



# GLOBEX UPDATE

## Property & Casualty

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

Visit us at: [www.globexintl.com](http://www.globexintl.com)

### Morocco

The insurance and reinsurance industry in Morocco saw net profits soar in 2017 by 25.5% to MAD4.33 billion (\$460 million), according to recently published data. The jump in net gains was made despite increases in claims and operating expenses. Profits were driven by a 1.9% increase in underwriting results amounting to MAD5.54bn, as well as a significant improvement in non-technical results to MAD4.4m, after a loss of MAD548.7m in 2016. The overall profitability, measured by the ratio between the net result and the equity of insurance companies, increased to 11% for 2017, after 9.4% in 2016. The combined ratio improved to 94.5% compared to 100% in 2016. Claims, benefits and expenses paid by direct insurers jumped by 10.5% to MAD24.36 billion while technical operating expenses increased 2.4%. Overall, turnover in the insurance sector (direct business + reinsurance acceptances) increased by 9.1% to MAD40.65 billion, driven mainly by direct operations, which accounted for 95.3% of total sales.

### Japan.

Japan will work with Southeast Asian nations like Laos, Myanmar and Cambodia to provide immediate financing after natural disasters so that recovery funds can be quickly distributed. Operations are slated to begin in 2019. The Southeast Asia Disaster Risk Insurance Facility will be announced in May at the annual meeting of the Asian Development Bank's board of governors. Participating countries will make the insurance payouts while Japan provides initial support through funding. The facility will invest funds it has accumulated and take out reinsurance from private insurers in Japan and elsewhere.

The facility is meant to provide rapid financial relief after typhoons, earthquakes and other disasters. Japan's Ministry of Finance has been working to set up the new insurance framework, and it could eventually be extended to other ASEAN members.

### Egypt.

Insurers in the Egyptian market are looking forward to the government making more classes of insurance compulsory in the long awaited passing of a new insurance law. There are currently four types of compulsory insurance: motor third party liability, civil liability for accidents involving elevators, civil liability for construction work and accident insurance for rail and the metro. The Insurance Federation of Egypt has prepared several bills for mandatory coverage and submitted them to the Financial Regulatory Authority to implement them. The most important areas requested by the insurance market in Egypt for mandatory insurance requirements are professional liability cover for sectors such as doctors, engineers and lawyers; home insurance and microinsurance.

### RECENT SUCCESSES

- Placed a standalone General Liability policy in Australia with a limit of AUS\$20m for a wholesale distributor of automobile wheels.
- Bound General Liability policies for three resorts in St Maarten on behalf of a US based owners association.
- Placed local Property & General Liability policies in Mexico as part of a controlled program for a distributor of electronic test and measurement solutions.
- Implemented local policies in 11 overseas territories for Property, Stock Throughput and General Liability programs on behalf of a US based multinational engaged in recovery, remanufacturing and remarketing of technology assets.



**GLOBEX INTERNATIONAL GROUP**

PO Box 776 – Chester, New Jersey – 07930

Phone: (908) 879-1150

E-mail: [globex@globexintl.com](mailto:globex@globexintl.com)

Fax: (908) 879-1160