

# QATAR

## INSURANCE MARKET OVERVIEW

by Hussein Elsayed



### Official Name:

*Dawlat Qatar (State of Qatar)*

### Location:

*The Qatar peninsula shares a border with eastern Saudi Arabia where the peninsula connects to the mainland and is north and west of the United Arab Emirates. The island country of Bahrain lies some 25 miles (40 km) northwest of Qatar.*

### Income Category:

*High income*

### Government Type:

*Absolute monarchy; headed by Emir.*

### Form Of Government:

*Constitutional emirate with one advisory body (Advisory Council) which all seats are appointed by the Emir*

### Time Zone:

*(GMT+3).*

### Religion:

*Islam is official religion; Muslims form 65.5% of the Qatari population, followed by Hindus at 15.4%, Christians at 14.2%, Buddhists at 3.3%*

**Language:** *Arabic (official) | English is commonly used as a second language, especially in commerce.*

**Climate:** *Qatar has a desert climate, with very mild winters, and very hot and sunny summers.*

### Natural Hazards:

*Coastal flood: High | Water scarcity: High |*

*Extreme heat: High | River flood: Low |*

*Urban flood: Low | Tsunami: low |*

*Earthquake: Very low | Landslide: Very low |*

*Cyclone: Very low | Wildfire: Very low |*

*Volcano: No Data.*

ThinkHazard! 

