Published by:
Middle East Insurance Review
Member: Beacon International Group, Ltd.

DAY 1
Monday
6 October 2025

FAIR DAILY

Published by: Middle East Insurance Review
Member: Beacon International Group, Ltd.

Sponsor: OMANRe
Reinsurance Protection Beyond Expectations

Media Partner: Asia Insurance Review
Member: Beacon International Group, Ltd.

Stronger together: Africa and Asia deepen cooperation for new insurance era

African and Asian (re)insurance communities are increasingly interested in strengthening cooperation to unlock the opportunities both continents offer, says the Federation of Afro-Asian Insurers & Reinsurers (FAIR) secretary general Mo'men Mukhtar.

By Osama Noor

The Federation of Afro-Asian Insurers & Reinsurers (FAIR) has witnessed noticeable growth in its membership and engagement in recent years both among members and with the global industry body itself, said its secretary general Mo'men Mukhtar. "We have seen an increasing number of member companies from both continents, Africa and Asia, recognising the value of cross-continental cooperation, fostering stronger connections with regulators and regional stakeholders of the insurance industry, like consultancy and actuarial firms, loss adjusting firms, educational institutions, etc."

The Federation has recorded a steady increase in membership. In the past 12 months alone, more than 20 new members joined the Federation. They hail from diverse markets across Africa, Asia, and beyond, he said.

He added, "This growth in the number of members not only reflects the trust in FAIR and the role it plays as one of the important 'information hubs' in the insurance world, but also the recognition of the Federation's activities like forums, workshops and webinars that promote the sharing of technical expertise, raising of industry standards and adopting best practices.

"The new members are from diverse segments of the insurance ecosystem, ranging from direct insurers and reinsurers; insurance and reinsurance brokers; actuarial and consultancy firms; insurance educational institutions; loss adjusters and regulators."

Reinsurance pools and syndicate

In addition, the Federation has actively marketed the capabilities and capacities offered by its reinsurance pools and syndicate, which has further boosted the momentum of cooperation among members, he said.

The Federation has under its umbrella the following reinsurance consortia:

- FAIR Non-Life Reinsurance

(continued on next page)

Pool: Started operations in 1974 and currently managed by Misr Insurance Company, Egypt.

- **FAIR Aviation Pool:** Started operations in 1989 and managed by Atlantic Re (formerly SCR), Morocco.
- **FAIR Oil and Energy Insurance Syndicate:** Started operations in 1999 and managed by Trust Re, Bahrain.

Operating arms gaining strength

The FAIR reinsurance consortia continue to enhance their underwriting capacity, technical expertise and quality of retrocession protection, said Mr Mukhtar. "The Pools and Syndicate also follow a prudent underwriting philosophy and adhere to a compliance and risk management framework. Not only have they provided reinsurance capacity when it was difficult to obtain but they have also generated reasonable profits for their members."

As a result of the prudent approach in underwriting business on behalf of members, the three consortia delivered strong technical results. GWP in the past five years reached approximately GBP190m ($256m), $30m and $136m for FAIR Non-Life Reinsurance Pool, FAIR Aviation Pool and FAIR Oil and Energy Insurance Syndicate, respectively.

In a key development, in April 2025, AM Best upgraded the financial strength rating of the FAIR Oil & Energy Syndicate to 'B++' (Good) from 'B+' (Good) and its long-term issuer credit rating to 'bbb' (Good) from 'bbb-' (Good). The outlook of these credit ratings has been revised to stable from positive. The ratings reflect the Syndicate's balance sheet strength, which AM Best assesses as strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management.

Cooperation pays off

The cooperation among FAIR members has resulted in expanded access to new business for them, Mr Mukhtar said. "For example, by joining the FAIR Pools and Syndicate, members have the chance to receive a share in the business written by these bodies from a wider geographical area as well as in insurance branches where their technical know-how is limited (like renewable energy). The cooperation among members has made it possible for them to increase the level of retention of risks in situations where some members lack either the appetite for certain types of risks or the relevant expertise to write them.

"Most importantly, collaboration among members strengthens the resilience of our markets, even marginally, in the face of global reinsurance markets uncertainties, thus making FAIR a true driver of solidarity across continents."

He added that there is tremendous opportunity in cross-border cooperation, especially between Africa and Asia. "These regions are among the fastest growing in terms of population, infrastructure, and economic development. By pooling resources, expertise, and capital, the insurance industry stakeholders can tap into new growth areas, develop innovative solutions that suit a particular environment and/or cultures, and help to close the protection gaps."

