

INSURANCE IN LEBANON

Facts And Figures As At 31/12/2003

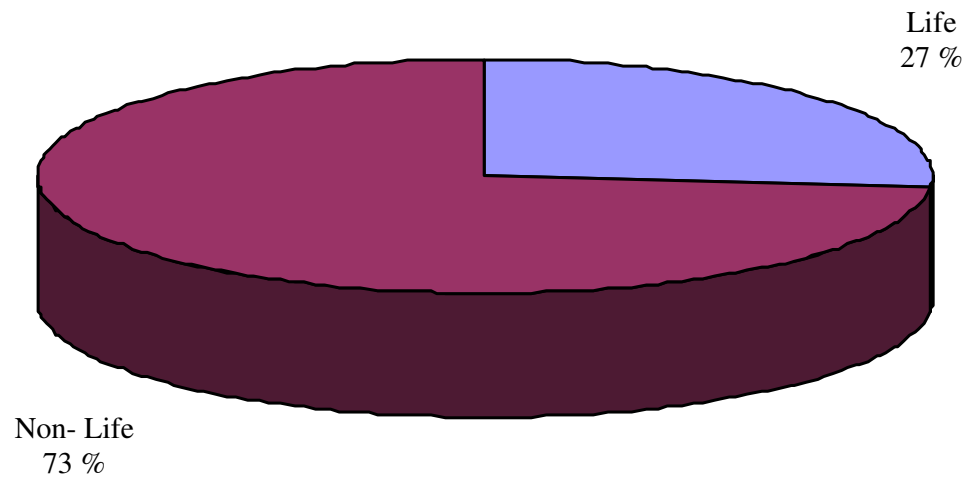


Report by J. ZAKHOUR

Premium Written In Lebanon (2003)

In million of US Dollars

Life	Non-Life	Total
139	381	520



Non Life Premium Written In Lebanon (2003)

Rank	Company Name	Premium 2003 (US\$)	Premium 2002 (US\$)	Premium 2001 (US\$)
1	MEDGULF	51,025,000	46,745,000	39,050,000
2	BANKERS	41,820,000	39,175,000	35,735,000
3	AXA MIDDLE EAST	21,860,000	22,310,000	22,945,000
4	S.N.A.	21,515,000	18,980,000	18,360,000
5	LIBANO SUISSE	21,480,000	18,830,000	18,150,000
6	MASHREK	15,300,000	16,350,000	14,420,000
7	LIBANO ARABE	14,820,000	11,965,000	10,325,000
8	FIDELITY	13,955,000	12,180,000	11,215,000
9	CUMBERLAND	13,770,000	13,385,000	12,410,000
10	ALICO	13,765,000	14,320,000	15,570,000
11	AROPE	12,685,000	10,025,000	9,365,000
12	FAJR AL GULF	9,700,000	6,005,000	4,235,000
13	ALIG	8,495,000	6,375,000	5,235,000
14	ASSUREX	8,220,000	7,155,000	7,080,000
15	SECURITE	7,950,000	5,785,000	5,160,000
16	UNION NATIONALE	7,600,000	6,250,000	6,645,000
17	COMPASS	7,375,000	6,055,000	6,215,000
18	U.F.A.	7,235,000	7,770,000	3,060,000
19	NORTH	6,300,000	4,425,000	5,610,000
20	COMMERCIAL	5,840,000	5,930,000	5,600,000
21	ADIR	5,565,000	4,000,000	3,380,000
22	U.C.A.	5,140,000	4,785,000	4,515,000
23	PHENICIENNE	4,735,000	5,070,000	3,805,000
24	ALPINA	3,920,000	3,855,000	3,260,000
25	CAPITAL	3,770,000	2,735,000	2,000,000
26	AMANA	3,545,000	1,950,000	2,025,000

