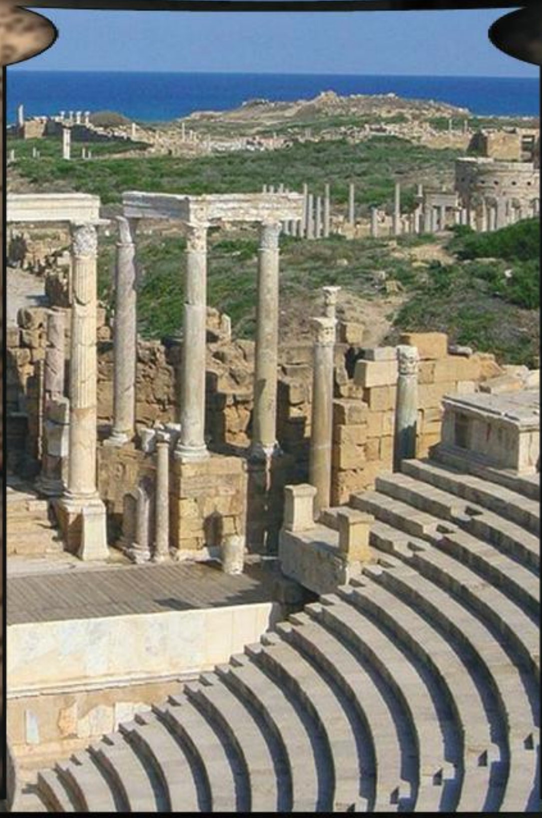
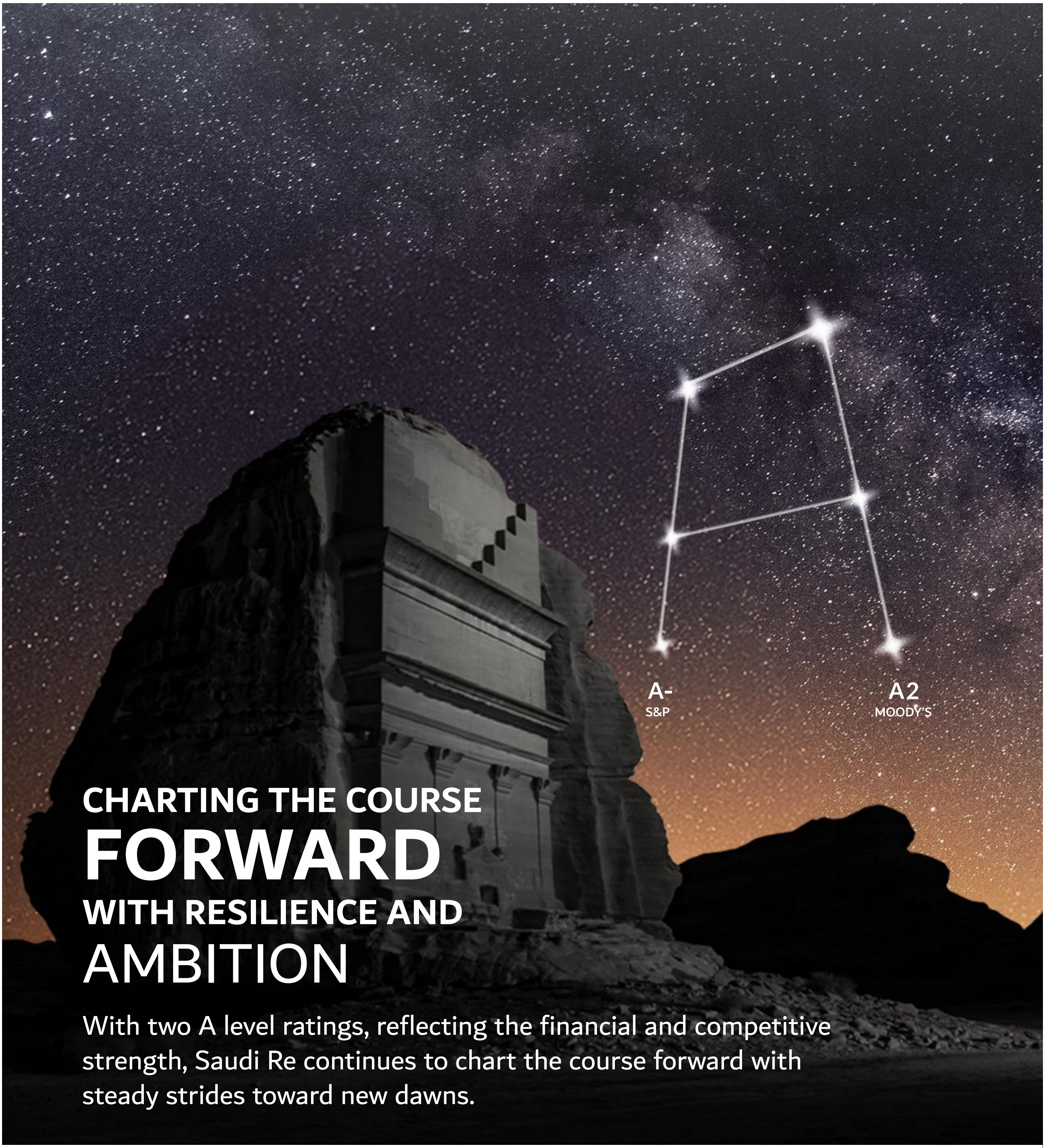
FAIR Review

Issue No. 208 (2026-Q2)

Market Overview of Libya

Market Overview of Turkiye





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FAIR Review

Issue No. 208
2026 - Q2

FAIR in Brief

Federation of Afro-Asian Insurers & reinsurers "FAIR" is a priceless instrument and media for cooperation, and our responsibility is to make it more responsive, more effective and more dynamic. FAIR was established in September 1964, to promote cooperation among insurance and reinsurance companies in Africa and Asia, through the regular exchange of information, experience and the development of business relations.

Vision:

FAIR aims to become a driving force for international insurance cooperation by promoting collaboration and adoption of international standards.

Mission:

FAIR will lead the effort to achieve harmonization of insurance markets by promoting the adoption and implementation of international standards among members facilitating the sharing of information and expertise and enhancing cooperation to be of added value to members.

FAIR's added value is based on:

- Wide recognition of brand and name of FAIR on the world scene,
- A broad range of deliverable affecting the members' interests,
- Strong national membership base,
- Extensive networking at both international and regional levels,
- Building regional bases (hub) that provides a variety of shared resources and services to local member companies.

FAIR Review

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).

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We pride ourselves on the calibre of our talent. Our team of experienced professionals brings together a wealth of knowledge and expertise in risk management and reinsurance. With their diverse backgrounds and leveraging extensive industry experience of over 15 years across Asia, Middle East, Africa, CEE & CIS countries, they are dedicated to providing innovative solutions and superior service to our valued clients.

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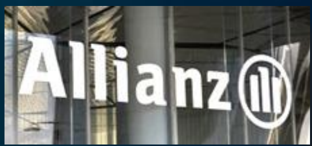


• *Allianz Global Insurance Report 2026: Global Market Reaches €6.9 Trillion Amid Industry Normalization*

Global premiums expanded by 7.1% in 2025 as health and life lines drive structural growth amidst macroeconomic and geopolitical fragmentation

Source: Allianz Research | Published: May 2026 | Source Link: Allianz Global Insurance Report 2026

The global insurance industry demonstrated continued momentum in 2025, with total premium volume expanding by +7.1% to reach €6.9 trillion (adding €456 billion to the global premium pool). Although growth moderated from the exceptional +9.4% recorded in 2024, performance remained well above the 10-year compound annual growth rate (CAGR) of +5.6%.

Key Segment Breakdown (2025):

- Life Insurance: €2,861 billion (+€185 billion in 2025; +6.9% growth)
- Property & Casualty (P&C): €2,320 billion (+€85 billion in 2025; +3.8% growth)
- Health Insurance: €1,688 billion (+€185 billion in 2025; +12.3% growth — fastest growth rate since 2014)

North America maintains its market dominance, accounting for 46.4% of total global premiums (€3,191 billion) and 52% of global P&C premiums. China stands as the world's second-largest market at €746 billion (10.9% share). Excluding China and Japan, Asia recorded the fastest regional growth, accelerating to +10.9%. Over the next decade (2026–2036), the global insurance market is projected to grow at +5.3% annually, adding €5,260 billion to the premium pool. ■

• *Global Takaful Market Outlook (2026–2034): Structural Transformation & Regional Expansion*

Market projected to reach USD 78.28 Billion by 2034 at a 7.87% CAGR, driven by GCC mandates, digital distribution, and emerging African demand

Source: IMARC Group / Global Takaful Market Study | Published: 2026 | Source Link: IMARC Takaful Industry Report

Valued at USD 39.60 Billion in 2025, the global takaful industry is advancing at a steady CAGR of 7.87%, forecast to achieve USD 78.28 Billion by 2034. Growth is underpinned by a structural demand base of over 2.0 billion Muslims globally, regulatory mandates across the GCC, and expanding micro-takaful digital platforms in Africa and Southeast Asia. ■

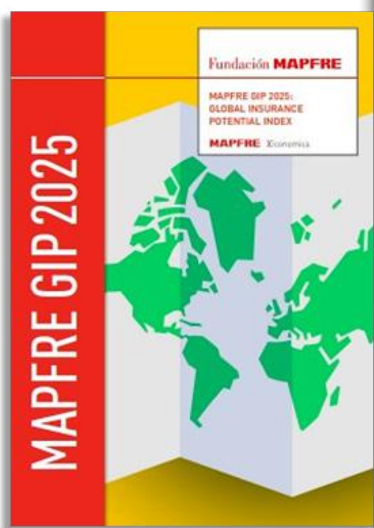
Segment / Region	2025 Market Share	Growth & Strategic Outlook
General Takaful	85.6%	Dominates via mandatory motor, property, and commercial coverage in GCC.
Life / Family Takaful	14.4%	Highest structural upside; expanding via bancatakaful and health coverage.
GCC Region	85.0%	Anchored by Saudi Arabia (world's largest market), UAE, and Qatar.
Southeast Asia	9.0%	Fastest-growing region (~9.3% CAGR 2026–2034), led by Malaysia and Indonesia.
Africa	4.0%	High-upside greenfield opportunity focused on micro-takaful in Nigeria, Kenya, and Senegal.

• *MAPFRE GIP 2025: Global Insurance Protection Gap Reaches $9 Trillion*

Emerging markets hold 78.5% of the global protection gap; Life insurance accounts for 69.9% of total unhedged exposure

Source: IMARC Group / Global Takaful Market Study | Published: 2026 | Source Link: MAPFRE Global Insurance Potential Index Report

The global Insurance Protection Gap (IPG) reached $9.0 trillion (€7.8 trillion) in 2024, representing 8.1% of global GDP and expanding at an annual rate of 2.1%. According to MAPFRE Economics' Global Insurance Potential Index (MAPFRE-GIP), 78.5% of this gap is concentrated in emerging economies, with BRICS nations alone accounting for 40.4%. Key high-growth potential markets for the next decade include Egypt, Turkey, Nigeria, Pakistan, Iran, Bangladesh, and Vietnam. ■



Navigating Insurance Clauses Amid Geopolitical Conflict: How Global Re/Insurance Markets Are Reshaping Coverages

White Paper Analysis | By Hussein Elsayed | May 2026

Executive Summary

The current geopolitical instability across the Middle East has fundamentally altered the global insurance and reinsurance landscape. Escalating regional tensions, maritime disruptions in the Red Sea and Bab Al Mandab Strait, cyber warfare, sanctions regimes, and political violence exposures have forced insurers, reinsurers, brokers, risk managers, lenders, and multinational corporations to reassess the adequacy of existing insurance clauses embedded within commercial contracts and insurance policies.

This white paper examines how the London insurance market, particularly Lloyd's of London and the Lloyd's Market Association (LMA), alongside major global insurers and reinsurers, are reshaping policy wordings, exclusions, underwriting standards, and risk transfer structures in response to the evolving conflict environment.

The paper provides:

- An analysis of the evolution of war, cyber, sanctions, and political violence clauses.
- A review of key Lloyd's Market Association clauses and their strategic implications.
- An assessment of sector-specific impacts across energy, marine, aviation, infrastructure, logistics, and financial institutions.
- A detailed review of legal, contractual, and claims-related implications.
- Scenario-based stress testing frameworks.
- Strategic recommendations for insurers, reinsurers, corporates, and regulators

The report concludes that insurance clauses are no longer merely contractual formalities. They have become strategic financial and geopolitical instruments capable of materially influencing corporate resilience, financing availability, operational continuity, and investor confidence.

1. Introduction

1.1 Geopolitical Context

The Middle East has entered a prolonged period of geopolitical volatility characterized by:

- *Regional armed conflicts.*
- *Maritime security disruptions.*
- *Missile and drone attacks.*
- *Cyber warfare.*
- *Trade route instability.*
- *Expanding sanctions regimes.*
- *Energy infrastructure threats.*
- *threats.*

The strategic importance of the region to global trade, energy security, shipping, aviation, and financial flows means that disruptions originating in the Middle East rapidly generate systemic international repercussions.

The resurgence of geopolitical fragmentation has intensified concerns surrounding:

- *Supply chain resilience.*
- *Business interruption.*
- *Political violence.*
- *Terrorism.*
- *State-backed cyber attacks.*
- *Trade finance restrictions.*
- *Marine war risks.*

As a result, insurers and reinsurers have moved aggressively to tighten underwriting discipline and modernize insurance clauses.

1.2 The Strategic Importance of Insurance Clauses

Insurance clauses perform critical functions within commercial contracts and insurance arrangements by:

- *Allocating risk between parties.*
- *Defining the scope of recoverability.*
- *Determining operational continuity.*
- *Establishing compliance obligations.*
- *Limiting insurers' exposure.*
- *Protecting lenders and investors.*

In conflict environments, ambiguity within policy wording can trigger:

- *Coverage disputes.*
- *Claims litigation.*
- *Delayed recoveries.*
- *Reinsurance conflicts.*
- *Regulatory exposure.*
- *Financial losses.*

Consequently, the modernization of policy wording has become a strategic priority across the global insurance industry.

2. Evolution of Lloyd's Insurance Clauses

2.1 Lloyd's Market Response to Geopolitical Instability

Lloyd's of London and the Lloyd's Market Association (LMA) have introduced increasingly sophisticated clause structures addressing:

- *Cyber warfare.*
- *State-backed cyber attacks.*
- *Political violence.*
- *Terrorism.*
- *Marine war risks.*
- *Sanctions compliance.*
- *Financial crime exposures.*

The shift reflects the insurance market's growing concern over:

- *Systemic accumulation risk.*
- *Silent cyber exposure.*
- *Ambiguous war attribution.*
- *Sanctions-related claims recoverability.*
- *Hybrid warfare.*

2.2 Cyber War Clauses

Background

The convergence between cyber attacks and geopolitical conflict has transformed cyber insurance underwriting.

Historically, many cyber policies contained ambiguous war exclusions. However, large-scale cyber incidents involving critical infrastructure and allegations of state sponsorship exposed significant legal and financial uncertainty.

Key LMA Cyber War Clauses

The LMA introduced multiple cyber war clause variants, including:

- LMA5629
- LMA5630
- LMA5631

These clauses seek to clarify:

- *The definition of cyber operations.*
- *Attribution mechanisms.*
- *State-backed cyber attacks.*
- *Systemic event exclusions.*
- *Infrastructure-related exclusions.*

Strategic Implications

The clauses significantly affect:

- *Coverage certainty.*
- *Claims recoverability.*
- *Corporate cyber resilience.*
- *Aggregation exposure.*
- *Reinsurance recoveries.*

Key Areas of Dispute

Potential disputes may arise regarding:

- *Attribution standards.*
- *Definition of affected states.*
- *Hybrid warfare classification.*
- *State-sponsored malware.*
- *Indirect infrastructure impacts.*

3. Sanctions Clauses and Financial Crime Exposure

3.1 Expanding Sanctions Environment

Geopolitical conflicts have accelerated the use of sanctions as economic and diplomatic tools.

Businesses operating internationally now face rapidly evolving restrictions involving:

- *Trade prohibitions.*
- *Banking restrictions.*
- *Asset freezes.*
- *Payment limitations.*
- *Counterparty sanctions.*

Insurance and reinsurance markets have therefore strengthened sanctions-related wording.

3.2 LMA5670 and Enhanced Compliance Obligations

The introduction of LMA5670 reflects growing concerns regarding:

- *Financial crime exposure.*
- *Money laundering risks.*
- *Reinsurance recoverability.*
- *Sanctions compliance failures.*

The clause enables insurers and reinsurers to:

- *Request additional documentation.*
- *Suspend claims investigations.*
- *Delay payment.*
- *Restrict coverage.*
- *Terminate contractual obligations.*

3.3 Operational Challenges

Sanctions-related complications increasingly affect:

- *Claims payments.*
- *International banking transfers.*
- *Marine cargo releases.*
- *Trade finance facilities.*
- *Cross-border settlements.*

Companies operating in high-risk jurisdictions must implement enhanced sanctions screening and compliance governance.

4. Marine War Risks and Trade Route Disruption

4.1 Red Sea and Bab Al Mandab Crisis

Attacks targeting commercial vessels in strategic maritime corridors have significantly increased marine insurance volatility.

