



International Association of Insurance Supervisors

Press release

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Global reinsurers remain strong despite challenges

The global reinsurance market has demonstrated robustness and resilience despite the combined challenges of sustained catastrophic losses and the historically low investment environment that manifested in 2008.

This is the key finding of the International Association of Insurance Supervisors (IAIS) *Global Reinsurance Market Report 2009*, released today.

Reinsurers play an important role in the functioning of efficient insurance markets through their shock absorbing capacity, including coverage against major reinsured natural catastrophes. The report builds on the unique data provided by 51 leading global reinsurers worldwide, which have been actively engaged with the IAIS in generating knowledge on reinsurance in order to better understand, regulate and supervise this key financial industry.

In spite of 2008's challenging environment, reinsurers returned an overall positive result, indicating industry strength and contributing to both the stability of the global insurance markets as well as ultimately the security of individual insurance customers. Reinsurers continued to focus on diversified risk taking, drawing on the fundamentals of the reinsurance business in order to navigate a particularly turbulent year for the economy in general, and the financial sector in particular.

Jeremy Cox, Chair of the Reinsurance Transparency Subgroup, the working party in charge of the study noted that "reinsurers suffered comparatively less damage on the asset side of their balance sheets in 2008 compared to other financial sectors".

Peter Braumüller, Chair of the IAIS Executive Committee, emphasised that "despite the ongoing financial turmoil, the global reinsurance market has demonstrated robustness and resilience." However, he stressed that the IAIS will continue to exercise macroprudential surveillance of the sector, carefully tracking key risks and trends in reinsurance, and sharing the findings with the international supervisory community.

The report is available on the IAIS website at www.iaisweb.org.

About the IAIS

Established in 1994, the IAIS represents insurance regulators and supervisors of some 190 jurisdictions in nearly 140 countries and has also more than 120 insurance professionals, insurers, reinsurers and trade associations as observers. The IAIS issues global insurance principles, standards and guidance papers, provides training and support on issues related to insurance supervision, and organises meetings and seminars for insurance supervisors. The IAIS works closely with other international institutions to promote financial stability.