FACTS & FIGURES

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Rank	Company Name	Premium 2003 (US\$)	Premium 2002 (US\$)	Premium 2001 (US\$)
27	BERYTUS	3,500,000	3,455,000	3,810,000
28	ARABIA	3,345,000	3,050,000	2,380,000
29	A.U.G.	3,335,000	2,670,000	2,780,000
30	C.L.A.	3,305,000	2,565,000	2,295,000
31	SONAR	3,130,000	850,000	910,000
32	ASSALAM	3,095,000	1,650,000	675,000
33	UNITED	2,515,000	2,510,000	2,375,000
34	C.I.G.	2,395,000	2,705,000	2,660,000
35	MEARCO	2,250,000	1,480,000	1,385,000
36	LEADERS	2,145,000	1,650,000	2,985,000
37	BYBLOS	2,110,000	1,770,000	1,855,000
38	AL NISR	1,935,000	1,700,000	1,700,000
39	VICTOIRE	1,780,000	1,470,000	1,645,000
40	ARAB LIFE	1,595,000	1,280,000	1,485,000
41	CONTINENTAL TRUST	1,530,000	1,525,000	1,410,000
42	L'HORIZON	1,350,000	Didn't Declare	390,000
43	LIBANAISE	1,175,000	1,200,000	1,980,000
44	DUBAI NATIONAL	770,000	1,810,000	2,115,000
45	L.C.I.	640,000	190,000	Started in 2002
46	AL MADINA	620,000	1,385,000	870,000
47	OVERSEAS	520,000	850,000	1,105,000
48	AL BAHRIA	495,000	400,000	525,000
49	SOGENAR	345,000	460,000	610,000
50	TRUST	325,000	225,000	135,000
51	A.T.I.	205,000	25,000	
52	ALIG LIFE	75,000	No General Insurance	85,000
53	A.I.G.	60,000	Didn't Declare	Started in 2002
54	I.T.I.	Merger With Fajr Al Gulf	2,770,000	2,060,000
55	BANCASSURANCE	No General Insurance	No General Insurance	No General Insurance
56	SOGECAP	No General Insurance	No General Insurance	No General Insurance
57	SCOTTISH LIFE	No General Insurance	No General Insurance	No General Insurance

Life Premium Written In Lebanon (2003)

Rank	Company Name	Premium 2003 (US\$)	Premium 2002 (US\$)	Premium 2001 (US\$)
1	ALICO	63,161,000	60,000,000	56,125,000
2	SOGECAP	18,538,000	16,289,000	1,730,000
3	SNA	15,706,000	14,520,000	13,430,000
4	BANCASSURANCE	13,811,000	9,586,000	5,667,000
5	LIBANO ARABE	3,188,000	2,281,000	2,075,000
6	ADIR	3,040,000	2,471,000	2,160,000
7	LIBANO SUISSE	2,770,000	2,844,000	2,835,000
8	UFA	2,246,000	2,246,000	137,000
9	BANKERS	2,073,000	1,580,000	1,490,000
10	CLA	1,978,000	1,874,000	1,475,000
11	MEDGULF	1,733,000	1,580,000	1,660,000
12	AROPE	1,683,000	1,558,000	1,500,000
13	AXA MIDDLE EAST	1,264,000	1,042,000	828,000
14	ARABIA	1,043,000	749,000	511,000
15	ASSUREX	862,000	831,000	867,000
16	MASHREK	772,000	852,000	902,000
17	UCA	766,000	740,000	562,000
18	SECURITE	728,000	591,000	508,000
19	CAPITAL	598,000	445,000	151,000
20	ARAB LIFE	538,000	374,000	432,000
21	NORTH	505,000	500,000	540,000
22	UNION NATIONALE	453,000	412,000	784,000
23	FAJR AL GULF	380,000	147,000	142,000
24	COMPASS	300,000	265,000	254,000
25	COMMERCIAL	250,000	216,000	207,000

