing the future of work, the Association has also integrated corporate ChatGPT generative AI licenses to maximize operational efficiency and communication precision.
- **Pioneering Risk Modeling & Fraud Prevention:** In underwriting, TGIA collaborates directly with GISTDA to deploy FRAM, an advanced mapping model utilizing satellite imagery for flood and earthquake risk assessment. For claims integrity, their proprietary AI for Fraud 2.0 big-data platform actively combines AI and rule-based analysis to detect complex cross-company fraud and staged accidents, while the Insurance Connex system seamlessly flags duplicate medical claims across the market.
- **The TGIA BOOK Reference Standard:** Demonstrating tangible market leadership, the Association engineered the TGIA BOOK, an intelligent database that dictates reference pricing standards across the country for labor costs, spare parts, and specialized vehicles, including Battery Electric Vehicles (BEVs) and large motorcycles.
- **National Digital Connectivity:** Driving the country's broader digital ecosystem, TGIA has successfully integrated its systems into major nationwide platforms, including the Ministry of Digital Economy's Health

Link (utilizing international HL7 medical record standards to accelerate claims), the Port Authority of Thailand's Port Community System for digital logistics, and the TAGTHAI Digital Tourism Platform.

A Masterclass in Public Engagement and Strategic Alliances

TGIA's push to maximize insurance penetration and literacy is a high-impact, multi-sectoral operation executed alongside a prestigious network of public, private, academic, and international development bodies. Rather than working in isolation, the Association has positioned itself at the center of national societal development through three sophisticated campaign vectors:

- **Regulated Talent Pipelines & Youth Mentorship:** Working hand-in-hand with the Office of Insurance Commission (OIC), TGIA's flagship "OIC: Be Smart First Jobber" project (now in its successful fourth year) deploys elite Young Gen Insurance Ambassadors to provide career guidance at top-tier institutions like Khon Kaen University and Prince of Songkla University. Simultaneously, their "Insurance Teachers" boot camps and specialized actuarial mathematics tutoring prepare high-school streams in key provinces like Trang, Surin, and Kamphaeng Phet for university entrance exams.
- **Elite Institutional Alliances:** To drive meaningful ESG compliance and social equity, TGIA has forged active partnerships with global and local giants:
 - » **The United Nations Development Programme (UNDP):** Designing local-level disaster risk insurance models alongside the Department of Disaster Prevention and Mitiga-

tion to protect vulnerable, low-income communities from climate disruptions.

- » **The Thai Red Cross Society:** Leading the ambitious “Power of Insurance for Blood Donation” project to secure a massive 10 million cc blood reserve by 2025.
- » **Sports Association for the Disabled of Thailand:** Creating sustainable employment and genuine income security by onboarding visually impaired and limb-disabled athletes as certified insurance agents.
- **Setting Commercial & Road Standards:** From backing seasonal road safety campaigns at major transit hubs like Krung Thep Aphiwat Central Terminal alongside the Don’t Drive Drunk Foundation, to launching the “Safe Restaurant with Insurance Protection” certification mark for elite dining venues, TGIA is successfully weaving insurance into the daily fabric of Thai commercial and social life. They also consistently engage the public with their friendly, resilient mascot duo, “Nong Lom-Look,” whose name conceptually translates to “falling and rising again”—putting an accessible face on the core value of financial security.

Conquering Climate and Macroeconomic Volatility

The Thai non-life market’s response to climate change is highly structured, driven by the OIC’s Fourth Insurance Development Plan and the OIC ESG Empower guidelines. Under these frameworks, Thai insurers are mandated to integrate physical and transition climate risks directly into their Enterprise Risk Management (ERM) and Own Risk and Solvency Assessment (ORSA) frameworks, setting clear targets toward net-zero.

On the product side, this has trig-

gered a wave of green-economy innovations, such as dedicated Electric Vehicle (EV) schemes, solar panel installation policies, and preliminary frameworks for carbon credit transaction insurance. Furthermore, the entire sector is adjusting its investment mandates—actively screening out negative-impact industries in favor of green bonds and clean energy funds to safeguard long-term financial solvency. To meet international financial reporting standards, the Association also actively runs training sessions preparing members for IFRS S1 and IFRS S2 climate-related disclosures.

Bridging Continents: The Future of Afro-Asian Collaboration

The ties binding the Asian and African insurance markets are growing stronger, rooted in shared market challenges—specifically, climate resilience, agricultural risk management, and the rapid leapfrogging enabled by InsurTech.

Thailand’s successful hosting of the 23rd AIRDC International Conference in October 2024 served as a watershed cross-regional moment. Held under the theme “Creating Opportunity Amid Challenges & Turmoil (CO-ACT),” the conference brought together insurance leaders from both continents to align on cyber risk, generative AI, agricultural insurance, and ESG-driven practices.