Key consequences include:

- *Rising war risk premiums.*
- *Vessel rerouting.*
- *Transit delays.*
- *Cargo accumulation risks.*
- *Port congestion.*
- *Supply chain disruption.*

4.2 Lloyd's Marine Market Adjustments

The marine insurance market has responded through:

- *Expansion of Listed Areas.*
- *Increased additional premiums.*
- *Shortened cancellation periods.*
- *Revised navigation warranties.*
- *Enhanced voyage disclosure requirements.*

4.3 Cargo and Hull War Implications

Marine stakeholders now face heightened scrutiny concerning:

- *Hull War coverage.*
- *Cargo War clauses.*
- *General Average exposure.*
- *Delay exclusions.*
- *Rerouting obligations.*
- *Piracy versus war classification.*

4.4 Strategic Commercial Impact

Shipping companies and commodity traders increasingly encounter:

- *Elevated transportation costs.*
- *Insurance capacity limitations.*
- *Supply chain volatility.*
- *Trade disruption exposure.*

5. Political Violence and Terrorism Coverage

5.1 Evolving Nature of Political Violence Risk

Traditional distinctions between:

- *War.*
- *Terrorism.*
- *Insurrection.*
- *Sabotage.*
- *Civil unrest.*

have become increasingly blurred.

Modern conflicts frequently involve hybrid tactics combining:

- *Cyber operations.*
- *Proxy actors.*
- *Drone attacks.*
- *Economic coercion.*
- *Information warfare.*

5.2 SRCC and Political Violence Extensions

Demand for:

- *Political Violence Insurance.*
- *Terrorism coverage.*
- *SRCC (Strikes, Riots & Civil Commotion).*
- *Active Assailant coverage.*

has increased substantially.

Insurers are reassessing:

- *Aggregation exposure.*
- *Geographic concentration.*
- *Event definitions.*
- *Exclusion triggers.*

5.3 Coverage Challenges

Disputes may emerge regarding:

- *Whether events constitute terrorism or war.*
- *Government attribution.*
- *Civil authority intervention.*
- *Simultaneous cyber and physical losses.*

6. Sectoral Impact Analysis

6.1 Energy Sector

The energy industry remains among the most exposed sectors.

Key Exposures

- *Offshore platform attacks.*
- *Pipeline sabotage.*
- *LNG infrastructure disruption.*
- *Refinery shutdowns.*
- *Political violence.*
- *Environmental liability.*

Insurance Implications

Insurers are imposing:

- *Higher deductibles.*
- *Reduced capacity.*
- *Expanded exclusions.*
- *Enhanced engineering surveys.*

Energy projects increasingly require:

- *Political Risk Insurance.*
- *Delay in Start-Up (DSU) coverage.*
- *Standalone Terrorism Insurance.*

6.2 Marine and Logistics

The marine and logistics sector faces direct exposure to:

- *Red Sea instability.*
- *Port accumulation risk.*
- *Container delays.*
- *Trade rerouting.*
- *Fuel cost escalation.*

Insurance markets are increasingly evaluating:

- *Voyage-specific exposure.*
- *Cargo concentration.*
- *Regional aggregation.*

6.3 Aviation

Aviation stakeholders face increasing exposure from:

- *Airspace closures.*
- *Drone threats.*
- *Missile risks.*
- *Airport operational disruption.*
- *Aircraft grounding.*

Hull War Insurance pricing has increased materially in high-risk zones.

6.4 Financial Institutions

Banks and financial institutions face elevated exposure regarding:

- *Trade finance disruption.*
- *Sanctions screening.*
- *Cross-border payment restrictions.*
- *Political risk.*
- *Cyber attacks*

Financial institutions increasingly rely upon:

- *Political Risk Insurance.*
- *Trade Credit Insurance.*
- *Cyber Insurance.*

7. Legal and Contractual Implications

7.1 Force Majeure Modernization

Many commercial contracts contain outdated force majeure wording that fails to address:

- *Cyber warfare.*
- *Sanctions.*
- *Maritime disruption.*
- *Drone attacks.*
- *Supply chain interruption.*

Modern contracts increasingly include:

- *Explicit geopolitical triggers.*
- *Extended notification provisions.*
- *Supply chain interruption language.*
- *Government action wording*

7.2 Insurance Requirements Clauses

Commercial counterparties now demand stricter requirements regarding:

- *Minimum insurance limits.*
- *Named insured provisions.*
- *Waivers of subrogation.*
- *Additional insured status.*
- *Political violence coverage.*

7.3 Indemnity and Liability Allocation

Insurance clauses increasingly interact with:

- *Hold harmless provisions.*
- *Liability caps.*
- *Consequential loss exclusions.*
- *Business interruption liabilities*

8. Claims Scenarios and Stress Testing

8.1 Scenario 1 – Cyber Attack on Energy Infrastructure

Event

A state-linked cyber operation disrupts refinery operations.

Key Questions

- *Hold harmless provisions.*
- *Liability caps.*
- *Consequential loss exclusions.*
- *Business interruption liabilities*

Potential Disputes

- *State attribution.*
- *Infrastructure classification.*
- *Silent cyber exposure*

8.2 Scenario 2 – Closure of Strategic Shipping Route

Event

Commercial vessels are rerouted due to armed attacks.

Key Questions

- *Are rerouting costs recoverable?*
- *Does delay coverage apply?*
- *Who bears additional war premium costs?*

8.3 Scenario 3 – Sanctions Against Shipping Counterparty

Event

A logistics company becomes subject to international sanctions.

Key Questions

- *Can claims still be paid?*
- *Are contracts automatically terminated?*
- *Does coverage become void?*

9. Reinsurance Market Perspective

9.1 Reinsurance Capacity Pressures

Global reinsurers remain concerned regarding:

- *Systemic cyber losses.*
- *Geopolitical accumulation.*
- *Inflationary claims trends.*
- *Capital volatility.*

As a result, reinsurers are:

- *Tightening treaty terms.*
- *Increasing attachment points.*
- *Reducing geopolitical exposure.*
- *Revising exclusions*

9.2 Aggregation Concerns

Conflict-related exposures may generate simultaneous losses across:

- *Marine.*
- *Cyber.*
- *Property.*
- *Political violence.*
- *Aviation.*
- *Trade credit.*

This creates substantial aggregation risk for global reinsurers.

10. Emerging Trends (2026–2030)

The insurance market is expected to experience several structural shifts:

10.1 Expanded Cyber War Definitions

Future policy wording will likely further refine:

- *Attribution standards.*
- *Infrastructure exclusions.*
- *Systemic event thresholds.*

10.2 Growth of Parametric Insurance

Parametric structures may become increasingly important for:

- *Port closures.*
- *Shipping delays.*
- *Political violence.*
- *Energy disruption.*

10.3 AI-Driven Underwriting

Artificial intelligence and predictive analytics will increasingly support:

- *Geopolitical modeling.*
- *Real-time exposure monitoring.*
- *Dynamic pricing.*
- *Claims forecasting.*

10.4 Increased Demand for Political Risk Insurance

Political Risk Insurance demand is expected to grow significantly among:

- *Multinational corporations.*
- *Infrastructure investors.*
- *Energy developers.*
- *Financial institutions.*

11. Strategic Recommendations

11.1 For Insurers and Reinsurers

- *Modernize policy wording.*
- *Clarify cyber war exclusions.*
- *Strengthen sanctions compliance.*
- *Enhance geopolitical accumulation monitoring.*
- *Improve scenario-based stress testing.*

11.2 For Corporates and Risk Managers

- *Conduct insurance gap analysis.*
- *Review contractual indemnities.*
- *Stress test supply chains.*
- *Assess sanctions exposure.*
- *Increase broker engagement.*

11.3 For Regulators

- *Promote policy wording clarity.*
- *Strengthen systemic cyber resilience.*
- *Improve sanctions coordination.*
- *Encourage market transparency*

12. Conclusion

The current Middle East conflict has accelerated a fundamental transformation within the global insurance and reinsurance industry.
Insurance clauses have evolved from standardized legal wording into sophisticated strategic mechanisms governing:

- *Corporate resilience.*
- *Operational continuity.*
- *Claims recoverability.*
- *Financial stability.*
- *Geopolitical risk transfer.*

Lloyd's of London and the broader global insurance market are reshaping underwriting philosophy through tighter exclusions, enhanced sanctions compliance, expanded cyber war definitions, and more disciplined geopolitical risk management.

For businesses operating internationally, proactive review of insurance clauses, contractual obligations, and geopolitical exposure has become essential.
Organizations that fail to modernize their risk transfer structures may face significant financial, legal, and operational vulnerabilities in an increasingly fragmented and volatile global environment. ■

Appendix A – Key Lloyd's Market Clauses

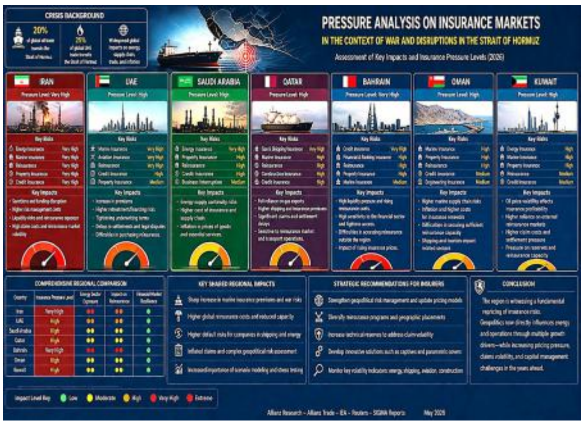
Clause	Subject	Strategic Purpose
LMA5629	Cyber War Exclusion	Clarifies state-backed cyber exclusion
LMA5630	Cyber Operations	Defines cyber operation limitations
LMA5631	Systemic Cyber Risk	Limits infrastructure-related cyber losses
LMA5670	Sanctions Documentation	Strengthens sanctions compliance

Appendix B – Key Risk Themes

- Cyber Warfare
- Political Violence
- Sanctions Exposure
- Marine War Risks
- Supply Chain Disruption
- Energy Infrastructure Risk
- State Attribution Challenges
- Hybrid Warfare
- Business Interruption
- Systemic Risk Accumulation

Appendix C – Recommended Sources for Ongoing Monitoring

- Lloyd's of London
- Lloyd's Market Association (LMA)
- International Group of P&I Clubs
- Munich Re
- Swiss Re
- Allianz Commercial
- Aon
- Marsh McLennan
- Gallagher
- International Monetary Fund (IMF)
- World Bank
- OECD



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• *Global Marine Insurance Landscape: Trends Across the Seas*

Global marine premiums top $40.13 Billion as war risk dislocation, route diversions, and localization rules reshape market dynamics

Source: Axco Insurance Information Services | Published April 2026 |
Source Link: AXCO Marine Market Intelligence

Global gross written marine premiums reached USD 40.13 billion. Following Persian Gulf crisis events in early 2026, hull war risk premiums surged up to twelvefold within days.

P&I Clubs issued 72-hour cancellation notices affecting over 1,000 vessels with an aggregate hull value exceeding USD 25 billion in the region. Emerging market localization mandates in Kenya and Ghana are redirecting cargo placement to domestic underwriters. ■

African Markets

Africa

- ***Performance of Major African Insurance Markets in 2024***

Written Premiums by Life & Non-Life Insurance, Penetration and Density

Country	Non-life thousands USD	Life thousands USD	Total thousands USD	Penetration (%)	Density US$
South Africa	11 992 000	38 400 000	50 392 000	12.6%	787.3
Morocco	3 147 279	2 638 198	5 785 477	3.6%	151.9
Kenya	1 565 480	1 466 479	3 031 959	2.5%	53.7
Egypt	1 147 992	564 351	1 712 343	0.4%	14.7
Algeria	1 104 334	154 716	1 259 050	0.5%	26.9
Tunisia	835 850	359 272	1 195 122	2.3%	97.3
Namibia	293 315	767 952	1 061 267	7.9%	350.2
Nigeria	710 450	305 435	1 015 885	0.4%	4.4
Côte d'Ivoire	574 514	424 087	998 601	1.1%	31.3
Mauritius	404 560	258 730	663 290	4.4%	532.4
Tanzania	445 788	126 687	572 475	0.7%	8.4
Angola	487 400	33 826	521 226	0.5%	13.8
Ghana	343 384	154 734	498 118	0.6%	14.5
Ethiopia	455 136	39 652	494 788	0.3%	3.8
Senegal	291 348	180 665	472 013	1.5%	25.5
Cameroon	302 580	154 698	457 278	0.9%	15.7
Uganda	266 270	189 648	455 918	0.9%	9.1
DR Congo	342 805	35 093	377 898	0.5%	0.4
Mozambique	322 447	51 673	374 120	1.6%	10.8
Zambia	232 146	112 532	344 678	1.4%	16.2
Zimbabwe	178 433	122 188	300 621	0.7%	18.1
Burkina Faso	149 027	115 227	264 254	1.1%	11.2
Gabon	170 405	60 863	231 268	1.1%	91.1
Benin	89 184	74 888	164 072	0.8%	11.3
Guinea	125 200	34 400	159 600	0.6%	8.6

Source: Atlas Magazine - June 2026

EGYPT

• *Key Regulatory Decisions Issued under Egypt's Unified Insurance Law:* Brief Analytical Report

Since the issuance of Egypt Unified Insurance Law, the Egyptian insurance sector has undergone a comprehensive regulatory transformation led by the Financial Regulatory Authority. The newly issued executive regulations and supervisory decisions aim to modernize the insurance market in line with international standards related to solvency, governance, digital transformation, and risk management.

The regulatory framework issued during 2024–2026 reflects a clear strategy toward building a more:

- resilient,
- transparent,
- digitally driven,
- and financially inclusive insurance market.

1. Transitional Stability & Institutional Structuring (2024)

Continuation of Existing Regulations

Decision No. 147 of 2024

This decision ensured operational continuity by maintaining existing insurance regulations until the issuance of the new executive framework.

- Prevented regulatory disruption.
- Maintained market stability.
- Allowed gradual transition toward the new regime.

Fiscal Year Standardization

Decisions No. 183, 256 & 273 of 2024

The FRA unified the fiscal year framework for insurance companies, reinsurers, and private insurance funds.

Objectives

- Enhance financial transparency.
- Improve actuarial and supervisory analysis.
- Standardize reporting practices.

Capital Requirement Enhancement

Decision No. 196 of 2024

Amended by Decision No. 144 of 2025

This is considered one of the most impactful structural reforms in the Egyptian insurance market.

Objectives

- Strengthen solvency.
- Improve insurers' financial resilience.
- Increase catastrophe absorption capacity.

Expected Impact

- Market consolidation and mergers.
- Stronger insurers.
- Higher market competitiveness.

Compliance Alignment Framework

Decision No. 223 of 2024

Extended by Decision No. 102 of 2025

The FRA established a structured compliance framework for companies to align with the Unified Insurance Law.

Regulatory Interpretation

The decision reflects a balanced supervisory approach between:

- implementation efficiency,
- and market stability

2. Governance & Financial Supervision

Solvency Standards

Decision No. 148 of 2025

Introduced modern solvency requirements based on risk-oriented supervision.

Key Areas

- Capital adequacy.
- Stress testing.
- Asset quality.
- Liquidity and risk management.

Corporate Governance Rules

Decision No. 200 of 2025

Established a comprehensive governance framework for insurers and reinsurers.

Main Features

- Board independence.
- Audit and risk committees.
- Internal controls.
- Disclosure and transparency requirements

Impact

- Improved institutional discipline.
- Increased investor confidence.

Technical Provisions

Decisions No. 4 & 16 of 2025

Defined technical reserve calculation methodologies for:

- property & casualty insurance,
- life insurance and savings operations.

Significance

Enhanced actuarial accuracy and financial soundness.

3. Digital Transformation & InsurTech

Electronic Integration Platform

Decision No. 58 of 2025

Mandated electronic connectivity between insurers and the FRA.

Objectives

- Real-time supervision.
- Better data quality.
- Faster regulatory monitoring.

Digital Insurance & Online Platforms

Decisions No. 62 & 199 of 2025

Regulated:

- insurance websites,
- digital policy issuance,
- online distribution of insurance products.

Strategic Impact

- Accelerated InsurTech development.
- Improved customer experience.
- Reduced operational costs.

Digital Insurance Brokerage

Decision No. 198 of 2025

Allowed insurance brokers to conduct operations digitally under regulatory controls.

Expected Outcomes

- Wider digital access.
- Increased market penetration.
- Faster financial inclusion.

4. Microinsurance & Financial Inclusion

Decisions No. 268 of 2024, 18 of 2025, 2 of 2026, 319 & 320 of 2025

Focused on:

- increasing coverage limits,
- regulating microinsurance activities,
- facilitating licensing procedures.

Objectives

- Support low-income segments.
- Protect MSMEs.
- Expand insurance inclusion.

Assessment

Microinsurance is expected to become one of Egypt's fastest-growing insurance segments.

5. Investment & Asset Management Regulation

Investment Rules for Insurers

Decisions No. 2 of 2025 & 3 of 2026

Established updated investment rules for insurance and reinsurance companies.

Key Features

- Portfolio diversification.
- Concentration limits.
- Investment risk controls.

Investment in Precious Metals

Decision No. 228 of 2025

Allowed life insurers to invest in metals as movable financial assets.

Strategic Importance

- Portfolio diversification.
- Inflation hedging.
- Improved investment flexibility.

6. Regulation of Brokers, Experts & Technical Professionals

Insurance Brokerage Regulation

Decisions No. 69, 298, 55 & 158 (2025–2026)

Introduced professional standards for:

- licensing,
- training,
- brokerage activities,
- foreign reinsurance brokers

Actuaries & Insurance Consultants

Decisions No. 25, 29 & 56 of 2026

Focused on:

- strengthening actuarial oversight,
- improving technical reporting quality,
- regulating professional practice.

7. Policyholder Protection & Dispute Resolution

Complaints & Dispute Settlement

Decisions No. 77 & 254 of 2025
And Decisions No. 42 & 57 of 2026

Established regulatory mechanisms for handling complaints and appeals.

Objectives

- Protect policyholders.
- Improve regulatory fairness.
- Strengthen market trust

8. Medical Insurance & Government Funds

Medical Malpractice Insurance Fund

Decision No. 303 of 2025

Established pricing and operational rules for the medical malpractice insurance fund.

Importance

- Supports healthcare sector stability.
- Protects physicians, hospitals, and patients.

Healthcare Administration Companies

Decisions No. 90 & 229 of 2025

Regulated:

- licensing of specialized medical insurers,
- healthcare management companies.

