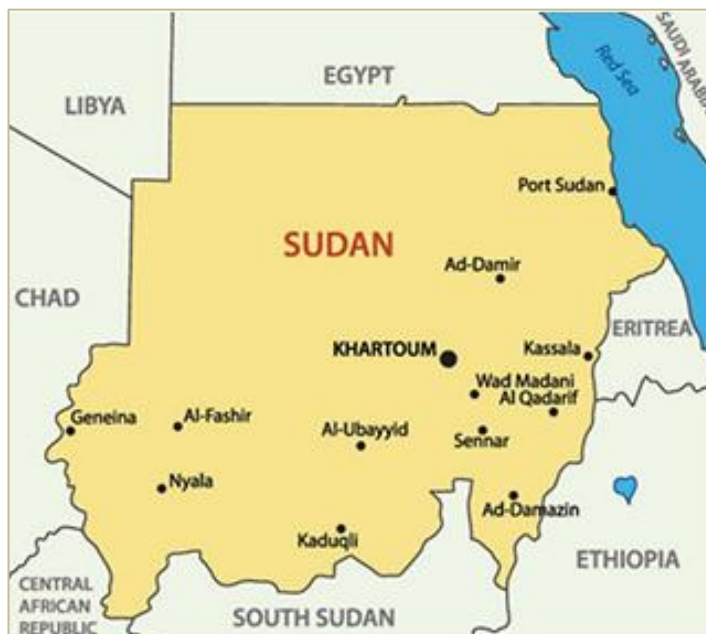


SUDAN

INSURANCE MARKET OVERVIEW

by Hussein Elsayed



Official Name:

The Republic of Sudan

Location:

North Africa. It is bordered by Egypt to the north, the Red Sea, Eritrea, and Ethiopia to the east, South Sudan to the south, the Central African Republic to the southwest, Chad to the west and Libya to the northwest.

Income Category:

Lower middle income

Government Type:

Presidential Republic.

The government of Sudan was led by the Transitional Military Council or TMC since August 2019. The commander of TMC is Abdel Fattah al-Burhan

Time Zone:

(GMT+2).

Religion:

Islam 97% | African Traditional Religion 1.5% | Christianity 1.5%.

Language: Arabic (official) | English is commonly used in commerce.

Climate: Sudan's climate ranges from hot and dry in the arid north to humid and tropical in the south. In the north the little rain that does fall generally occurs from July to September.

Natural Hazards:

River flood: High | Urban flood: High |

Coastal flood: High | Water scarcity: High |

Extreme heat: High

Wildfire: High | Landslide: Medium

Earthquake: Low | Tsunami: Very low

The main catastrophe exposure for Sudan is flood, dust storms and periodic persistent droughts.

The White Nile flows into Sudan from the south and the Blue Nile from the south-east. These major rivers are prone to serious flooding and Khartoum, situated on their confluence, is particularly vulnerable. Sudan also has significant exposure to flash flooding at the start of the rainy season.

Flood: From 2017 to 2021, there were 388,600 people affected by floods annually.

(I) SUDAN: Socio-Economic Information

Region	Northern Africa	UN membership date	12 November 1956
Population (000, 2022)	46 874 ^a	Pop. density (per km ² , 2022)	26.6 ^a
Sex ratio (m per 100 f)	99.9 ^a	Capital city	Khartoum
National currency	Sudanese Pound (SDG)	Capital city pop. (000, 2022)	5 677.9 ^b
Exchange rate (per US\$)	55.0 ^c		

Economic indicators	2010	2015	2022
GDP: Gross domestic product (million current US\$) ^d	54 740	83 933	62 057 ^c
GDP growth rate (annual %, const. 2015 prices) ^d	8.3	4.0	- 1.6 ^c
GDP per capita (current US\$) ^d	1 584.6	2 157.5	1 415.2 ^c
Economy: Agriculture (% of Gross Value Added) ^a	42.6	32.0	21.5 ^c
Economy: Industry (% of Gross Value Added) ^e	14.1	16.3	21.0 ^c
Economy: Services and other activity (% of GVA) ^e	43.4	51.8	57.5 ^c
Employment in agriculture (% of employed) ^f	45.6	41.5	39.7 ^c
Employment in industry (% of employed) ^f	14.7	16.8	15.9 ^c
Employment in services & other sectors (% employed) ^f	39.8	41.7	44.4 ^c
Unemployment rate (% of labour force) ^f	15.2	17.5	19.5
Labour force participation rate (female/male pop. %) ^f	28.9 / 71.6	29.2 / 70.2	29.1 / 68.3
CPI: Consumer Price Index (2010=100) ^f	100	350	18 895 ^g
Agricultural production index (2014-2016=100)	...	92	116 ^c
International trade: exports (million current US\$) ^h	...	5 588	1 913 ^{f,g}
International trade: imports (million current US\$) ^h	...	8 413	9 676 ^{f,g}
International trade: balance (million current US\$) ^h	...	- 2 826	- 7 763 ^g
Balance of payments, current account (million US\$)	- 1 725	- 5 461	- 5 841 ^c

