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# State of the Marine Reinsurance Market on the African Continent

Marine Forum May 2021

Local knowledge. African experience. Global reach.

# Our strengths



**Pan-African brokerage with a global reach**  
**Offices in South Africa, Mauritius, Kenya, Abidjan Ltée and UK**



**Strong regional and Afrocentric global reinsurer partnerships**



**Group-wide solutions for businesses entering and operating in Africa**



**Service French-speaking, Portuguese speaking, English-speaking African markets**



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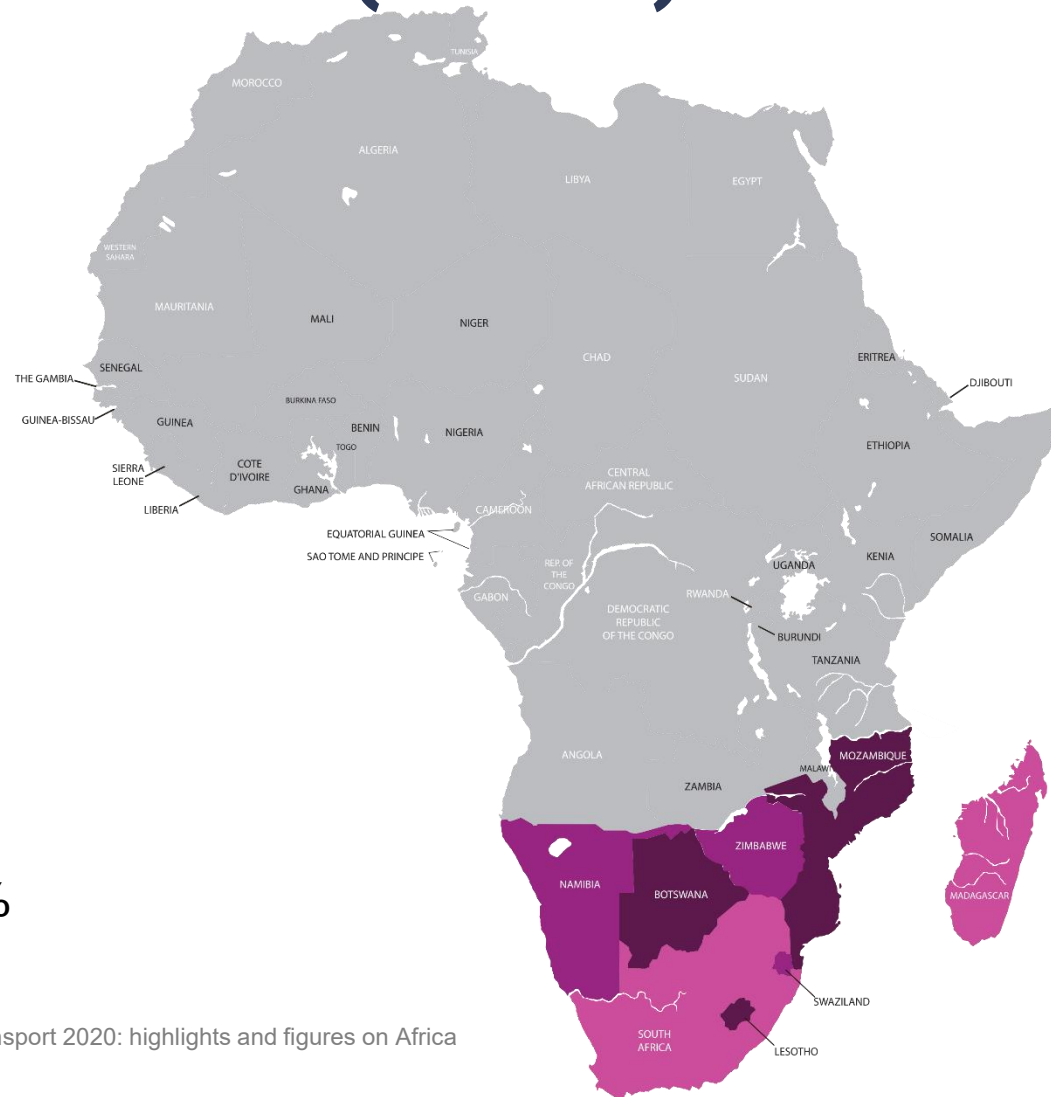
“

In many respects, wealth blindness and its implications constitute one of the biggest threats to the African maritime domain.”