9. Takaful Insurance Regulation

Decision No. 70 of 2026

Introduced a comprehensive framework governing Takaful insurance operations in Egypt.

Key Areas

- Account segregation.
- Sharia governance.
- Surplus management.
- Investment controls.

Impact

- Supports growth of Islamic insurance.
- Attracts new customer segments and investors.

Overall Strategic Assessment

The executive decisions issued under the Unified Insurance Law demonstrate a fundamental transformation in Egypt's insurance supervisory philosophy. The FRA is shifting from:

traditional supervision,

to:

- risk-based regulation,
- governance-oriented oversight,
- digital supervision,
- and financial sustainability frameworks.

These reforms are expected to:

- strengthen market stability,
- increase insurance penetration,
- attract investments,
- and position Egypt as a regional insurance and reinsurance hub.

EGYPT INSURANCE MARKET PERFORMANCE 2025

FINANCIAL REGULATORY AUTHORITY

Insurance Premiums Jump to EGP 130.8 Billion.. Sector Claims Rise 38.2% by End of 2025

Stronger Insurance.. Broader Protection.. Sustainable Financial Stability

Total Insurance Premiums	Total Claims Paid	Insurance Policyholders	Entities Operating in the Sector
EGP 130.8 billion	EGP 64.4 billion	15 million customers	169 entities
vs. EGP 106.7 billion by end of 2024	vs. EGP 46.6 billion by end of 2024	by end of 2025	Including insurance companies, brokers, loss adjusters & surveyors, insurance consulting firms + 6 insurance pools
Growth ↑ 22.5%	Growth ↑ 38.2%		

Private Insurance Funds

Number of Funds	Members	Total Investments	vs. EGP 168 billion by end of 2024
671 funds	5 million members	EGP 201 billion	Growth ↑ 20%

Government Insurance Funds

Number of Funds	Members	Total Investments	vs. EGP 1.5 billion by end of 2024
6 funds	30 million members	EGP 2.1 billion	Growth ↑ 40%

UNIFIED INSURANCE LAW No. 155 of 2024

The insurance sector is experiencing an important transition period following the issuance of the Unified Insurance Law No. 155 of 2024.

The number of entities operating in the sector currently stands at 169, including insurance companies, brokers, loss adjusters & surveyors, insurance consulting firms, in addition to 6 insurance pools.

169 entities

Source: Al Mal, Amwal Al Ghad, May 14, 2026

KENYA

• *Premium Income Surges to KES 462.5 Billion in 2025*

Health and Life lines lead market growth amid regulatory proposals on mandatory reinsurance cessions

Source: AXCO Information / IRA Kenya Reports | May 2026 | Source Link: Insurance Regulatory Authority (IRA) Kenya

Kenya's total insurance premium volume surged to KES 462.55 Billion (USD 3.56 Billion) in 2025. Life insurance represented 50.9% of market revenue (KES 235.39B), while Health insurance dominated non-life at KES 93.28B. The IRA is considering raising mandatory cessions to Kenya Re from 20% to 25%.

In thousands KES

	2021	2022	2023	2024	2025	Parts 2025
Health	51 420 790	54 892 226	66 308 431	76 207 171	93 285 933	20,2%
Motor	47 237 004	53 879 659	55 122 578	55 984 228	61 518 940	13,3%
Property damage (1)	19 679 718	23 728 491	27 324 378	28 872 763	30 923 839	6,7%
Marine (2)	6 934 583	7 816 940	9 036 178	9 625 845	9 476 080	2,0%
Engineering	4 469 287	5 274 833	4 635 883	5 127 075	6 469 115	1,4%
Third party liability	3 417 959	3 842 170	4 769 584	4 897 632	5 475 795	1,2%
Personal accident	2 554 478	2 490 419	3 456 669	3 338 609	2 678 911	0,6%
Miscellaneous (3)	16 637 164	16 999 511	20 685 027	19 817 908	17 339 013	3,7%
Non-life total	152 350 983	168 924 249	191 338 728	203 871 231	227 167 626	49,1%
Life total	123 713 143	140 844 801	170 022 076	191 196 773	235 389 849	50,9%
Grand total	276 064 126	309 769 050	361 360 804	395 068 004	462 557 475	100%

(1) includes theft and fire (2) includes aviation and maritime transport
(3) includes work accidents
Exchange rate as at 12/31/2025: 1 KES = 0.00771 USD; as at 12/31/2024: 1 KES = 0.00767 USD; as at 12/31/2023: 1 KES = 0.00633 USD; as at 12/31/2022: 1 KES = 0.00805 USD; as at 12/31/2021: 1 KES = 0.00878 USD.

MOROCCO

- ***Industry Premiums Exceed MAD 67.6 Billion (USD 6.7 Billion) in 2025***

Sector assets cross MAD 331 Billion as Takaful segment records 50% annual expansion

Source: Le Matin / Supervisory Reports | April 2026 | Source Link: Le Matin Moroccan Financial Portal

Morocco's insurance industry doubled over the past decade, recording MAD 67.6 billion (USD 6.7 billion) in premiums in 2025. Takaful contributions surged 50% to MAD 141.9 million, driven by credit life policies linked to participatory finance.

SOMALIA

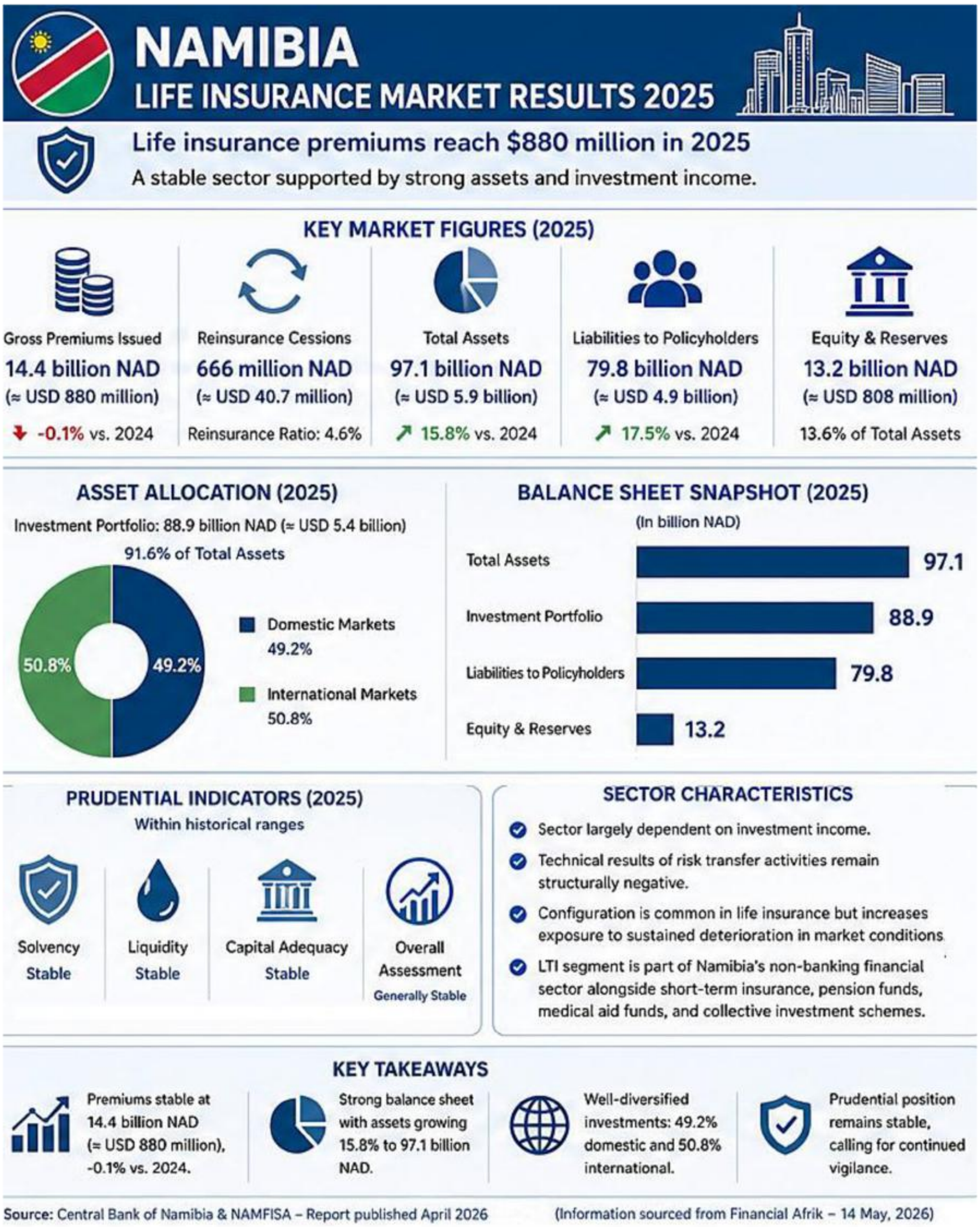
- ***Central Bank Issues Historical First Takaful Licenses***

Four operators approved under landmark Islamic Insurance Law to formalize national financial system

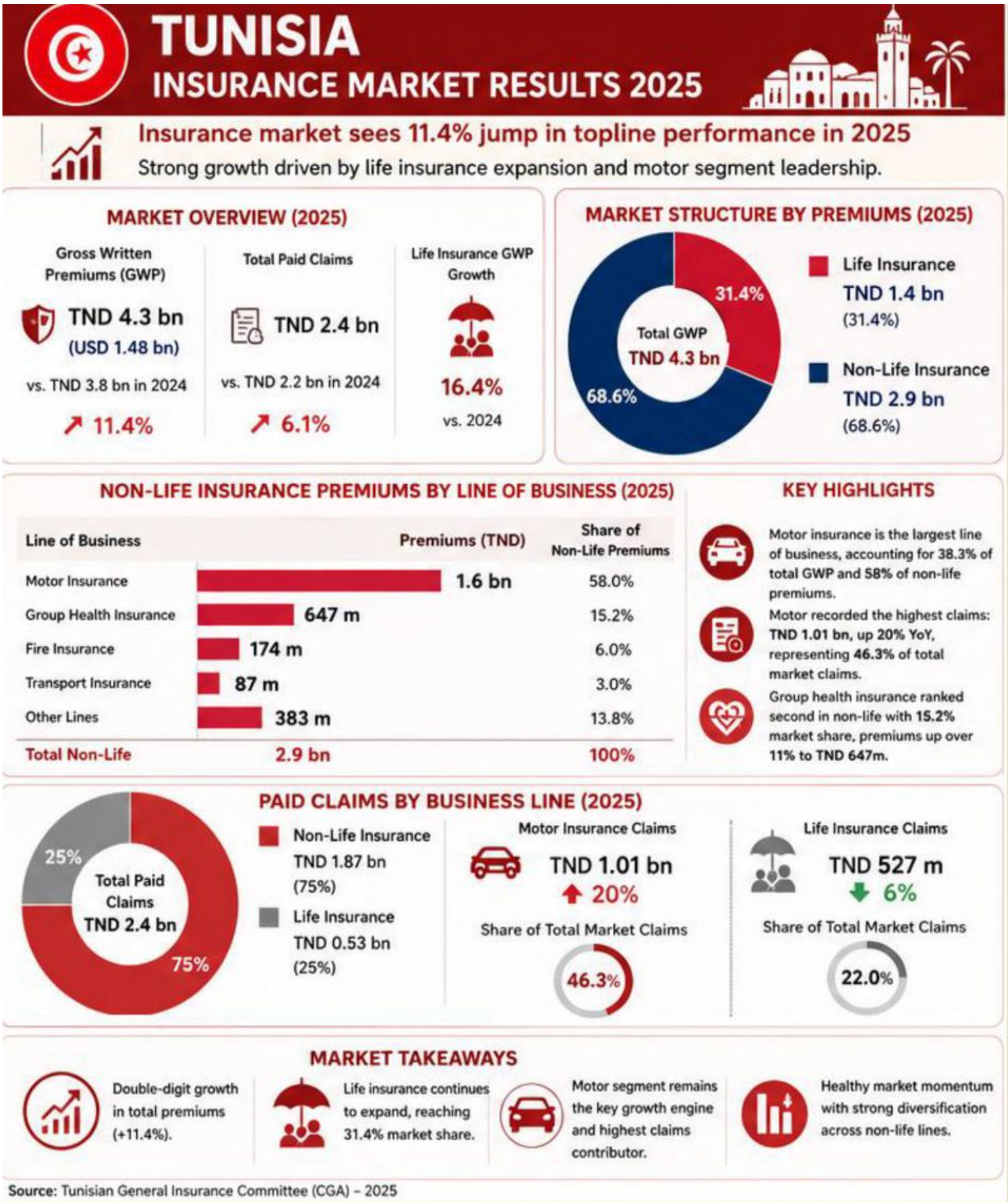
Source: Central Bank of Somalia / SONNA | January 2026 | Source Link: Central Bank of Somalia Official Statement

The Central Bank of Somalia granted official licenses to four inaugural Takaful operators: First Somali Takaful Insurance, Amanah Insurance, Baraka Takaful Insurance, and Salimstar Insurance, marking a milestone under the May 2025 Islamic Insurance Law.

NAMIBIA


NAMIBIA
LIFE INSURANCE MARKET RESULTS 2025
Life insurance premiums reach $880 million in 2025
A stable sector supported by strong assets and investment income.
KEY MARKET FIGURES (2025)
Gross Premiums Issued
14.4 billion NAD
(≈ USD 880 million)
-0.1% vs. 2024
Reinsurance Cessions
666 million NAD
(≈ USD 40.7 million)
Reinsurance Ratio: 4.6%
Total Assets
97.1 billion NAD
(≈ USD 5.9 billion)
15.8% vs. 2024
Liabilities to Policyholders
79.8 billion NAD
(≈ USD 4.9 billion)
17.5% vs. 2024
Equity & Reserves
13.2 billion NAD
(≈ USD 808 million)
13.6% of Total Assets
ASSET ALLOCATION (2025)
Investment Portfolio: 88.9 billion NAD (≈ USD 5.4 billion)
91.6% of Total Assets
50.8%
49.2%
Domestic Markets
49.2%
International Markets
50.8%
BALANCE SHEET SNAPSHOT (2025)
(In billion NAD)
Total Assets
97.1
Investment Portfolio
88.9
Liabilities to Policyholders
79.8
Equity & Reserves
13.2
PRUDENTIAL INDICATORS (2025)
Within historical ranges
Solvency
Stable
Liquidity
Stable
Capital Adequacy
Stable
Overall Assessment
Generally Stable
SECTOR CHARACTERISTICS
Sector largely dependent on investment income.
Technical results of risk transfer activities remain structurally negative.
Configuration is common in life insurance but increases exposure to sustained deterioration in market conditions.
LTI segment is part of Namibia's non-banking financial sector alongside short-term insurance, pension funds, medical aid funds, and collective investment schemes.
KEY TAKEAWAYS
Premiums stable at 14.4 billion NAD (≈ USD 880 million), -0.1% vs. 2024.
Strong balance sheet with assets growing 15.8% to 97.1 billion NAD.
Well-diversified investments: 49.2% domestic and 50.8% international.
Prudential position remains stable, calling for continued vigilance.
Source: Central Bank of Namibia & NAMFISA – Report published April 2026
(Information sourced from Financial Afrik – 14 May, 2026)

TUNISIA


TUNISIA
INSURANCE MARKET RESULTS 2025
Insurance market sees 11.4% jump in topline performance in 2025
Strong growth driven by life insurance expansion and motor segment leadership.
MARKET OVERVIEW (2025)
Gross Written Premiums (GWP)
TND 4.3 bn
(USD 1.48 bn)
vs. TND 3.8 bn in 2024
11.4%
Total Paid Claims
TND 2.4 bn
vs. TND 2.2 bn in 2024
6.1%
Life Insurance GWP Growth
16.4%
vs. 2024
MARKET STRUCTURE BY PREMIUMS (2025)
31.4%
Total GWP
TND 4.3 bn
68.6%
Life Insurance
TND 1.4 bn
(31.4%)
Non-Life Insurance
TND 2.9 bn
(68.6%)
NON-LIFE INSURANCE PREMIUMS BY LINE OF BUSINESS (2025)
Line of Business | Premiums (TND) | Share of Non-Life Premiums
Motor Insurance | 1.6 bn | 58.0%
Group Health Insurance | 647 m | 15.2%
Fire Insurance | 174 m | 6.0%
Transport Insurance | 87 m | 3.0%
Other Lines | 383 m | 13.8%
Total Non-Life | 2.9 bn | 100%
KEY HIGHLIGHTS
Motor insurance is the largest line of business, accounting for 38.3% of total GWP and 58% of non-life premiums.
Motor recorded the highest claims: TND 1.01 bn, up 20% YoY, representing 46.3% of total market claims.
Group health insurance ranked second in non-life with 15.2% market share, premiums up over 11% to TND 647m.
PAID CLAIMS BY BUSINESS LINE (2025)
25%
Total Paid Claims
TND 2.4 bn
75%
Non-Life Insurance
TND 1.87 bn
(75%)
Life Insurance
TND 0.53 bn
(25%)
Motor Insurance Claims
TND 1.01 bn
20%
Share of Total Market Claims
46.3%
Life Insurance Claims
TND 527 m
6%
Share of Total Market Claims
22.0%
MARKET TAKEAWAYS
Double-digit growth in total premiums (+11.4%).
Life insurance continues to expand, reaching 31.4% market share.
Motor segment remains the key growth engine and highest claims contributor.
Healthy market momentum with strong diversification across non-life lines.
Source: Tunisian General Insurance Committee (CGA) – 2025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أمان من زمان
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Asia Markets

BANGLADESH

- ***IDRA Amendment Bill 2026 Introduced to Reform Stagnant Sector***

Insurance contribution sits at 0.33% of GDP despite 82 operating companies; Top 2025 market rankings revealed

Source: Insurance News24 / Parliamentary Debates | July 2026 | Source Link: Insurance Development and Regulatory Authority (IDRA)

The Bangladesh Parliament is considering the IDRA Amendment Bill 2026 to overhaul regulatory governance. Insurance penetration in Bangladesh remains at 0.33% of GDP, despite 82 operating companies.

