FAIR Oil & Energy Insurance Syndicate

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FAIR Oil & Energy Insurance Syndicate

25 YEARS OF EXPERT RISK ACQUISITION

A FAIR Reinsurer with POWER and ENERGY

UIBInstitute

INTRODUCTION

Managed by TRUST RE

Objectives of Pools & Syndciates

Insurance pools and syndicates offer several strategic and operational benefits, especially in markets or sectors where risks are large, complex, or volatile.

The need and advantages of forming such structures:

Risk Sharing and Diversification

- **Purpose**: To spread large or catastrophic risks across multiple insurers or reinsurers.
- **Benefit**: Enhance financial stability and solvency, as no single entity bears the full impact of a loss.

Capacity Building

- **Purpose:** To provide coverage for high-value or high-risk exposures that exceed the capacity of individual insurers.
- **Benefit:** Pools and syndicates can collectively underwrite risks that would be too large for any one company.

Objectives of Pools & Syndciates

Market Stability

- **Purpose:** To stabilize insurance markets in times of crisis (e.g., natural disasters, pandemics).
- **Benefit:** Prevents market withdrawal or pricing volatility by ensuring continued availability of coverage.

Expertise and Collaboration

- **Purpose:** To bring together specialized knowledge and underwriting expertise
- **Benefit:** Enhances risk assessment, pricing accuracy, and claims management through shared intelligence.

Economies of Scale

- **Purpose:** To reduce administrative and operational costs.
- **Benefit:** Shared infrastructure and resources lead to cost efficiencies and better returns

Objectives of Pools & Syndciates

Regulatory and Government Support

- **Purpose:** Often encouraged or mandated by governments for sectors like agriculture, terrorism, or nuclear risks.
- **Benefit:** Facilitates public-private partnerships and ensures coverage for socially critical risks.

Innovation and Product Development

- **Purpose:** To pilot new insurance products or cover emerging risks (e.g., cyber, climate).
- **Benefit:** Pools can absorb initial volatility and support innovation without jeopardizing individual insurers.

FAIR

FEDERATION (OF)
AFRO-ASIAN
INSURERS (&)
REINSURERS

Established:	1964
Objectives:	Promote cooperation among Insurance & Reinsurance Companies in Africa & Asia.
Membership:	211 from 53 Countries.

FAIR Oil & Energy Insurance Syndicate

FAIR POOLS & SYNDICATE

1- FAIR Non-Life Reinsurance Pool (1974)
Managed by: Misr Insurance Co., Egypt

2- FAIR Aviation Pool (1989)
Managed by: Atlantic Re (Previously SCR) Morocco

3- FAIR Oil & Energy Insurance Syndicate (1998)
Managed by: **TRUST RE**
Bahrain

FAIR Oil & Energy Insurance Syndicate

Federation of Afro- Asian Insurers & Reinsurers (FAIR)

FAIR Oil & Energy Insurance Syndicate

TRUST RE

INTRODUCTION

- Established in 1998
- Incorporated in Bahrain by Law Decree # 7/1999 published in the Official Gazette
- Registered with the Bahrain Ministry of Industry, Commerce & Tourism # 44025
- Governed by its “Syndicate Agreement” and “Articles of Association”
- Independent Entity
  - Business License
  - General Assembly
  - Technical Board
  - Book of Business
  - Bank Accounts
  - External Auditor

OBJECTIVES

- Underwrite Afro-Asian Oil & Energy related business
- Increase the retention capacity of the Afro-Asian Markets
- Cooperate with and develop technical services of regional & local insurers
- Provide technical services; risk surveys, loss prevention and control
- Act as a technical arm supporting the activities of FAIR organs in particular to enhance bilateral exchange of business.

THE SYNDICATE MEMBERS

The General Assembly is the supreme authority of the Syndicate and is composed of all Members of the Syndicate.

21 Syndicate Members from 16 Countries (2025)

	COUNTRIES	COMPANIES	UNITS
Asia	13	15	83
Africa	3	6	24
TOTAL	**16**	**21**	**107**

FAIR Oil & Energy Insurance Syndicate

THE OPERATION

The Syndicate operates in the same way any Reinsurance Company operates by accepting risks on Facultative basis from Members, Non-Members & Brokers.

THE GEOGRAPHOCAL SCOPE

Africa, Asia for Oil & Energy & Nuclear business and Europe for Nuclear Energy.