He emphasised that FAIR serves as a catalyst in connecting the stakeholders around these opportunities and help turn them into tangible projects with benefits for its members.

Challenges facing the industry and FAIR

Mr Mukhtar said that the (re)insurance industry is navigating multiple challenges, including global economic uncertainty, inflationary pressures, violent climate changes, geopolitical tenses, technological disruption, and regulatory complexities, to name a few. "For regional bodies like FAIR, the challenge is about how to bring along other bodies (e.g. governments) to join hands with the insurance industry to draw up and implement a plan to respond to these challenges and reduce their impact on the insurance industry and policyholders, in particular, and the macro economy in general."

Looking ahead: FAIR's strategic ambitions

FAIR aspires to become a strong traction tool for cooperation among members, the promotion of the industry's best practices across the whole insurance cycle and the most reliable source of insurance information globally, said Mr Mukhtar.

"In taking steps towards achieving our aspiration, we constantly enhance our website to enrich it with templates of well drafted insurance policies appropriate for both conventional and takaful companies; details of members' reinsurance capacities; a database of risk surveyors and loss adjusters, as well as educational material.

"We have also increased the number of insurance market reports to eight every year (four African markets and four Asian markets). We strive to expand our reports to include analysis by professional actuarial firms."

He added that FAIR is also working to deepen relationships with international bodies, regulators, and rating agencies to better serve members.

"Initiatives in digitalisation, innovation, and sustainability are also on our agenda for the medium-term, as these are becoming vital for the future of the industry."

FAIR in Mumbai: a call for unity and commitment

As the FAIR Conference is held in Mumbai this month, Mr Mukhtar encourages industry leaders and stakeholders to take advantage of the opportunities which Africa and Asia offer through stronger cooperation. "My message to the FAIR community and the industry as a whole is one of unity, opportunity, and optimism. The Afro-Asian region is rich with resources and potential. Members of the Federation are encouraged to continue the exchange of ideas, address common challenges, and explore new business opportunities.

"I urge the insurance communities on both continents to make the most of this gathering, to strengthen partnerships and to reaffirm our shared commitment to sustainable growth, innovation, and resilience in the Afro-Asian insurance sector."

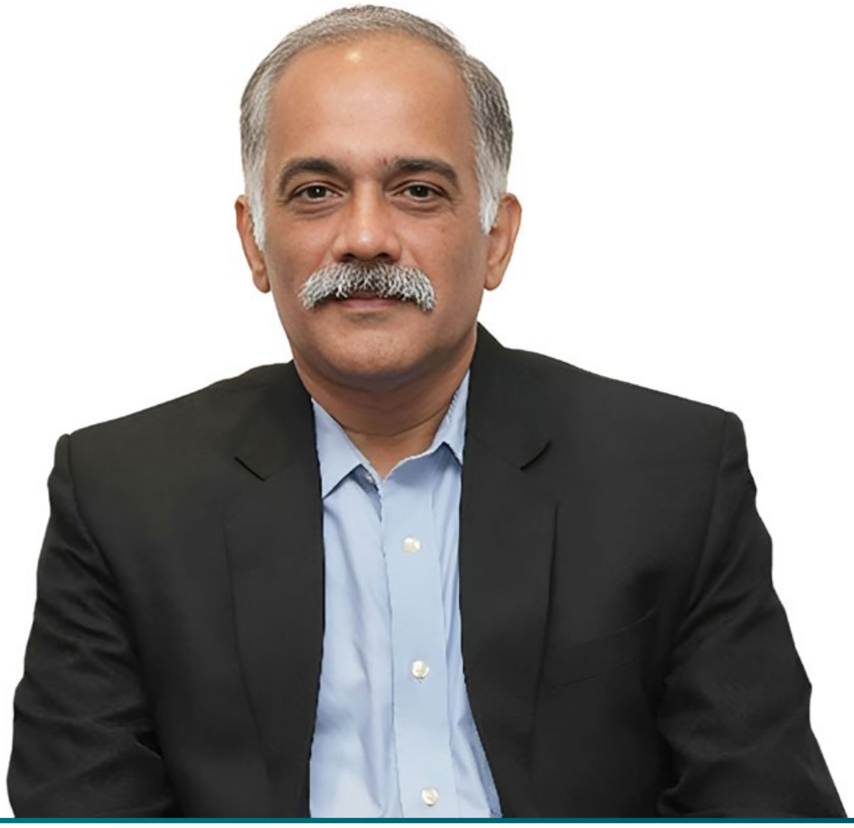
Around 1,000 insurance and reinsurance leaders from nearly 50 countries across Africa, Asia, and Europe, are expected to attend the India FAIR Conference.


