

# UZBEKISTAN:

## INSURANCE MARKET OVERVIEW



- **Surface Area:** 447,400 km<sup>2</sup>
- **Capital:** Tashkent
- **Population:** 32,955,400
- **Religion:** Mostly Islam
- **Currency:** So'm (Code: UZS)

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Uzbekistan has a land area of 172,742 square miles (447,400 km<sup>2</sup>). Its population estimated at 32.96 million, making it by far the most populous of the five Central Asian republics. The country has borders with Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Afghanistan.

Uzbekistan lies at the heart of Central Asia. Most of the land is plains and desert. The Tien Shan and Pamir-Alai mountain ranges rise from the plains in the central and south-eastern half of the country. Present-day Uzbekistan formed an important section of the Great Silk Road, which for centuries took travellers and traders across Central and Far Eastern Asia to the Middle East.

Uzbekistan's economy is dominated by State-Owned Enterprises (SOEs) and is largely dependent on cotton, natural gas and gold exports. The principle of "import substituting industrialisation", by which local industry is encouraged to meet the needs of the domestic economy, has been fundamental to economic policy although the economic environment is now changing.

Uzbekistan recorded one of the most notable improvements in the World Bank's Doing Business ranking, and in 2018 was included in the global top 10 improvers list.

The Uzbekistan insurance market is small with a low premium expenditure and an insurance culture that is still developing.

In 2018, total market GWP reached UZS 1.6 trillion and paid claims were UZS 460.8 billion. Non-life GWP amounted to UZS 1.2 trillion (+54.4%), and life GWP UZS 0.4 trillion. The estimated insurance market portfolio in 2018 refers to 16% as mandatory insurance and 84% as voluntary insurance.

1H2019, the market showed impressive growth of 53.29% y-o-y. GWP amounted to UZS 1,253.304 billion (EUR 128.78 million). The market share of the voluntary segment increased by about 5% y-o-y, while the share of compulsory insurance, on the contrary, declined.

Paid claims recorded an increase of more than 116%, mainly due to increasing paid claims for voluntary classes. Paid claims for compulsory insurance remained at almost the same level as a year ago.



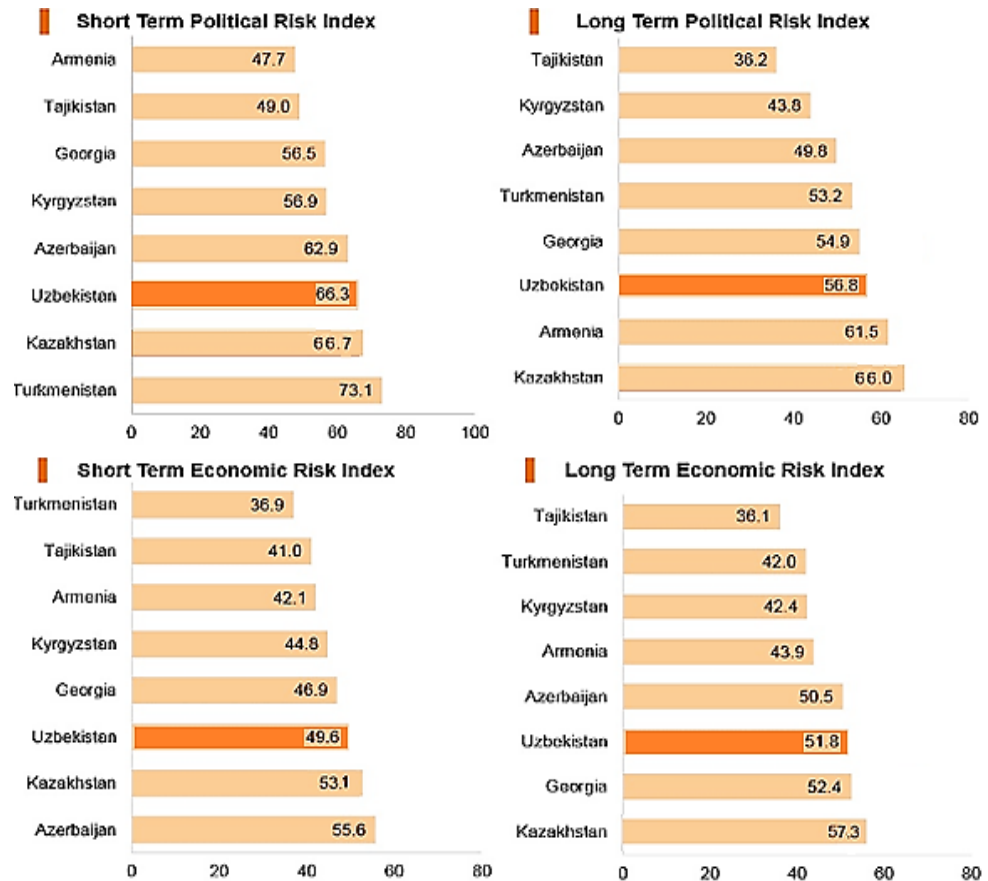
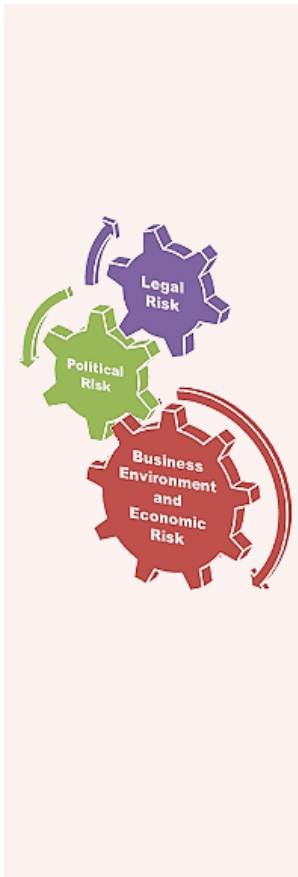
## UZBEKISTAN ECONOMY DATA

