



# GLOBEX UPDATE

## Property & Casualty

*Events, developments, and opportunities in the international marketplace*

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### Terrorism.

The number of terrorist attacks worldwide in 2016 rose to 4,151 from 3,633 in 2015. The biggest rate of increase was in Western countries, where attacks increased by 174%. Even so, the West still ranked as the region with the fewest number of attacks, with 96 in 2016. The Middle East had the highest number of terrorist attacks with 1,752, followed by South Asia with 658, sub-Saharan Africa with 543, North Africa with 337, Eurasia with 292, Asia-Pacific with 246 and Latin America with 122. Looking forward, political violence is likely to increase globally in 2017, including the US where the overall terrorism and political violence risk rating has been raised from low to medium. Territorial losses for IS in Iraq and Syria will probably lead to a dispersion of the jihadist network, carrying serious threat implications for many countries across the region and beyond, particularly in Europe and Asia.

### China.

China's top cyber authority has released a draft law that would require firms exporting data to undergo an annual security assessment. Any business transferring data of over 1,000 gigabytes or affecting over 500,000 users will be assessed on its security measures and on the potential of the data to harm national interests. The law would ban the export of any economic, technological or scientific data which might pose a threat to security or public interests. It would also require firms to obtain the consent of users before transmitting data abroad. The proposed law, which focuses on personal information security, comes after state media reported government rewards of \$1,500 to \$73,000 for citizens who report suspected spies. It is also an extension of legislation passed in November formalizing a range of controls over firms that handle data in industries the government deems critical to national interests. Business groups have criticized the November law, which is effective from June, calling rules "vague" and claiming they unfairly target foreign companies with stringent requirements.

### Pakistan.

The Pakistan insurance industry - which consists of 47 players (38 nonlife and 9 life companies) - increased GWP by 11.2% to US\$2.47 billion in 2016 with the non-life sector showing a 19% increase. Continuing industry growth will come from increasing awareness of insurance and improving economic conditions, investments in power plants, expansion in cement plants, new infrastructure projects and an increasing number of motor vehicles on the roads. The China-Pakistan Economic Corridor (CPEC) trade corridor, which includes the building of roads, ports, power plants and dams, has provided a much needed stimulus to the economy with US\$46 billion in investments. This will bring additional benefits to the insurance industry along with a boost to the local construction industry.

### RECENT SUCCESSES

- Appointed Globex Partner Brokers in five overseas territories for a US based multinational customer engaged in liquid management solutions recently won from Aon.
- Coordinated servicing for the Canadian subsidiary of a US manufacturer of power transformers and mobile substations in Quebec.
- Placed automobile liability coverage for a US client taking their high-end, classic vehicle to Tuscany, Italy.
- Appointed UK partner broker to handle local General & Employers' Liability policies for a US based multinational media company.



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