### Country Risk:



**Qatar**  
**CRT-3**

August 11, 2022

BEST'S COUNTRY RISK REPORT



Economic Risk



Political Risk



Financial System Risk

## (I) QATAR: Socio-Economic Information

Region	Western Asia	UN membership date	21 September 1971			
Population (000, 2022)	2 695 <sup>a</sup>	Surface area (km <sup>2</sup> )	11 627 <sup>b</sup>			
Pop. density (per km <sup>2</sup> , 2022)	232.6 <sup>a</sup>	Sex ratio (m per 100 f)	263.8 <sup>a</sup>			
Capital city	Doha	National currency	Qatari Rial (QAR)			
Capital city pop. (000, 2022)	637.3 <sup>c,d</sup>	Exchange rate (per US\$)	3.6 <sup>e</sup>			
<b>Economic indicators</b>		<b>2010</b>	<b>2015</b>	<b>2022</b>		
GDP: Gross domestic product (million current US\$)		125 122	161 740	146 401 <sup>b</sup>		
GDP growth rate (annual %, const. 2015 prices)		16.7	4.8	- 3.7 <sup>b</sup>		
GDP per capita (current US\$)		67 403.2	63 039.1	50 814.9 <sup>b</sup>		
Economy: Agriculture (% of Gross Value Added) <sup>f,g,h</sup>		0.1	0.2	0.3 <sup>b</sup>		
Economy: Industry (% of Gross Value Added) <sup>f,g,i</sup>		67.5	55.4	48.6 <sup>b</sup>		
Economy: Services and other activity (% of GVA) <sup>f,g,j</sup>		32.4	44.4	51.1 <sup>b</sup>		
Employment in agriculture (% of employed)		1.5 <sup>k</sup>	1.2	1.2 <sup>k,b</sup>		
Employment in industry (% of employed)		56.4 <sup>k</sup>	54.1	54.4 <sup>k,b</sup>		
Employment in services & other sectors (% employed)		42.1 <sup>k</sup>	44.6	44.5 <sup>k,b</sup>		
Unemployment rate (% of labour force)		0.4	0.2	0.1 <sup>k</sup>		
Labour force participation rate (female/male pop. %)		51.1 / 96.1	58.2 / 95.8	57.7 / 95.8 <sup>k</sup>		
CPI: Consumer Price Index (2010=100)		...	105 <sup>l</sup>	99 <sup>m,e</sup>		
Agricultural production index (2014-2016=100)		76	116	146 <sup>b</sup>		
International trade: exports (million current US\$)		74 964	77 971	87 061 <sup>k,e</sup>		
International trade: imports (million current US\$)		23 240	32 610	28 006 <sup>k,e</sup>		
International trade: balance (million current US\$)		51 725	45 361	59 054 <sup>e</sup>		
Balance of payments, current account (million US\$)		...	13 751	26 288 <sup>e</sup>		
<b>Major trading partners</b>				<b>2021</b>		
Export partners (% of exports) <sup>k</sup>	Japan	15.5	China	15.2	India	14.3
Import partners (% of imports) <sup>k</sup>	United States	15.7	China	14.9	United Kingdom	7.0
<b>Social indicators</b>		<b>2010</b>	<b>2015</b>	<b>2022</b>		
Population growth rate (average annual %)		4.7	8.3	0.8 <sup>a</sup>		
Urban population (% of total population)		98.5	98.9	99.2 <sup>d</sup>		
Urban population growth rate (average annual %) <sup>n</sup>		14.7	6.7	...		
Fertility rate, total (live births per woman)		2.1	1.9	1.8 <sup>a</sup>		
Life expectancy at birth (females/males, years)		80.5 / 77.4	81.7 / 79.2	83.1 / 80.6 <sup>a</sup>		
Population age distribution (0-14/60+ years old, %)		13.8 / 1.8	13.9 / 2.2	15.8 / 3.3 <sup>a</sup>		
International migrant stock (000/% of total pop.) <sup>o</sup>		1 456.4 / 78.5	1 687.6 / 65.8	2 226.2 / 77.3 <sup>b</sup>		
Refugees and others of concern to the UNHCR (000)		1.3 <sup>p</sup>	1.4	1.6 <sup>e</sup>		
Infant mortality rate (per 1 000 live births)		7.8	6.7	5.0 <sup>a</sup>		
Health: Current expenditure (% of GDP) <sup>q,r</sup>		1.9	3.0 <sup>k</sup>	2.9 <sup>k,d</sup>		
Health: Physicians (per 1 000 pop.)		3.7	1.7 <sup>s</sup>	2.5 <sup>t</sup>		
Education: Government expenditure (% of GDP)		4.5	3.6 <sup>s</sup>	3.2 <sup>b</sup>		
Education: Primary gross enrol. ratio (f/m per 100 pop.)		104.4 / 100.9	103.0 / 102.2	105.7 / 102.2 <sup>b</sup>		
Education: Sec. gross enrol. ratio (f/m per 100 pop.)		102.7 / 108.3	... / ...	... / ...		
Education: Upr. Sec. gross enrol. ratio (f/m per 100 pop.)		100.9 / 100.3	... / ...	... / ...		
Intentional homicide rate (per 100 000 pop.)		0.2	0.2	0.4 <sup>b</sup>		
Seats held by women in the National Parliament (%)		0.0	0.0	4.4 <sup>u</sup>		
<b>Environment and infrastructure indicators</b>		<b>2010</b>	<b>2015</b>	<b>2022</b>		
Individuals using the Internet (per 100 inhabitants)		69.0 <sup>v</sup>	92.9	99.7 <sup>b</sup>		
Research & Development expenditure (% of GDP)		...	0.5	0.5 <sup>t</sup>		
Threatened species (number)		32	35	71		
Forested area (% of land area) <sup>k</sup>		0.0	0.0	0.0 <sup>d</sup>		
CO <sub>2</sub> emission estimates (million tons/tons per capita)		55.8 / 29.9	80.4 / 31.2	87.3 / 30.7 <sup>d</sup>		
Energy production, primary (Petajoules)		7 428	9 402	9 363 <sup>d</sup>		
Energy supply per capita (Gigajoules)		628	603	608 <sup>d</sup>		
Tourist/visitor arrivals at national borders (000)		1 700	2 941	582 <sup>b</sup>		
Important sites for terrestrial biodiversity protected (%)		60.0	60.0	60.0 <sup>e</sup>		

**a** Projected estimate (medium fertility variant). **b** 2020. **c** Does not include the populations from the industrial area and zone 58. **d** 2019. **e** 2021. **f** At producers' prices. **g** Data classified according to ISIC Rev. 4. **h** Excludes irrigation canals and landscaping care. **i** Excludes publishing activities. Includes irrigation and canals. **j** Includes publishing activities and landscaping care. Excludes repair of personal and household goods. **k** Estimate. **l** Index base: 2013=100. **m** Base: 2018=100. **n** Data refers to a 5-year period preceding the reference year. **o** Refers to foreign citizens. **p** Data as at the end of December. **q** Data based on calendar year (January 1 to December 31). **r** Estimates should be viewed with caution as these are derived from scarce data. **s** 2014. **t** 2018. **u** Data are as at 1 January of reporting year. **v** Refers to total population.

