

Boom Time

Maroun Mourad, CEO of Zurich's general insurance operations in the Middle East, talks to TRENDS about the region's growing market.

With predictions of the insurance market doubling in the next few years in the GCC, what potential does your firm see in this scenario?

The growing Middle Eastern market presents an array of exciting opportunities for both global and local insurers. The volume of projects is increasing in many sectors such as infrastructure, healthcare, education and oil and gas which, in turn, drives demand for commercial insurance products. In the personal lines market, the planned introduction of compulsory health insurance in several markets will provide a boost to the region's insurers. More broadly, in recent years we have witnessed clear signals that insurance is starting to gain widespread acceptance among the re-

gion's population who now understand the importance of insuring their assets. Recognising the growth potential in the region, Zurich has built a strong locally based team with expertise in underwriting, risk engineering and claims handling to ensure we can launch strong propositions that allow us to deliver when it matters for our customers.

What unique products and services have you launched recently, or are working on, for the GCC market?

In 2011 Zurich introduced a range of products in the Middle East with several new-to-market features. Each product has been designed with the unique needs of the region's customers in mind. For instance, as the UAE has a high number of 4X4 drivers, Zurich's motor cover is

the only product in the market that offers free roadside assistance in the desert for 4x4 drivers.

Recognising that the region has a very large number of HNWI, Zurich also brought a private banking approach to personal insurance by developing a portfolio of bespoke solutions tailored to the needs of HNWI in the Middle East. The product range includes insurance for cars, homes, yachts, plus art and valuables collections. It is important to note, in this regard, that these propositions offer the broadest levels of cover in the market.

The personal lines products were initially launched in the UAE and will be rolled out in Bahrain, Kuwait, Oman and Lebanon in 2012.

We also launched our Web Cargo system, which allows customers to in- ➤



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sure their goods by simply completing an online form. We will be making further investment into the commercial lines market and our propositions for small business owners and commercial customers will be launched in due course.

There are a lot of almost defunct listed insurance companies in this region, any plans to buy them to penetrate deeper into the local market?

Zurich's acquisition of Lebanon-based Compagnie Libanaise d'Assurance S.A.L

was central to our aim of being the leading multinational insurer in the Middle East. The acquisition gave us access to personal and commercial customer segments in the UAE, Oman, Kuwait and Lebanon, which complimented our existing presence in the Dubai International Financial Centre (DIFC) and Bahrain. Zurich has now rebranded the CLA operations in those markets and, in doing so, has brought its global expertise, financial strength and innovative products to customers in the region. Zurich's long-term objective is to be present

in all GCC countries, offering unique propositions and high levels of customer service to all of our customers, so we will carefully evaluate any opportunity that could potentially contribute to our long-term goals.

How do you sum up 2011 for the GCC economies and insurance sector?

Compared to the global economic landscape, the GCC economies have weathered the financial crisis relatively unscathed. Overall, 2011 has been a good year and the insurance industry continues to grow, albeit at a lower growth rate than initially anticipated. That said, we still expect to see double-digit growth rates in gross written premium.



How was 2011 for your company?

2011 represents the year of integration for Zurich. We rebranded the CLA operations in each market and spent time investing in IT infrastructure, recruiting talent and developing propositions that help us deliver against our brand promise of delivering when it matters for our customers. Our DIFC-based facultative reinsurance business also continued to grow and excel.

How do you see 2012 for Zurich?

For Zurich, 2012 will be a year of growth in the markets in which we operate, and expansion into new territories. Our aim is to improve customer service, enhance our claims capabilities and de-

velop new market-leading propositions for our customers and distribution partners. Our business is also heavily dependent upon the people we employ, so we will continue to invest in our people and recruit new talent. We are particularly keen to recruit more females and GCC nationals to ensure our workforce better mirrors our client base.

Will we see more consolidation in 2012 in the insurance sector of the GCC?

As the region continues to cement its position as a major global trade hub, we expect to see more consolidation in the GCC insurance sector. Consolidation will come as local players recognise the value of using a common

brand to service customers that operate in multiple territories, and as global insurers continue to witness strong growth figures in the region. Given the low penetration levels of insurance in the region, there is enormous growth potential in the Middle East and the GCC.

What challenges are facing the insurance sector in the Middle East in the wake of the Arab Spring?

The GCC is a stable and business friendly environment and we don't expect that to change. While the events in the region have created new challenges and opportunities for every sector, our business has not been significantly impacted. ■