

AN OPPORTUNITY FOR BRICS REINSURERS

By Joseph Zakhour *

Members of FAIR should be able to reap great benefits from their presence in Beijing.

First to understand the Chinese Culture, and find out why Chinese Insurers and Reinsurers did not as yet show any tangible interest in the Mena insurance business.

Second, is getting acquainted with counterparts in such advanced markets as South Africa, Nigeria in the African Continent and Japan, India, South Korea and Malaysia in Asia.

Third, is finding out what is it that kept the Mena insurance markets, almost fully dependent on European reinsurance support, notwithstanding the multiple changes which came along with globalization.

It is matter of fact that E.U. reinsurers are now being held to comply with the E.U. Directives some of which are politically motivated. Sanctions enforced against Iran Syria Sudan and others are only one example of the geo political factors which are tying up the hands of the European Reinsurers, and forcing them to sever relations which they built with some of the players in the Mena Insurance markets for periods spanning over a century thus far.

Insurance has always been a service that was intended to protect assets and fill social needs of individuals and corporations. As such it has been treated as one of basics which are indispensable to people, and which must continue

to be available anywhere in the world, irrespective of the political considerations.

Surprisingly however, the USA followed by E.U have in the last several years included insurance and reinsurance premiums among other which are not to be in any way to be allowed to be transferred to and from many of sanctioned countries.

The immediate result of the embargo was a shortage of insurance services which are badly needed by the layman as well as businessmen in many of Mena insurance markets.

One would certainly understand that insuring or reinsuring arms and supplies destined to government owned or blacklisted individuals or corporations be banned, but nothing justify prohibiting bank transfers to and from insurance companies in settlement of premiums and claims not having to do with government transactions of any sort.

The Fair conference will be attended by participants from at least three of five countries known as BRICS, and who are not bound to follow the USA or E.U sanctions.

This would be the opportunity for Mena Insurers and Reinsurers to enter with their counterparts of the BRICS in discussions aiming at finding ways and means of providing individuals and businessmen with the insurance protection and services they need, setting in the same time the mechanism of settling premiums and claims, with particular emphasis on the currency or currencies to be used other than the US\$ and the Euro.

Any agreement over this issue will be an achievement which will stand to the credit of FAIR 23rd Conference, and will mark the beginning of a long and a

mutually beneficial trading between Mena Insurance Market on the one part and the BRICS Reinsurers on the other.

On the other hand, such agreement will mean that the Mena Insurance Markets, finally found an alternative which would enable them to recuperate business they were caused to lose because of the arbitrary American Euro Sanctions.

* Former President

Association of Lebanese Insurance Companies

Email :Zakhour@Zakhourco.com