## (II) QATAR: Insurance Market

### Key Highlights

- The insurance industry of Qatar is regulated by the Qatar Financial Centre Regulatory Authority (QFCRA) and the Qatar Central bank (QCB).
- 100% foreign direct investment is permitted in the Qatari insurance industry under both QCB regime and QFC regime.
- Composite insurance is not permitted; however, life insurers can operate in accident and health insurance business.
- Motor-third party liability insurance and health insurance are the key classes of compulsory insurance in Qatar.
- Non-admitted insurance is prohibited by the law. However, non-admitted insurance can be issued for risks which are not covered by the local insurers.

## (A) Historical Landmarks and Regulatory Environment

### ➤ Historical Landmarks

The development of Qatar's insurance industry began in the 1960s. In the run-up to declaring independence from the UK in 1971, Qatar's leaders set out to establish a fully-fledged insurance industry, in an effort to protect the state's rapidly expanding assets.

- 1960s:**
  - **1964** Qatar Insurance Company, the first Qatari-owned insurance company, was formed. One or two foreign company agencies, some held by the larger trading houses, were already operating in the country.
  - **1966 Insurance Decree No 1** was issued and three foreign insurers were authorised. These were either branch or underwriting agency operations (Arabia, Libano-Suisse and Atlas). An Alico life branch was already in existence.
  - **1969** Egypt National was licensed.
- 1970s**
  - **1971 Decree No 2** prohibited the establishment of other foreign insurers.
  - **1978** Two further national companies, Qatar General (QGIRCO) and Al-Khaleej, were established.
- 1990s**
  - **1995** Qatar Islamic Insurance, another national company, was set up.
  - **1998** Doha Insurance Company was licensed as a national company and commenced trading in 1999.
- 2000-2005**
  - **2003** Atlas Insurance Company (part of AXA) sold its portfolio to Libano-Suisse. Qatar Petroleum formed Al Koot Insurance Company as a captive vehicle for insurance of some of its energy business.
  - **2005 QFC** was established by **Law No 7 of 2005** introducing a completely new dynamic to insurance and reinsurance activities in the local market.
- 2006-2016**
  - There was a significant entry of new insurance companies and brokers into the market via the QFC, suggesting an increasingly competitive scenario in the local market. Aon Marsh and Nasco were licensed to operate within Qatar by the QFC.
  - In **2009** The Ministry of Business and Trade licensed Damaan Islamic Insurance Company (Beema) and Qatar International Broker.
  - SEIB Insurance and Reinsurance Company (SEIB) was established in **2009**.
  - In **2011** branches of Takaful International and Bahrain National Insurance Company BSC were licensed in the QFC. Q Life and Medical Insurance LLC was also licensed in the QFC.

- In **2012** Allianz Worldwide Care Ltd, Daman Health Insurance (Qatar) and Zurich Insurance Company Ltd (QFC branch) were licensed to operate in the QFC.
- **2013** The regulatory situation was clarified by the [Law of the Qatar Central Bank and the Regulation of Financial Institutions \(Law No 13 of 2012\)](#) under which law the existing responsibilities of the Qatar Central Bank (QCB) were extended to include the licensing and supervision of insurers, reinsurers and insurance intermediaries previously licensed by the Ministry of Business and Trade under Insurance Decree No 1 of 1966. QCB was also mandated by the Law of the Qatar Central Bank and the Regulation of Financial Institutions (Law No 13 of 2012) to act as the competent supreme authority in framing the policies for the regulation of all financial services and markets in Qatar.
- **2014** The National Health Insurance Company confirmed in April that the process of extending Seha (national health insurance) to all Qatari nationals had been completed.
- In **2015** the QCB issued a draft of new regulations covering the insurance sector. These were finalised in 2016 and issued in 2017. The new rules are designed to regulate how business should be conducted within the country, and included licensing requirements for insurers, reinsurers and other industry players, as well as reporting and risk management requirements.
- On 31 December **2015**, the government terminated the mandatory national health insurance scheme for Qatari citizens, known as Seha and as from 1 January 2016, those who previously benefitted from the scheme were no longer able to use it.
- Qatar Reinsurance Company transfer its current headquarters from the Qatar Financial Centre (Doha, Qatar) to Bermuda. The company intends to maintain its presence in the Qatar Financial Centre through a branch. The London and Singapore representation offices as well as Zurich's branch will remain operational. The reinsurer will also continue to benefit from a financial guarantee of the parent company Qatar Insurance Company.
- In **2016** the regulatory body laid out business requirements for insurers operating in or from Qatar, as well as instructions for intermediaries and services providers.
- **2016** The Qatar Central Bank (QCB) revised the regulation of the [brokerage industry](#) in the country. Qatari insurers and reinsurers will henceforth be forced to work with only licensed brokers.