CAPACITIES

Oil & Energy related risks: US$ 25,000,000 anyone Risk/Unit
Nuclear Energy plants: US$ 14,000,000

LINES OF BUSINESS

- Energy: Onshore & Offshore.
- Power Plants.
- Renewable Energy.
- Energy Related Construction.
- Nuclear Risks including Radioactive Contamination

Who Can Use The Facility

- All members of the federation of Afro-Asian Insurers & Reinsurers (FAIR)
- Brokers and all other companies handling the Afro-Asian Oil & Energy Business

Retro Program

- The Retro Program is placed with First Class Securities
- 95% A Rated by A.M Best and other major rating agencies
- 5% B+ and above rated by A.M Best and other major rating agencies

Scope of Risk Acceptance

- Energy Onshore & Offshore
- Power Plants
- Renewable Energy
- Energy Related Construction
- Nuclear Risks Including Radioactive Contamination but excluding TPL
- Business Interruption: When written with other classes
- Liability when written with other classes
- Energy Package policies and other property or related exposures
- Marine Hull: Carriers of crude oil and/or oil & gas and similar products, when included in a package
- Operators extra expenses: Cost of well control, re-drilling expense, seepage & pollution

MEMBERSHIP

Applicant companies shall be admitted as Members subject to:

- Subscribing in at lease one Unit of capacity (1 Unit = $ 100,000)
- Signing the Membership Application and Letter of Commitment.
- Agreeing to be bound by the “Syndicate Agreement” and “Articles of Association”.
- The approval of the Technical Board.

FAIR Oil & Energy Insurance Syndicate

MEMBERS (2025)

#	MEMBERS	COUNTRY	MEMBER SINCE	RATING
1	Arab Ins. Group (ARIG)	Bahrain	2005	NR
2	Trust Re	Bahrain	1999	NR
3	Arab Misr Ins. (gig)	Egypt	2009	A (AM Best)
4	Misr Insurance Co.	Egypt	1999	B++ (AM Best)
5	Suez Canal Insurance Co.,	Egypt	2009	B- (AM Best)
6	GIC Re.of India	India	1999	A- (AM Best)
7	PT ACA Asuransi	Indonesia	2004	NR
8	PT Asuransi Sinar Mas	Indonesia	2010	AA+ (Fitch)
9	Gulf Insurance Co., (gig)	Kuwait	2009	A- (AM Best)
10	Libya Insurance Co.,	Libya	1999	NR
11	United Insurance Co.,	Libya	2002	NR
12	Malaysian Re	Malaysia	1999	A- (AM Best)
13	SCR	Morocco	2004	B++ (AM Best)
14	Oman Re	Oman	2020	BBB- (Fitch)
15	Malayan Insurance Co.,	Philippines	2005	B++ (AM Best)
16	QGIR	Qatar	1999	B++ (AM Best)
17	Ceylinco Insurance PLC.	Sri Lanka	2006	NR
18	Arab Union Re	Syria	1999	NR
19	Anadolu Insurance	Turkey	2007	BB (Fitch)
20	Al Ain Ahlia Insurance Co	U.A.E	2009	A- (S&P Global)
21	APEX Insurance PSC	Uzbekistan	2025	B+ (S&P Global)
	TOTAL			