This momentum was further reinforced by bilateral knowledge-sharing visits at the TGIA headquarters, where the Association recently welcomed an executive delegation from Berhan Insurance S.C. of Ethiopia. The two organizations engaged in deep, peer-to-peer dialogues regarding technological innovation, non-life market trends, and strategic industry development.

Looking down the road, the Thai General Insurance Association remains firmly committed to cultivating these cross-continental relationships. By formalizing dialogues around disaster risk financing, regulatory advancements, and technological synergy, TGIA aims to build a highly inclusive, resilient, and symbiotic ecosystem that bridges the best of Asian and African insurance expertise.



“Ultimately, we believe we can contribute to building a more inclusive, resilient, and sustainable insurance ecosystem that better serves communities across both regions,” concludes Dr. Suebthawilkul.



NAVIGATING THAILAND’S INSURANCE FUTURE: TGIA STRATEGIC INSIGHTS

1. FOUR KEY MEGATRENDS SHAPING 2030 MODEL

DISRUPTIVE TECHNOLOGIES Transition to 'Predict & Prevent'	DIGITAL ECOSYSTEM CONSOLIDATION Embedded insurance, risk partners
CLIMATE CHANGE & SUSTAINABILITY ESG norms, parametric insurance	EVOLVING CLIENTS Elderly: ~28% by 2033 Super-aging society, digital-native demands

4. CULTIVATING INSURANCE AWARENESS & PENETRATION

- ACADEMIC ACTIVITIES**
Career Campus, Literacy programs
- JOINT EFFORTS (OIC)**
Young Gen Ambassadors, OIC: Be Smart First Jobber, Seasonal road safety campaigns, agricultural insurance
- PARTNER ORGANIZATIONS**
Power of Insurance, career opportunities, disaster risk insurance

2. KEY STATISTICS & OUTREACH TARGETS

A 90%+ Projected automated retail underwriting processes by 2030	B 28% Projected elderly percentage of population by 2033	C 10 Million cc Blood reserve target by 2025 ("Power of Insurance for Blood Donation" project)
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MASCOTS: Falling and Rising Again (Resiliens)

3. BUILDING MODERN DIGITAL INFRASTRUCTURE

 CYBERSECURITY & COMPLIANCE IMPERVA, WatchGuard, Falcon CrowdStrike, Tenable Nessus, PDPA	 INTELLIGENT UNDERWRITING & FRAUD PREVENTION FRAM Disaster Mapping (flood/earthquake), AI for Fraud 2.0	 OPEN INSURANCE & DATA SHARING SECURE APIs, Health Link (HL7), e-Policies * TGIA BOOK Intelligent Database
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5. AFRO-ASIAN COLLABORATION TIMELINE & FOUNDATIONS

[OCTOBER 2024]
23rd AIRDC CONFERENCE (BANGKOK)
 Theme: "CO-ACT" (Creating Opportunity Amid Challenges & Turmoil)

[NOVEMBER 2025]
BERHAN INSURANCE DELEGATION VISIT (ETHIOPIA)
 Focus: Market Development, InsurTech, best practices

"BUILDING A MORE INCLUSIVE, RESILIENT, AND SUSTAINABLE INSURANCE ECOSYSTEM."
 -- Dr. Somporn Suebthawilkul, TGIA President

THAILAND

The Technical Frontier: Navigating Capacity, Climate, and Hardening Cycles in Southeast Asia



Asian Re
Asian Reinsurance Corporation

An In-Depth Strategic Overview with **Asian Reinsurance Corporation (Asian Re)**

Introduction

While national associations work to build digital infrastructure and public literacy, the foundational engine of insurance market stability rests on international reinsurance capacity. Developing economies, such as Thailand—which proudly held the rank of 32nd globally based on non-life premium volume in 2024—rely heavily on reinsurers to provide the vital capacity that stabilizes local balance sheets. Retention levels naturally fluctuate depending on the specific class of business, making the strategic alignment between primary carriers and reinsurers critical.

To gain a granular, technically disciplined view of risk pricing, advanced analytics, and the reality of regional capacity, FAIR Review engaged with Asian Re. Boasting a rich 45-year operational history, Asian Re emerged from a UNESCAP initiative with parentage spanning 10 sovereign Asian states, evolving today into a powerful public-private partnership operating across both Asian and African markets.

The Reality of Thai Catastrophe Exposure: Driving Local Demand

Reinsurance demand within the Thai marketplace today is being fundamentally reshaped by heightened natural catastrophe risks and the visible acceleration of climate change. While the catastrophic 2011 floods—which generated a historic USD 12 billion in insured losses—continue to dominate the recent historical memory of the industry, current events prove that volatility is an ongoing operational challenge.