- 2017-2022**
- **2018** The Qatari government has approved the draft bill authorizing foreign ownership of local companies. the shareholding rate of foreigners in the capital of local companies may now be raised from 49% to 100%.
  - In **2019** the central bank issued guidelines for managing anti-money laundering and terrorism financing risks.
  - Throughout **2020** the QCB issued various pieces of guidance to insurance and reinsurance companies, including direction for compliance with the General Tax Authority's Common Reporting Standard and requirements regarding the remuneration of board members. The central bank also released its Regulation Instructions and Standards of Reinsurance aimed at both improving reinsurance companies' risk management procedures and facilitating better coordination of payments, cash flow and assets between insurance and reinsurance companies.
  - In 2020 Doha Bank Assurance Company, a subsidiary of Doha Bank, is now called Sharq Insurance, effective as of 31 August 2020



- **2021** Qatar's Ministry of Justice has published in the Official Gazette on 4 November 2021 a new law **mandatory healthcare insurance** covering health insurance services, including compulsory medical insurance for foreign workers. The law takes effect six months later on 4 May 2022, following its publication in the Official Gazette. In 2023 Qatar has forged ahead with the rollout of its scheme by issuing Executive Regulations, which add to, and form, an integral part of the health insurance law.
- **2022** The authorities in Qatar have set a premium for mandatory health insurance for tourists entering Qatar, according to the Official Gazette published on 2 October 2022. Implementation of the first phase of the mandatory Health Insurance Scheme began on 1 February 2023, with all visitors to the country required to have a health insurance policy.
- Qatar Insurance Company (QIC) and QInvest, Qatar's leading investment bank have announced the successful establishment of Qatar-based Epicure Islamic Investment Management (EIIM).
- Shareholders of Damaan Islamic Insurance Company (Beema) have voted to convert the company from a Qatari private shareholding company into a Qatari public shareholding company.

#### Regulatory Body:

The Qatari insurance market is regulated by the **Qatar Central Bank (QCB)** and the **Qatar Financial Centre Regulatory Authority (QFCRA)** which established in 2005, it mainly focuses on insurers operating from the QFC, in its insurance department. However, the regulatory framework for the insurance industry remains inadequate, and there is no legal framework specifically for the insurance industry, nor a corpus of business regulations that apply to insurance businesses.



The companies operating in this sector have experienced a series of major regulatory changes in recent years. Under **Law No.13 of 2012**, the QCB became the primary regulator of all financial institutions in Qatar, which might be a reason for the lack of an insurance-specific regulatory regime. It has served as an umbrella regulator over the entire sector since.



#### Insurance Association:

There is no local insurance association.

#### Capital Requirements

The minimum capital are QR100m (\$27.4m) outside and QR10m (\$2.7m) inside the QFC, respectively.

#### Foreign Ownership

Until recently, 100% foreign ownership of insurance companies was permitted only in firms with operations in the QFC. Banks and insurance companies were

excluded from the introduction of measures that permitted full foreign ownership in almost all sectors through a 2019 law regulating foreign investment. However, there have been moves since to allow full foreign ownership in companies listed on the Qatar Stock Exchange – which includes six domestic insurers – a measure that received Cabinet approval in August 2021.

#### Statutory Tariffs

There are no statutory tariffs but motor third party liability premiums may not exceed maximum levels set by the government.

#### Compulsory Insurances

- Motor third party liability.
- Professional indemnity for consultants working in the energy field, including architects and technical engineers.
- Liability insurance for aircraft hulls.
- Shipowners' liability against marine oil pollution (financial guarantee or insurance).
- Compulsory health insurance on expatriates and visitors.

#### Pools / Local Risk Sharing:

There are no insurance pools in Qatar. Some Qatari companies are members of the Arab War Risks Insurance Syndicate (AWRIS).

▪ **Reinsurers:**

- There are no state reinsurance companies.
- It was confirmed in December 2015 that Qatar Re, previously domiciled in Qatar, completed the re-domiciling of its operations to Bermuda, the company having been granted an operating license by the Bermudian authorities. The company has a licence for a service company in Qatar.
- Direct insurers in Qatar accept inwards facultative reinsurance business in Qatar and from other GCC or Middle Eastern countries.
- Local facultative reinsurance between companies is significant.
- The emergence of the QFC since 2006 has increased locally based reinsurance options for the major insurers in the market. The market is currently reported to enjoy plentiful gross capacity and several major local insurers have enjoyed long-standing relationships with the European professional reinsurance market and the London and Bermuda markets.
- In respect of its large energy, property and construction risks the market is highly dependent upon international reinsurance capacity.