OMANRe
Reinsurance Protection Beyond Expectations
omanre.com
Enabling accessible expertise.
We understand the value of reachability and ease of access. Our customer-centric approach ensures that a quick call connects you to us. With a deep understanding cultivated over 15 years, across geographies including Asia, Middle East, Africa, CEE & CIS countries, we believe in the importance of being available to extend our expertise and relevant support, wherever and whenever you may need it.

GIC Re: Powering global expansion through strategic initiatives

India's national reinsurer, GIC Re, currently ranked 10th among global reinsurers, is looking to expand its international portfolio and also readying itself to take on competition on the domestic front. *Asia Insurance Review* spoke to GIC Re's Mr Ramaswamy Narayanan on the road ahead for the company and its continued support to markets in the Afro-Asian region.

By Jimmy John



The reinsurance market in India is currently undergoing both growth and transformation. The key growth areas in the market include life and health insurance, cyber risk, surety, and motor. The IRDAI has introduced reforms aimed at simplifying regulations and fostering innovation and this push is focused on encouraging cross-border reinsurers to establish operations in India.

GIC Re chairman-cum-managing director, Ramaswamy Narayanan said that they are already witnessing this shift, with a few international reinsurers setting up in GIFT City, a private reinsurer having commenced operations in India and another recently announcing their intent to establish a reinsurance entity. "While GIC Re continues to be the major player, the market is becoming increasingly competitive and diversified," he said.

Competition to intensify with new players in market

Mr Narayanan believes that with more reinsurers establishing operations in India, market competition is set to intensify. "However, we have consistently operated in a competitive environment and remain confident in maintaining our dominant position, supported by strategic partnerships and long-standing client relationships," he said.

He expects that the entry of new players may exert pressure on rates and market share, but believes that GIC Re's deep-rooted local presence, proven track record of market support during challenging times, and historically strong strategic alignments positions it well to navigate these dynamics effectively.

Opportunities for reinsurers in the market

India stands as the fastest-growing large insurance market globally, driven by a vast untapped customer base and strong growth potential. According to IRDAI data, non-life insurance penetration remains stable at just 1.0% of GDP, underscoring the significant opportunity for deeper market outreach, especially in rural and underpenetrated segments. Mr Narayanan believes that in this context, the regulator's ambitious goal to insure all Indians by 2047 presents a transformative opportunity for reinsurers to support and scale innovative risk solutions.

"The growing interest from global players in establishing operations here is a natural response to this potential and we are already witnessing this shift, with new reinsurers setting up operations in India," he said. However, he believes that the evolving landscape offers ample room for collaboration, innovation, and inclusive growth.

Achieving a balanced portfolio between domestic and international business

GIC Re's current portfolio is split 75:25 between domestic and international business, with a strong emphasis on the domestic market driven by India's robust growth trajectory. "We aim to strategically expand our international footprint by leveraging our AM Best rating of A- and are looking to attract and grow our global book of business to have diversification and spread," said Mr Narayanan on the company's future plans. He believes that over the long term, the objective of the company will be to achieve a more balanced portfolio with a 60:40 split between domestic and international business.

Embedded insurance and parametric insurance solutions for the Indian market

Mr Narayanan believes that embedded insurance and parametric solutions would help extending the coverages to underserved segments, improve affordability, and accelerate penetration across the country.

"These solutions are in sync with the broader vision of 'Insurance for All,' making protection more accessible, relevant, and responsive to the needs of the population, and as reinsurers, we are fully committed to supporting the market in its efforts to build resilience and drive inclusive growth through these forward looking approaches," he said.

GIC Re and FAIR, on a strong footing

The Federation of Afro-Asian Insurers and Reinsurers (FAIR), founded in 1964, promotes collaboration among insurers and reinsurers across Africa and Asia by encouraging international standards and knowledge sharing. As part of its initiatives, FAIR hosts biennial, theme-based conferences alternating between the two regions.

