



SOCIETY OF ACTUARIES

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Highlights of Egyptian Insurance Market

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Preamble: To have a clear idea about the size of business, the purchase power of the Egyptian pound is slightly less than the US \$. But the exchange rate is 3.86 Egyptian pounds to the dollar.

The structure of the insurance market in Egypt:

- 1) The Egyptian Insurance Supervisory Authority: 28 Talaat Harb Street, Cairo
- 2) The Egyptian Insurance Federation : 10 Iran Street, Dokki, Giza
- 3) The Egyptian Society of Actuaries: 28 Talaat Harb Street, Cairo
- 4) Four public sector companies that may be privatized (all or any of them) in future: Misr, Chark, National and EgyptRe. They all handle life and non-life business.
- 5) Eleven private companies: Sues Canal, Mohandess and Delta: these are composite companies issuing both life and non-life. Faronic Alico, Commercial International Life: Life only; Faronic, Arab International, and Egyptian American: Non life; Egyptian International Medical Insurance Co. (EIMIC); Egyptian Export Guarantee; Cooperative Insurance Company
- 6) Other companies are seeking license to operate in either life or general insurance, as the current law does not allow composite companies.

Data for life business as of end June 2000

The amounts are in million Egyptian Pounds (see preamble) Fiscal year July/June

Total amounts of insurance in-force29,468

Total premiums for year ending June 2000620

Total claims for year ending June 2000431

	Individual	Group
Number of policies	616,063	
Amounts of insurance premiums (millions)	7,349	21,989
	298	301

	Individual	Group
Reserves (millions)	2,123	2,539

Analysis of Individual life 1999/2000

Whole life	
Number	3,460
Amounts (millions)	347
Premiums (millions)	8

Term	
Number	5,533
Amounts (millions)	654
Premiums (millions)	5

Endowments	
Number	605,610
Amounts (millions)	7,244
Premiums (millions)	280

Analysis Property and Casualty 1999/2000

Fire	
Premiums (millions)	276
Claims (millions)	83

Marine	
Premiums (millions)	86
Claims (millions)	34

Inland Transport	
Premiums (millions)	12
Claims (millions)	4

Hull	
Premiums (millions)	51
Claims (millions)	76

Aviation	
Premiums (millions)	77
Claims (millions)	291

Accidents	
Premiums (millions)	185
Claims (millions)	19

Engineering	
Premiums (millions)	112
Claims (millions)	52

Motor Compulsory	
Premiums (millions)	125
Claims (millions)	150

Motor	
Premiums (millions)	374
Claims (millions)	225

Petroleum	
Premiums (millions)	64
Claims (millions)	18

Medical	
Premiums (millions)	33
Claims (millions)	33

Investment types June 2000

Real Estate	
Life	77
Property	415
Free	90

Equities	
Life	2,797
Property	2,425
Free	1,559

Loans	
Life	83
Property	18
Free	65

Bank Deposits	
Life	1,340
Property	2,278
Free	706

Investment Income	
Life	10.2%
Property	8.6%
Free	7.1%

Program for Development of Insurance Personnel

The current number of Egyptian actuaries are only nine. They are Fellows or Associates of the Society of Actuaries or the Institute of Actuaries.

There are several universities that offer B.Sc., M.Sc. and Ph.D. degrees in insurance.

Cairo University has B.Sc. degree in Actuarial Science. About three graduates may seriously continue for Fellowship or academic degrees.

Final Comment: With the growth of the economy, insurance is expected to prosper. This explains the entry of several international insurers in the Egyptian market.

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