 <b>QCB LEGISLATION</b> 	 <b>QFC LEGISLATION</b> 
<p><b><u>QCB LAWS</u></b></p> <ul style="list-style-type: none"><li>● <a href="#">QCB Law</a></li><li>● <a href="#">Foreign Capital Investment</a></li><li>● <a href="#">Commercial Companies Law</a></li></ul> <p><b><u>Supervision And Control of Financial Institutions</u></b></p> <ul style="list-style-type: none"><li>● <a href="#">Licensing For Banks And Other Financial Institutions</a></li><li>● <a href="#">Licensing Procedures for Financial Institutions</a></li><li>● <a href="#">Guidance on Licensing of Financial Institutions</a></li></ul>	<ul style="list-style-type: none"><li>● <a href="#">The QFC Law</a> (Law No. 7 of 2005)</li><li>● <a href="#">QFC Regulations</a>: QFC Regulations establish the legal framework including legal and business infrastructure for those doing business in the QFC.</li><li>● <a href="#">QFCA Rules</a>: The QFCA Rules contain the rules made, and guidance issued, by the QFC Authority about companies, data protection, limited liability partnership and tax.</li><li>● <a href="#">GUIDES AND ALERTS</a>: Such as; Guide to the Financial Services Regulations, A Guide to the QFC Captive Insurance Regime...etc</li></ul>



## (B) Insurance Market Statistics & Performance

### ➤ Market Structure:

**14** Insurance Companies:

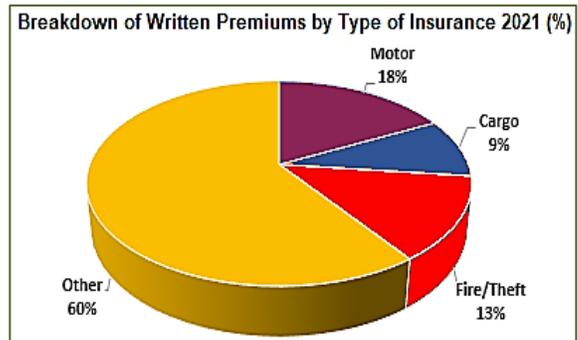
*10 local insurance companies | 4 foreign conventional insurance subsidiaries*

*9 Conventional ins companies | 5 Takaful ins companies*

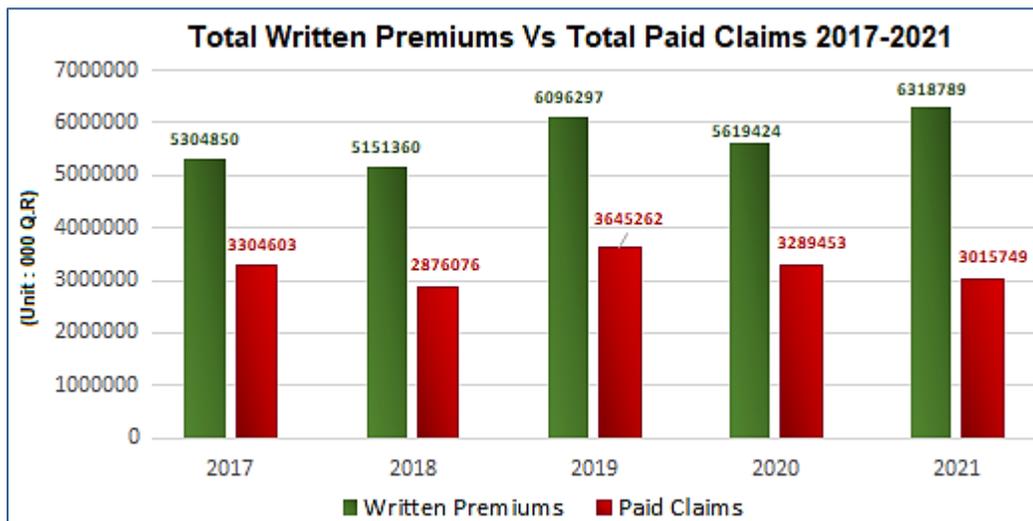
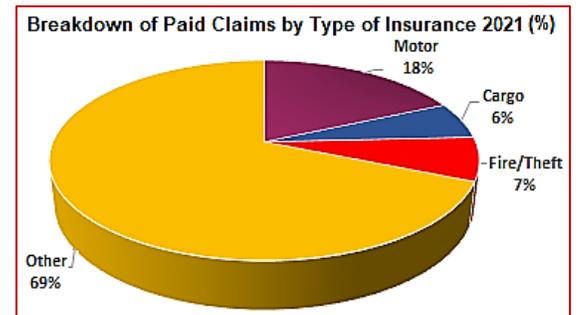
**7** Insurance Brokers