	2014	2015	2016	2017	2018
<u>Population (million)</u>	30.0	30.5	31.0	31.6	32.1
<u>GDP per capita (USD)</u>	1,923	2,070	2,149	2,124	1,839
<u>GDP per capita (EUR)</u>	1,480	1,512	1,937	1,921	1,605
<u>GDP (USD bn)</u>	57.7	63.1	66.7	67.1	59.1
<u>GDP (EUR bn)</u>	44.4	46.1	60.1	60.6	51.6
<u>Economic Growth (GDP, annual variation in %)</u>	8.0	7.2	7.4	6.1	4.5
<u>Consumption (annual variation in %)</u>	9.7	10.9	11.6	7.0	-
<u>Investment (annual variation in %)</u>	5.2	7.4	0.8	16.4	7.1
<u>Fiscal Balance (% of GDP)</u>	0.3	0.2	0.1	0.1	0.1
<u>Public Debt (% of GDP)</u>	7.9	7.8	8.7	8.6	20.2
<u>Inflation Rate (CPI, annual variation in %)</u>	11.7	9.1	8.5	8.8	13.9
<u>Policy Interest Rate (%)</u>	12.00	10.00	9.00	9.00	14.00
<u>Exchange Rate (vs USD)</u>	2,202	2,422	2,810	3,218	8,120
<u>Exchange Rate (vs USD, aop)</u>	2,092	2,308	2,570	2,965	5,123
<u>Exchange Rate (vs EUR)</u>	3,034	2,931	3,052	3,394	9,751
<u>Exchange Rate (vs EUR, aop)</u>	2,780	3,064	2,852	3,279	5,869
<u>Current Account (% of GDP)</u>	2.8	1.7	0.7	0.5	2.5
<u>Current Account Balance (USD bn)</u>	1.6	1.1	0.5	0.3	1.5
<u>Trade Balance (USD billion)</u>	-10.6	-12.6	-10.5	-2.4	-2.2
<u>Exports (USD billion)</u>	7.7	6.4	5.4	8.6	10.2
<u>Imports (USD billion)</u>	18.4	19.0	15.9	11.0	12.4
<u>Exports (annual variation in %)</u>	38.9	-17.0	-16.7	61.3	17.5
<u>Imports (annual variation in %)</u>	38.4	3.4	-16.6	-30.4	12.1
<u>International Reserves (EUR)</u>	-	-	-	-	-
<u>International Reserves (USD)</u>	-	-	-	-	-
<u>External Debt (% of GDP)</u>	18.5	21.1	22.2	21.8	26.4



# COUNTRY RISK

## Political and Economic Risk Indices



100 = Lowest risk, 0 = Highest risk

Source: Fitch Solutions February 19, 2019

Operational Risk Index	Country	Operational Risk Index	Labour Market Risk Index	Trade and Investment Risk Index	Logistics Risk Index	Crime and Security Risk Index
		Georgia	61.9	64.7	70.9	54.9
	Azerbaijan	58.8	60.3	62.4	59.5	52.8
	Kazakhstan	58.5	71.6	58.9	54.1	49.3
	Armenia	55.5	56.1	58.5	49.9	57.6
	Uzbekistan	42.3	51.2	53.1	34.7	32.5
	Tajikistan	42.3	52.8	38.9	38.8	40.1
	Kyrgyzstan	42.3	49.2	44.7	38.0	33.5
	Turkmenistan	38.1	33.8	39.4	43.1	36.1
	Caucasus and Central Asia Average	50.0	54.9	53.4	46.6	44.9
	Emerging Markets Averages	46.7	48.0	45.5	47.4	46.0
	Global Markets Averages	49.6	49.7	49.9	49.0	49.8

Source: Fitch Solutions February 19, 2019

### Natural Hazards

Uzbekistan is in an earthquake region, and this is a major hazard that needs to be carefully evaluated. Windstorm and flood are recognized risks, especially in rural areas, but the proportion of insured losses is low.