Trends in African Maritime Security by the Africa Center for Strategic Studies - March 15, 2019

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# Sub-regional participation in Africa's maritime trade (2019)



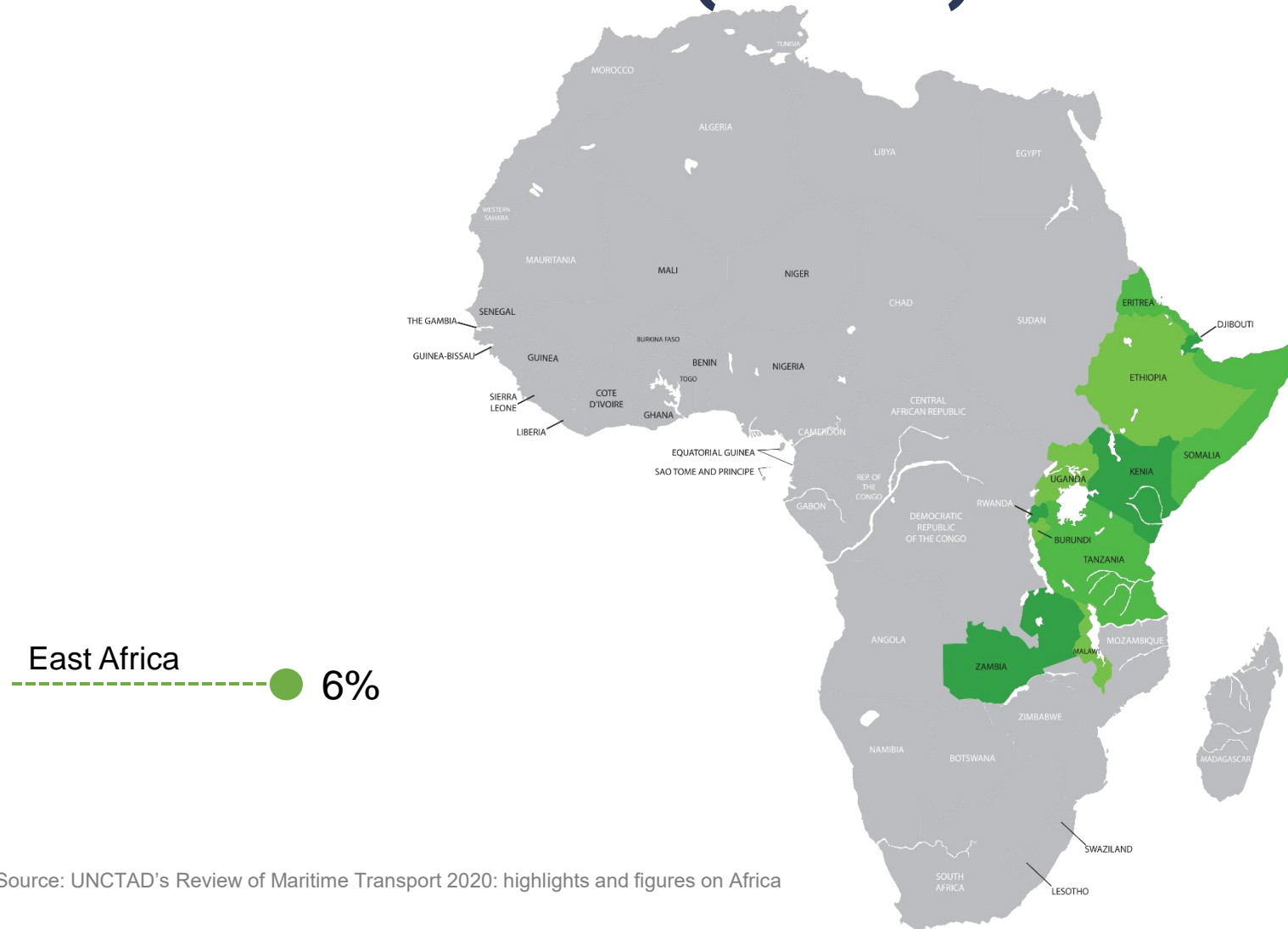
Southern Africa ● 18%

Source: UNCTAD's Review of Maritime Transport 2020: highlights and figures on Africa