Rank	Top Life Insurers	Premium (BDT / USD)	Top Non-Life Insurers	Premium (BDT / USD)
1	National Life Insurance	23,404 Mn ($191.8M)	Reliance Insurance	5,411 Mn ($44.4M)
2	Delta Life Insurance	10,221 Mn ($83.8M)	Green Delta Insurance	5,401 Mn ($44.3M)
3	Guardian Life Insurance	8,866 Mn ($72.7M)	Pioneer Insurance	3,876 Mn ($41.8M)
4	Pragati Life Insurance	6,671 Mn ($54.7M)	Pragati Insurance	2,711 Mn ($22.2M)
5	Popular Life Insurance	5,007 Mn ($41.0M)	Sena Insurance	1,503 Mn ($12.3M)

INDIA

- ***Cabinet Clears $1.4 Billion Sovereign Maritime Insurance Pool***

'Bharat Maritime Insurance Pool' created with Rs 12,980 Crore sovereign guarantee to back national trade continuity

Source: Life Insurance International / Indian Union Cabinet | April 2026 | Source Link: Life Insurance International Press Release

The Indian Cabinet approved the establishment of the Bharat Maritime Insurance Pool (BMI Pool) backed by a sovereign guarantee of Rs 12,980 crore ($1.4 Billion). The pool provides comprehensive coverage—including Hull & Machinery, Cargo, P&I, and War Risk—for Indian-flagged or controlled vessels transiting volatile maritime corridors.

SAUDI ARABIA

- ***Parliament advances Bill for Kingdom's first insurance law***

Underwriting losses in medical/motor lines and lower investment income drive 36% decline in net earnings

Source: Moody's Ratings / Saudi Financial Market Reports | 2026 | Source Link: Moody's Saudi Insurance Sector Analysis

Revenue across 23 listed Saudi insurers expanded +9% to SAR 70 Billion in 2025, supported by mandatory health and motor lines. However, net industry profits fell 36% to SAR 2.0 Billion, weighed down by severe price competition, medical inflation, and reduced investment returns (SAR 1.9B vs SAR 2.6B in 2024).

JORDAN

- ***Parliament advances Bill for Kingdom's first insurance law***

The objective is to consolidate all provisions related to insurance contracts in the Civil Code into a single law to regulate various forms of insurance

Source: Middle East Insurance Review | April 2026

The House of Representatives has approved, by majority vote at least 12 articles of the 2025 Insurance Contracts Law Bill, as submitted by the government, out of a total of 101 articles in the draft legislation.

This took place during a legislative session on 23 February 2026.

MARKET INSIGHT

SAUDI ARABIA INSURANCE MARKET – PROFITABILITY COMPRESSION AMID PREMIUM GROWTH (2025)

1 EXECUTIVE SUMMARY

The Saudi insurance market in 2025 shows a clear divergence between strong premium growth and weakening profitability:

Gross Written Premiums (GWP):
~SAR 70 billion (+9% YoY)

Net Profit:
~SAR 2 billion (–36% YoY)

Investment Income:
~SAR 1.9 billion (–27% YoY)

Equity Base:
SAR 26.9 billion (+8% YoY)

CORE INSIGHT

The market is entering a phase of **profitability compression**, driven by sustained underwriting pressure in core lines and increased investment volatility.

2 MARKET DYNAMICS – GROWTH WITHOUT PROFITABILITY

Table (1): Key Market Indicators (2024–2025)

Indicator	2024	2025	Change
GWP (SAR bn)	~64	70	+9% ↑
Net Profit (SAR bn)	~3.1	2.0	–36% ↓
Investment Income (SAR bn)	~2.6	1.9	–27% ↓
Equity (SAR bn)	~25	26.9	+8% ↑

INTERPRETATION

- Premium growth remains robust, driven by motor and health insurance
- Profitability decline reflects:
  - Technical margin erosion
  - Weaker investment performance

3 UNDERWRITING PERFORMANCE – CORE PRESSURE SEGMENTS

MOTOR INSURANCE

- Highly competitive pricing environment
- Rising claims frequency and severity

HEALTH INSURANCE

- Ongoing medical inflation
- Pricing constraints due to regulation

OUTCOME

- Persistent pressure on combined ratios
- Limited pricing flexibility in compulsory lines

4 INVESTMENT PERFORMANCE – A KEY VOLATILITY DRIVER

Table (2): Investment Impact

Asset Class	Performance Impact
Equities	Negative (fair value losses)
Unit-linked funds	Volatile
Fixed income	Partial stabilizer

ANALYSIS

- Investment income declined due to mark-to-market losses
- Fixed income portfolios provided downside mitigation

INSIGHT

The sector remains highly sensitive to financial market fluctuations, amplifying earnings volatility.

5 CAPITALIZATION & MARKET STRUCTURE

KEY OBSERVATIONS

- Overall capital base strengthened (+8% equity growth)
- Growth is unevenly distributed:
  - Large insurers → capital accumulation
  - Smaller insurers → stagnation or decline

IMPLICATION

- Increasing market concentration
- Higher likelihood of mergers and acquisitions (M&A)

6 EXTERNAL RISK ENVIRONMENT

Geopolitical Risk Assessment

Factor	Impact
Regional tensions	Limited direct underwriting impact
War risk exclusions	Protective buffer
Reinsurance coverage	Strong mitigation
Financial markets	Elevated volatility risk

CONCLUSION

- Underwriting exposure remains well protected
- Investment volatility is the primary transmission channel of risk

7 OUTLOOK FOR 2026

Driver	Expected Trend
Premium Growth	Moderate (5–8%)
Pricing Environment	Competitive
Investment Returns	Volatile
Profitability	Constrained
Market Structure	Continued consolidation

8 STRATEGIC IMPLICATIONS

FOR INSURERS

- Strengthen technical underwriting discipline
- Enhance risk-based pricing models
- Diversify revenue streams beyond core lines

FOR REINSURERS

- Increased demand for:
  - Capital relief solutions
  - Quota share and stop-loss structures

FOR REGULATORS

- Monitor pricing adequacy in compulsory lines
- Support market consolidation
- Ensure financial stability and solvency resilience

STRATEGIC CONCLUSION

The Saudi insurance market is transitioning into a margin-driven cycle, where growth alone is no longer sufficient to sustain profitability.

KEY RISK GOING FORWARD:

A sustained dual pressure environment:
- Underwriting margin compression
- Investment income volatility

MEDIUM-TERM OUTLOOK:

- Acceleration of market consolidation
- Potential exit of weaker players
- Shift toward more disciplined and profitability-focused growth

Saudi Re Announces New Strategic Partnership with AdA

AdA Risk Holding Co Limited ("AdA") today announced a strategic minority investment from Saudi Reinsurance Company ("Saudi Re"). The new partnership represents a natural development in AdA and Saudi Re's established relationship.

The transaction represents a significant milestone in AdA's journey, with the introduction of a high-quality, long-term strategic partner. The transaction positions AdA further to establish itself as a differentiated, high-quality specialty underwriting platform within the Lloyd's market.

"We are delighted to welcome Saudi Re as a strategic partner, a business with whom we have worked closely since AdA was first established in 2023. This partnership will be instrumental as we continue to expand our underwriting platform and execute on our long-term strategy at Lloyd's", said Natasha Jodrell, CEO of AdA.

"Partnering with AdA marks an exciting new chapter for Saudi Re. As a differentiated specialty Lloyd's underwriting platform led by an experienced and results-driven management team, AdA is primed for a strong future. This strategic investment builds upon our past success and strengthens Saudi Re's foothold in the Lloyd's market. Furthermore, it drives our global growth strategy forward and aligns with our goals to diversify our portfolio and develop specialty reinsurance solutions, creating value for its shareholders and clients.", said Ahmed Al-Jabr, CEO of Saudi Re.

Howden Capital Markets & Advisory acted as exclusive financial advisor to AdA. Clyde & Co. acted as legal advisor to AdA.

Saudi Re was advised by PwC and Willkie Farr & Gallagher.

Saudi Re Reports Strong Q2 2026 Financial Results with 118% Increase in Net Profit

Saudi Reinsurance Company “Saudi Re” announced its financial results for the second quarter of 2026, reporting a net profit after Zakat of SAR 115 million, compared to SAR 53 million for the same quarter last year, representing an increase of 118%. This growth was supported by the continued growth of the Company’s business, in line with its strategy and business plans.

Accordingly, Saudi Re’s revenues for the first half of the year increased by 71%, reaching SAR 1.3 Billion, compared to the same period last year. This growth was driven by the Company’s continued expansion across multiple business lines both locally and internationally. Net profit for the first half reached SAR 162 million, marking an increase of 84% compared to the corresponding period last year. Additionally, Gross Written Premiums (GWP) increased by 58%, reaching SAR 3.3 billion, compared to SAR 2.1 billion in the same period of the previous year.

Commenting on the results, Ahmed Al-Jabr, CEO of “Saudi Re”, said:
“These results demonstrate our ability to consistently deliver profitable and sustainable growth, supported by our continued investment in strengthening our institutional and technical capabilities, which has enabled the Company to achieve exceptional growth in both revenue and profitability compared to the same period last year.” Al-Jabr added: “Our focus remains on executing strategic initiatives that strengthen our capabilities, enhance our competitive position, and support the development of a diversified, high-quality portfolio, underpinned by disciplined underwriting and prudent risk management.”

During the first half of the year, “Saudi Re” achieved several strategic milestones, including strengthening its presence in the Lloyd’s market through its strategic investment in AdA Risk Holding Co. Limited, opening its second branch in Asia in the Republic of India, and reaffirming its A2 Insurance Financial Strength Rating by Moody’s. These achievements reinforce the Company’s financial strength and support its long-term growth ambitions.

Saudi Re is a Public Investment Fund portfolio company listed on the Saudi Exchange with a paid-up capital of SAR 1.7 billion. The Company is among the leading reinsurance providers in the MENA region. Established in 2008 as a composite reinsurer, Saudi Re offers a wide range of treaty and facultative reinsurance solutions, The Company holds Moody’s A2 rating and S&P A- rating with a Positive Outlook.
Saudi Re operates in more than 40 markets across the Middle East, Asia, and Africa through its headquarters in Riyadh and its branches in Malaysia and India. The Company is regulated by the Saudi Arabian Insurance Authority.

UAE

• *Insurers Navigate Regional Tensions After Strong 2025 Financial Year*

Source: AM Best Market Segment Report | April 2026
Source Link: AM Best UAE Market Segment Report

Listed UAE insurers reported solid technical balance sheets in 2025, with earnings distribution becoming more balanced across mid-tier companies. Standard policies continue to exclude direct war risks, which are reinsured externally or priced via special add-ons.

VIETNAM

• *Vietnam insurance market records steady growth in 1H2026*

Source: Asia Insurance Review (AIR) | 07 Jul 2026

Vietnam's insurance industry continued to show signs of steady recovery in the first half of 2026.

Data from the General Statistics Office showed that total insurance premium revenue reached an estimated VND60.4tn ($2.31bn) in the second quarter, up 1.7% from a year earlier, reflecting continued growth in the market despite a challenging operating environment.

For the first six months of 2026, Vietnam's insurance market generated an estimated VND117.9tn in total premium revenue, up 2.2% from the same period a year earlier.
The life insurance segment remained in a cautious recovery phase amid ongoing industry restructuring, with premium income estimated at VND68.8tn, down 4.5% year on year.

In contrast, the non-life insurance sector continued to outperform, posting an estimated VND49.1tn in premium revenue, an increase of 13.5%.

Growth was driven primarily by strong demand for property and engineering insurance, helping to offset weaker performance in the life segment and support overall market expansion.

It was reported that insurance companies also continued to meet their claims obligations, with total insurance benefit payouts estimated at VND52.3tn in the first six months of 2026. This represented an 18.2% increase year on year, reflecting higher claims payments across the market.

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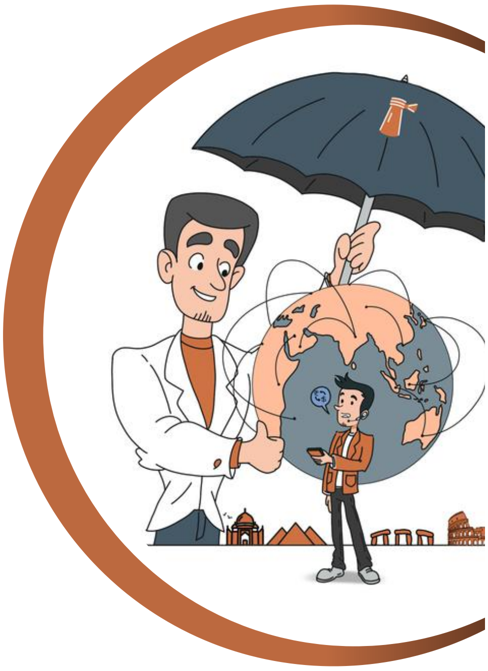

Beacon Insurance Brokers Pvt. Ltd. is a globally connected reinsurance partner, combining **over two decades of industry experience, strong placement capabilities and deep market relationships across India and international markets.** Through our subsidiary, **Beacon Reinsurance Brokers Ltd. in DIFC, Dubai**, we are strategically positioned to transact reinsurance business globally and strengthen our reach across the **GCC, Africa, SAARC and ASEAN markets.** With **expertise across Treaty, Facultative and specialised risks,** we focus on delivering structured, **responsive and tailored reinsurance solutions** built around long-term partnerships and sustainable growth.

50+	$80M	109	15+
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Beacon Reinsurance Brokers Ltd.
DIFC subsidiary established in 2023.

Corporate & Registered Office: 119-126, 1st floor, Racecourse Tower, Racecourse Circle, Gotri Road, vadodara-390007 | IRDAI License No.: 320 | License Category: Composite Broker

Insurance is Subject Matter of Solicitation

VIETNAM INSURANCE MARKET
MARKET PERFORMANCE REVIEW 2025

Life Insurance | Non-Life Insurance | Key Trends & Outlook

Vietnam's insurance market returned to growth in 2025, reaching VND 237.2 trillion (USD 9.1 billion) in total gross written premiums, up 4.0% year-on-year. Non-life insurance posted strong double-digit growth, while life insurance showed signs of stabilization after a period of restructuring and regulatory tightening.

TOTAL GROSS WRITTEN PREMIUMS (2025)
VND 237.2 TRILLION
USD 9.1 BILLION

TOTAL MARKET GROWTH (2025)
4.0%
YoY

LIFE INSURANCE PREMIUMS (2025)
VND 148.8 TRILLION
0.5% YoY

NON-LIFE INSURANCE PREMIUMS (2025)
VND 88.4 TRILLION
10.3% YoY

1. MARKET OVERVIEW

In 2025, the Vietnamese insurance market recorded moderate growth after two years of slowdown. Non-life insurance remained the key growth driver, supported by strong performance in health, motor, property and engineering lines. Life insurance continued to face challenges due to lower new business sales and the impact of stricter regulation on bancassurance channels.

2. MARKET PERFORMANCE BY SEGMENT

Segment	2025 Premiums (VND Trillion)	Growth (2025 vs 2024)	Market Share (2025)
Life Insurance	148.8	0.5%	62.7%
Non-Life Insurance	88.4	10.3%	37.3%
Total Market	237.2	4.0%	100%

3. NON-LIFE INSURANCE: KEY LINES PERFORMANCE (2025)

Line of Business	2025 Premiums (VND Trillion)	Growth (2025 vs 2024)	Share of Non-Life Premiums
Health Insurance	23.0	16.0%	26.0%
Motor Insurance	26.5	9.7%	30.0%
Property Insurance	14.6	10.2%	16.5%
Engineering Insurance	7.8	11.8%	8.8%
Marine & Aviation Insurance	5.5	8.6%	6.2%
Liability Insurance	4.0	7.9%	4.5%
Other Lines	7.0	12.1%	7.9%
Total Non-Life Insurance	88.4	10.3%	100%

Source: Ministry of Finance (Insurance Supervision Department), Vietnam Insurance Association (IAV), Insurance Business Vietnam, local media reports.

4. KEY MARKET TRENDS IN 2025

Strong growth in Health Insurance
Driven by rising healthcare awareness and expansion of retail & SME segments.

Growth in commercial insurance
Supported by FDI inflows, infrastructure projects and industrial expansion.

Digital transformation acceleration
Insurers invest in AI, data analytics, digital distribution and automated claims handling.

Rising natural catastrophe risks
Frequent floods and extreme weather events increase claims volatility.

Focus on quality over quantity in life insurance
Companies prioritize product quality, customer protection and retention.

Regulatory strengthening
Enhanced supervision on bancassurance, product governance and capital adequacy.

5. REGULATORY ENVIRONMENT

The Ministry of Finance continues to strengthen the legal framework and supervision to enhance market stability and protect policyholders. Key focus areas in 2025 include:

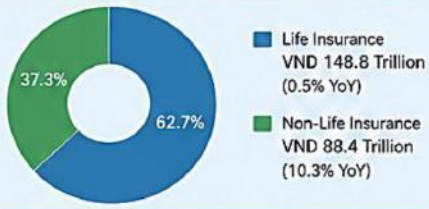
- ✔ Tightening regulations on bancassurance and product sales practices
- ✔ Improving corporate governance and risk management standards
- ✔ Advancing solvency requirements and financial safety monitoring
- ✔ Promoting digitalization and data security
- ✔ Encouraging insurance penetration through inclusive products

VIETNAM INSURANCE MARKET AT A GLANCE – 2025

TOTAL GROSS WRITTEN PREMIUMS

VND 237.2 TRILLION
USD 9.1 BILLION ↗ 4.0% YoY

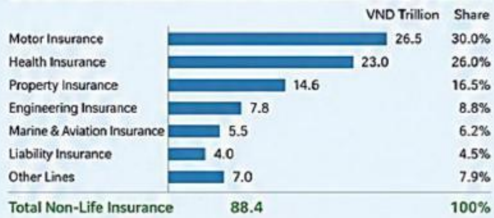
PREMIUMS BY BUSINESS LINE (2025)



MARKET GROWTH COMPARISON

(Gross Written Premiums – VND Trillion)

NON-LIFE INSURANCE BY MAJOR LINES (2025)



OUTLOOK 2026–2028

- Life insurance expected to recover gradually with improved customer trust and higher quality sales.
- Non-life insurance to remain the main growth engine with strong demand in health, motor and property lines.
- Digital channels and insurtech partnerships will expand market reach and efficiency.
- Overall market growth forecast: 8% – 10% annually.

