

GCC GOING AUSTERE IS NOT THE END OF IT!

Enforcement of the obligatory Health Insurance Schemes in different GCC Countries has certainly contributed to a great extent to the growth of premiums written the Mena region, and which based on the statistics assembled by Al Bayan amounted to 9.4% Without those schemes in place, the growth would have been much lower, and would not have exceeded 2.5% which is the average recorded worldwide.

The truth of the matter is that with GCC countries going austere, infra- structure projects has either been scrapped, postponed or delayed, and this is a new state of state of being which surged in the aftermath of the fall of oil prices, coupled with economic downturn across the globe, in addition to the turbulent environment and wars in the Mena region.

Would this mean that Insurers, reinsurers and brokers who came in, in flocks, from all over the world, and invested substantial amounts of money establishing branch offices of their own in the Financial Free Zones, of GCC or forming affiliates in conjunction with local partners in different parts of the Arab region, should now worry about the future of their new ventures in the region? Of course Not.

For as we all know Iran which has been under embargo for four decades, is now open for insurance business and most of the sanctions previously enforced by the UN have been or are being withdrawn. With GCC countries resuming normal relationship with neighboring Iran, as negotiations towards this end continue, Insurers Reinsurers and Brokers will find themselves at ease to engage in business with an insurance market of a country of Mena region, and which rich in natural resources, and striving to develop and update its infra structures, including airports, ports, railways, in addition to importing such expensive supplies as aircrafts automobiles and others.

On the other hands, devastated countries such as Iraq, Syria Libya, where peace is to return in the foreseeable future, will offer the insurance industry opportunities which were never seen before. As such Mena Insurers Reinsurers and Brokers, will be in a unique position to offer insurance protection for the vast reconstruction site which is going to be. Bearing in mind that the potential of these countries is great enough to make it possible for them to get help from International Monetary Institutions and banks, without difficulty.

It would be worthwhile to mention in this context, that prior to being brought under embargo Iraq was at the forefront of the Arab richest and most advanced countries, and that before it was aggressed by big powers in 2011, Libya had a sovereign fund worth US\$ 750 billion all of which was invested in the industrial world.

It follows that Insurers, reinsurers and Brokers who happen to be in and around the Mena region at present, will soon sharing into the biggest reconstruction site ever seen in the world.

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