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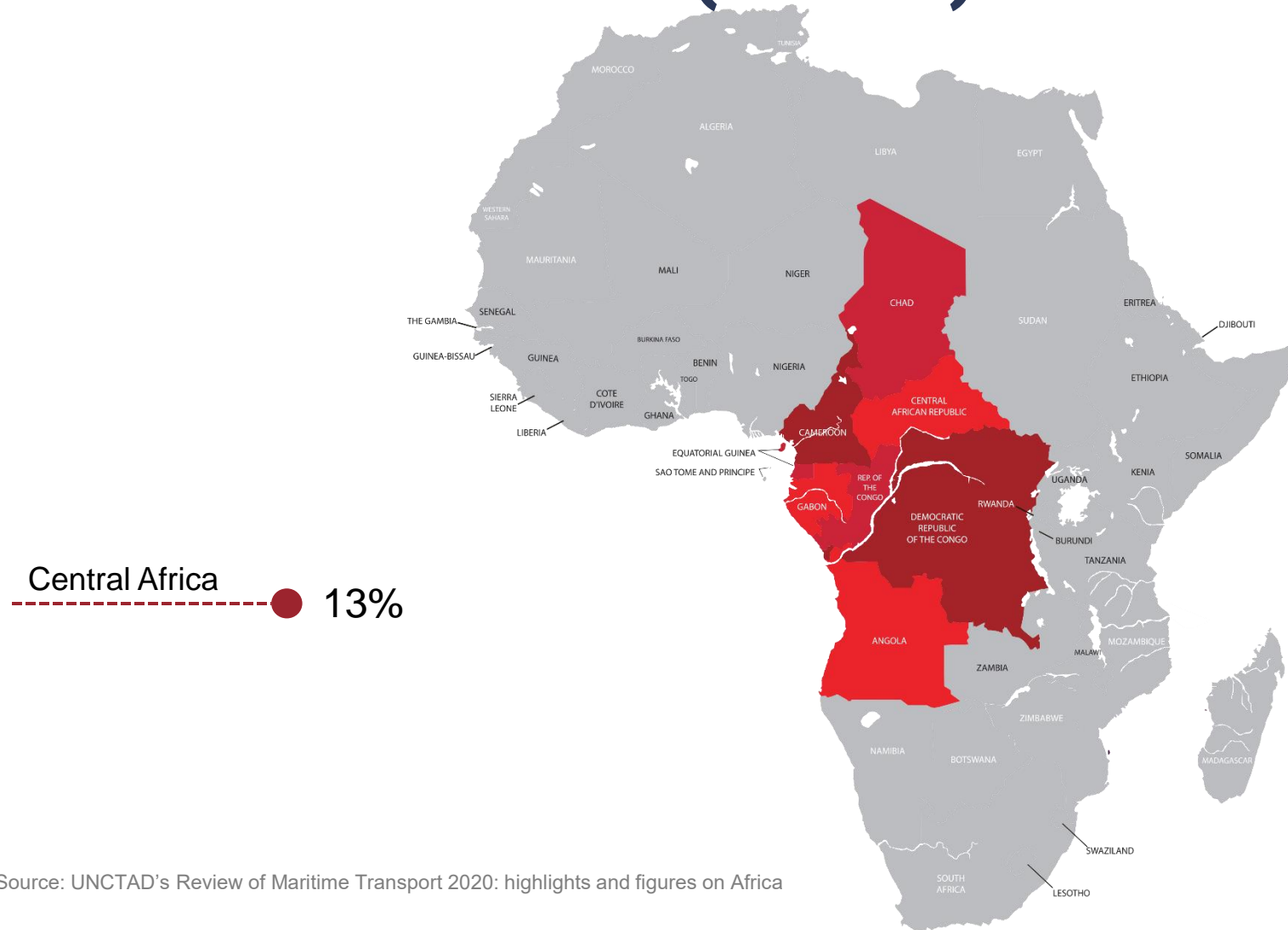


