



GLOBEX UPDATE

Property & Casualty

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Spain

Devastating floods from heavy rainfall have affected at least 25,000 people and will see more than €140 million paid out in insurance claims for damages to homes, shops, and insured vehicles across the southeast peninsula. The number is still provisional given that areas of Valencia are still inaccessible and impossible to assess for damages. It is estimated there are around 10,000 claims, totaling close to €70 million, in the Valencian Community. In other areas, where figures are somewhat more definitive: in the Region of Murcia it is estimated there around 12,500 affected people, with around €62 million in damages; while in Andalucia, the damage is estimated to be around €10 million euros, with about 2,500 people affected. The insurance figures only include homes, commercial businesses, and vehicles owned by residents. It does not include the structural damage which will have to be paid for by the government.

Bangladesh

Bangladesh has said that 31 unlisted insurers have to obtain a public listing to comply with regulations. The insurance companies were given licenses on the pre-condition that they would go to the capital market within three years of launching their operations, but many have failed to comply. The unlisted insurers are now given three months to comply with the listing requirement. If they fail to do so, their insurance licenses will be suspended as a first step; further non-action would lead to cancellation of their licenses. Another option is for the insurers to merge with others. According to the Insurance Development and Regulatory Authority there are 32 life insurers and 46 non-life insurers operating in the country.

Senegal

A report suggests that a good number of insurance companies in Senegal have already raised their minimum capital to comply with requirements set by the Council of Ministers of the Inter-African Conference of Insurance Markets (CIMA). CIMA announced in April 2016 that insurance companies must increase their share capital of FCFA1bn (US\$1.7m) to FCFA5bn and that mutual insurance companies are to raise their capital from FCFA800m to FCFA3bn. The goal is to strengthen the financial position of insurance companies, reduce the risk of insolvency and encourage consolidation in the sector. The first phase of the capital increase sets the minimum capital at FCFA3bn for limited companies and FCFA2bn for mutuals. The deadline for this first step expired on 31 May 2019. In a second phase, the minimum capital will be increased to FCFA5bn for limited companies and FCFA3 billion for mutuals. All 29 insurers in Senegal are reported to have responded favorably to the capital request. Moreover, no new application for approval has been registered in Senegal since the decision to increase the capital of insurance companies was taken in 2016, indicating a certain stability of the sector during the past three years. The report does not say how many insurers have met the new requirements.

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- Placed Delay-in-Start-Up / Advanced Loss of Profits coverage as an extension to an existing foreign Installation Floater policy.
- Bound a Homeowner's policy for a US\$2 million luxury second home in the Bahamas.

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