LIBYA

Insurance Market Overview

by Hussein Elsayed

(I) General Information

Region	Northern Africa	**UN membership date**	14 December 1955
Population (000, 2025)	7 459a	**Surface area (km2)**	1 676 198b
Pop. density (per km2, 2025)	4.4a	**Sex ratio (m per 100 f)**	103.4a
Capital city	Tripoli	**National currency**	Libyan Dinar
Capital city pop. (000, 2025)	1 160.9c	**Exchange rate (per US$)**	4.9d

Economic indicators	2015	2020	2025
GDP: Gross domestic product (million current US$)	48 718	46 854	44 030b
GDP growth rate (annual %, const. 2015 prices)	-0.8	-50.1	10.2b
GDP per capita (current US$)	7 458.0	6 650.0	6 027.0b
Economy: Agriculture (% of Gross Value Added)	3.9	3.6	3.6b
Economy: Industry (% of Gross Value Added)	31.2	42.4	43.5b
Economy: Services and other activity (% of GVA)	64.9	54	52.8b
Employment in agricolturee (% of employed)	9.8	9.2	8.7b
Employment in industrye (% of employed)	23.3	23.2	23.2b
Employment in servicese (% employed)	66.9	67.6	68.1b
Unemploymente (% of labour force)	19.7	19.6	17.6
Labour force participation ratee (female/male pop. %)	34.1 / 64.1	33.5 / 63.3	32.5 / 62.9
CPI: Consumer Price Index (2010=100)	142	253	278b
Agricultural production index (2014-2016=100)	101	105	106b
International trade: exportse (million current US$)	25 949	8 454	30 164d
International trade: importse (million current US$)	12 865	11 510	17 901d
International trade: balancee (million current US$)	13 084	- 3 056	12 263d
Balance of payments, current account (million US$)	- 9 346	- 4 780	1 865b

Social indicators	2015	2020	2025
Population growth rate (average annual %)	1.5	1.3	1a
Urban population (% of total population)	79.3	80.4c	...
Urban population growth rate (average annual %)	0.5f	...	...
Fertility rate, total (live births per woman)	2.7	2.5	2.3a
Life expectancy at birth (females/males, years)	75.2 / 68.6	75.7 / 69.5	75.3 / 71.2a
Population age distributiong (0-14/60+ years old, %)	31.0 / 6.5	29.5 / 7.1	26.8 / 8.5a
International migrant stockh,i (000/% of total pop.)	771.1 / 11.8	826.5 / 11.7	897.8 / 12.2d
Refugees and others of concern to UNHCR (000)	471.7	460.9	190.6d
Under five mortality rate (per 1000 live births)	14.6	11.9	12.1a
Health: Current expenditureе,j,k (% of GDP)	5.8	7.1	4.7l
Health: Physicians (per 1 000 pop.)	1.9	2m	...
Seats held by women in national parliaments (%)	16	16n	16.5n

Environment and infrastructure indicators	2015	2020	2025
Individuals using the Internete (per 100 inhabitants)	17.8o	87.6	88.5b
Threatened species (number)	54	75	99d
Forested area (% of land area)	0.1e	0.1e	0.1l
CO2 emission estimates (million tons/tons per capita)	51.9 / 7.9	30.3 / 4.3	47.2 / 6.5l
Energy production, primary (Petajoules)	1 569	1 204	2 668l
Energy supply per capita (Gigajoules)	134	70	106l
Important sites for terrestrial biodiversity protected (%)	0	0	0d
Net Official Development Assist. received (% of GNI)	0.32	0.45	0.71b

Major trading partners 2024						
Export partners (% of exports) Italy 21.1 Germany 14.6 United Kingdom 8.5 e	Italy	21.1%	Germany	14.6%	United Kingdom	8.5%
Import partners (% of imports) China 15.3 Türkiye 11.9 Italy 10.5 e	China	15.3%	Türkiye	11.9%	Italy	10.5%

a Projected est. (medium fertility variant).
b 2023
c 2019.
d 2024. e Estimate
f Data refers to a 5-year period preceding the reference year
g Calculated by the UN Statistics Division.
h Including refugees.
i Refers to foreign citizens.
j Based on calendar year (January 1 to December 31).
k Est. should be viewed with caution as these are derived from scarce data.
l 2022. m 2017. n Data at 1 January of the reporting year.
o 2014

Source: **World Statistics Pocketbook 2025**

1 - Country Risks

* Political & Security

Libya continues to face deep political fragmentation and institutional division between rival eastern and western authorities, while national reconciliation and electoral processes remain uncertain. Armed groups and militias continue to influence internal security conditions and strategic oil infrastructure.
Oil production disruptions and shutdowns of oil fields and export terminals remain among the country's most significant sovereign risks, given Libya's heavy dependence on hydrocarbon revenues.

* Economic & Fiscal

The Libyan economy remains overwhelmingly dependent on the oil and gas sector, accounting for around 65% of GDP and more than 90% of exports and government revenues. This leaves the economy highly exposed to oil price volatility and production disruptions.
Although economic growth is expected to recover during 2025-2026 due to stronger oil production, the IMF has warned about unsustainable public spending, widening fiscal deficits, rising public debt, and pressure on foreign reserves. The absence of a unified national budget continues to constrain fiscal governance and economic reforms.

* Financial Sector & Liquidity

Libya's banking sector continues to suffer from liquidity shortages, exchange rate distortions, and weak financial intermediation. The Libyan dinar experienced multiple devaluations during 2025 and 2026 amid mounting pressure on foreign reserves and persistent macroeconomic imbalances.
Institutional fragmentation between competing financial authorities further increases systemic vulnerabilities and constrains private-sector financing and credit growth.

* Geo-Regional Risks

Libya remains exposed to geopolitical tensions across North Africa, the Sahel, and the Mediterranean region, alongside ongoing regional and international involvement in Libyan affairs. The country's long and porous borders continue to facilitate smuggling, irregular migration, and armed group movements.
Regional instability and global energy market shocks could directly affect Libya's fiscal and economic stability.

2 - Natural Catastrophe (NatCat) Risks

*** Flooding**

Floods and flash floods represent one of Libya's most severe natural catastrophe risks, particularly in coastal and northeastern regions. The 2023 Derna disaster highlighted the vulnerability of dams, drainage systems, and urban infrastructure, while climate change is expected to increase future flood severity and losses.

*** Drought & Heat Stress**

Libya faces chronic drought conditions, extreme heat exposure, desertification, and increasing water scarcity risks. Heavy dependence on groundwater resources creates long-term sustainability challenges for water and agricultural security.

*** Coastal Erosion & Storm Surge**

Libya's coastal areas are increasingly exposed to sea-level rise, shoreline erosion, and storm surges, posing risks to ports, coastal infrastructure, and low-lying urban areas along the Mediterranean coast.

*** Geophysical (Earthquake)**

Earthquake risk in Libya is considered moderate compared to Eastern Mediterranean countries; however, northern and coastal areas remain exposed to low-to-moderate seismic activity associated with regional tectonic systems.

Conclusion

Libya remains a high-risk environment from political, economic, and institutional perspectives due to persistent fragmentation, heavy oil dependence, and limited structural reforms. Nevertheless, the country retains substantial hydrocarbon and reconstruction potential that could support medium-term recovery if political stabilization and governance reforms improve.

At the same time, growing climate-related and natural catastrophe risks reinforce the need for stronger infrastructure resilience and disaster risk management frameworks.

THE WORLD BANK

(II) Insurance Market

Key Highlights

- The insurance industry of Libya is regulated by Insurance Supervision and Oversight Authority.
- Up to 49% FDI is permitted in the Libyan insurance industry.
- Composite insurance is not permitted in Libya.
- Motor third-party liability insurance and health insurance are the key compulsory classes of insurance.
- Non-admitted insurance is permitted with a few exceptions

(A) Insurance Market - Historical Landmarks and Regulatory Environment

Historical Foundations & Early Regulation (1930s–1960s)

- **Market Origins**: Insurance operations began during the 1930s and 1940s via local agencies and branches of British and Italian companies.
- **Initial Regulatory Framework**: Supervision and Control Law No. 7 was issued in 1959, creating the country's first legal foundation for regulating insurance activities.
- **Domestic Market Emergence**: Between 1964 and 1969, key national companies were established, including Libya Insurance Company, Sahara Insurance Company, El Mukhtar Insurance Company, and North Africa Insurance Company

State Control & Nationalization Era (1970s–1980s)

- **Foreign Exclusion & Nationalization**: A 1970 ministerial order terminated all foreign agency and branch operations, fully nationalizing the market alongside the issuance of Supervision and Control of Insurance Companies Law No. 131 of 1970.
- **Monopolization through Consolidation**: In 1981, multiple local insurers were merged into Libya Insurance Company, establishing a predominantly state-controlled sector for several decades

Market Liberalization & Structural Reforms (Late 1990s–2013)

- **Reintroduction of Private Participation**: United Insurance Company launched in 1997 as a joint public-private entity, marking the initial shift toward liberalization.
- **Landmark Legislative Overhaul**: Insurance Law No. 3 of 2005 replaced older statutes, raising minimum capital limits, opening the market to competition, and establishing formal solvency margin rules.
- **Sector Expansion**: From 2007 onward, new private and public entities entered the market. The 2009–2013 period saw growth in health/assistance lines, new entrants (Qafela, International, and Libdety), and the formal regulation of takaful operations.

Conflict, Geopolitical Instability & Major Stress Events (2014–2023)

- **Conflict Impact**: Armed clashes beginning in 2014 severely damaged infrastructure, commercial property, and aircraft fleets in Tripoli, while political division stalled regulatory progress.
- **Natural Disaster Stress Test**: Storm Daniel hit eastern Libya in September 2023, causing catastrophic human and property damage and underscoring critical gaps in natural disaster risk management and catastrophe coverage.

Market Recovery & Regulatory Governance (2022–2024)

- **Reinsurance Revival**: In 2022, Umbrella Re launched operations in Tripoli, marking renewed interest in the domestic reinsurance sector. This trend was further supported by the emergence of specialized domestic entities such as Libya Re, reflecting a broader movement toward building local risk-retention capacity.
- **Governance Initiatives**: In April 2024, discussions between the Minister of Economy and Trade and the Insurance Supervisory Authority targeted regulatory modernization and the drafting of a comprehensive governance guide

Cross-Border Expansion & Takaful Capacity (2025)

- **Export Credit Reinsurance**: In September 2025, the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) executed a facultative reinsurance agreement with Takaful Libya.
- **Strategic Benefits**: The deal enhances Takaful Libya's underwriting and credit risk capacity, protects local banks and exporters against trade default risks, and fosters technical cooperation in claims management.

2020 – 2025 | TRANSFORMA-Compulsory Coverage & Market Outlook (2026 Onward)

- **Mandatory Insurance Mandate**: Ministerial Resolution No. 315 of 2026 introduced mandatory Professional Indemnity, Public Liability, and Fire Coverage for professional, technical, and engineering sectors.
- **Financial Projection**: Full implementation of Resolution No. 315 is projected to generate LYD 200–350 million in new direct premiums, driving total Direct Written Premiums (DWP) to LYD 1.4–1.6 billion by late 2026 or early 2027.

Insurance Market Supervision:

Regulatory framework

Insurance Law:

Insurance Law No 3 of 2005 on Supervision and Control of Insurance Business.

Insurance Supervisory Authority:

The Libyan insurance industry is governed by **Libyan Insurance Supervisory Authority**.
It functions in accordance with the guidelines stipulated in the Insurance law No 3 of 2005 on Supervision and Control of Insurance Business.

The Supervisory Authority of Libya in the supervision of insurance companies performs tasks that should ensure the preservation and strengthening of financial stability of the insurance market, as part of a modern, efficient and stable financial sector, in order to protect the rights and interests of policyholders and other insurance beneficiaries. The insurance supervisory body carries out activities through: issuing and revoking licenses for performing insurance activities, performing control, ie supervision over the performance of those activities and other related activities.

Supervision includes assessment of: legality of performing insurance activities, management system in the company, market behavior, investment activities, accounting and reporting, actions of administrative bodies, as well as compliance with the rules of insurance and actuarial profession, good business practices and business ethics.

The task of supervision is also to ensure that insurance companies are at all times financially capable and ready to fulfill their obligations to policyholders, insurance beneficiaries and third parties injured, and that persons performing insurance sales are adequately prepared to meet the needs of citizens and businesses for insurance.

Insurance Association:

Libyan Insurance Federation which established in 2004 under the provisions of the Commercial Code and Law No. 131 of 1970

The Association aims to:

1. Study the technical foundations of tariffs and prices, and develop legislation to suit market needs.
2. Preparing various insurance policies and presenting them to members for guidance.
3. Conducting studies to reduce losses in insurance branches, and analyzing information about the Libyan market
4. Cooperation with experienced arab and international markets
5. Supporting technical cooperation between its members through the exchange of experiences and information.
6. Strengthening ties with regional and international insurance markets, bodies and unions.

Company Registration and Operation

The newly introduced regulatory requirements governing the establishment of direct insurance companies, reinsurance companies, insurance brokerage firms, and medical expense management companies reflect an advanced supervisory approach aimed at strengthening governance, financial solvency, and risk-based supervision across the insurance sector and its supporting services.

Key requirements include:

Submission of specialized economic and technical feasibility studies aligned with the proposed business activities.

- - Full disclosure of ownership structures, shareholders, and sources of capital.

- Mandatory professional and technical qualifications for founders and executive management.
- Obtaining prior approvals from the relevant supervisory authority.
- Implementation of robust internal control, risk management, compliance, and anti-money laundering frameworks.
- Obliging reinsurance companies to submit reinsurance programs and risk transfer arrangements in line with applicable legal regulations.
- Requiring medical expense management companies to establish advanced technological infrastructure to ensure efficient claims management and protection of medical data confidentiality.
- Requiring brokerage firms to comply with professional conduct standards, customer protection principles, and transparency requirements.

These measures demonstrate the sector's transition toward a more sophisticated regulatory framework focused on enhancing financial stability, improving insurance service quality, protecting policyholders and clients, and aligning the market with international best practices and supervisory standards

Foreign Ownership & FDI

Foreign ownership is permitted subject to Central Bank approval up to a maximum of 49% of the total shares issued in respect of joint stock companies.

Non-Admitted Insurance:

Non-admitted insurance is not permitted because the law provides that insurance must be purchased from locally authorized insurers to which 100% of the gross premium must be paid locally. The regulator may grant an exemption to the non-admitted rules but this would be extremely rare.

Compulsory Insurances

The key compulsory insurances are:

- Motor third party legal liability in respect of bodily injury.
- Professional indemnity insurance for the medical profession.
- Workers' compensation (entirely dealt with by the state social security system).
- Health insurance for all citizens and residents.
- Shipowners' liability for marine oil pollution (financial guarantee or insurance).

Supplementary Information on Compulsory Insurances:

- Law No 28 of 1971 dealt with compulsory insurance against civil liabilities resulting from vehicle accidents. This law has been amended over the years by various decrees including the General People's Committee Decree No 195 issued in August 2001 and the Resolution of the Secretariat of the People's General Committee No 213 of 2003.
- Professional indemnity insurance for the medical profession used to be dealt with by the state-owned Libya Insurance Company, but is now open to all companies. The minimum limit is LYD 100,000 (USD 74,080).
- Law No 20 of May 2010 introduced compulsory private healthcare insurance. In 2012 private medical insurance (PMI) became compulsory.
- There is a requirement under the International Convention on Civil Liability for Oil Pollution Damage, 1969, renewed in 1992 to give evidence of an insurance or other financial guarantee in respect of oil pollution.

- Libya was a signatory to this convention in 2005. The convention requires owners of ships carrying more than 2,000 tonnes of oil in cargo to maintain "insurance or other financial security" sufficient to cover the maximum liability for one oil spill.

Reinsurance Business

Reinsurance Market Map 2026

The Libyan reinsurance market remains highly dependent on regional and international reinsurance capacity due to the limited size of the domestic market and the significant exposure generated by the oil, gas, energy, engineering, and infrastructure sectors.

o Local Reinsurers:

Libya Reinsurance Company: The national reinsurance company of Libya and the leading domestic reinsurer in the market. The Core Functions are:

- Providing Treaty Reinsurance solutions.
- Offering Facultative Reinsurance capacity.
- Supporting the retention capabilities of Libyan insurance companies.
- Providing local underwriting capacity for industrial, commercial, and large-scale risks.

The company serves as a cornerstone of the Libyan reinsurance market and plays a central role in virtually all locally arranged reinsurance programmes.

Umbrella Reinsurance Company: A Libyan reinsurer headquartered in Tripoli, providing a broad range of reinsurance services to both domestic and regional insurance markets.
The company supports insurers through risk-sharing arrangements, reinsurance capacity provision, and participation in regional reinsurance programmes, contributing to the development of the Libyan and wider North African insurance sectors.