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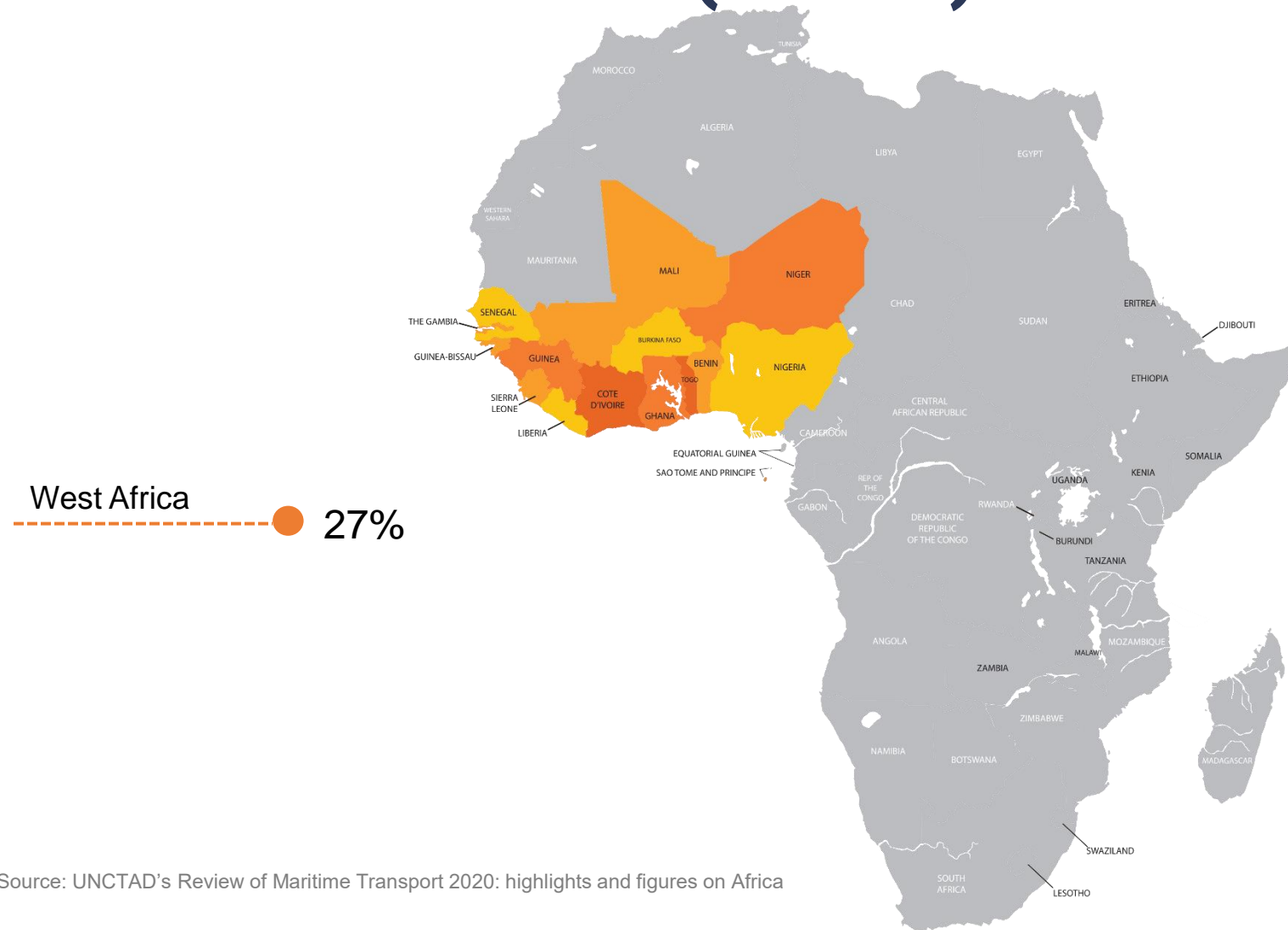


