



**IRAQ**  
**Oil, Gas, Petrochemical &  
Electricity Summit**

**Dubai**  
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## OVERVIEW OF INSURANCE MARKET IN IRAQ:

### Three State owned companies :

- ◆ National Insurance Company,
- ◆ Iraqi Insurance Company
- ◆ Iraqi Reinsurance Company

### Ten private sector companies.

Estimated annual Gross Written Premium in  
Iraq: US\$ 5,000,000.

## **REGULATION OF INSURANCE IN IRAQ**

**The** Iraqi Insurance Diwan was established and its powers set out under the Insurance Business Regulation Act 2005. It is an independent body and is headed by a President.

**The** IID sets the overall policy and procedures for the regulation of the insurance industry. It sets the standards that organizations must meet, and can take action against organizations if they fail to meet these.

**The** law states that an organization may not carry on a regulated insurance activity in Iraq unless it is authorized by the IID, is an Appointed Representative of an IID authorized organization or it has an approved exemption from the insurance legislative requirements of Iraq.

**The** provisions of the Insurance Business Regulation Act 2005 apply to all insurers, reinsurers, agents and intermediaries practicing insurance business in Iraq, whether publicly, privately, Domestically or foreign owned.

## CAPITAL REQUIREMENTS FOR INSURANCE COMPANIES

The Minimum Guarantee Fund should not be less than:

***First:*** ID 500, 000,000 (\$ 395,000.) for the insurer that is authorized to practice general insurance business.

***Second:*** ID 750,000,000(\$592,908.) for the insurer that is authorized to practice life insurance business.

***Third:*** ID 1000,000,000 (\$ 790 545) for the insurer that is authorized to practice exclusively the business of reinsurance.

***Fourth:*** ID 750,000,000 (\$ 592,908.) for the insurer that is authorized to practice general insurance businesses and life insurance, that are included in the exception stated in the item (First) article no. (16) of the Insurance Regulation Law issued by the Order no. (10), year 2005.

## KEY ISSUES RELATING TO INSURANCE LAW

**Foreign** investors or domestic investors can enter the market as long as they comply with the requirements of the law. A foreign investor is permitted to use a branch operation if it wishes to.

**Insurers** are able to issue policies in any currency.

**Insurers** are able to invest reserves inside or outside of Iraq. The insurers investment policy should be prudent and appropriate for the insurer, bearing in mind its obligations to policyholders, owners and employees.

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**For** the purposes of insurance law, insurance agents are the responsibility of the insurer with who they have an agency contract in force. Insurers are responsible for ensuring that agents have sufficient competency to carry of their role and that they comply with the requirements of the law.

*Source : Iraq Insurance Diwan (IID)*

## INSURANCE NEEDS OF INVESTORS IN IRAQ:

- **Commercial property and casualty insurance including Political violence.**
- **Marine and transit insurance.**
- **Group accident insurance and key man life policies**

## PLACEMENT CONDITIONS OF INSURANCE COVERAGE IN IRAQ:

- Iraq coverage usually isolated from worldwide policy of the corporation.
- High deductibles apply per loss.
- limited capacity and high rates.
- Political violence coverage (war and terrorism) may be considered but rates can attain 10% of limit of liability.
- Little rate differentiation between geographic areas within the country (KRG areas are priced at close to the same price as less secure parts of Iraq).

**Insurance Brokers (Intermediaries) with Experience In  
Iraq Risk Placements (List Not Exhaustive):**

- ❖ **Aon Corporation.**
- ❖ **Anglo Arab Insurance brokers.**
- ❖ **Chesterfield Insurance Brokers.**
- ❖ **Marsh and McLennan Companies.**

## INSURANCE UNDERWRITERS WHICH CONSIDER IRAQ EXPOSURES (list not exhaustive):

### ❖ **Lloyds of London:**

- ◆ Ark Syndicate
- ◆ Beazley Syndicate
- ◆ Catlin Syndicate
- ◆ Reith Syndicate

### ❖ **Standard Market Companies:**

- ◆ AIG
- ◆ Munich RE

### ❖ **Licensed local Iraqi Insurance companies:**

- ◆ 10 companies including the three state owned companies have been licensed to underwrite insurance in Iraq.

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**THANK YOU**