# UZBEK INSURANCE MARKET

## Insurance Market Development and Legal Framework

- 19<sup>th</sup> c Some insurance was probably transacted by Russian companies
- 1921 The Soviet state insurance company Gosstrakh was established, initially to insure agricultural property, crop and livestock, and foreign trade.
- 1940 Agricultural property, crop and livestock insurance was made compulsory for collective farms.
- 1958 Gosstrakh was decentralized into separate bodies that became part of the finance ministry of each republic of the USSR.
- 1976 Agricultural property, crop and livestock insurance for state farms on a compulsory basis was introduced.
- 1989 The law on co-operatives permitted the establishment of the first co-operative insurers, later transformed into joint stock companies.
- 1993 The first Uzbek law on insurance was enacted.
- 1998 Gosstrakhnadzor was set up as the supervisory authority for insurance.
- 1999 The insurance law was amended: the first regulations were issued.
- 2002 A new insurance law and regulations were enacted dividing the market into life and non-life sectors and introducing EU classifications of insurance.
- 2006 The first specialized reinsurance company, Transinsurance Re, was formed. Later in 2013 the company was closed.
- 2007 Agents, brokers, surveyors, adjusters, assistance providers and actuaries were defined as professional participants in the insurance market by amendment to the insurance law of 2002.
- 2008 Compulsory Motor Third Party Liability (MTPL) became law, and a motor guarantee fund was created.
- 2010 Increases in minimum capital became effective from 1 January.
- 2015 Compulsory carriers' liability insurance was introduced.
- 2017 Foreign exchange policy liberalized. Minimum capital requirements restated in local currency. Insurers permitted to purchase foreign currency without limitation when procuring reinsurance.



### ► INSURANCE ORGANIZATIONS:

#### SUPERVISORY AUTHORITY:

The insurance industry in Uzbekistan is supervised by the State Insurance Supervisory Inspection Department (Gosstrakhnadzor), which was established on 8 July 1998, by the Cabinet of Ministers, under Resolution No 286 On Measures for the State Supervision of Insurance Activity. Gosstrakhnadzor began working as the insurance supervisory authority in February 1999.  
[www.mf.uz](http://www.mf.uz)

#### INSURANCE ASSOCIATION:

The Association of Professional Participants in the Insurance Market was formed in June 2007. [www.uz-insur.uz](http://www.uz-insur.uz)



## ➤ Types of License

- Licences are issued either for life or non-life: composite insurers have not been permitted according to the 2002 legislation.
- PA and healthcare (sickness) are considered as non-life classes in Uzbekistan, although they may be written also by life companies, either as supplementary covers to life products or as stand-alone policies.
- Life companies may also write travel insurance if it is restricted to medical expenses and PA cover (ie no property or liability covers are included).
- Within the non-life grouping, licences are issued on a class-by-class basis.
- Licences for inwards reinsurance are not issued separately except specifically for a professional reinsurance company. No direct writer can accept inwards reinsurance unless it has capital sufficient to qualify as a professional reinsurer.
- The standard response time for a licence or filing application is 20 days.



## ➤ Capital Requirements

The minimum authorized capital for insurance companies operating:

- Non-life insurers - UZS 7.5bn (USD 947,207)
- Insurers writing compulsory classes - UZS 15bn (USD 1.89mn)
- Exclusively for reinsurance - UZS 30bn (USD 3.79mn).
  - Existing insurers/reinsurers were granted until 1 July 2018 to comply with the restated capital requirements.
  - The initial statutory fund of the insurer must be formed by the founders by the time the licence is received, and it cannot be less than the minimum statutory fund amount established by law.



## ➤ Compulsory Insurances

In accordance with the meaning of Article 914 of the Civil Code of the Republic of Uzbekistan, there is a system of voluntary and obligatory insurance.

For obligatory insurance, an insured is obliged to enter into a contract with an insurer under the terms of the legislation in force.

Hereunder is a list of the types of obligatory insurance in the Republic of Uzbekistan:

- Motor third-party liability.
- Employers' liability.
- Carriers' third-party liability (death, bodily injury and property damage of passengers).
- Third party and environmental liability for accidents at hazardous production facilities.
- Professional liability for the following: valuers; customs clearing agents; financial services consultants; auditors, real estate agents; and notaries.
- State insurance of the life and health of workers in the energy and mining industries, court officials, the military, emergency rescue services and tax services personnel.
- Third-party liability for hazardous cargo transportation.
- Ecological insurance.