FACTS & FIGURES

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Rank	Company Name	Premium 2003 (US\$)	Premium 2002 (US\$)	Premium 2001 (US\$)
26	ALIG LIFE	240,000	112,000	75,000
27	C.I.G.	190,000	199,000	185,000
28	PHENICIENNE	162,000	197,000	147,000
29	FIDELITY	140,000	101,000	10,000
30	TRUST LIFE	104,000	64,000	-
31	AMANA	97,000	96,000	115,000
32	AL MADINA	0	93,000	98,000
TOTAL		139,319,000	124,855,000	97,602,000

FACTS & FIGURES

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Capital	Beirut
Population	About 4 million
Life Expectancy	72 years for men 80 years for women
Area	10,452 sq km (4,015 sq mi)
Largest Cities	Beirut 800,000 Tripoli 300,000 Sidon 100,000
Languages	Arabic ~ French ~ English
Currency	Lebanese Pound (LBP 1,500 to US\$. 1)

- Lebanon is not an industrial country and is not likely to become one at any time in the future.
- Services have and will always be the backbone of the economy of this country.
- Premium originating from service-related risks is relatively small. Such risks may be expensive to handle, yet they are generally profitable.
- Imports would generally consist of consumer goods.
- Motor Compulsory Insurance Law of 1977 was put in force only in mid 2003.
- Compulsory Workmen's Compensation Laws of 1983 is expected to be enforced soon.

Multinational Insurers Operating In Lebanon

- Alico (USA)
- AXA through AXA Middle East SAL
- Allianz/AGF through SNA SAL
- Société Générale (France) through Sogecap Liban SAL
- Crédit Agricole through Bancassurance SAL
- Banque Populaire (France) through ADIR SAL
- AIG through AIG Lebanon SAL

Reinsurers conducting Mideast business out of regional offices in Beirut:

- General-Cologne Re
- ERC Solutions
- C.C.R. France
- Arab Re
- Best Re

FACTS & FIGURES

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- With 46 National Companies, all privately owned, one Foreign Insurer and 5 Reinsurers, and hundreds of local brokers, Lebanon continues to be an open insurance market, truly and fully free.
- Foreign Insurers and Brokers are allowed to operate by virtue of licenses granted by the Ministry of Economy and Trade.
- Premium and Commission remitted to non resident Insurers and Brokers are subject to income tax totaling less than 2 percent.
- 100% Fronting available at a negotiable fee, and 12.5% Policy Tax and Stamps.
- International Brokers represented in Lebanon thru partnership companies:
 - Gras Savoy
 - Marsh
 - U.I.B. – UK
 - Nasco Karaoglan – France

Commerce and Trade

Commerce is of major importance to the economy. The climate, scenery, and historical remains attract tourists, with consequent benefits to the economy. Imports are valued at about US\$. 8,100 million and exports at some US\$. 1,100 million. Lebanon's chief trading partners are other Arab and Middle Eastern nations, the E.U. and the United States.

Return of Foreign Investments

Arab and Foreign Investors are showing particular attention in Beirut as a Business Center. Among those who settled in: Citicorp, J.P. Morgan Chase, Merrill Lynch, Booz Allen Hamilton, C.C.C., etc,...

Reconstruction

Lebanon has an Economy dominated by Banking and other commercial services. Steady recovery has taken place since the restoration of peace in 1990. Peace has enabled the government to collect taxes and regain control of the whole Country. Economic recovery has been helped by a financially sound Banking System. Lebanon's reconstruction has involved substantial Foreign Aid and Investment. Among other projects which were brought about: Beirut International Airport, enlargement of Beirut Port, rehabilitation of Beirut Central District, new highways, tunnels and overpasses.

GNP

The GNP of Lebanon in 2003 was US\$. 20 billion equivalent to US\$. 5,000 per capita.

Beirut as a Business Center

Beirut is perfectly equipped to accommodate Foreign Enterprises.

Among other factors which make Beirut worth being taken as a base for Middle Eastern operations:

- Open society
- Moderate climate
- Multi lingual young men and women
- Abundance of Schools and Universities
- Entirely free banking
- Proximity to Europe and to Arab Capitals (3 hours flight to Bahrain and 4:30 hours flight to London).