Additionally, **Delta Reinsurance Company** and **Al Eqtisadia Reinsurance Company** are also among the local companies operating in the market.

o Regional Reinsurers:

African Re, Continental Re, WAICA Re, CICA Re & NCA Re

o Global Reinsurers:

Munich Re, Swiss Re, Hannover Re, SCOR & Lloyd's of London

o Reinsurance Brokers

Reinsurance brokers play a pivotal role in the Libyan insurance market, as the majority of reinsurance capacity is sourced from international markets.

Tripolis Insurance & Reinsurance Brokers

- The first licensed insurance and reinsurance brokerage company in Libya.

- The first licensed insurance and reinsurance brokerage company in Libya.
- Maintains offices in Libya, Malta, and Spain.
- Serves as a key link between the Libyan market and international insurance and reinsurance markets.

Oya Company for Insurance and Reinsurance Brokerage

- Established in 2022.
- Specializes in arranging reinsurance programs both locally and internationally.

United Experts Company (UEC)

- Provides insurance and reinsurance brokerage and consultancy services.
- Actively involved in the oil & gas, energy, and engineering sectors.

EELELL Insurance & Reinsurance Broker

- A modern brokerage firm focused on facilitating access to global insurance and reinsurance markets.
- Specializes in risk management and reinsurance placement solutions.

Key Market Characteristics

- Heavy reliance on foreign reinsurance capacity.
- Oil and energy risks represent the largest source of reinsurance demand.
- Reinsurance brokers play a critical role in connecting Libyan insurers with international markets.
- Expected growth in demand for energy, construction, and infrastructure covers.

Libya Reinsurance Market: Lines of Business Ranked by Reinsurance Dependence

Insurance Class	Reinsurance Reliance
Oil & Gas	Very High
Energy & Utilities	Very High
Engineering & Construction	High
Aviation	Very High
Marine & Transit	High
Fire & Industrial Risks	High
Liability Lines	Moderate to High
Health	Low
Motor	Low to Moderate

(B) Insurance Market - Performance & Statistics

The Libyan insurance industry is a developing but historically under-penetrated market.
Historically, the Libyan insurance sector has suffered from a low penetration rate (well under 1%) and economic instability due to civil conflict. However, the industry is experiencing a transitional phase focused on: Regulatory Overhaul and Digital Transformation.

Insurance Market Structure:

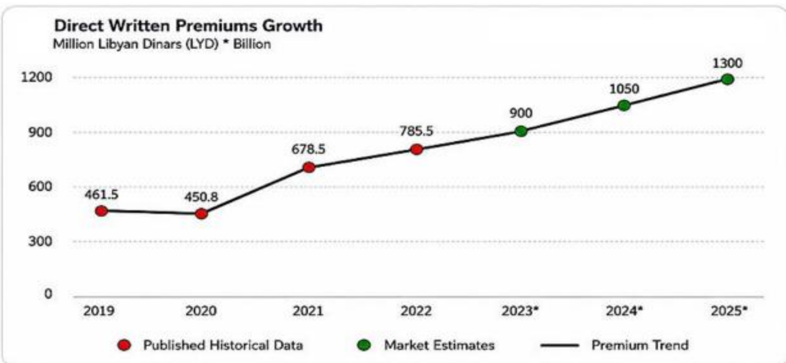
According to information published by the Libyan Insurance Federation, the Libyan insurance market comprised 45 insurance companies in 2024, of which 30 companies were registered members of the Federation. The number of companies operating in the market in 2025 is estimated at around 45 companies, including 4 reinsurance companies.

The latest data published by the Libyan Insurance Federation indicate that the Libyan insurance market comprised 60 operating insurance companies in 2026.

In addition, data published by the Insurance Supervisory Authority indicate the presence of several other entities operating within the Libyan insurance market, as outlined below:

11 Re/Insurance Brokers
29 Third-Party Administrators (TPAs)
25 Insurance Expert Consultants
45 Insurance agents
6 Surveyors and loss adjuster experts
5 Actuarial experts

Insurance Market Performance:



Insurance Penetration & Density

Item	2020	2021	2022
Penetration (%)	0.72%	0.37%	0.33%
Density (in US$)	50.98	21.97	22.21

2022 Financial Indicator	Value	Assessment
Loss Ratio	29%	Excellent
Expense Ratio	61.9%	Good
Liquidity Ratio	205%	Good
Return on Investment	3%	Acceptable
Retention Ratio	55.1%	Average
Overall Solvency Ratio	226%	Within Acceptable Limits

Source: Libyan Insurance Federation & General Arab Insurance Federation (GAIF)

2020-2022 Main Indicators (in USD Million)

Item	2020	2021	2022
Direct Premiums	99.79	150.28	148.95
Inward Premiums	0.83	1.16	2.09
Gross Written Premiums (GWP)	100.62	151.45	151.04
Outward Reinsurance Premiums	33.04	69.32	70.67
Net Written Premiums (NWP)	67.57	82.13	80.37
Premium Retention Ratio	67%	54%	53%
Direct Claims	34.55	50.46	89.32
Inward Claims	0.45	0.62	1.25
Gross Incurred Claims	35.00	51.08	90.57
Reinsurance Recoveries	1.33	2.34	65.61
Net Claims	33.67	48.74	24.97
Claims Retention Ratio	96%	95%	28%

1- Gross Written Premiums (GWP) increased from approximately USD 100.6 million in 2020 to USD 151.0 million in 2022.
2- The compound annual growth rate (CAGR) of gross written premiums during the period was approximately 22.5%.
3- The premium retention ratio declined from 67% to 53%, indicating a growing reliance on foreign reinsurance capacity.
4- 2022 witnessed a significant surge in reinsurance recoveries, reaching approximately USD 65.6 million, which explains the substantial decline in net retained claims.
5- The analysis is based on the new unified exchange rate regime, ranging between LYD 4.48 and LYD 4.90 per USD.

Source: General Arab Insurance Federation (GAIF Magazine - Issue 158, Sep 2023)

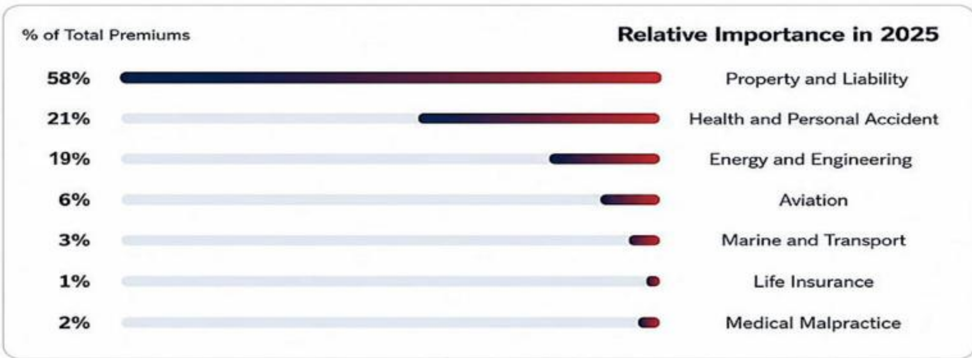
Libya Insurance Market Estimates 2023-2025

Distribution of Premium by Line of Business in 2025

Based on latest Libyan Insurance Federation Study in 2026, Premiums are concentrated in property and liability, health and accidents, and marine & transportation, while life insurance sectors remain relatively small.

This structure reflects growth opportunities if products are developed to meet the requirements of financing, savings and trade.

Line of Business	Estimated Premium Volume
Property and Liability	+700 million LYD
Health and Personal Accident	250 million LYD
Energy and Engineering	230 million LYD
Aviation	70 million LYD
Marine and Transport	40 million LYD
Life Insurance	10 million LYD
Medical Malpractice	10 million LYD

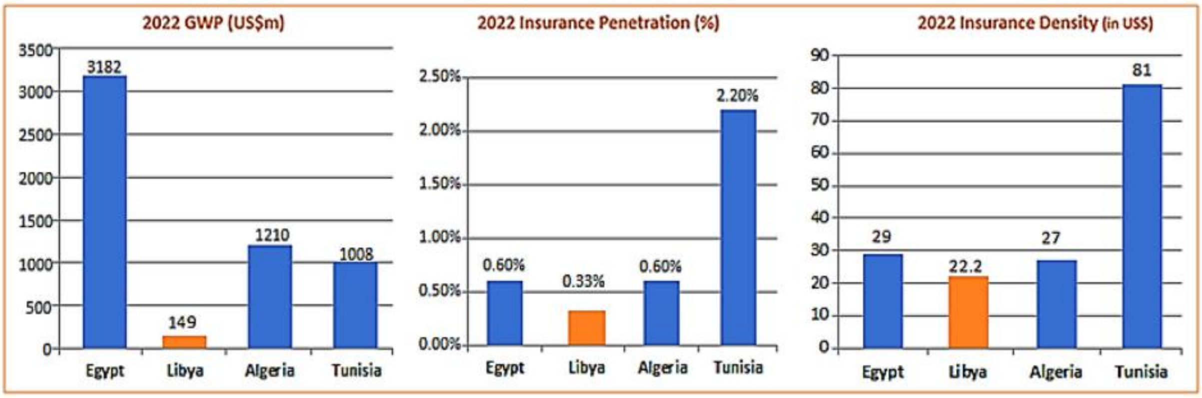


Technical Insight: The projected increase in Energy and Engineering premiums to approximately LYD 230 million would strengthen the relative weight of specialty insurance lines. However, the market's full potential can only be realized if part of the growth shifts toward higher value-added classes, such as Professional Liability, Free Zone Insurance, Transit Insurance, and Credit Life Insurance associated with the banking sector.

Source: Libyan Insurance Federation, July 2026

Regional Comparison:

2022



Source: SwissRe Sigma Explorer (http://www.sigma-explorer.com)

2025

The following comparative overview is based on data from the Libyan insurance market in comparison with key regional and global markets in terms of size, insurance penetration, and key financial indicators

Indicator	Libya	Egypt	Morocco	Tunisia	Source
Total Gross Premiums (USD)	USD 220 million (≈ LYD 1.3 billion)	USD 4.2 billion (≈ EGP 130.8 billion)	USD 3.4 billion (≈ MAD 34.5 billion)	USD 1.4 billion (≈ TND 4,255 million)	Estimated
Insurance Penetration (% of GDP)	0.09%	1.3%	3.5%	2.1%	Estimated
Solvency Ratio	226%	190%	170%	160%	Estimated
Technical Loss Ratio	29%	37%	30%	45%	Estimated
Liquidity Ratio	205%	190%	185%	170%	Estimated
Return on Investment	3%	9%	7%	6%	Estimated

Key Reading: The Technical Loss Ratio is the most significant indicator, as a lower ratio reflects better underwriting performance. In contrast, Solvency and Return on Investment ratios have a relative impact.

Analysis & Interpretation: The comparison shows that Libya has a higher Solvency Ratio (226%) and Liquidity Ratio (205%); however, it has a very low Insurance Penetration (0.09%) compared with Egypt (1.3%) and Morocco (3.5%). In terms of market size, Libya has the largest insurance market among the four (around USD 4.2 billion), with Egypt following. Morocco stands out with the highest Solvency Ratio (3.5%) in comparison with Egypt (1.3%) and Tunisia (2.1%). Libya also records a high Return on Investment (3%) with elevated solvency, while Tunisia has the largest market size among the four, but a relatively higher Technical Loss Ratio (45%) that puts pressure on profitaability.

Conclusion: Libya needs to expand its customer base through new insurance products such as health, automotive, and general insurance, in addition to raising awareness of the importance of insurance and the benefits of protection.
Note: All figures are approximate based on available data and have not been published in global sources.

Source: Libyan Insurance Federation, July 2026

The ranking of Libya's leading insurance companies varies depending on the financial indicator used

Top 5 Insurance Companies by Gross Written Premiums (2024)

Rank	Company	GWP (US$ million)	Key Observations
1	Libya Insurance Company	87.58	Collectively, these five companies accounted for approximately **76.8% of total gross written premiums** in the Libyan insurance market during 2024.
2	Trust Insurance Company	58.15	
3	African Insurance Company	39.30	
4	Qafela Insurance Company	31.01	
5	Sahara Insurance Company	29.10	

Top 5 Insurance Companies by Net Profit (2024)

Rank	Company	Net Profit 2024 (US$'000)	Key Observations
1	Trust Insurance Company	10,020	• **Trust Insurance Company** recorded the highest profitability in the market, outperforming Libya Insurance Company despite generating lower premium volumes. • Trust and Libya Insurance Companies together accounted for approximately **71.7% of the total reported profits** within the market.
2	Libya Insurance Company	9,220	
3	Qafela Insurance Company	2,840	
4	United Insurance Company	2,500	
5	Libo Insurance Company	2,190	

Top 5 Insurance Companies by Total Assets (2024)

Rank	Company	Total Assets 2024 (US$'000)	Key Observations
1	Libya Insurance Company	355,200	• **Libya Insurance Company** possesses the largest asset base in the market by a substantial margin. • The top three insurers alone account for approximately **76% of total market assets**.
2	Trust Insurance Company	195,520	
3	United Insurance Company	125,190	
4	African Insurance Company	61,120	
5	Sahara Insurance Company	49,240	

Top 5 Insurance Companies by Shareholders' Equity (2024)

Rank	Company	Shareholders' Equity 2024 (US$'000)	Key Observations
1	Libya Insurance Company	72,200	• **Libya Insurance Company** leads the market in terms of capital strength, representing approximately **40% of total shareholders' equity** across the market. • Trust Insurance Company and United Insurance Company exhibit a very similar level of capitalization.
2	Trust Insurance Company	18,440	
3	United Insurance Company	18,400	
4	Sahara Insurance Company	17,220	
5	African Insurance Company	13,140	

Quick Analytical Snapshot

Indicator	Market Leader	Value (US$'000)
Gross Written Premiums	Libya Insurance Company	87,580
Total Assets	Libya Insurance Company	355,200
Shareholders' Equity	Libya Insurance Company	72,200
Net Profit	Trust Insurance Company	10,020
Return on Equity (ROE)	Trust Insurance Company	54.3%

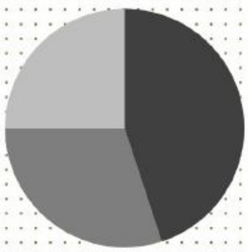
FAIR AVIATION POOL

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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Website: www.poolfair.ma

TÜRKIYE

Insurance Market Overview

by Hussein Elsayed

(I) General Information

Region	Western Asia	**UN membership date**	24 October 1945
Population (000, 2025)	87 685a	**Surface area (km2)**	783 562b
Pop. density (per km2, 2025)	113.9a	**Sex ratio (m per 100 f)**	99.6a
Capital city	Ankara	**National currency**	Turkish Lira
Capital city pop. (000, 2025)	5 018.0c,d	**Exchange rate (per US$)**	35.3e

Economic indicators	2015	2020	2025
GDP: Gross domestic product (million current US$)	864 314	720 338	1 118 253b
GDP growth rate (annual %, const. 2015 prices)	6.1	1.9	5.1b
GDP per capita (current US$)	10 802.0	8 367.0	12 814.0b
Economy: Agriculturef,g (% of Gross Value Added)	7.8	7.5	6.9b
Economy: Industryf,h (% of Gross Value Added)	31.6	31.5	32b
Economy: Services and other activityf,i (% of GVA)	60.6	61	61b
Employment in agriculturej (% of employed)	20.4	17.6	14.6b
Employment in industryj (% of employed)	27.2	26.2	27.6b
Employment in servicesj (% employed)	52.4	56.2	57.8b
Unemployment (% of labour force)	10.3	13.1	8.8j
Labour force participation rate (female/male pop. %)	31.4 / 71.4	30.8 / 68.1	36.8 / 71.7j
CPI: Consumer Price Index (2010=100)	146j	263	1 323e
Agricultural production index (2014-2016=100)	102	119	127b
International trade: exportsk (million current US$)	150 982	169 658	261 789e
International trade: importsk (million current US$)	213 619	219 514	344 013e
International trade: balancek (million current US$)	- 62 637	- 49 856	- 82 224e
Balance of payments, current account (million US$)	- 21 354	- 30 976	- 9 973e

Social indicators	2015	2020	2025
Population growth rate (average annual %)	2.5	0.8	0.2a
Urban population (% of total population)	73.6	75.6d	...
Urban population growth rate (average annual %)	2.4l	...	...
Fertility rate, total (live births per woman)	2.2	1.8	1.6a
Life expectancy at birth (females/males, years)	79.7 / 73.5	79.9 / 73.4	80.8 / 74.9a
Population age distributionm (0-14/60+ years old, %)	23.9 / 11.5	22.8 / 13.0	21.0 / 15.5a
International migrant stockn (000/% of total pop.)	3 751.0 / 4.7	6 580.3 / 7.6	7 083.5 / 8.1e
Refugees and others of concern to UNHCR (000)	1 985.3	3 905.7	3 343.7e
Under five mortality rate (per 1000 live births)	13.4	10.6	10.4a
Health: Current expenditureo,p (% of GDP)	4.1	4.6	3.7q
Health: Physicians (per 1 000 pop.)	1.8	2	2.2q

Social indicators	2015	2020	2025
Education: Primary gross enrol. ratioj (f/m per 100 pop.)	107.6 / 107.0	103.0 / 103.6	102.1 / 102.8q
Education: Lowr. sec. gross enrol. ratio j (f/m per 100 pop.)	108.8 / 105.5	112.2 / 109.0	104.0 / 102.5q
Education: Upr. Sec. gross enrol. ratioj (f/m per 100 pop.)	104.8 / 109.8	110.8 / 118.2	125.0 / 132.8q
Intentional homicide rate (per 100 000 pop.)	2.8	2.5	3.2b
Seats held by women in national parliaments (%)	14.4	17.3r	19.9r

Environment and infrastructure indicators	2015	2020	2025
Individuals using the Internets (per 100 inhabitants)	53.7t	77.7	87.3e
Research & Development expenditure (% of GDP)	0.9	1.4	1.4u
Threatened species (number)	370	435	455e
Forested area (% of land area)	28.1	28.9	29.3q
CO2 emission estimates (million tons/tons per capita)	327.6 / 4.1	364.3 / 4.2	389.4 / 4.5q
Energy production, primary (Petajoules)	1 317	1 826	2 113q
Energy supply per capita (Gigajoules)	67	71	75q
Tourist/visitor arrivals at national bordersv (000)	39 478	15 894	50 453q
Important sites for terrestrial biodiversity protected (%)	2.3	2.3	2.3e
Pop. using safely managed sanitation (urban/rural, %)	63.5 / 67.3	73.8 / 78.2	78.0 / 81.1q
Net Official Development Assist. disbursedw (% of GNI)	0.65	1.16d	0.6b
Net Official Development Assist. received (% of GNI)	0.25	0.08	0.14b

Major trading partners 2024						
Export partners	Germany	7.8%	United States	6.2%	United Kingdom	5.8%
Import partners	China	13.1%	Türkiye	12.8%	Italy	7.9%

a Projected est. (medium fertility variant).
b 2023.
c Refers to Altindag, Cankaya, Etimesgut, Golbasi, Keçioren, Mamak, Sincan and Yenimahalle.
d 2019.
e 2024.
f Data classified according to ISIC Rev. 4.
g Exc. irrigation canals and landscaping care.
h Exc. publishing activities. Inc. irrigation canals.
i Inc. publishing activities and landscape care. Exc. repair of personal and household goods.
j Estimate.
k Special trade system up to 2012.
l Data refers to a 5-year period preceding the reference year.
m Calculated by the UN Statistics Division.
n Including refugees.
o Country is still reporting data based on SHA 1.0.
p Based on calendar year (January 1 to December 31).
q 2022.
r Data at 1 January of the reporting year.
s Population aged 16 to 74 years. t Users in the last 12 months.
u 2021.
v Turkish citizens resident abroad are included.
w Türkiye reports support to refugees in Türkiye against type of aid C01 "project-type interventions" instead of H02 "in-donor refugee costs".