- Contractors' all risks for objects built with state funds or under state guarantee.
- Insurance of items taken as loan pledges.
- Insurance of leased equipment.
- Insurance of property offered as security.
- Insurance of mortgaged property.
- Insurance of risks under concessionaires' contracts.
- Insurance of valuables in the post.
- Tourist insurance.
- Export contract insurance.
- Life and health insurance for participants in clinical trials (required by trial sponsors in order to obtain a licence - not a legal requirement).

### ➤ Insurance Policy:

- There are no compulsory wordings for any class and insurers are free to design the wordings they wish. Regulations issued for the various compulsory classes, however, may contain definitions, essential components, terms, conditions and obligations which should be incorporated into the policy.
- Policies in English are allowed but may not stand alone; market practice requires an Uzbek or Russian version which would take precedence in the event of a dispute. For large risks, wordings are often provided by the placing brokers. Manuscript policies and programme rates are allowed provided that, in using them, the local insurer will not face compliance issues relating to its filed wordings and tariffs.
- Standard example wordings are lodged with the supervisor, but there is no strict adherence to any specific wording required. Amendments to wordings are allowed providing always that there is no legally significant deviation to the original filing.
- Rates are filed with the standard wordings, but there is apparently no requirement to maintain rates that are first advised to the supervisor. Article 942 of the Civil Code states that the insurer, in determining the amount of the insurance premium subject to payment under the contract, shall have the right to apply insurance rates developed by the insurer, taking into account the object of insurance and the nature of the insurance risk.
- The standard response time for a licence or filing application is 20 days.
- There is considerable variation in the wordings used and the degree of sophistication in them. International (London market or major international reinsurers') wordings are often used, especially for risks involving a foreign partner or foreign capital and, in the more sophisticated versions, a jurisdiction clause is often included.
- There are no non-standard exclusions.
- There is no automatic renewal of insurances. At renewal, insurers contact the client and offer renewal if they wish to do so.



➤ **Statutory Tariffs**

Tariffs are not set for voluntary classes: insurers are free to charge what they deem to be commercial rates for the business. There are statutory tariffs for some compulsory classes including motor third party liability, carriers' liability and employers' liability.

➤ **Foreign Ownership**

Article 27 of the insurance law states that foreign insurance and reinsurance organisations may participate as founders of Uzbek insurance companies. Branches of foreign legal entities are not, however, permitted.

➤ **Intermediaries:**

Intermediaries (brokers or agents) are required to be authorized to do insurance business. Intermediaries are not permitted to place business with non-admitted insurers, with the exception of insurance of imports on CIF terms and motor third party liability for drivers leaving Uzbekistan (Green Card equivalent).



➤ **Non-Admitted Insurance Regulatory Position**

Non-admitted insurance is not permitted. The law prohibits insurance intermediary activity on behalf of foreign insurance organizations. There are no restrictions on the placement of reinsurance abroad.

➤ **Reinsurance Business:**

There was no professional specialist reinsurance company in Uzbekistan. Several of the larger direct licensed insurers are sufficiently capitalized to act as reinsurers writing inwards reinsurance.

Following the recent currency liberalization announced in September 2017 under Presidential Decree No 517 local insurance companies can now freely buy foreign currency in order to purchase reinsurance.

There is no state reinsurance company in Uzbekistan. Three direct companies which are state-owned write inward reinsurance: Uzbekinvest, Kafolat and Uzagrosugurta. Uzbekinvest has by far the highest capacity.

Direct writers do not need to be specifically licensed to write reinsurance, but they do need to have sufficient capital, ie UZS 30bn (USD 3.79mn: the equivalent of USD 3.70mn using the official exchange rate of 5 September 2017 established by the Central Bank).



There are no obligatory reinsurance cessions to any local insurer/reinsurer, although it should be noted that some limitations on maximum retentions apply. The maximum liability of an insurer (reinsurer) on an individual risk should not exceed 20% of its capital and reserves (15% for export contracts against political and commercial risks).

When arranging a placement with foreign reinsurers, several conditions need to be complied with as specified in Order No 41 (Articles 32 to 35) On Approval of the Regulations for Solvency of Insurers and Reinsurers dated 22 April 2008 issued by the Ministry of Finance.

The total volume of reinsurance ceded to non-resident insurers/reinsurers should not exceed 95% of the obligations of the local insurer for each separate insurance contract.

When placing reinsurance overseas, a local insurer's own retention must be not less than 5% of the company's solvency margin for the preceding quarter, except for export contracts against political and commercial risks and travellers' medical insurance.



Minimum acceptable security ratings for non-admitted reinsurance also apply (Moody's Investors Service Baa3, S & P Global BB+, Fitch Inc. BB-, A. M. Best Company Inc. B+, Expert-RA A++). Prospective reinsurers do not need to be registered locally, but it is unclear how the supervisor routinely vets the adequacy of ratings.