The market has faced intense capital trials. In March 2025, Thailand was hit by a major earthquake event that generated an estimated insured loss of USD 1.6 billion to USD 2 billion. This was followed swiftly in November 2025 by devastating, heavy floods across the southern territory. Given that large swaths of the country remain highly vulnerable to regular flooding following intense Monsoon rains, flood tracking sits at the absolute center of local risk management.

As the frequency of these extreme weather events escalates, local insurers face a pressing mandate to secure highly adequate catastrophe reinsurance covers. This protection is essential to mitigate sharp financial loss impacts and maintain portfolio stability.

Currently, local reinsurance capacity is anchored by two domestic reinsurers, Asian Re and Thai Re, and augmented heavily by specialized overseas reinsurers. This combined capacity is actively deployed across both treaty and facultative accounts, spanning Property, Engineering, Marine, Aviation, Energy, Liability, and Agriculture lines.

Divergent Cycles: Global Softening vs. Local Hardening

On the global stage, natural catastrophe losses exceeded the USD 100 billion mark in 2025 for the sixth consecutive year. Concurrently, global reinsurance capital expanded to a record-breaking USD 785 billion by the close of 2025, propelled by highly robust retained earnings and an influx of third-party alternative capital. Globally, this massive pool of capital has created excess capacity, tipping the international market into a softening cycle characterized by risk-adjusted rate reductions between -10% and -20% for loss-free catastrophe programmes.

However, Southeast Asia presents a starkly divergent reality. Driven by the heavy toll of the March 2025 earthquake in Thailand and the onslaught of multiple severe typhoons in Vietnam, these two nations stood as critical exceptions to the global softening trend. For loss-affected programmes within Thailand and Vietnam, reinsurers aggressively adjusted risk pricing, pushing risk-adjusted rate increases upwards of 30% on average. This sharp premium adjustment highlights the necessity of localized underwriting discipline over generic global trend modeling.

Beyond History: The Ascent of Catastrophe Modeling

With climate change altering predictable weather patterns, historical data alone is no longer a reliable predictor of risk frequency or severity. Consequently, the Thai general insurance industry is rapidly accelerating its adoption of sophisticated catastrophe modeling (CAT models) and advanced analytics.

CAT modeling has evolved into a mission-critical tool for ensuring adequate reinsurance placement, logical risk pricing, and accurate underwriting assessment. This is par-

ticularly true for regions exposed to frequent storms and localized flooding. Currently, the market utilizes advanced analytical platforms provided by premier global vendors like RMS, alongside sophisticated in-house models developed by global reinsurance brokers. Unsurprisingly, given the country's topography, flood remains the most intensely modeled and scrutinized peril in the region.

Engineering Protection for Emerging Horizons

Beyond traditional property and catastrophe lines, reinsurers are acting as essential innovation partners, helping primary insurers build robust defense frameworks against emerging risk horizons like cyber threats, artificial intelligence, pandemics, and systemic climate shifts.

Reinsurers bring to the table not just capacity, but a vast reservoir of international expertise gleaned from cross-border geographical exposures. In the wake of the Covid-19 pandemic, for instance, reinsurers have engineered specialized covers explicitly structured to insulate commercial enterprises from the severe financial shocks of pandemic and epidemic disruptions.

Furthermore, this collaborative technical expertise is fueling the design of highly tailored, next-generation insurance mechanisms, including parametric covers optimized for rapid-payout climate events and complex cyber disruptions.

Cultivating the Afro-Asian Diversification Corridor

Because reinsurance is international by nature, building stronger collaborative pipelines between the Asian and African insurance markets represents a highly logical step toward achieving the geographic risk diversification essential to long-term sustainability.

Asian Re's constitutional blueprint mirrors that of Africa Re, operating as an intergovernmental, multilateral framework backed by sovereign states before transitioning into a high-performance public-private partnership. This shared structural DNA positions the corporation perfectly to anchor cross-continental partnerships.

While Asian Re has long enjoyed exceptional relations with selected African carriers, its primary underwriting portfolio remains heavily concentrated within Asia.

This concentration leaves significant, unutilized capacities highly available for deployment into the African continent. Looking forward, Asian Re is actively seeking to expand and diversify its book of business by developing deep, peer-to-peer relationships with African insurers, leveraging its capacity to foster a resilient, cross-continental risk-sharing network

ABOUT ASIAN RE

The Asian Reinsurance Corporation is an intergovernmental organization established in May 1979 under the auspices of the UN-ESCAP. Membership is open to all state members or associate members of the United Nations Economic and Social Commission for Asia and the Pacific. It commenced operations in 1980.