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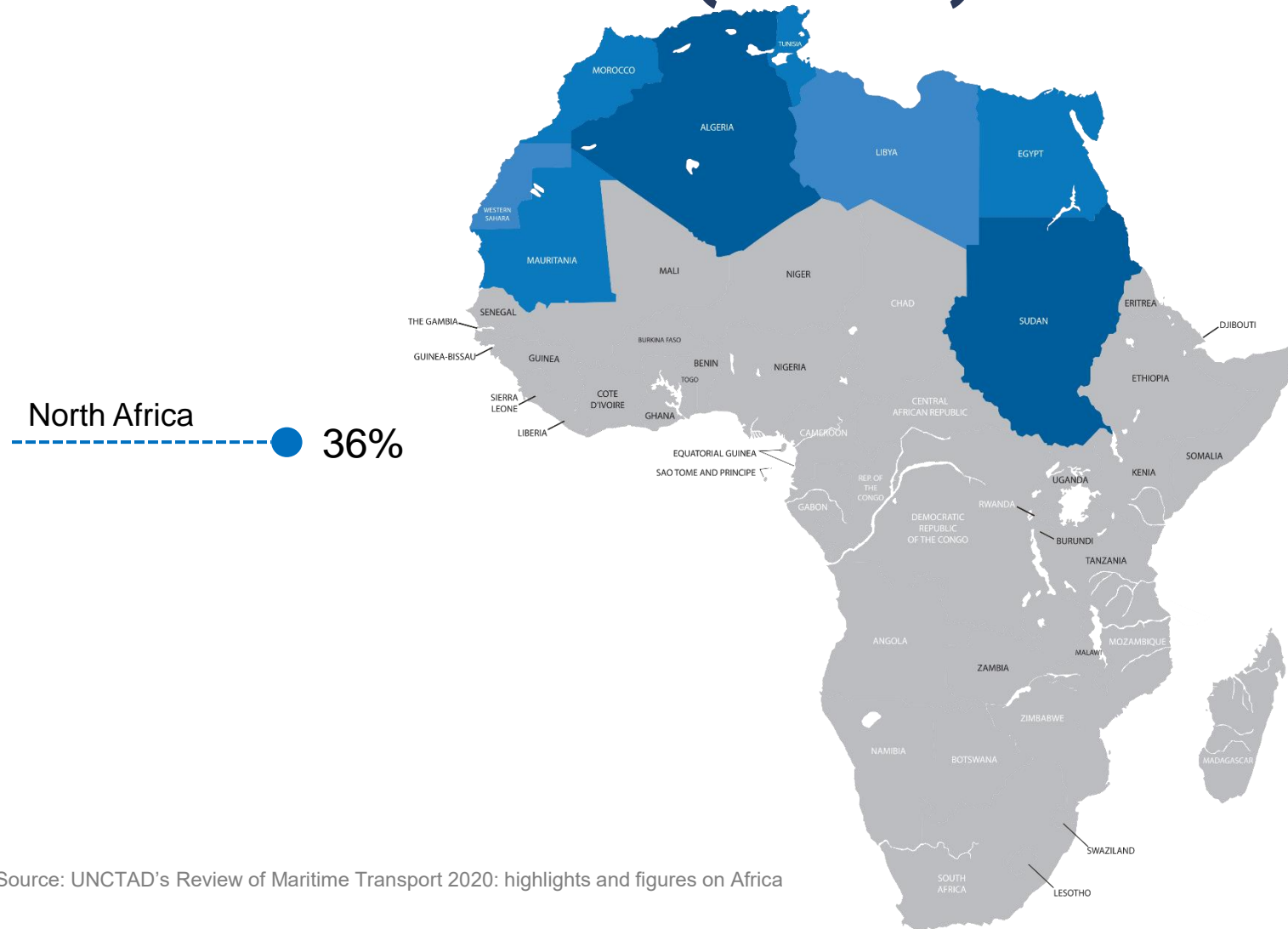