A 10% withholding tax on insurance and reinsurance premiums paid abroad applies; the withholding tax is not applied where Uzbekistan has double taxation agreements, but a tax residence certificate is required.

Global programme wordings and rates may be acceptable, depending on the filings that the local carrier has made to the supervisory authority. Fronting commissions are usually in the region of 5% to 15%.






Foreign exchange policy was liberalized in September 2017 following Presidential Decree No 517. Uzbekistan insurance companies can now freely purchase foreign currency without limitation for their reinsurance purchases.





# INSURANCE MARKET PERFORMANCE AND STATISTICS



-  As of the end of 2018, the local market was represented by 30 companies (3 more than in 2017), of which 24 are non-life companies and 6 life companies.
-  In 2018, the total volume of insurance premiums reached 1.6 trillion UZS (193 million USD), which is 76% more compared to the 2017 which is 927 billion UZS (109 million USD).
-  The real growth rate of premiums is estimated at 62%. This figure significantly exceeds the GDP growth rate for 2018, which according to preliminary data amounted to 5.1%.
-  The total premiums for companies operating in the life insurance industry increased by 3 times and amounted to 417 billion UZS (\$49 million USD) in 2018.
-  In 2018, general insurance industry grew by 54% and amounted to 1.2 trillion UZS (\$142 million USD).

## MARKET OVERVIEW

According to the Ministry of Finance of the Republic of Uzbekistan, in 2018, three new insurance companies launched their activities in the country. As a result, the number of insurance companies in the market of Uzbekistan reached up to 30 units: 24 of them operate in general insurance and 6 in life insurance industries. Two of the three new companies that entered the market operates in the life insurance industry (“Euroasia Life” and “Kafolat Hayot”), and one company (“Apex Insurance”) is in the general insurance industry.

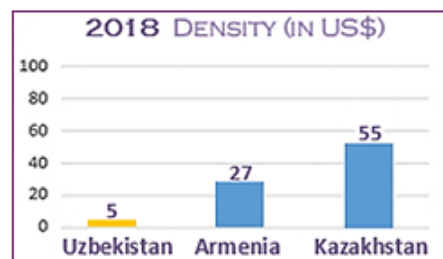
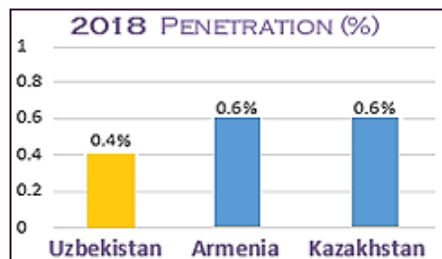
Year	Insurance premiums, (billion UZS)	Penetration (% of GDP)	Density (per capita in US\$)	Insurance payments, (billion UZS)
2014	439.1	0.30%	6	74.6
2015	551.5	0.32%	6	99.8
2016	692.6	0.35%	7	130.5
2017	927	0.40%	6	270
2018	1635	0.40%	5	460

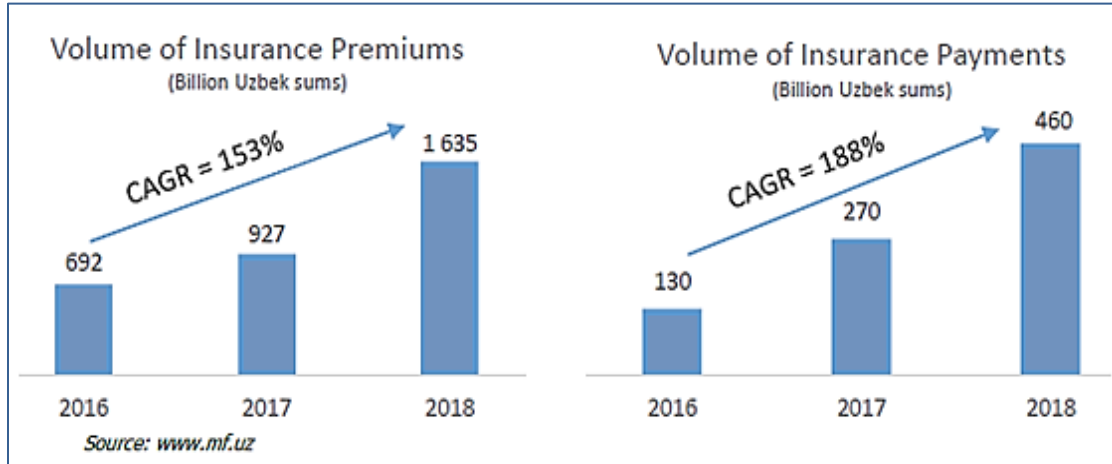
Source: Data of the State Insurance Supervision of the Republic of Uzbekistan

Uzbekistan Insurance Market premium as a percentage of GDP and expenditure on a per capita basis expressed in US\$ for the year 2018;

Comparisons are made with, Armenia and Kazakhstan.

