



Multinational Underwriting Services

GLOBEX UPDATE

Volume 2

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Events, developments, and opportunities in the international marketplace

MENA - Increased Awareness of Cyber Risks among Businesses

It is only a question of time that organizations across the Middle East and Africa will be hit by cyber-attacks, as global security vulnerabilities and threats against systems, applications, and personal networks have reached their highest-ever recorded level. Cisco's 2014 Annual Security Report noted that between 2012 and 2013, total global threat alerts increased by 14 percent. A sample of 30 of the world's largest Fortune 500 companies generated visitor traffic to websites that host malware, with a sharp rise in malware attacks on the Middle East's oil and gas sector. Businesses across the Middle East are at high risk, with 65 percent of employees not understanding the security risks of using personal devices in the workplace. As a result, cyber criminals are increasingly attacking Internet infrastructure rather than individual computers or devices, with password and credential theft, infiltrations, and breaching and stealing data.

Nigeria – High Risk yet High Business Activity

Nigeria is among many African nations where many would refrain from investing. Market volatility along with increasing catastrophe losses and terrorism incidents are notorious. Nevertheless, all this does not seem to deter foreign operators from eyeing the market. For a country whose GDP is not far behind South Africa, there is an incredible potential for the right carriers to approach the market carefully and find a secure footing. Globex works with various local markets in Nigeria. For more information please contact any member of our Globex team.

Belarus – Possible addition to Mandatory Liability Classes

As of March 21, 2014, two new types of mandatory insurance will be effective in Belarus. The first one is the liability insurance for legal entities and self-employed entrepreneurs who operate certain facilities and whose activities may result in losses and damage. The second one is Freight Forwarders Liability for those companies who handle the transport of hazardous cargo.

Ghana – Cash Before Cover effective April, 1, 2014

The National Insurance Commission insists that premium should be paid in advance under the No Premium No Cover Policy which is being strictly implemented as of this April. Additionally, local insurers are encouraged to retain as much premium and risk within the country, and local retentions of almost 50% are not uncommon.

Vietnam - Riots and Insurance

Recent riots in Vietnam may take a heavy toll on Taiwan's major non-life insurance companies, which are counting their losses as hundreds of Taiwanese firms there halted operations due to property damage and safety concerns. Approximately US\$332 million has been estimated in losses as a result of this unrest. Over 1000 Taiwanese firms stopped operations as rioters broke into, looted and set fire to factories in southern Vietnam. Apart from Taiwanese-owned factories, several plants owned by investors from other countries suffered a similar fate. As a result, going forward, foreign investments in Vietnam are required to purchase fire, strike and riot insurance.

RECENT SUCCESSES

- Bound an Employers Liability policy in the UK for a US based business and technology consulting firm.
- Placed fronting Transit & Installation policy in UAE for a leader in creative marketing and rental exhibitions.
- Secured Hull and P & I policy in Canada for a leading barge rental and marine contracting company.
- Bound Marine fronting policy in Malaysia for a worldwide leader in solar panel encapsulation.
- Placed Professional Indemnity fronting policy in Bahrain for a leading global water technology provider.
- Secured a Marine fronting policy in China for the international market leader in the manufacture and supply of high quality, high value industrial static sealing products.
- Bound policy in Serbia for a worldwide leader in processing secure electronic financial and payment transactions.
- Placed Marine fronting policy in Mexico for a global manufacturer and retailer of garments.



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