### ➤ Insurance Premiums & Claims 2021:

WRITTEN PREMIUMS BY TYPE 2017 - 2021						
(Unit : 000 Q.R)						
Year	Type	Motor	Cargo	Fire/Theft	Other	Total
2017		1188715	346866	514607	3254662	5304850
2018		987770	322144	549089	3292357	5151360
2019		972754	494067	600195	4029281	6096297
2020		975682	553079	660512	3430151	5619424
2021		1102520	591995	837222	3787052	6318789



PAID CLAIMS BY TYPE 2017 - 2021						
(Unit : 000 Q.R)						
Year	Type	Motor	Cargo	Fire/Theft	Other	Total
2017		831150	218081	124043	2131329	3304603
2018		621181	100777	108972	2045146	2876076
2019		681570	175271	342823	2445598	3645262
2020		463468	399823	237102	2189060	3289453
2021		551758	179239	211512	2073240	3015749



Source: [Annual Bulletin of Banks and Insurance 2021 – by Planning and Statistics Authority, June 2023](#)

## Insurance companies in Qatar: ranking per 2021 turnover

Figures in US\$ (000)

Rank	Company Name	Premium Written 2021	Premium Written 2020	Assets 2021	Assets 2020	Shareholders' Equity 2021	Shareholders' Equity 2020	Net Profit 2021	Net Profit 2020	ROE (%)
001	QATAR INSURANCE	3,470,000	3,351,900	12,003,080	11,698,830	2,340,100	2,278,200	173,160	34,630	7.4
002	DOHA INSURANCE GROUP	307,800	250,000	825,950	720,000	326,570	305,000	20,120	16,500	6.2
003	QLM	282,120	275,090	532,710	479,500	169,830	143,690	29,170	26,940	17.2
004	QATAR GENERAL	206,000	210,000	2,500,000	2,510,000	1,410,410	1,400,000	29,180	27,940	2.1
005	QATAR ISLAMIC INS. GROUP	117,750	111,000	311,000	305,000	116,710	110,000	22,010	20,800	18.9
006	BEEMA	100,990	89,610	394,810	386,500	155,260	137,780	27,560	24,750	17.8
007	KHALEEJ TAKAFUL	83,000	84,000	268,000	282,000	156,000	154,000	11,000	12,700	7.1
008	GENERAL TAKAFUL	55,640	48,530	145,330	110,220	62,110	27,560	6,540	4,060	10.5
009	SEIB	41,000	36,000	93,000	81,000	32,500	32,000	120	1,400	0.4
010	SHARD	35,100	33,400	80,250	80,250	49,400	49,400	4,800	4,800	9.7
<b>TOTAL (US\$ 000)</b>		<b>4,699,400</b>	<b>4,489,530</b>	<b>17,152,130</b>	<b>16,653,300</b>	<b>4,818,890</b>	<b>4,637,630</b>	<b>323,660</b>	<b>174,520</b>	<b>9.7</b>

Source: [Albayan Magazine Supplement "MENA Insurers, Reinsurers and Reinsurance Brokers 2021 Ranking", Dec 2022](#)

### Qatari Insurance Industry Growth, Penetration & Density 2019-2021

	2019	2020	2021
<b>TOTAL</b>			
Total real premium growth (%) <i>inflation-adjusted</i>	19.4%	-4%	2.4%
Total Insurance Penetration (%)	1%	1.1%	0.9%
Total Insurance Density (US\$)	592	556	584
<b>NON-LIFE</b>			
Non-Life real premium growth (%) <i>inflation-adjusted</i>	20.3%	-4%	2.4%
Non-Life Insurance Penetration (%)	0.9%	1.1%	0.9%
Non-Life Insurance Density (US\$)	573	539	566
<b>LIFE</b>			
Life real premium growth (%) <i>inflation-adjusted</i>	-3.2%	-4%	2.4%
Life Insurance Penetration (%)	0.1%		
Life Insurance Density (US\$)	19	18	18