Source: UN - World Statistics Pocketbook 2025

1 - Country Risks

* Political & Security

Türkiye faces a complex political and security environment characterized by domestic political polarization, governance concerns, and ongoing security threats linked to instability along its southern borders with Syria and Iraq. Its strategic geopolitical position also exposes the country to regional tensions in the Eastern Mediterranean and the broader Middle East, including friction with some Western partners.

* Economic & Fiscal

The Turkish economy continues to face significant challenges related to elevated inflation, currency volatility, and high energy and financing costs. Although macroeconomic stabilization policies have improved some indicators, inflation remains high relative to peer emerging markets.

The IMF projects Türkiye's GDP growth at around 3.4% in 2026, while persistent energy price pressures and a widening current account deficit remain key vulnerabilities. Fiscal pressures also continue due to post-earthquake reconstruction costs and elevated public spending.

* Financial Sector & Liquidity

Türkiye's financial sector remains exposed to risks stemming from high interest rates, declining confidence in the local currency, and reliance on short-term external financing. Exchange-rate volatility and pressure on foreign exchange reserves remain major concerns during periods of market stress.

The IMF and Fitch Ratings have warned that persistently high inflation and large external financing needs could continue to strain liquidity conditions and weaken reserve adequacy.

* Geo-Regional Risks

Türkiye remains vulnerable to geopolitical risks arising from its location between Europe, the Middle East, and the Black Sea region. Key exposures include regional conflicts, energy market disruptions, supply chain pressures, and instability in neighboring regions.

Any escalation in regional conflicts or prolonged energy supply disruptions could intensify inflationary pressures, widen external imbalances, and weaken economic growth prospects.

2 - Natural Catastrophe (NatCat) Risks

* Flooding

Flooding and flash-flood risks are increasing across Türkiye, particularly in northern coastal regions, the Black Sea area, and major urban centers such as Istanbul. Heavy rainfall events and insufficient urban drainage systems continue to raise economic and infrastructure losses.

* Drought & Heat Stress

Türkiye faces growing drought and heat-stress risks, especially across Central and Southern Anatolia. Rising temperatures and declining water availability are affecting agriculture, hydropower generation, and long-term water security

* Coastal Erosion & Storm Surge

Turkish coastal regions along the Mediterranean and Aegean Seas are increasingly exposed to coastal erosion, sea-level rise, and storm surges, posing risks to tourism assets, ports, and coastal infrastructure.

* Geophysical (Earthquake)

Earthquakes remain Türkiye's most significant natural catastrophe risk due to its location on major active fault lines, particularly the North Anatolian Fault. The February 2023 earthquakes highlighted the country's severe seismic exposure, with around 70% of the population living in first- and second-degree seismic zones. Reconstruction and recovery needs have been estimated at more than USD 81 billion.

Conclusion

Türkiye combines strong long-term economic potential driven by its diversified industrial, manufacturing, and tourism sectors with elevated macroeconomic and geopolitical risks linked to inflation, currency volatility, and external financing dependence.

At the same time, natural catastrophe exposure — particularly earthquake risk — remains one of the country's most significant structural vulnerabilities, requiring sustained investment in resilient infrastructure and disaster risk management systems

(II) Insurance Market

Key Highlights

- The Turkish insurance sector is primarily regulated by the Insurance and Private Pension Regulation and Supervision Agency (SEDDK), which was established in 2020.
- The Turkish insurance industry allows 100% foreign direct investment.
- The provisions of the Insurance Law 2007 (No.5684) regulate the life and non-life insurance businesses in Turkey.
- The motor third-party liability insurance, liability insurance of a carrier to the passenger of the aircraft, and third-party liability insurance for hazardous activities are the key compulsory classes of insurance.
- Non-admitted insurance is not permitted in Turkey with a few exceptions.

(A) Insurance Market - Historical Landmarks and Regulatory Environment

The insurance market in Turkey has evolved into one of the most dynamic insurance sectors in the Middle East and Eastern Europe. Its journey spans nearly two centuries, beginning with European insurers in the Ottoman era and progressing toward digital transformation, cyber insurance, and regional financial integration in recent years

European Origins and Early Foundations

Insurance activities were introduced to the Ottoman Empire during the 19th century through agencies and branches of European insurers, particularly in marine trade. In 1862, the Italian insurer "Riunione Adriatica" entered the Turkish market for marine and fire insurance, later becoming part of Allianz.

The Great Pera Fire of 1870 in Istanbul marked a turning point after thousands of homes were destroyed. British insurers expanded rapidly, and the first insurance risk maps of Constantinople were developed.

Building a National Insurance Industry

Following the establishment of the Turkish Republic under Mustafa Kemal Atatürk, the country focused on creating national insurance institutions. In 1925, Anadolu Sigorta became Turkey's first national insurer, followed by the establishment of the national reinsurer "Milli Re" in 1929 to strengthen domestic risk retention.

The following decades saw the creation of major institutions, including:

- Aksigorta in 1960.
- The Insurance Supervisory Board in 1963.
- The Insurance Association of Turkey in 1976.

Liberalization and Regulatory Reforms

The 1990s brought major liberalization reforms, including the abolition of most insurance tariffs in 1990, except for earthquake and agricultural insurance. New legislation also separated life and non-life insurance activities.

When Turkey officially began accession talks with the European Union in 2005, the country accelerated efforts to align its insurance framework with European standards. This culminated in the landmark Insurance Law No. 5684 of 2007, widely regarded as a cornerstone reform for the Turkish insurance sector.

MTPL Challenges and Catastrophe Risk

Between 2014 and 2017, Turkey's compulsory motor third-party liability (MTPL) market experienced severe underwriting pressure due to rising claims costs. In response, authorities introduced premium caps and established a "Risky Insurance Pool" to distribute risks among insurers.

Natural catastrophes, including severe hailstorms and floods in Istanbul in 2017, further increased awareness of catastrophe insurance and led to the development of specialised insurance pools, including plans for a Turkish nuclear insurance pool.

Institutional Transformation and State-Led Reform

Between 2018 and 2020, the sector underwent major restructuring under Turkey's New Economic Programme. State-backed reinsurer Türk Re was established to strengthen domestic retention capacity and reduce reliance on foreign reinsurance markets.

In 2019, the Insurance and Private Pension Regulation and Supervision Agency (IRSA) was created as a new regulatory authority, replacing the former Treasury structures with a more flexible and market-oriented supervisory framework.

The same period also witnessed the merger of state-owned insurers under the Turkish Wealth Fund, aiming to create a stronger national insurance platform capable of supporting economic development through surety, credit, and construction completion insurance products.

Cybersecurity and Climate Insurance

Since 2019, cybersecurity and climate change have emerged among the sector's most strategic priorities. Following cyberattacks targeting Turkish banking and telecom institutions, insurers accelerated the launch of cyber insurance solutions covering digital and operational risks.

At the same time, Turkish insurers introduced climate-related insurance products and sustainability initiatives linked to environmental responsibility programmes.

Istanbul Financial Center and Regional Expansion

In 2022, Turkey launched the Istanbul Financial Center project, designed to become a regional hub for banking, insurance, and asset management activities through tax incentives and modern infrastructure.

Turkey also joined Azerbaijan, Kazakhstan, Uzbekistan, Kyrgyzstan, and Turkmenistan in establishing the Turkic World Insurance Union, aiming to strengthen insurance cooperation among Turkic-speaking nations and develop a unified regional insurance pool.

Key Developments from 2024 to 2026

Between 2024 and 2026, the Turkish insurance market maintained strong momentum despite inflationary pressures and economic volatility.

<u>Major developments included:</u>

- Rapid expansion of digital insurance platforms and online distribution.
- Increased adoption of artificial intelligence and data analytics in underwriting and claims management.
- Continued growth of participation insurance (takaful) supported by regulators and public policy.
- Rising demand for private health insurance amid pressure on public healthcare systems.
- Further expansion of earthquake and catastrophe insurance following the impact of the 2023 earthquakes.

- Stronger solvency and risk management standards aligned more closely with European practices.
- Accelerated growth in cyber insurance and SME-focused coverage solutions.
- Expanded strategic role of Türk Re in supporting domestic reinsurance capacity.
- Ongoing regional expansion of Turkish insurers into Central Asia and the Middle East

Today, Turkey's insurance market represents a unique blend of historical legacy, regulatory modernization, technological innovation, and regional ambition, positioning the country as a rising insurance and financial hub connecting Europe, Asia, and the Middle East.

Insurance Market Supervision

1. Insurance Regulator:

The Turkish insurance sector is primarily regulated by the **Insurance and Private Pension Regulation and Supervision Agency (SEDDK)**, which was established in 2020 as an autonomous regulatory authority.
SEDDK is responsible for:

- Licensing insurance and reinsurance companies.
- Supervising insurers, reinsurers, intermediaries, actuaries, and loss adjusters.
- Issuing secondary legislation and regulatory guidelines.
- Monitoring solvency, governance, consumer protection, and market conduct.
- Approving mergers, acquisitions, portfolio transfers, and significant shareholding changes.

The **Ministry of Treasury and Finance** remains responsible for insurance policy development and broader sector oversight

2. Insurance Associations:

Insurance Association of Türkiye (TSB)

(Formally: Association of Insurance, Reinsurance and Pension Companies of Türkiye). The TSB is the statutory industry association representing insurance, reinsurance, and pension companies operating in Türkiye.

Its main functions include:

- Representing industry interests.
- Supporting regulatory development.
- Publishing market statistics and reports.
- Promoting professional standards.
- Coordinating industry-wide initiatives.

Membership is generally mandatory for licensed insurers and reinsurers.

Other industry organizations include:

- Turkish Insurance Experts Association
- Insurance and Reinsurance Brokers Association
- Turkish Association of Insurance Agents

3- Insurance Pools:

The Turkish Catastrophe Insurance Pool was created after the 1999 earthquake. The program is designed to provide compulsory insurance for all urban residential properties for property damages caused directly by earthquakes and other perils of fire, explosion, tsunami, or landslide following earthquake. . Studies on the design of a disaster insurance product that covers a broader range of natural disasters have been initiated and are planned to be completed by 2023.

The Green Card Pool was established to cover motor third part liability claims of Turkish residents travelling abroad in Europe and to handle claims of accidents in Turkey caused by foreign plated vehicles which have a valid green card.

All insurers licensed to write motor third party liability insurance in Turkey are required to be members of the pool which is run by an independent board of managers in conjunction with the Turkish Motor Insurance Bureau (TMIB). Green cards are issued by local insurers and all premiums are ceded to the pool. Claims are handled by the TMIB and settlement is made in accordance with the laws of the country where the accident occurred. Members share in the profits or losses of the pool in proportion to the volume of business ceded.

The Agriculture Insurance Pool (TARSIM) provides standardized agricultural insurance cover to farmers in Turkey. The Pool is run by a special purpose company set up by the companies writing agricultural insurance business. It is overseen by a Board comprising government and industry members and a member from the Union of Turkish Chambers of Agriculture. It receives a government subsidy of a minimum 50 percent of the premiums written. Insurance companies issue insurance policies with their own name, however all of the risk and the premium must be transferred to the Agriculture Insurance Pool. These insurance companies can optionally take a share from the Pool through retrocession.

4. Key Legislations:

The principal legal framework includes:

Legislation	Law No.	Year Issued / Effective	Purpose
Insurance Law (Sigortacılık Kanunu)	Law No. 5684	2007 (effective 14 June 2007)	The principal law governing the insurance and reinsurance sector, including licensing, supervision, solvency, intermediaries, insurance arbitration, and consumer protection.
Private Pension Savings and Investment System Law	Law No. 4632	2001	Governs the private pension system, pension companies, pension funds, and retirement savings schemes.
Agricultural Insurance Law	Law No. 5363	2005	Regulates the Agricultural Insurance Pool (TARSİM) and agricultural insurance covering crops, livestock, aquaculture, and other agricultural risks.
Disaster Insurance Law	Law No. 6305	2012	Establishes the legal framework for compulsory disaster insurance, including the Compulsory Earthquake Insurance (DASK) scheme.
Turkish Commercial Code	Law No. 6102	2011 (effective 1 July 2012)	Regulates commercial matters, including insurance contracts (Book Six), reinsurance, and the rights and obligations of the parties to insurance contracts.
Turkish Code of Obligations	Law No. 6098	2011 (effective 1 July 2012)	Establishes the general legal framework for contracts and obligations applicable to insurance relationships unless otherwise provided by the Insurance Law or Commercial Code.
Highway Traffic Law	Law No. 2918	1983	Provides the legal basis for compulsory Motor Third-Party Liability Insurance and compensation arising from road traffic accidents.

Secondary Legislation

In addition to the above primary legislation, the Insurance and Private Pension Regulation and Supervision Agency (SEDDK) has issued numerous secondary regulations, communiqués, and guidelines since its establishment in 2020.

These govern areas such as:

- Licensing of insurance and reinsurance companies
- Solvency and capital adequacy
- Corporate governance
- Technical reserves
- Risk management and internal controls
- Financial reporting and accounting
- Reinsurance arrangements and prudential supervision

For concise market reports, these instruments are commonly referenced collectively as: SEDDK Secondary Regulations, Communiqués, and Guidelines (2020–present).

5. Company Registration and Operation

According to Article 3 of the Turkish Insurance Code ("Insurance Code"), insurance and reinsurance companies operating in Türkiye must be established as either joint stock company or cooperative as per Turkish Commercial Code ("TCC") and be registered and licensed in Türkiye.

Main requirements include:

- Incorporation as a joint stock company (A.Ş.) under Turkish law.
- Meeting minimum paid-up capital requirements.
- Demonstrating adequate financial resources.
- Submission of a business plan.
- Fit-and-proper assessment of shareholders and senior management.
- Appropriate corporate governance and internal control systems.
- Compliance with solvency, technical reserve, accounting, and reporting requirements

Companies are licensed separately for each insurance branch (life and non-life). Reinsurers are also subject to licensing and prudential supervision

6. Foreign Ownership & FDI

Türkiye maintains a generally liberal foreign investment regime.

Foreign investors may:

- Establish wholly foreign-owned insurance or reinsurance companies.
- Acquire Turkish insurers subject to regulatory approval.
- Participate in mergers and acquisitions.
- Establish branches where permitted under applicable legislation.

Foreign investors receive national treatment under Turkish investment legislation, although ownership changes in regulated insurers require prior approval from SEDDK.

7. Compulsory Insurances

Major compulsory insurance classes include:

- Motor Third-Party Liability Insurance
- Compulsory Earthquake Insurance (DASK) for residential buildings
- Employer Liability Insurance (for certain sectors)
- Passenger Transportation Liability Insurance
- Hazardous Materials Liability Insurance
- Medical Malpractice Liability Insurance
- Aviation Third-Party Liability Insurance
- Maritime Pollution Liability Insurance
- Agricultural insurance schemes for specified risks

Additional compulsory covers apply in regulated sectors such as energy, transportation, and environmental liability

8. Reinsurance Business

As of 2026, the Turkish reinsurance market comprises **4 licensed domestic reinsurers**, according to the Insurance and Private Pension Regulation and Supervision Agency (SEDDK):

- Milli Reasürans T.A.Ş. (Milli Re) – Türkiye's oldest reinsurer, established in 1929.
- Türk Reasürans A.Ş. (Turkish Re) – the national reinsurer established in 2019.

- Türk Katılım Reasürans A.Ş. – Türkiye's first participation (Islamic) reinsurer.
- VHV Reasürans A.Ş. – a Turkish reinsurer owned by Germany's VHV Group.

Beyond these domestic players, Turkish insurers make extensive use of international reinsurance capacity. Major foreign reinsurers active in the market include Swiss Re, Hannover Re, Munich Re, SCOR, Everest Re, Korean Re, PartnerRe, Lloyd's syndicates, QBE Europe, Malaysian Re, among others, through both treaty and facultative arrangements.

From a regulatory perspective, Türkiye does not impose any compulsory cession requirements in favor of domestic reinsurers, nor does it grant local companies a statutory right of first refusal.

