

Reinsurance solutions and demands: actual within FSU

Dmitry GARMASH
Deputy CEO, Ph.D., MBA
Unity Re Ltd.

Non-life primary markets

		m EUR 2012	m EUR 2011	GR %
1	Russia	18 774	15 093	24,38
2	Ukraine	1 869	2 073	-9,85
3	Kazakhstan	927	876	5,79
4	Belarus	364	209	74,06
5	Azerbaijan	295	187	57,46
6	Georgia	226	141	60,14
7	Uzbekistan	109	95	14,74
8	Moldova	65	58	13,67
9	Turkmenistan	-	46	-
10	Armenia	37	34	8,82
11	Tajikistan	26	20	30
12	Kyrgyzstan	16	12	33,3

		Number of insurance companies
1	Russia	418
2	Ukraine	355
3	Kazakhstan	35
4	Belarus	20
5	Azerbaijan	28
6	Georgia	15
7	Uzbekistan	34
8	Moldova	24
9	Turkmenistan	1
10	Armenia	7
11	Tajikistan	16
12	Kyrgyzstan	14

Outward reinsurance non-life

		Primary non-life 2012, m EUR	Outward R/I 2012 m EUR
1	Russia	18 774	2 785
2	Ukraine	1 869	235
3	Kazakhstan	927	335
4	Belarus	364	10?
5	Azerbaijan	295	42?
6	Georgia	226	18?
7	Uzbekistan	109	35?
8	Moldova	65	14?
9	Turkmenistan	-	-
10	Armenia	37	-
11	Tajikistan	26	-
12	Kyrgyzstan	16	-

- Total primary non-life GWP 2012 = 22,7 bln EUR
- Average annual growth = 28,4%
- Total outward reinsurance 2012 = 3,5 bln EUR
- Just roughly 2% of world (re)insurance market
- Clients' field = 1 000 companies
- Rough split of risk/non-risk = 60/40
- Indisputable core = Russian Federation
- Key LOBs = Motor + MTPL + Mandatory lines + Property

- No binding to a world insurance cycle locally!
- Descending rates & dumping
- Unified group of foreign reinsurers, leaders
- Historically tight relationship with Russia
- Market consolidation → significant quality & expertise upgrade

- Disproportional development of fac and treaty
- CAT-exposure in place however with underdeveloped models
- Very differentiated state regulation
- Still huge difference between Gross & Net capacity

- Reinsurers - high-rated
- Price – very cheap
- Capacity – extensive
- Type – XOL
- Retention – the lowest
- Cover – PAR + very wide umbrella
- Best if with LEG/DE, CBI, ALOP included
- Quote in a couple of hours
- Claim settlement in a couple of days
- NCBs of >10-20% every year