Source:  
<https://sigma-explorer.com/>

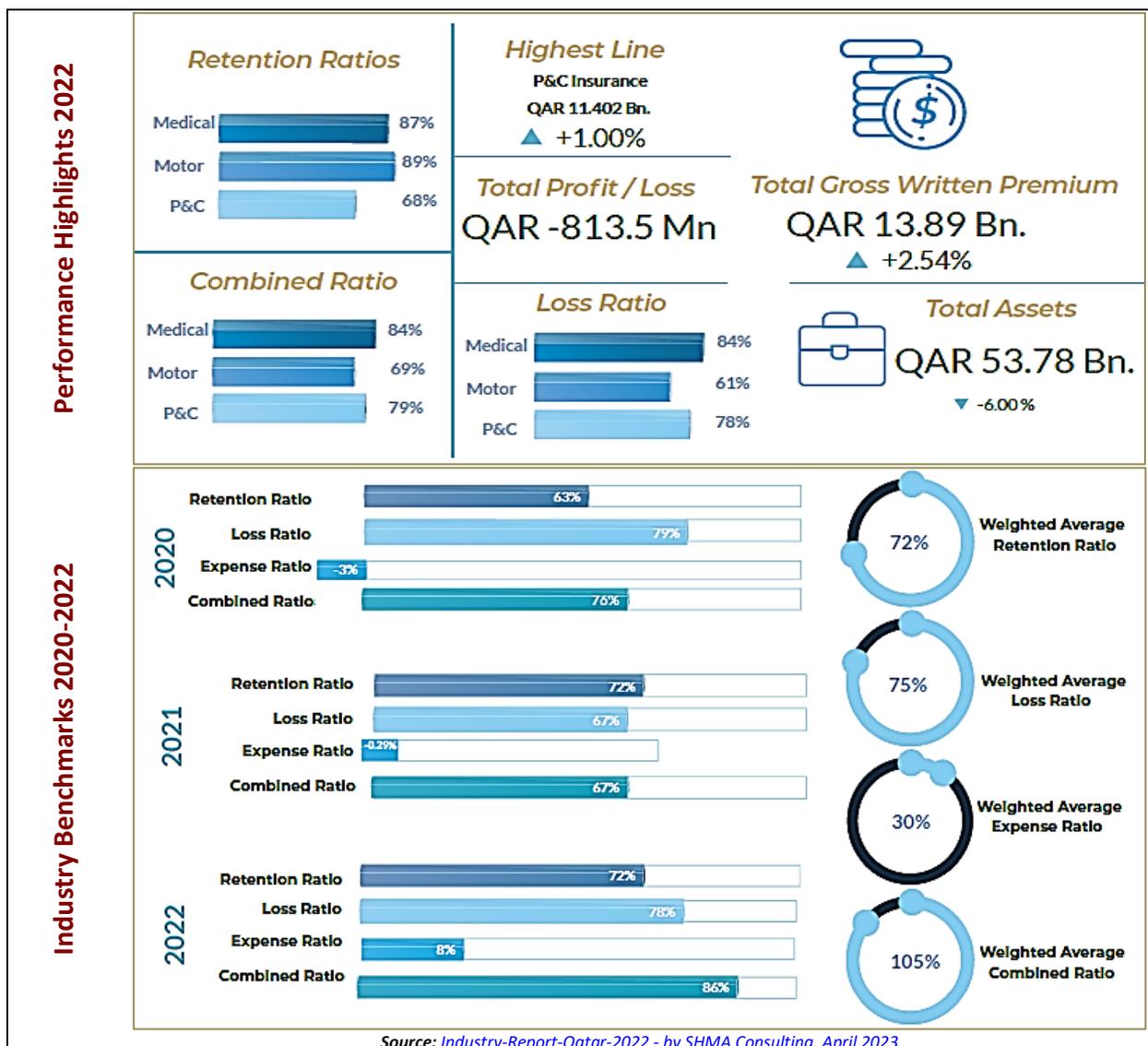
### Value of Gross Output & Value Added of Insurance in 2021

(Value QR. 000)