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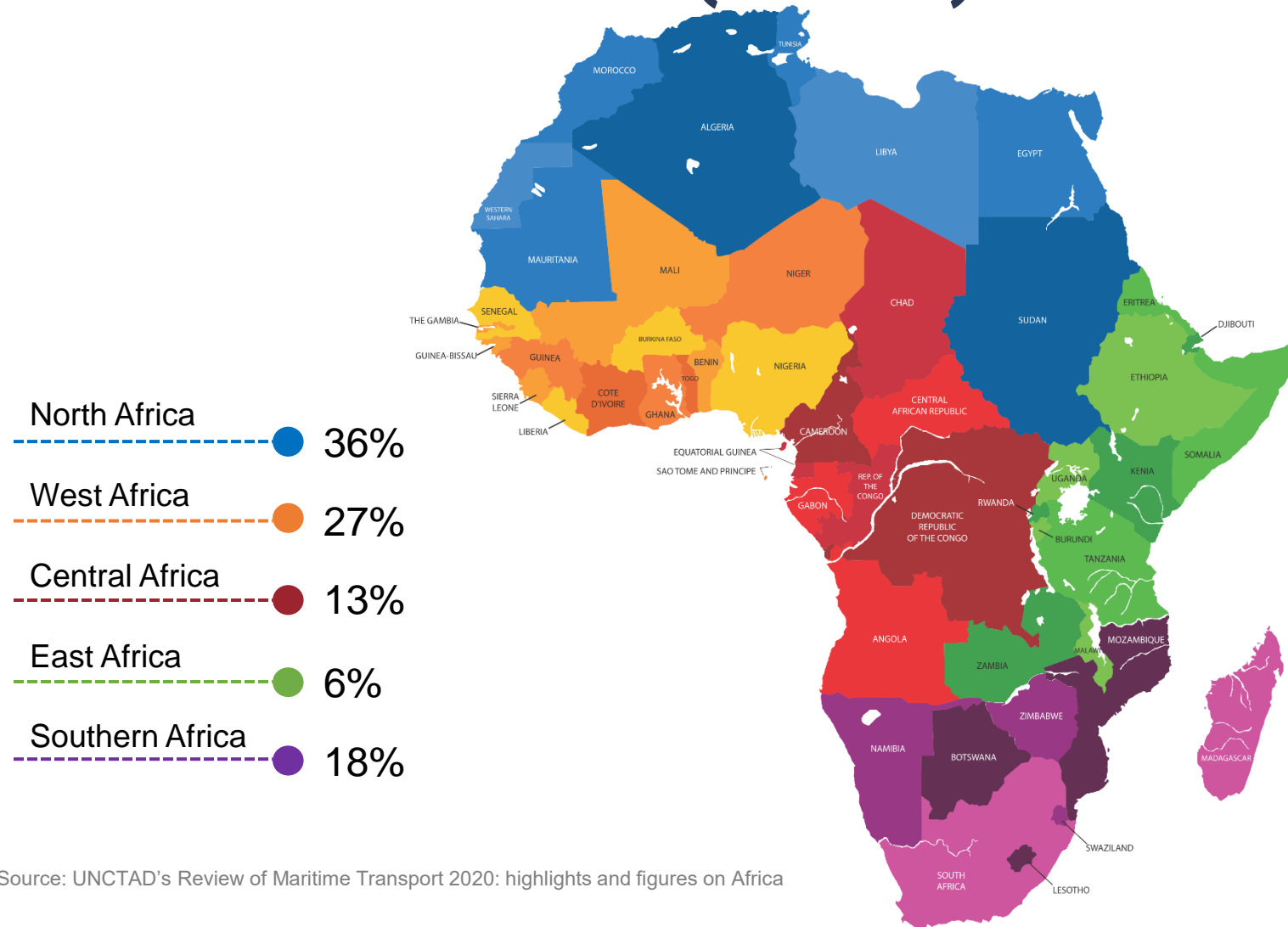
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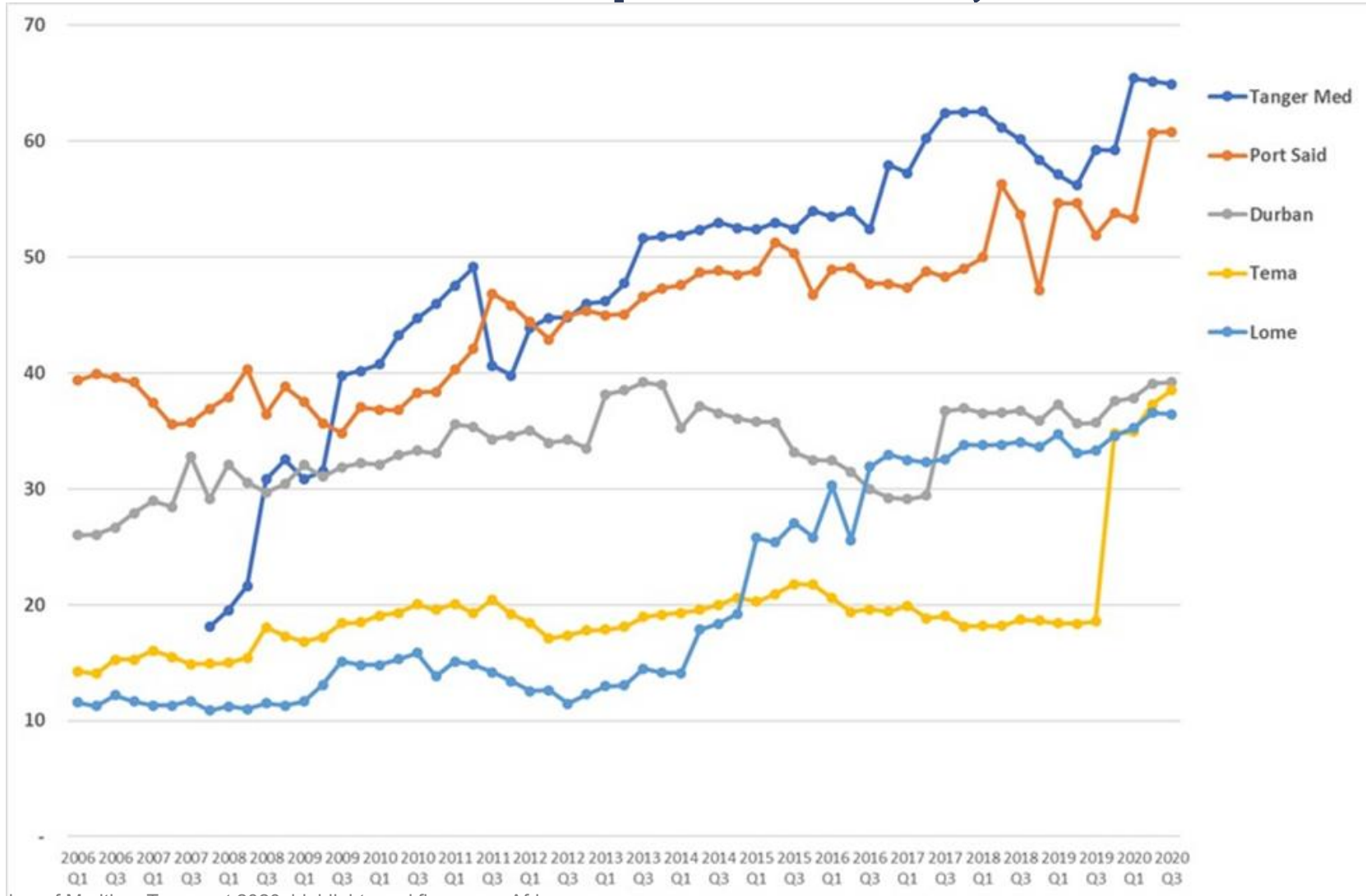