Mr Narayanan said that GIC Re is proud to host the FAIR Conference in Mumbai from 5th to 8th October, bringing it back to India after two decades. "This reflects our strong commitment to regional cooperation and offers a platform to showcase India's dynamic economy and fast-evolving re/insurance sector. In today's changing geopolitical landscape, FAIR's role in fostering resilience and self-reliance through collaboration is more vital than ever," he said.

Need for additional traditional reinsurance capacity backed by parametric &/or Nat-CAT pooling solutions

Howden Re International Treaty, managing director and head of international catastrophe and actuarial analytics Mr Tim Edwards, and Howden Re director, International Mr Nader Onaissi, offer their views on Nat CAT risk in MENA.

By Jimmy John

Mr Tim Edwards

Mr Nader Onaissi

The 2024 floods in Dubai/Abu Dhabi/Sharjah followed prior catastrophe events in the Middle East region—Bahrain floods (1995 and 2000), Oman cyclones (2007, 2010 and 2021) — added to the ever-present risk from earthquakes from Iran.

Still, it is difficult to say, from the limited history, that the frequency and severity of natural catastrophes are definitively increasing in the Middle East region. That said, there is an expectation in the scientific community for more impactful tropical cyclone and flash-flood risk.

Alongside the earthquake risk in northern Africa, flood risk has again impacted Morocco, for instance, in the notable 2008, 2014 and 2019 events over the medium-term history. In addition, the compound role of economic development and inflation cannot be discounted when assessing the cause of emerging risk potential.

The continued development of local Nat CAT pools incorporating or sat alongside parametric (re)insurance capacity may well be required given the limited appetite for the reinsurance market to assume the emerging risk potential in order to ensure the region's sustainability.

Impact of 2024 floods in GCC

The 2024 flooding events, particularly those impacting the UAE, led to insured losses estimated at $2.5-3.0bn, with reinsurers assuming approximately 90% of the exposure. This had a material impact on reinsurance pricing and capacity, especially in the UAE where CAT XL rates tripled and pro-rata event limits were notably reduced, highlighting the volatility in pricing and coverage that can follow major loss events in the private market.

Coverage remains robust as 90% of UAE fire policies include allied perils such as flood, storm, and hail on a full-value basis, and 60% of motor policies are fully comprehensive and cover flood. These offer evidence of the completeness of coverage, relative to other insurance markets.

The recent Nat CAT events across the region, including the Dubai and Jeddah floods, Cyclone Shaheen, and the Morocco earthquake, have significantly pressured reinsurers' margins, which were already constrained by historically competitive pricing.

These losses have led to more restrictive treaty terms and capacity limitations. Reinsurers have responded by tightening terms and imposing minimum Nat CAT rates and deductibles in some cases.

Again, this emphasises the need to secure additional traditional reinsurance capacity complemented by parametric and/or Nat-CAT pooling solutions.

Building resilience

To build greater resilience, the regional insurance sector will need to ensure the rating environment keeps pace with inflation and emerging risk potential and that the relatively high level of insurance penetration is not reduced in time. It will be interesting to see if the rate of innovative product development continues such as with the planned NAT CAT rider which will added to compulsory motor insurance policies in Oman.

On managing the volatility of underwriting results, there is in many cases a heavy reliance on proportional treaty with greater need, then to find alternative, complementary solutions.

CAT models and Nat CAT pools

Catastrophe models and Nat CAT pooling mechanisms will play an important role in the future of MENA's insurance landscape. There is limited availability of earthquake, flood and cyclone modelling capability in the region, brokers such as Howden Re can play a key role in adding depth of understanding from such modelling solutions.

Meanwhile, the development of Nat CAT pools has gained traction as a response to growing catastrophe risks.