The historical compulsory cession system administered by Milli Re was abolished in 1991, after which reinsurance placements became entirely market-based and commercially negotiated.

Although there is no mandatory domestic cession, Milli Re and Türk Re remain the leading local reinsurers. Milli Re currently accounts for approximately 18% of the domestic reinsurance market and leads numerous proportional treaty programs for Turkish insurers, reflecting its continued strategic importance despite the fully liberalized reinsurance market.

Reinsurance plays an important role in managing catastrophe exposure, particularly earthquake risk, large industrial risks, aviation, marine, engineering, and energy insurance.

(B) Insurance Market - Performance & Statistics

Insurance Market Structure in 2024:

Type	Activity	Number
Insurance companies	Non-life	47
	life	5
	Reinsurance	4
	Pension funds	15
Total		71
Distribution network and adjusters	Agents	19 217
	Brokers	223
	Life and non-life adjusters	2 095
	Agricultural adjusters	4 147
Total		**25 682**

Sources: Insurance and Private Pension Regulation and Supervision Agency (SEDDK) and Insurance Association of Turkey.

Insurance Market Performance in 2024:

Turkish insurance market: premium evolution by life and non-life class of business (2020-2024)

Figures in thousands USD

	2020	2021	2022	2023	2024
Non-life	9 239 432	7 639 079	10 912 020	14 318 544	20 915 596
Life	1 956 454	1 512 529	1 648 142	1 903 953	2 828 279
Total	**11 195 886**	**9 151 608**	**12 560 162**	**16 222 497**	**23 743 875**

Insurance density (2024): 277.6 USD | **Penetration rate (2024):** 1.8%

Turkish insurance market: turnover by class of business (2020-2024)

Figures in thousands USD

Classes of business	2020	2021	2022	2023	2024	Shares 2024
Motor	4 234 187	3 281 286	5 460 681	6 735 283	9 403 483	39.60%
Fire (1)	2 514 588	2 188 650	2 633 571	3 679 827	5 577 561	23.49%
Health	1 368 749	1 140 958	1 605 451	2 364 824	3 866 851	16.29%
Marine (2)	345 979	344 592	416 237	429 260	608 640	2.56%
Accident	303 301	210 161	251 693	367 135	512 550	2.16%
General third party liability	296 933	280 580	318 276	375 913	445 732	1.88%
Other risks (3)	175 695	192 852	226 111	366 302	500 779	2.11%
Total non-life	**9 239 432**	**7 639 079**	**10 912 020**	**14 318 544**	**20 915 596**	**88.09%**
Life	**1 956 454**	**1 512 529**	**1 648 142**	**1 903 953**	**2 828 279**	**11.91%**
Grand total	**11 195 886**	**9 151 608**	**12 560 162**	**16 222 497**	**23 743 875**	**100%**

Turkish insurance market: loss ratio by non-life class of business (2024)

Figures in thousands

Class of business	Incurred losses		Earned premiums		Loss ratio
	TRY	USD	TRY	USD	
Motor	215 096 592	6 089 385	215 740 553	6 107 615	99.70%
Fire (1)	18 226 512	515 993	47 407 341	1 342 102	38.45%
Health	72 935 836	2 064 813	97 462 516	2 759 164	74.83%
Marine (2)	3 973 026	112 476	7 064 939	200 009	56.24%
Accident	687 800	19 472	12 615 221	357 137	5.45%
General third party liability	4 338 724	122 829	5 628 411	159 340	77.09%
Other risks (3)	812 945	23 014	7 000 573	198 186	11.61%
Total non-life	**316 071 435**	**8 947 982**	**392 919 554**	**11 123 553**	**80.44%**

Turkish insurance market: Management expenses ratio by non-life class of business (2024)

Figures in thousands

Class of business	Management expenses		Net written premiums		Management expenses ratio
	TRY	USD	TRY	USD	
Motor	49 446 947	1 399 843	278 931 142	7 896 541	17.73%
Fire (1)	20 875 300	590 980	69 987 891	1 981 357	29.83%
Health	26 656 720	754 652	127 454 310	3 608 232	20.91%
Marine (2)	2 370 834	67 118	8 336 479	236 006	28.44%
Accident	7 259 017	205 503	16 332 332	462 368	44.45%
General third partyliability	1 870 058	52 941	6 491 852	183 784	28.81%
Other risks (3)	3 195 104	90 453	10 990 526	311 142	29.07%
Total non-life	**111 673 980**	**3 161 490**	**518 524 532**	**14 679 430**	**21.54%**

Turkish insurance market: combined ratio by non-life class of business (2024)

Class of business	Loss ratio	Management expenses ratio	Combined ratio
Motor	99.70%	17.73%	117.43%
Fire (1)	38.45%	29.83%	68.28%
Health	74.83%	20.91%	95.74%
Marine (2)	56.24%	28.44%	84.68%
Accident	5.45%	44.45%	49.90%
General third party liability	77.09%	28.81%	105.90%
Other risks (3)	11.61%	29.07%	40.68%
Total non-life	80.44%	21.54%	101.98%

(1) Including natural disasters and other property damage.
(2) Including marine, aviation, and land transportation.
(3) Including credit, bond, financial losses, legal protection, and assistance.

Exchange rate as at 31/12/2024: 1 TRY = 0.02831 USD, at 31/12/2023 : 1 TRY = 0.03361 USD, at 31/12/2022: 1 TRY = 0.05341 USD, at 31/12/2021: 1 TRY = 0.08724 USD, at 31/12/2020: 1 TRY = 0.13557 USD

TURKISH INSURANCE MARKET PERFORMANCE 1Q2026 BY BRANCH OF BUSINESS

TOTAL 1Q2026 PREMIUMS	1Q2026 vs 1Q2025 NOMINAL CHANGE	1Q2026 vs 1Q2025 REAL CHANGE	NON-LIFE SHARE OF MARKET	LIFE SHARE OF MARKET	NUMBER OF BRANCHES
TRY 396,422 m	30.40%	-0.40%	85.80%	14.20%	18

PREMIUMS AND GROWTH BY BRANCH OF BUSINESS (TRY million)

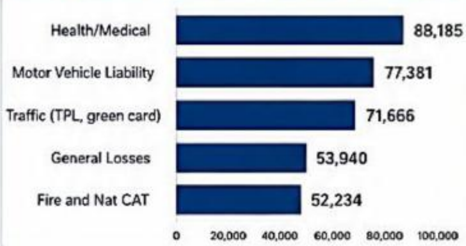
Branch of Business	1Q2026 Premiums (TRY m)	Market Share	1Q2025 Premiums (TRY m)	Nominal Change	Real Change
Accident	6,094	1.79%	5,510	10.59%	-15.49%
Health/Medical	88,185	25.94%	66,006	33.60%	2.09%
Motor Own Damage	39,816	11.71%	32,621	22.05%	-6.74%
Aircraft	1,094	0.32%	879	24.43%	-4.92%
Marine/Watercraft	2,059	0.61%	1,832	12.43%	-14.09%
Marine/Cargo (Transport)	4,008	1.18%	3,199	25.28%	-4.27%
Fire and Nat CAT	52,234	15.36%	43,226	20.84%	-7.66%
General Losses	53,940	15.87%	32,065	68.22%	28.54%
Motor Vehicle Liability	77,381	22.76%	68,604	12.79%	-13.81%
Traffic (TPL, green card)	71,666	21.08%	54,845	30.67%	-0.15%
Aircraft Liability	1,193	0.35%	909	31.28%	0.32%
Watercraft Liability	711	0.21%	415,593	71.08%	30.72%
General Liability	6,552	1.93%	5,361	22.23%	-6.60%
Credit	1,317	0.39%	747	76.28%	34.70%
Suretyship (Bail)	298	0.09%	222	34.06%	2.44%
Financial Losses	1,949	0.57%	1,590	22.53%	-6.37%
Legal Protection	1,924	0.57%	2,364	-18.60%	-37.80%
Assistance	1,215	0.36%	932	30.30%	-0.43%
NON-LIFE TOTAL	339,971	85.80%	266,483	27.60%	-2.50%
LIFE TOTAL	56,452	14.20%	37,602	50.10%	14.70%
GRAND TOTAL	396,422	100.00%	304,086	30.40%	-0.40%

KEY TAKEAWAYS

- Total premiums reached TRY 396,422 million in 1Q2026, up 30.40% (nominal) compared to 1Q2025.
- Non-life business dominates the market with a share of 85.80%.
- General Losses recorded the highest nominal growth (+68.22%) and real growth (+28.54%).
- Legal Protection declined the most in real terms (-37.80%).
- Health/Medical is the largest single branch with a 25.94% market share.

MARKET SHARE IN 1Q2026

TOP 5 BRANCHES BY 1Q2026 PREMIUMS (TRY million)



HIGHEST GROWTH (NOMINAL)

1. Credit +76.28%
2. General Losses +68.22%
3. Watercraft Liability +71.08%

LARGEST DECLINE (REAL)

1. Legal Protection -37.80%
2. Accident -15.49%
3. Marine/Watercraft -14.09%

NOMINAL GROWTH BY BUSINESS LINE

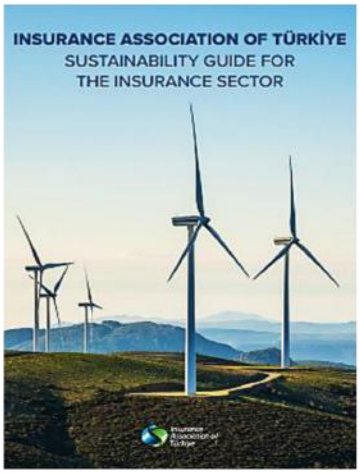
Non-Life Premiums TRY 339,971 m **+27.60%**

Life Premiums TRY 56,452 m **+50.10%**

Source: TSB

Note: Figures may not sum exactly due to rounding.

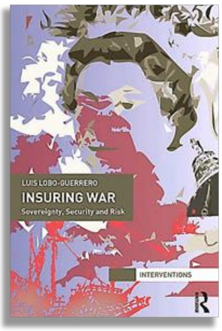
TÜRKIYE Insurance Reference & Resources



Book Review

Insuring War: Sovereignty, Security and Risk

Author: Luis Lobo-Guerrero **Publisher**: Routledge **Published**: 2013 **Number of Pages**: 176



Overview

Insuring War: Sovereignty, Security and Risk offers a groundbreaking interpretation of the relationship between insurance, warfare, and state power. Rather than viewing insurance merely as a financial mechanism for compensating losses, Luis Lobo-Guerrero argues that insurance has been a crucial instrument through which modern states have organized, financed, and sustained warfare.

Drawing primarily on the British experience from the Napoleonic Wars through the World Wars and into the twenty-first century, the book demonstrates how war-risk insurance became an essential component of national security and economic resilience.

At the heart of the study is the innovative concept of "**Insurantial Sovereignty**"—the incorporation of insurance rationalities and risk-management practices into the exercise of sovereign power.

Core Argument

The central thesis is straightforward yet profound:

- Modern wars are not sustained by military force alone; they also depend upon institutions capable of managing uncertainty and distributing risk.
- Insurance systems enabled governments to preserve trade, maintain credit, support logistics, and ensure economic continuity under wartime conditions. Consequently, insurance became an indispensable instrument of governance

The Concept of "Insurantial Sovereignty"

Lobo-Guerrero argues that modern sovereignty increasingly operates through risk calculation and probabilistic reasoning.

Insurantial Sovereignty refers to:

- The integration of insurance practices into governmental decision-making.
- The use of actuarial and probabilistic calculations in statecraft.
- Cooperation between public authorities and private insurers in pursuing national objectives.
- The transformation of security from territorial defense into the management of uncertainty.

Accordingly, sovereignty is exercised not only through armies and laws but also through insurance mechanisms.

Chapter Highlights

Chapter 1 – Insurantial Sovereignty

Introduces the theoretical framework linking sovereignty, security, governance, and risk management.

Chapter 2 – Maritime Insurance and the Napoleonic Wars

Examines how maritime insurance helped Britain sustain commerce and national power during the Napoleonic conflict.

Chapter 3 – Enemy Risks and World War I

Analyzes the emergence of war-risk insurance as a strategic instrument for managing enemy-related maritime risks.

Chapter 4 – World War II War-Risk Insurance Regime

Explores the expansion of state-backed insurance schemes and the emergence of the state as the ultimate guarantor of wartime risks.

Chapter 5 – Sovereignty Beyond the State

Investigates the role of Lloyd's of London in managing global maritime risks and shaping transnational security arrangements.

Chapter 6 – Reconstituting the International

Discusses how insurance networks contribute to the restructuring of international political and economic relations.

Key Contributions

The book makes several important contributions:

Insurance as Political Power: Insurance is revealed as a political technology that allocates protection, responsibility, and economic security.

War as Risk Management: Military success depends not only on force but also on the effective management of uncertainty.

Private Markets as Security Actors: Insurance and reinsurance markets emerge as critical participants in national and international security frameworks.

Probabilistic Sovereignty: Modern governance increasingly relies on forecasting, modelling, and actuarial calculations.

Beyond Traditional International Relations: The book broadens the study of security by incorporating financial infrastructures and risk-management institutions.

Relevance to Today's Insurance Market

Although published in 2013, the book remains highly relevant in light of:

- The Russia–Ukraine conflict.
- Middle East conflict (USA_Israel vs Iran)
- Maritime disruptions in the Red Sea.
- Cyber warfare and cyber insurance developments.
- Government-supported catastrophe and war-risk insurance schemes.
- Growing debates around economic security and supply-chain resilience.
-

Many contemporary discussions surrounding strategic autonomy, national resilience, and insurance-backed risk transfer reflect themes anticipated by Lobo-Guerrero's analysis.

Final Assessment

Insuring War is one of the most original contributions to the study of insurance, security, and international political economy. By demonstrating that insurance is not merely a financial service but a fundamental technology of governance, the book opens a new perspective on how modern states manage war, peace, and uncertainty.

Recommended For:

Insurance and reinsurance professionals Risk management specialists International Relations scholars	Security studies researchers Policymakers and regulators Political economy analysts

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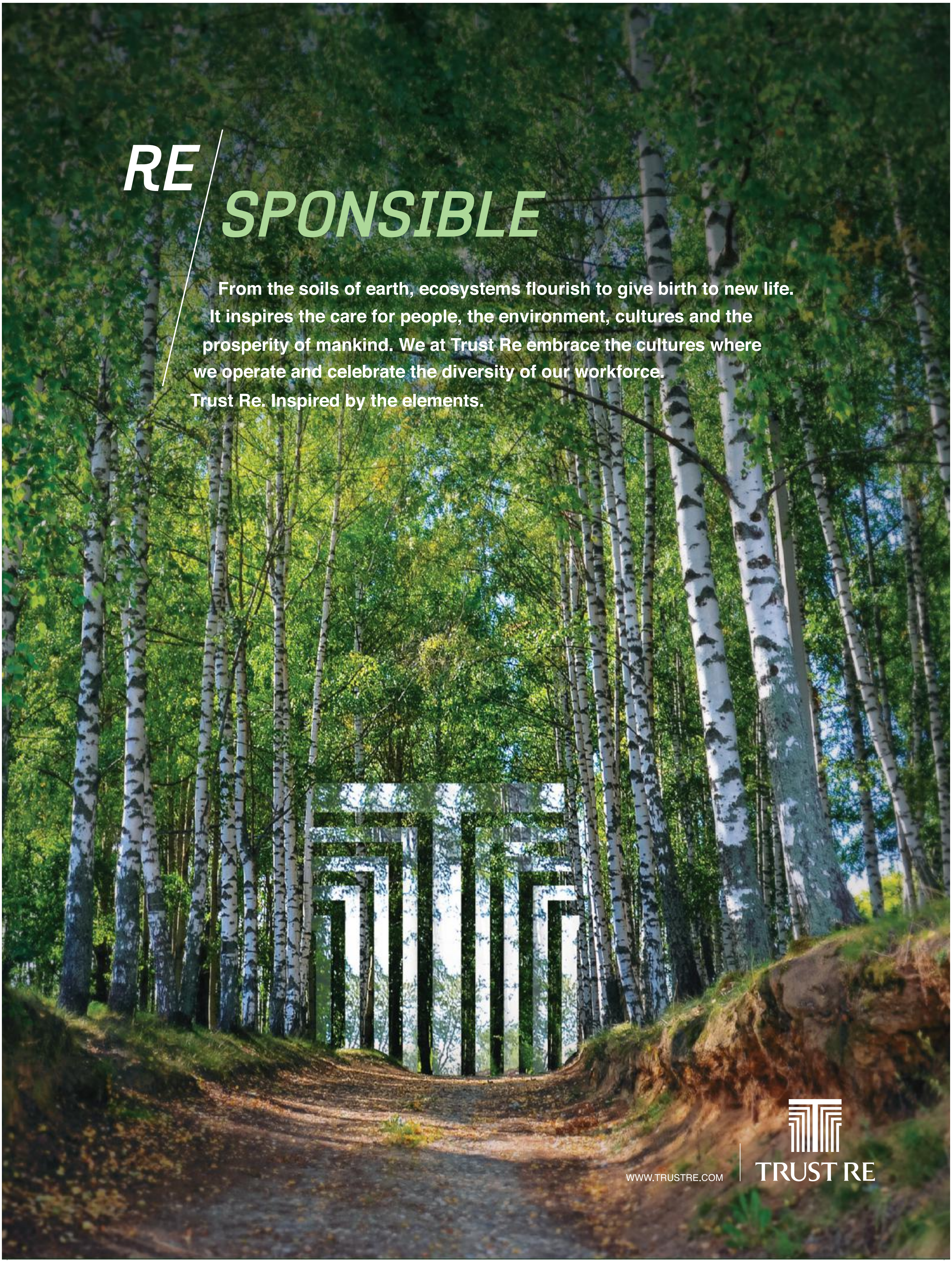

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