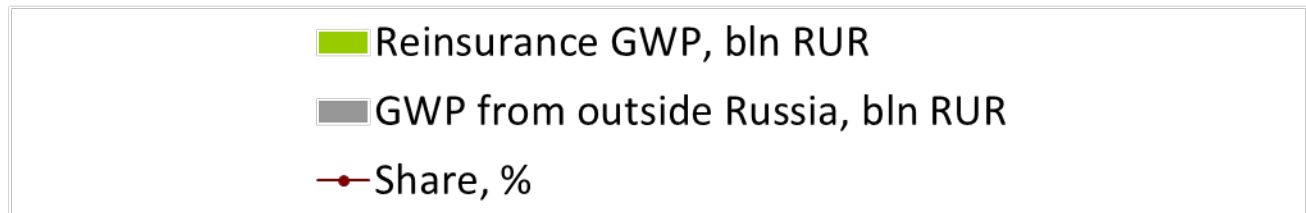
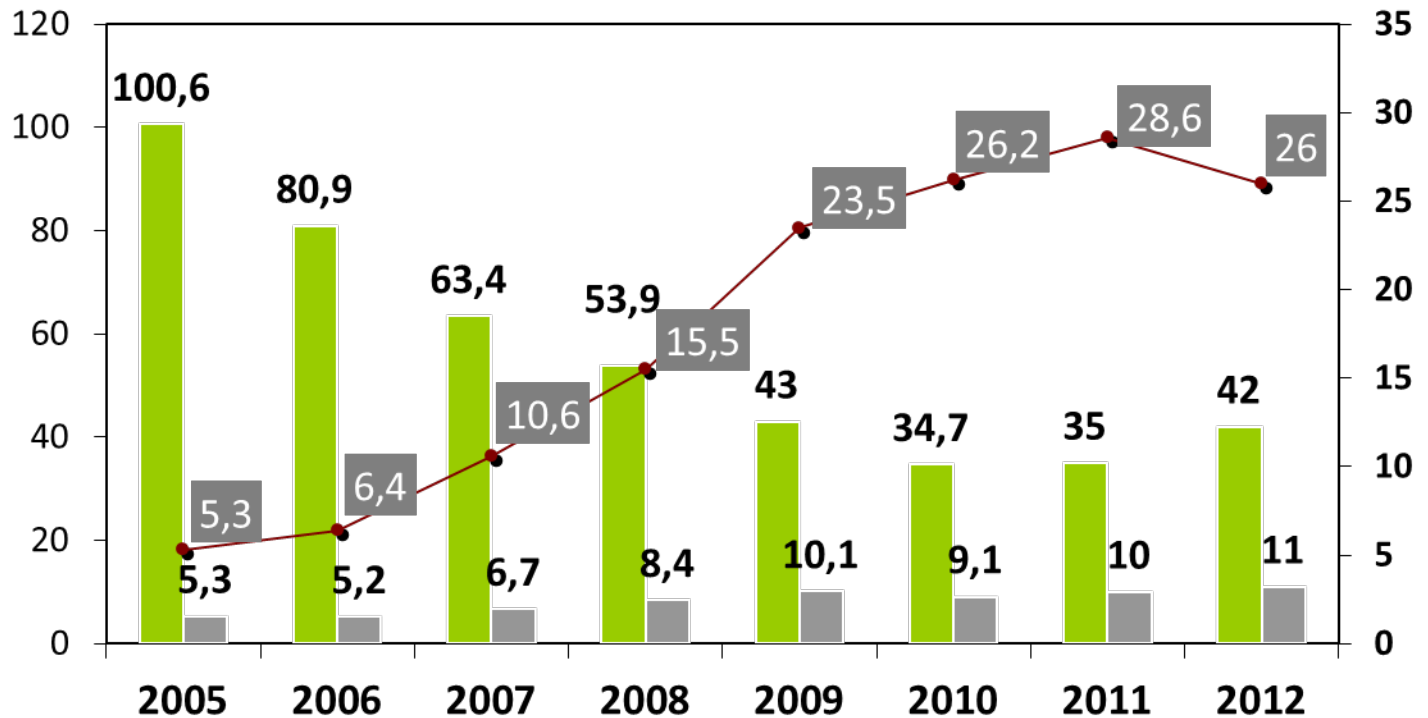
- Comfortable rating – above BBB/B+
- Capacity for property fac – above 20m USD a.o.r.
- Fastest response & multiple quotations
- Alternative leading though prudent and confident

- Understanding regional marketing differences
- Rated capacity but with flexibility
- Diversified placement with the panel of >3-4 reinsurers → field for good brokers
- Targeted sales
- Attentive selection of reinsurers

Top-10 specialist reinsurers

Company		GWP 2012 '000 RUR	GWP 2012 USD
1	Unity Re	1 548 223	51,6
2	Moscow Re	1 284 543	42,8
3	Kapital Re	1 006 048	33,5
4	SCOR	951 638	31,7
5	Kama Re	706 664	23,5
6	Transsib Re	700 831	23,4
7	Russian Re	574 394	19,1
8	Rosles Re	429 616	14,3
9	Profile Re	214 776	71,6
10	Express Re	83 051	2,7

Business from outside Russia



Thanks!

Unity Re Ltd.

T: +7 495 956 6589

F: +7 495 956 6598

E: re@unityre.ru

W: www.unityre.ru