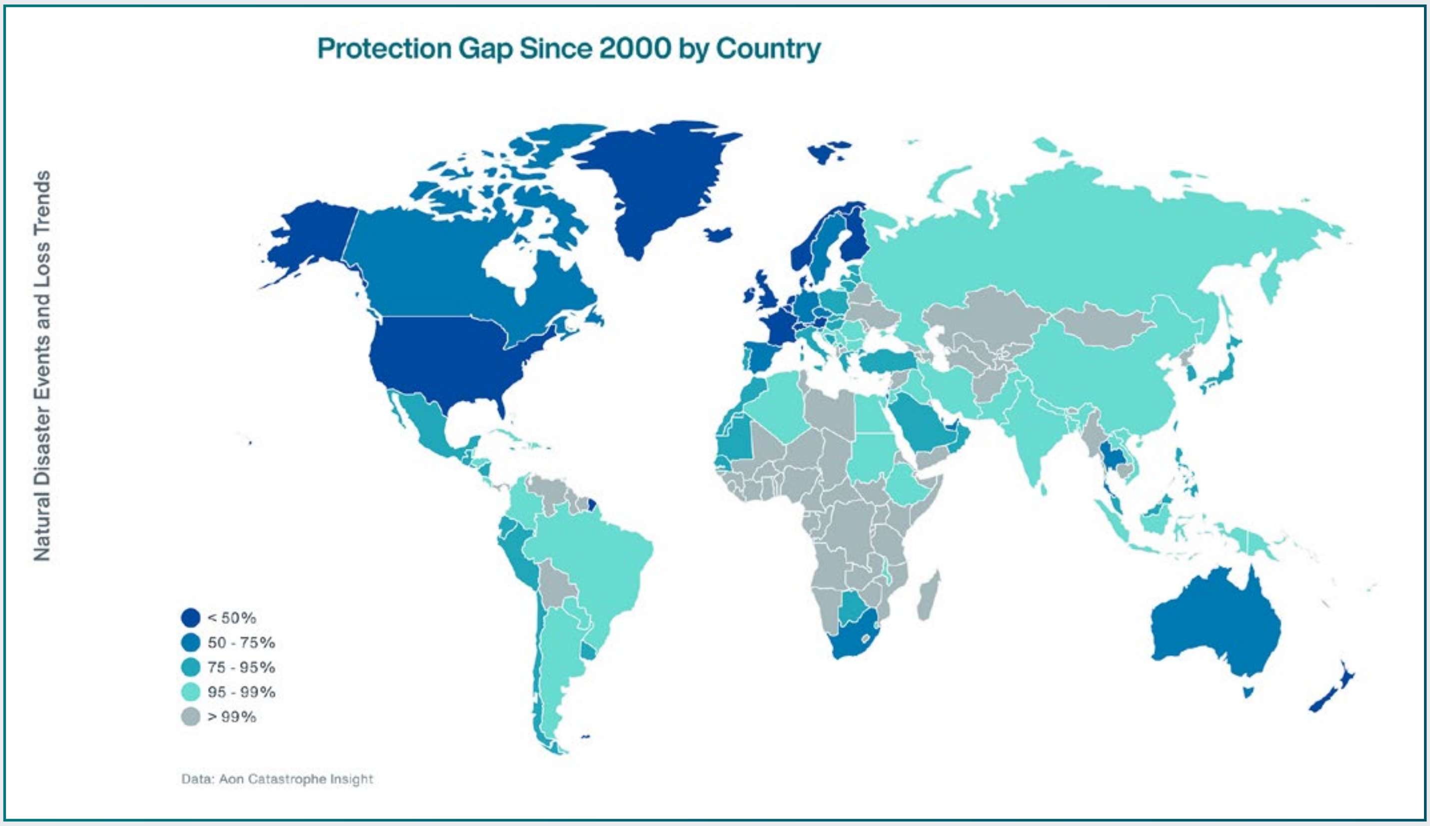
Oman is currently the most advanced in the GCC with active pooling discussions, while North Africa already has operational pools in Algeria (Algerian Catastrophe Insurance Pool [ACIP]) and Morocco (Solidarity Fund Against Catastrophe Events [FSEC/ EV CAT]). Egypt is also exploring a parametric CAT solution.

While a regional pool is unlikely to be viable due to differences in regulatory frameworks, market maturity, loss history, political alignment, and reinsurance purchasing strategies, domestic-level pools remain a practical and impactful tool for improving resilience, retaining premium locally, and attracting more reinsurance support.

Parts of Africa, Asia and Latin America show the most pronounced protection gap in the world, according to Aon, a global professional services firm that provides a range of risk solutions.

In its 2025 "Climate & Catastrophe Insight" report, Aon said that while the global protection gap was relatively low in 2024, significant uninsured risks related to various perils and regions remained around the world. Only about 30% of global economic losses since 2000 were covered by private or public insurance.