FAIR Oil & Energy Insurance Syndicate

DIVERSIFICATION

21 MEMBER COMPANIES

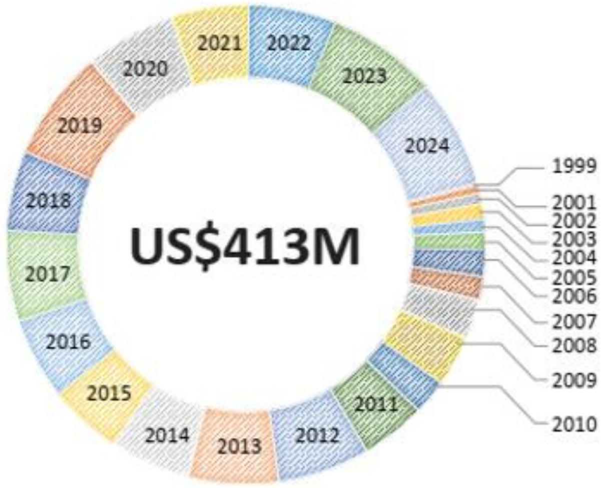
16 COUNTRIES

RISKS LOCATIONS
39 COUNTRIES

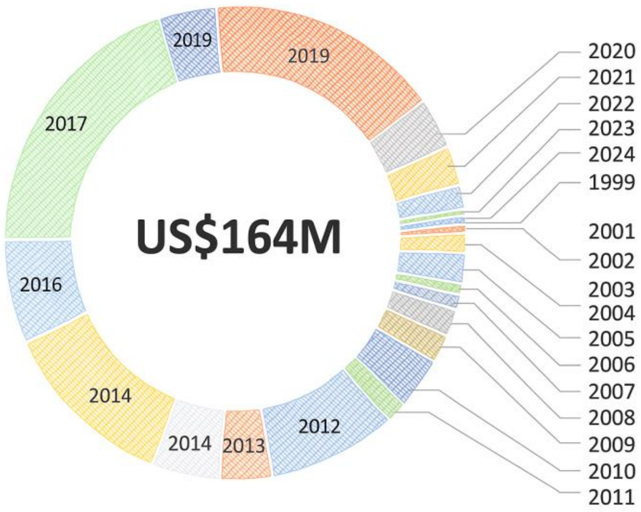
FAIR Oil & Energy Insurance Syndicate

25 Years of Commitmemt

Total Premium Written
31/12/2024



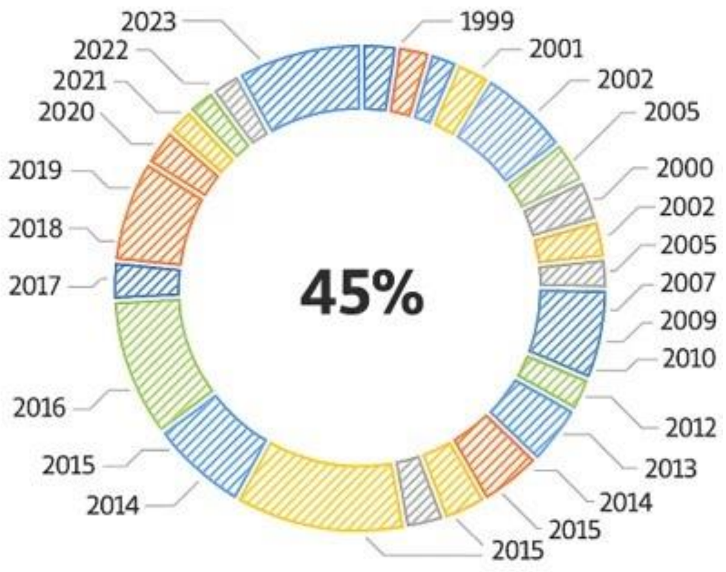
Total Claims Paid
31/12/2024



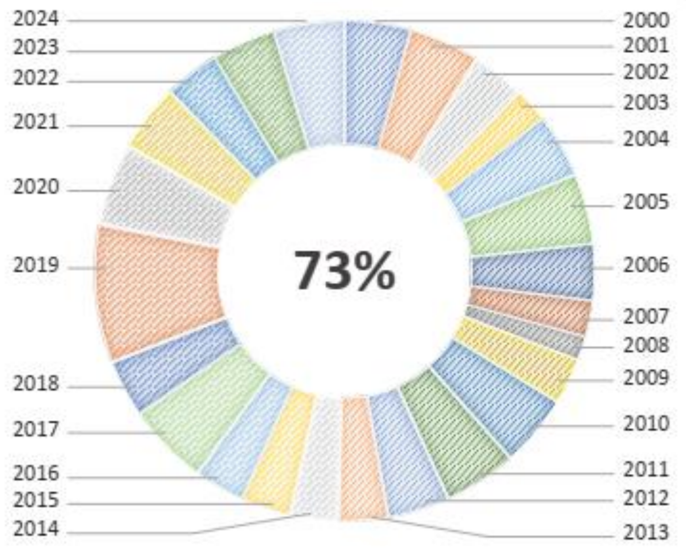
FAIR Oil & Energy Insurance Syndicate

25 Years of Commitmemt

Average Loss Ratio
31/12/224



Average Combined Ratio 31/12/2024



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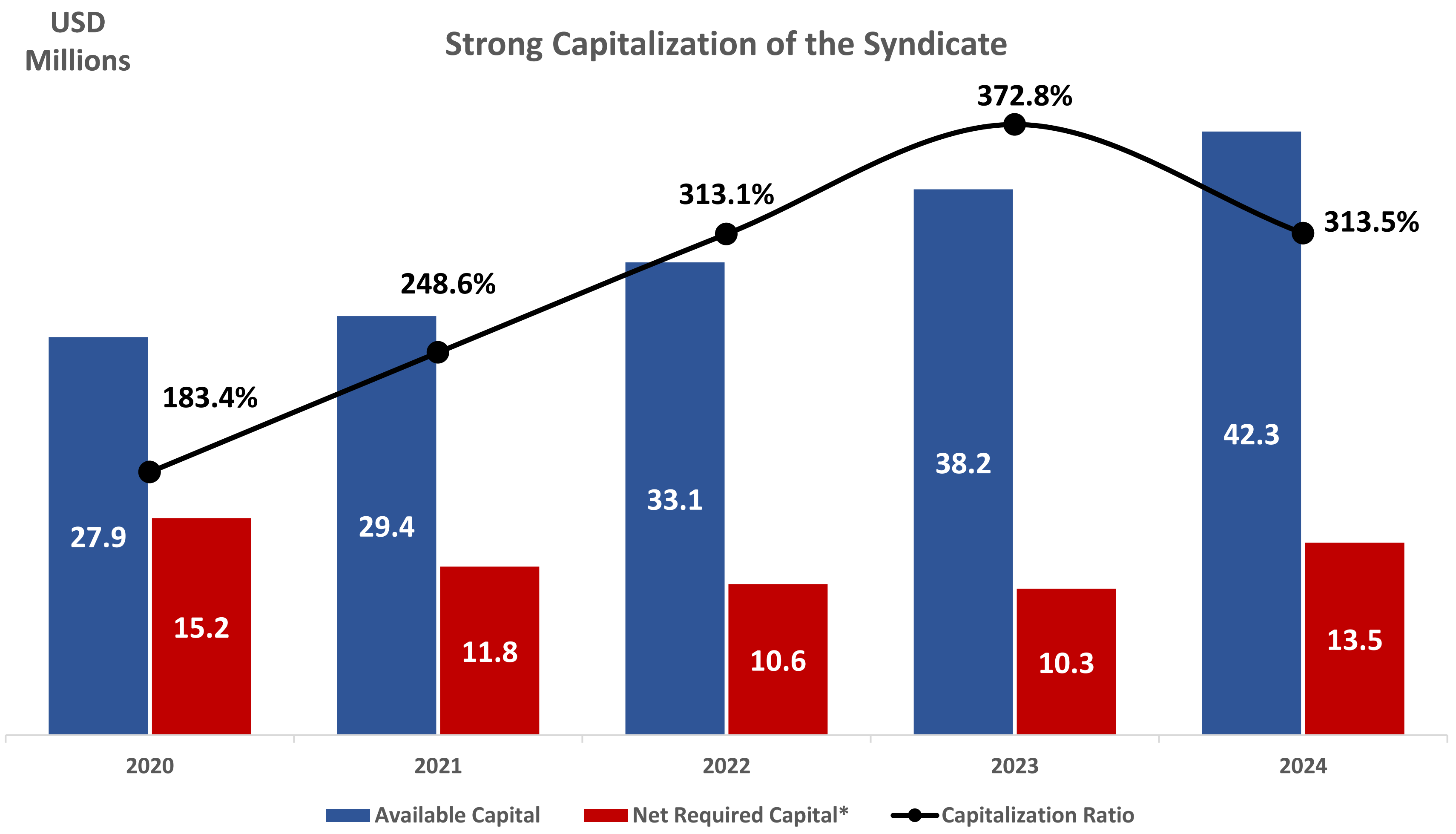
Capital Requirement According to AM Best (BCAR)

25 Years of Commitmemt



A.M. Best Ratings

THE SYNDICATE RATING

FAIR Oil & Energy Insurance Syndicate is proud to be the first entity of its kind to be rated by a reputable international rating agency.

A.M Best assigned the following ratings to the Syndicate:

Financial Strength Rating (FSR) B++ with stable outlook.
Issuer Credit Rating (ICR) bbb with stable outlook.

The ratings reflect a highly recognizable status for the Syndicate as a relaible security

25 YEARS OF EXPERT RISK ACQUISITION

AM BEST B++ GOOD Financial Strength Rating

A **FAIR Reinsurer** with **POWER** and **ENERGY**

FAIR Oil & Energy Insurance Syndicate

THANK YOU

Thank You