

INSURERS' ASSOCIATION OF MAURITIUS

51st Annual General Meeting

27 March 2024

Labourdonnais Waterfront Hotel
Port Louis

President's Presentation



KEY ELEMENTS OF TODAY'S PRESENTATION

YEAR UNDER REVIEW
Insurers Association of Mauritius

- 1. Insurance Industry Overview**
- 2. The Journey**
- 3. Key Achievements & Progress Made**
- 4. Key Challenges to be Addressed**
- 5. IAM's Focus Areas & The Way Forward**

Insurance Industry Overview

INSURANCE, REINSURANCE & PENSION

IAM MEMBERSHIP

20
Members

Long Term : 7
Short Term : 13

GDP CONTRIBUTION

2.1%
(FY 2022)

2.0%
(Forecast FY 2023)

INDUSTRY GROWTH RATE

4.1%
(FY 2022)

4.4%
(Forecast FY 2023)

TOTAL GROSS PREMIUM

MUR 26.9 bn
(FY 2022)

Long Term :
MUR 12.7 bn

Short Term :
MUR 14.2 bn

TOTAL GROSS CLAIMS

MUR 17.1 bn
(FY 2022)

Long Term :
MUR 9.2 bn

Short Term :
MUR 7.9 bn

TOTAL ASSETS

MUR 131.1 bn
(FY 2022)

Long Term :
MUR 106 bn

Short Term :
MUR 25.1 bn

The Journey

- ◆ Ensuring Smooth Transition
- ◆ Ensuring Continuity of IAM's Agenda
- ◆ One-to-one Meetings with Members
- ◆ Advocating our mission to Key Stakeholders
- ◆ Advocating for Policy Reforms

- ◆ Progressing IAMs Strategic Initiatives
- ◆ Lobbying for the Welfare of the Industry, IAM Members' and Policyholders' Interests

Key Achievements & Progress Made

THANKS TO THE EFFECTIVE COLLABORATION & EFFORTS OF IAM MEMBERS

PROMOTION & DEVELOPMENT OF THE INDUSTRY

01

- **IFRS-17:** Securing alignment on implementation parameters and Securing reasonable extensions for regulatory reporting & compliance
- **Bonus Malus:** Securing a common approach & mechanism among IAM Members for implementation *(Awaiting roll out by the Authorities)*

CONSULTATION & COOPERATION ON COMMON INTERESTS

02

- **National Insurance Claims Database (NICD):** Active participation for implementation of claims clearing platform *(Awaiting roll out by the Regulator)*
- **Catastrophe Management (Cyclone Belal):** Implementing a common mechanism, with the Regulator, in providing prompt service and settlement to those affected

STRATEGIC INITIATIVES

03

- **Code of Practice:** Revised, approved & released for application
- **AML-CFT:** Harmonisation of practices *(final stages)*
- **Reforms for Motor Sector:** Proposed amendments to Roads Traffic Act and advocating for Alternative Dispute Resolution Mechanism & addressing MVIAC related issues

GOVERNANCE & ADVOCACY

04

- **Advocating for fiscal and structural reviews:** Boosting insurance penetration rate, and enhancing services & insurance coverages for insureds

- **OESAI:** Active participation of IAM in the successful execution of the OESAI Conference in Mauritius
- **Council of Business Mauritius (BM):** Active participation at the Council Meetings of BM to advocate for the development of the insurance industry
- **Budget & Policy Papers:** Formulation of Industry Recommendations (Budgetary measures & Reforms)
- **Market Education:** Continuous engagement for the enhancement of insurance literacy & skills levels
- **Strategic Orientation of IAM:** A Strategic Workshop was held for the formulation of strategic initiatives of IAM for the coming years
- **Indices:** Committees recently set up to spearhead the development of an Index for Medical Treatment Costs, and an Index for Motor Repair Costs *(Work in Progress)*
- **Reinsurance Hub:** Exploring avenues for the development of Mauritius as a potential Reinsurance Hub *(Work in Progress)*
- **Diversifying IAM's Income Stream:** Exploring potential avenues for creating new income streams to be channeled for the IAM's mission and industry & market development *(Work in Progress)*

The Key Challenges

LIFE & PENSION MARKET

01

INFLATIONARY PRESSURES

Operating costs escalation impacting products' profitability

02

INVESTMENT CLIMATE

Limited & constraining investment options and returns rendering long term policies relatively less attractive

03

LOW PENETRATION RATE

Need to create market conditions to boost long term insurance penetration rate

04

HUMAN CAPITAL

Skills shortages on technical and compliance fronts more so with the advent of new standards, regulations & dynamic market evolution

GENERAL INSURANCE MARKET

INFLATIONARY PRESSURES

Sharp increase of Claims Costs (Repairs & Medical Treatment) impacting heavily Underwriting Performance

01

SERVICE PROVIDERS' INFLUENCE

Growing influence and power of Service Providers/Suppliers in dictating terms, supplies and/or service costs

02

CLIMATE CHANGE & RISK EXPOSURE

Increased frequency and exposure to natural disasters with heavy impact on insurers and reinsurers

03

MVIAC & CLAIMS RESOLUTION

Ongoing strain on businesses due to inadequate mechanisms for motor claims dispute resolution

04

Key Focus Areas

&

THE WAY FORWARD

Pursuing our Mission

Pursue IAM's mission with bolder collective actions on a common industry agenda & with a stronger positioning

Addressing Key Challenges

Stronger lobby for addressing the fundamental challenges facing both long term and short term insurers

Scaling up the Means

Scale up the abilities of IAM to generate new revenue streams to fund and support the market development agenda

HR & Market Development

Collective engagement and investment in human capacity building & market development on risk management

Outreaching the Mass

Boosting our outreach to sensitise the mass and business sectors on growing risk exposures & mitigation measures



51st Annual General Meeting

27 March 2024

Labourdonnais Waterfront Hotel
Port Louis

Thank you