The follow map shows the Nat CAT protection gap since 2000 by country:



Source: 2025 "Climate & Catastrophe Insight" report, Aon

The map indicates that in the GCC, Saudi Arabia and Oman have a protection gap of between 75% and 95% while Qatar and the UAE see a protection gap of 50-75%. On continental Africa, South Africa has the smallest protection gap of 50-75%.

The protection gap is driven by various factors, including relatively low insurance penetration in low- and middle-income countries, urbanisation and economic development in disaster-prone areas, climate change affecting behaviour of global hazard patterns, as well as the remaining problem of underinsurance in many high-income countries, said Aon.

Closing the protection gap remains a systemic challenge, as well as an opportunity for national governments, communities and the (re)insurance sector.

Philippines: Stronger economy & reinsurance capacity fuel market expansion

National Reinsurance Corporation of the Philippines (Nat Re), the country's sole domestic reinsurer, remains cautiously positive about the non-life insurance market, the company's president and CEO Allan Santos said in an interview.

By Sarah Si and Jake Dellosa

The Philippine non-life segment is being driven by economic growth and rising demand for insurance, especially in lines such as property and motor, Nat Re's president and CEO Allan Santos said. He added, "Increased understanding of insurance is also contributing to growth nationwide, especially regarding the necessity of protection against Nat CAT and sickness."

Additionally, a combination of increased availability of reinsurance capacity and good macroeconomic conditions is expected to bolster medium-term growth.

While high interest rates boost insurers' investment profits, sensible risk selection and price corrections in the property line are helping to improve premium margins.

Mr Santos revealed that the Philippine Insurers and Reinsurers Association (PIRA) had launched an actuarial study of the fire, motor and surety insurance branches. He said, "The study aims to update the tariffs for these lines."

Opportunities

Commenting on opportunities, Mr Santos said, "Targeted line-of-business development and wider market access offer substantial growth prospects."

Other favourable factors include the enactment of the Magna Carta of Filipino Seafarers, which mandates insurance coverage for seafarers starting this year; an increase in motor compulsory third party liability cover; and a pending Bill to reduce the documentary stamp tax on non-life policies.

Furthermore, with growing interest in green transportation, there are opportunities in underwriting electric vehicles. The local market is trying to establish guide rates by studying the experiences of countries like Malaysia and Thailand.

Additionally, the Department of Agriculture, Nat Re, the Philippine Crop Insurance Corporation and PIRA are discussing involving private insurers in crop insurance. In underserved rural provinces, Mr Santos said, "Opportunities for growth are in microinsurance and agriculture insurance".

As for investments, the Insurance Commission has liberalised guidelines and substantially transferred the governance responsibility to the board and management of (re)insurers, he said. "This will allow more flexibility and faster execution in investments subject to the insurer's risk appetite."

Challenges

Mr Santos cautioned that risks remain, in particular, exposure to Nat CAT events. "Local insurers concur that the risk environment of the Philippines, particularly its infrastructure and vulnerability to Nat CAT, necessitates a unique approach, notwithstanding the value of international viewpoints."

To mitigate Nat CAT risks, the Philippine Catastrophe Insurance Facility 1 was launched in July 2024 with Nat Re as the facility manager. The expansion of reinsurance capacity, especially for disaster-prone regions, is also improving resilience, he said.

The non-life insurance sector also faces increasing regulatory requirements, such as the implementation of the Philippine Financial Reporting Standard 17 in 2027. These pose immediate operational, compliance and cost challenges, particularly for smaller insurers, Mr Santos noted.

Despite the challenges, Mr Santos remains confident. With continued economic growth, evolving regulatory support, and rising public awareness, the non-life market is well-positioned for sustainable expansion.

Published by:
Middle East Insurance Review
Member: Beacon International Group, Ltd.
www.meinsurancereview.com

Sponsored by:
OMAN Re
Reinsurance Protection Beyond Expectations
www.omanre.com

Media Partner:
Asia Insurance Review
Member: Beacon International Group, Ltd.
www.asiainsurancereview.com

Scan the code to find out more about our sponsor

MEIR team (L-R)

CEO:
Sheela Suppiah

Editorial Team:
Ahmad Zaki, Mary Kwang, Osama Noor, Jimmy John, Anoop Khanna, Reva Ganesan, Sarah Si and Jake Dellosa

Business Development Team:
Koh Earn Chor, Junaid Farid Khan and Jonathan Yaw

www.meinsurancereview.com