Effective 9 July 2005 Associate Membership is open to non-ESCAP member countries of the UN, private organizations, private corporations, non-government organizations and multi-lateral institutions etc.

ASIAN RE: TECHNICAL REINSURANCE FRONTIER | THAILAND & S.E. ASIA OUTLOOK

All data from the interview, explicitly labeled and factually accurate is in the monercutive magazine according to in FAIR questions 2026.docx

1. THAI CATASTROPHE RISK: DRIVING LOCAL RE DEMAND

Historic Benchmark: 2011 Floods
Large areas exposed to Monsoon regular flooding

\$12B
EST. INSURED LOSSES (2011)

Recent capital trials: 2025 Earthquake

\$1.6B - \$2.0B
EST. INSURED LOSSES (March 2025)

Flood: Southern Thailand (Nov 2025)

- Heightened Nat Cat & Climate Change Risks, stabilizing portfolio volatility

2. MARKET CYCLE DIVERGENCE: GLOBAL VS. LOCAL (Loss-Free Catastrophe)

<p>GLOBAL SOFT MARKET</p> <p>-10% to -20% RISK-ADJUSTED RATE REDUCTION</p> <ul style="list-style-type: none"> • Record \$785B Capital (end 2025) • Excess Capacity • 6th Consecutive Year Nat Cat Losses >\$100B 	<p>S.E. ASIA HARD MARKET EXCEPTION (Thailand & Vietnam Loss-affected)</p> <p>+30% AVERAGE RISK-ADJUSTED RATE INCREASE</p> <ul style="list-style-type: none"> • Loss events (Thai Earthquake, Vietnam Typhoons) • Global Vendors & Broker in-house models • Flood most modelled per
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3. STRATEGIC PARTNERSHIPS & AFRO-ASIAN COLLABORATION

EMERGING RISKS INNOVATION

Cyber AI Pandemic
Expert assistance, customized solutions

ASIAN RE | 45+ YEAR HISTORY
Intergovernmental / Public-Private Partnership

REGIONAL CAPACITIES

Asian Re | Thai Re + Overseas Reinsurers

Treaty & Facultative capacity for Property, Engineering, etc.

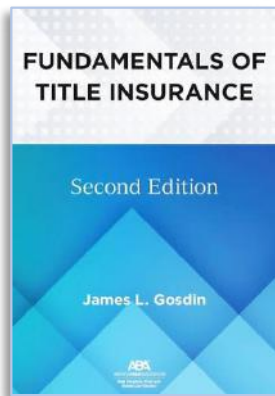
Primary portfolio concentrated in Asia, seeking to develop the African book

AFRO-ASIAN DIVERSIFICATION CORRIDOR

Essential diversification, unutilized capacities for Africa book

"Diversification essential for insurance business." -- Asian R

Book Review



Book Title: *Fundamentals of Title Insurance*

Author: *James L. Gosdin*

Edition: 2nd edition

Publisher: American Bar Association - Real Property, Trust and Estate Law

Publish Year: 2025

Number of Pages:

Introduction and Content

This book is a comprehensive reference for understanding title insurance, covering legal, operational, and financial aspects. The author begins with definitions, objectives, and the rationale for title insurance for both attorneys and consumers, then reviews its historical development, modern policies, and ALTA 2021 products.

Content Analysis

1. Structure and Organization:

The book is organized into a preface, 14 chapters, glossary, and index, systematically covering:

- Legal foundations, insured rights, and coverage limitations.
- Reasons for attorneys or consumers to acquire title insurance, including Homeowner Policy and Expanded Coverage Policy.
- Operational details such as title examination, endorsements, Closing Protection Letters, and reinsurance in commercial transactions.
- Specialized products, guarantees, and international title insurance.

2. Analytical Depth:

- Provides in-depth analysis of legal and operational risks, outlining over 65 reasons for obtaining title insurance.
- Covers basic and special risks, errors in title examination, disputes, taxes, and assessments with practical US examples.
- Examines 2021 ALTA policies in detail, highlighting differences between Loan Policy, Owner's Policy, and Homeowner Policy.

3. Critical Evaluation:

- **Strengths:**
 - Comprehensive reference combining theory and practice.
 - Real-life examples and case studies support applied understanding.
 - Links title insurance with legal and commercial risk management.
- **Weaknesses:**
 - Strong US-centric focus, limited international perspective.
 - Complexity may challenge beginners due to extensive legal and technical terminology.

Conclusion and Recommendations

The book is an essential resource for attorneys, insurance companies, and legal advisors in the US. Recommended for graduate programs in property law and risk management. Inclusion of international practices could further enhance its applicability.



A REINSURER
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Anniversary

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