Source: Swissre Sigma Explorer





For the year ended 2018, the insurance market of Uzbekistan shows a high growth rate relative to the corresponding figures of the previous year.

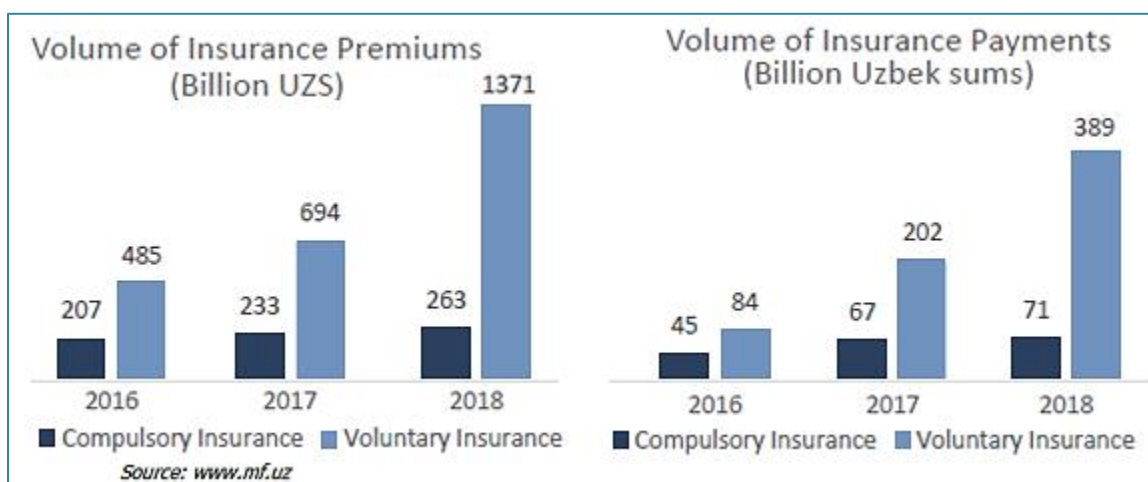
For 2018, the volume of insurance premiums in the market increased by 76% and reached 1.6 trillion UZS (\$193 million USD).

Taking into account the inflation rate for 2018, the real growth rate of premiums is estimated at 62%. This figure significantly exceeds the growth rate of the country's GDP for 2018, which, according to preliminary data, was 5.1%, which clearly indicates the dynamics of the insurance industry as a whole. The main drivers of market growth is life insurance.

For 2018, the volume of premiums for voluntary types of insurance reached 1.4 trillion UZS (\$165 million USD) and exceeded the previous year by 98%. At the same time, premiums for compulsory insurance also showed a positive trend, but the growth rate was only 13%. The volume of premiums collected on compulsory insurance reached 263.5 billion UZS (\$31 million USD). The growth rate of the premiums for voluntary insurance reflects the continued upward trend in the share of voluntary insurance in the market as a whole. In 2017 the share of voluntary insurance rose to 74.8%, then by the end of 2018, this figure increased by 9 points and reached 83.9%. This growth trend in the share of voluntary insurance in the market is estimated as a positive result, indicating a real growth in the country's insurance market.

It should be also noted that in 2018, there is also a rapid increase in insurance payments. During the reporting period, payments made by the companies increased by 71% and reached 460 billion UZS (\$54 million USD). Also the main factor leading to the growth of payments in 2018 is the growth of payments on life insurance contracts.

As part of insurance payments, there is also a tendency of growth in the share of voluntary insurance. During 2018, the volume of payments on voluntary types of insurance increased by 92%, reaching 389 billion UZS (\$46 million USD). For compulsory insurance, the volume of payments grew by only 6% and amounted to 71 billion UZS (\$8.4 million USD). As a result, the share of voluntary insurance in total payments increased by 9.5 percentage points and reached 84%. The share of payments attributable to compulsory insurance, respectively, amounted to 16%.