Source: UNCTAD's Review of Maritime Transport 2020: highlights and figures on Africa



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# Top 5 African ports (first quarter 2006 to third quarter 2020)



Source: UNCTAD's Review of Maritime Transport 2020: highlights and figures on Africa



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“

A tree cannot stand  
without roots.

*African proverb*

”

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# Mauritius





# Environmental pollution Mauritius

- DOL: 25TH July 2020, Ship MVWakashio Claim
- The leakage brought into focus the topic of environmental pollution and the risks for Mauritius
- An estimated 1,000 tons of oil leaked out of the vessel
- Caused debates over the consequences of pollution between local and international entities
- Mauritius is signatory of the Civil Liability Convention (CLC)
- The extent of liability for compensation will be for the courts to decide and which liability limits for maritime claims apply
- Mauritius signed the 1976 version limiting liability to USD 18.7mn
- Japan signed the 1996 version max limit of USD 65.5mn



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# Angola





# Artisan fisherman Angola

- Cedant arranged advance loans for fishermen for hull insurance through the loan facility
- Using a reputable commercial hull underwriter the cedant has a facility of USD 5m per vessel
- Facility enables local cedant to put forward indicative terms using provided rating matrix
- While the bank is assessing the loan request, insurance costs can be incorporated
- On approval the local cedant provides full underwriting information for the reinsurer to give a comprehensive quote

# Zambia





# Cargo haul Zambia



- Mining country well known for copper mines
- A large amount of exports go via South Africa by road using the third-party road haulers
- A growing trend for principals asking contractors/haulers to have some insurance
- A diverse number of requests
  - normal cargo insurance
  - others coming as liability requests i.e. haulers liability
- Slow down due to Covid but we expect this to pick up



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# Mozambique



# Public violence Mozambique

- Growing economic activity due to the oil & gas industry
- Recent increase in terror attacks have increased requests for war, political violence & terrorism risks normally excluded for inland transit risks
- Marine cargo markets are quite apprehensive and political violence markets that have been providing this cover
- Meaning the insured has to buy to separate covers
- Are cargo underwriters willing to cover the political violence risks for inland transit?



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# Challenges and opportunities

- Environmental Pollution & Limits of Cover
- Political Violence Cover/s or extensions for Inland Transit?
- Cargo Insurance /Haulers liability – Inland Road Transit in Zambia
- Cyber Security a concern post COVID – Can this cover be provided under a cyber extension?
- FSCA Licence Restrictions operating outside SA



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“

**Smooth seas do not  
make skilful sailors.**”

*African proverb*

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