Particulars	Total
<b>A- Gross Output</b>	
1- Net Collected Premiums	3078626
2- Net Claims Paid	1418237
3- Commissions Received	246582
4- Income In Investing Technical Reserves	4996
5- Change In Tehnical Reserves	292205
6- Other Revenues	39756
<b>Total (1-2+3+4-5+6)</b>	<b>1659518</b>
<b>B- Cost Of Production</b>	
1- Goods	20848
2- Services	315352
3- Commission Paid	337806
<b>Total (1+2+3)</b>	<b>674006</b>
<b>C- Gross Value Added (A-B)</b>	<b>985512</b>
<b>D- Depreciation</b>	<b>38348</b>
<b>E- Net Value Added (C-D)</b>	<b>947164</b>
<b>F- Cost Of Employees</b>	<b>291318</b>
<b>G- Operating Surplus (E-F)</b>	<b>655846</b>

Source:  
[Annual Bulletin of Banks and Insurance 2021 by Planning and Statistics Authority, June 2023](#)

## Qatari Insurance Industry in 2022



## Insurance companies in Qatar: ranking per 2022 turnover

Figures in million

Rank 2022	Companies	2022 turnover		2021 turnover		2021-2022 evolution <sup>(1)</sup>
		QAR	USD	QAR	USD	
1	Qatar Insurance Company <sup>(2)</sup>	1613622	439777	1333455	364233	21.01%
2	Doha Insurance QSC	1486034	405004	1120997	306200	32.56%
3	QLM Life & Medical Insurance	1048836	285850	1026895	280496	2.14%
4	Qatar General Insurance & Reinsurance	724559	197471	749509	204728	-3.33%
5	Qatar Islamic Insurance QIIC	467308	127360	428580	117067	9.04%
6	Damaan Insurance "BEEMA"	392565	106990	367594	100408	6.79%
7	Al Khaleej Takeful Insurance	319000	86940	301763	82427	5.71%
Rest of the market <sup>(3)</sup>		-	-	1314564	359074	-
Total market		ND	ND	5974000	1631798	-

(1) Evolution in local currency

(2) Local market turnover

(3) 6 companies

Exchange rate as at 31/12/2022: 1 QAR = 0.27254 USD; 31/12/2021: 1 QAR = 0.27315 USD

Source: Company reports and Sigma (Swiss Re) by Atlas Magazine 25 May 2023

## (C) QATAR: Insurance Market SWOT Analysis

<b>Strengths</b>	<ul style="list-style-type: none"> <li>▪ Premium expansion over 2021 was strong and suggests a notable post-pandemic rebound is under way.</li> <li>▪ Steady growth in premiums driven by strong growth in national GDP and economic diversification.</li> <li>▪ Indigenous companies have committed shareholders who are closely linked to the local business establishment.</li> <li>▪ Clear diversification away from basic property and motor vehicle covers bring depth to the market.</li> <li>▪ Official policies favour development of financial services.</li> <li>▪ Strong infrastructure and construction development sector backed by a robust sovereign wealth fund.</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>▪ Economy remains heavily exposed to oil price volatility.</li> <li>▪ Underdevelopment of life insurance, given the generous social benefits available to Qataris.</li> <li>▪ High growth in claims expenses and fluctuating costs indicate limited claims control and possibility of fraud.</li> <li>▪ Local insurers are not substantial except by local, and perhaps Middle East &amp; North Africa, standards.</li> <li>▪ The sanctions on Qatar spearheaded by Saudi Arabia continue to dampen trade and economic activity.</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>▪ Robust oil and commodity price upsurge to support revenues.</li> <li>▪ Product innovation, especially in the commercial sector, remains a bright spot.</li> <li>▪ Massive investment in infrastructure due to the 2022 FIFA World Cup will stimulate property and general insurance sectors.</li> <li>▪ Development of takaful from a low base.</li> <li>▪ Strong growth in population, which has doubled since 2006.</li> <li>▪ Robust economic diversification efforts will support non-life sector growth out to 2026 and beyond. Packed infrastructure pipeline will offer upside risks to non-life sector growth.</li> </ul>
<b>Threats</b>	<ul style="list-style-type: none"> <li>▪ Commodity price shocks in the global market and rising interest rates are having an impact on carrier profitability.</li> <li>▪ Oil prices could face another downtrend in 2023/2024.</li> <li>▪ Price competition in motor and property insurance lines is fierce.</li> <li>▪ Regional instability and lower oil prices could cause volatility in financial markets.</li> <li>▪ The economic reliance on oil prices remains a downside risk, especially in the post-pandemic environment.</li> <li>▪ The infrastructure and construction pipeline will cool and headline spending levels may face risks.</li> </ul>

*Source: Qatar Insurance Report Q2 2023 - by Fitch Solutions, Feb 2023*