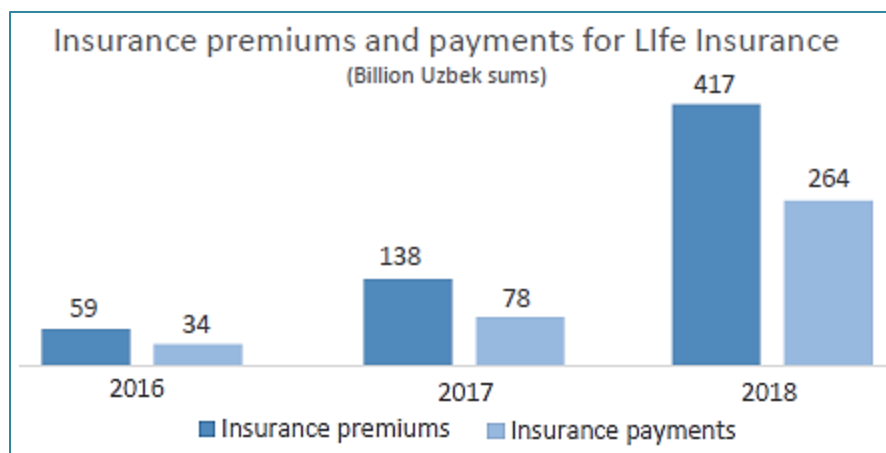
In 2018, the Incurred Claim Ratio (ICR) for the market stabilized at 28%. While, in 2017, this figure rose from 18.8% to 29% YOY.

In the recent years, the life insurance industry has shown a rapid increase in premiums. As a result, for the year ended, the share of companies in the life insurance industry in total premiums reached 25%. In insurance payments, the share of life insurance exceeds more than half of total payments and is 57%. The prevalence of the life insurance industry in total payments is related to the specifics of cumulative types of life insurance, which provide for the return of the accumulated amount in the event of the expiration of the insurance contract.

## LIFE INSURANCE

Over the past two years, there has been an increase in the number of companies operating in the life insurance industry. Companies in this industry manage to rapidly increase the volume of insurance operations mainly in cumulative types of life insurance. The main incentive for this growth is the favorable tax conditions created by the government of the country for individuals using long-term life insurance services. It should be noted that in 2018 the tax rate on personal income was reduced to 12%, while before it was progressive tax rate up to 23% which may affect the trends and dynamics of insurance premiums in the life insurance industry in subsequent years.

As noted above, the number of players in the life insurance industry has increased to six companies. The total premiums for companies operating in the life insurance industry increased by 3 times and amounted to 417 billion UZS (\$49 million USD).



Insurance payments for the industry showed a higher growth rate, which amounted to 337%. The total volume of payments amounted to 264 billion UZS (\$31 million USD).

In 2018 the premiums and payments for the industry accounted for 4 insurance companies, since the other two companies began their operations almost in the second half of the reporting period. The leader in terms of premiums in the industry was New Life Insurance LLC, which collected premiums in the amount of 159.9 billion UZS (\$18.8 million USD). The second and third positions are occupied by Agros Hayot LLC and O'zbekinvest Hayot LLC with premiums of 129.6 billion UZS (\$15 million USD) and 101 billion UZS (\$11.9 million USD), respectively. It can be seen that the main part of the industry awards falls on the top three companies. Their shares in the industry respectively amounted to: LLC New Life Insurance - 38%, LLC Agros Hayot 31% and OOO O'zbekinvest Hayot - 24%.

#	Name of Company	Insurance premiums		Insurance payments		ICR
		Billion UZS	Market share	Billion UZS	Market shares	
1	New Life Insurance	159,9	38%	98,7	37%	62%
2	Agros Hayot	129,6	31%	79,1	30%	61%
3	O'zbekinvest Hayot	101,2	24%	68,1	26%	67%
4	Alfa Life	24,4	6%	17,6	7%	72%
5	Euroasia Life	2,0	1%	0,4	0%	20%
6	Kafolat Hayot	0,2	0%	0,0	0%	0%
	<b>Total</b>	<b>417,3</b>	<b>100%</b>	<b>263,9</b>	<b>100%</b>	<b>63%</b>

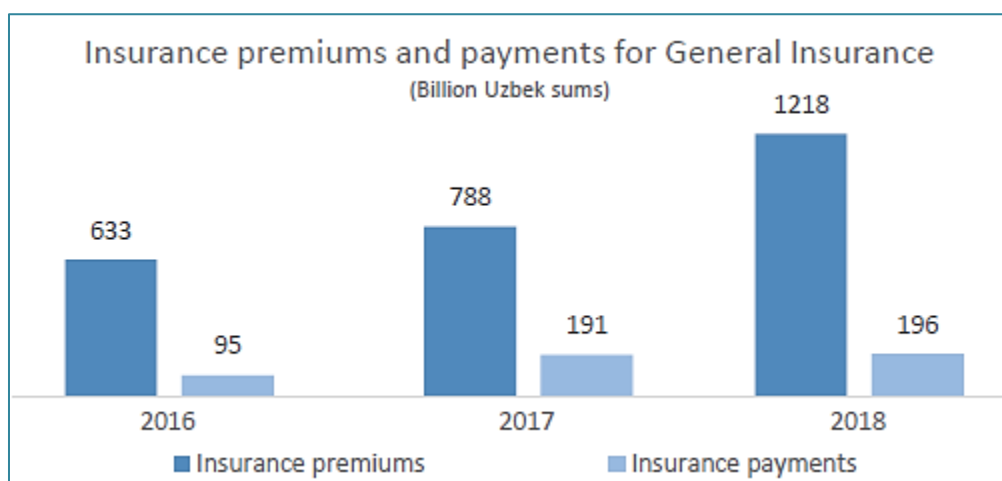
Source: [www.mf.uz](http://www.mf.uz)

The volume of insurance payments of life insurance companies increased 3.4 times and amounted to 264.0 billion UZS in 2018. The ICR of insurance premiums in the industry was 63%. A significant part of payments in the amount of 93% is accounted for the companies New Life Insurance LLC (37%), Agros Hayot LLC (30%) and O'zbekinvest Hayot LLC (25.8%).

## GENERAL (NON-LIFE) INSURANCE

In 2018, general insurance industry has also a high rate of growth in premiums. Types of general insurance include property insurance, liability, business and financial risks, as well as some risky types of personal insurance. The main distinctive feature of types of general insurance is that they belong to risk types of insurance and do not contain elements of accumulation and investment income.

As noted above, in 2018 new company entered the industry. The total premiums in the industry grew by 54% and amounted to 1.2 trillion UZS (\$142 million USD). The growth rate is a significant achievement for the general insurance industry.



The volume of insurance payments for the industry increased by only 2.7% and amounted to 196.8 billion UZS (23 million USD). Such a low growth rate of payments compared to the growth rate of premiums in the general insurance industry indicates a good underwriting result for industry companies in 2018.

In general, in terms of premiums, market leaders with a significant margin are Uzagrosugurta JSC (14.6%), Uzbekinvest NEIC (13.9%) and Gross Insurance LLC (12.6%). The next two companies getting 4- and 5-positions in the industry are Insurance Company Kafolat JSC (9.6%) and Alfa Invest LLC (6.8%). Shares of other companies in the industry are below 6%.

The concentration of the leading three companies in the industry decreased by 5.7 percentage points and amounted to 38%. The first five companies account for 57.5% of premiums, which is 2.4 percentage points lower than the previous year. The concentration of the TOP 10 company industry also decreased by 1.9 percentage points and amounted to 80.9%. It is noted that the decrease in the concentration level is a positive result of the presence of conditions for free competition in the market.

Insurance payments for most companies in the industry have seen an increase in payments. At the same time, for some companies, the amount of payments decreased compared to 2017. It should be noted that the low growth rate of aggregate payments in the industry was due to a significant reduction in the volume of payments to the company Uzagrosugurta, amid the growth in payments to the majority of other companies. Payments on this company decreased by 29.6% and amounted to 65.6 billion UZS

(\$7.6 million USD). As a result, the share of Uzagrosugurta JSC in total payments for the industry decreased to 33%.

#	Name of Company	Insurance premiums		Insurance payments		ICR
		Billion UZS	Market shares	Billion UZS	Market shares	
1	JSC "Uzagrosugurta"	178	15%	65,6	33%	37%
2	Uzbekinvest	169,1	14%	31	16%	18%
3	OOO "Gross Insurance"	153,5	13%	15	8%	10%
4	JSC "Insurance company Kafolat"	116,7	10%	30,6	16%	26%
5	CO OOO "Alfa Invest"	82,5	7%	9,1	5%	11%
6	Alskom	69	6%	8,8	5%	13%
7	Euroasia Insurance	59,4	5%	2,8	0%	5%
8	OOO "Asia Inshurans"	56,6	5%	7,8	4%	14%
9	Kapital Sug'urta	55,7	5%	6,3	3%	11%
10	Temiryo'l-Sug'urta	45,3	4%	4,1	2%	9%
	Others	232,1	19%	15,8	8%	7%
	<b>Total</b>	<b>1217,9</b>	<b>100%</b>	<b>196,9</b>	<b>100%</b>	<b>16%</b>

Source: www.mf.uz

The reduction in the growth rate of insurance payments in the industry over the period under review led to a decrease in the rate of ICR. Thus, according to the results of 2018, the level of ICR was 16.2%, which is 8.1 points lower than the previous year.

In terms of companies in 2018, the highest levels of ICR are observed in such companies as Uzagrosugurta JSC (36.9%), Kafolat Insurance Company JSC (26%), DD-General Insurance (20%), Uzbekinvest (18%).

## The Future

- The insurance market and indeed Uzbekistan itself are in a state of flux since the start of the presidency of Mr Shavkat Mirziyoyev in December 2016.
- The market is likely to undergo significant change if the raft of new initiatives that are planned come to fruition.
- The disruption caused to the economy by the currency liberalization of late 2017 has now subsided to a certain extent. At the same time the economy is becoming more open and business friendly.
- The signs are that the insurance market is poised for strong growth in the near to medium term. Risks to this are the increasingly competitive market conditions or if reforms stall.