Major trading partners	2021					
Export partners (% of exports) ^f	United Arab Emirates	50.5	China	15.9	Saudi Arabia	5.5
Import partners (% of imports) ^f	China	19.2	United Arab Emirates	16.7	Saudi Arabia	11.1

Social indicators	2010	2015	2022
Population growth rate (average annual %)	2.0	3.1	2.6 ^a
Urban population (% of total population)	33.1	33.9	34.9 ^b
Urban population growth rate (average annual %) ⁱ	2.3	2.8	...
Fertility rate, total (live births per woman)	5.0	4.9	4.4 ^a
Life expectancy at birth (females/males, years)	65.5 / 60.7	67.3 / 62.1	68.2 / 63.0 ^a
Population age distribution (0-14/60+ years old, %)	42.1 / 4.1	42.0 / 4.9	40.9 / 5.5 ^a
International migrant stock (000/% of total pop.) ^j	618.7 / 1.8	620.5 / 1.6	1 379.1 / 3.1 ^c
Refugees and others of concern to the UNHCR (000)	1 951.5 ^k	2 767.9	3 649.4 ^g
Infant mortality rate (per 1 000 live births)	50.7	45.3	37.5 ^a
Health: Current expenditure (% of GDP) ^{m,n}	5.1 ^l	7.3	4.6 ^{f,b}
Health: Physicians (per 1 000 pop.)	0.3 ^o	0.4	0.3 ^p
Education: Government expenditure (% of GDP)	2.2 ^q
Education: Primary gross enrol. ratio (f/m per 100 pop.)	67.8 / 75.6	69.8 / 76.4	76.1 / 81.7 ^r
Education: Sec. gross enrol. ratio (f/m per 100 pop.)	39.4 / 45.5	45.3 / 46.0	46.3 / 45.4 ^r
Education: Upr. Sec. gross enrol. ratio (f/m per 100 pop.)	31.5 / 34.0	40.3 / 38.2	40.6 / 37.6 ^r
Seats held by women in the National Parliament (%)	...	24.3	27.7 ^b

Environment and infrastructure indicators	2010	2015	2022
Individuals using the Internet (per 100 inhabitants)	8.7 ^s	...	28.4 ^{f,c}
Research & Development expenditure (% of GDP)	0.2 ^{t,u}
Threatened species (number)	112	123	168
Forested area (% of land area)	...	903.7	10.0 ^b
CO2 emission estimates (million tons/tons per capita)	17.4 / 0.3	18.7 / 0.4	20.9 / 0.4 ^b
Energy production, primary (Petajoules)	...	461	408 ^b
Energy supply per capita (Gigajoules)	...	13	12 ^{f,b}
Tourist/visitor arrivals at national borders (000) ^v	495	741	836 ^r
Important sites for terrestrial biodiversity protected (%)	9.1	9.1	17.8 ^g
Net Official Development Assist. received (% of GNI)	3.12	1.52	9.62 ^c

a Projected estimate (medium fertility variant). **b** 2019. **c** 2020. **d** Data compiled in accordance with the System of National Accounts 1968 (1968 SNA). **e** Data classified according to ISIC Rev. 4. **f** Estimate. **g** 2021. **h** Data up to 2011 refer to former Sudan (including South Sudan) and data beginning 2012 is attributed to Sudan without South Sudan. **i** Data refers to a 5-year period preceding the reference year. **j** Including refugees. **k** Data as at the end of December. **l** Including South Sudan. **m** Estimates should be viewed with caution as these are derived from scarce data. **n** Data based on calendar year (January 1 to December 31). **o** 2008. **p** 2017. **q** 2009. **r** 2018. **s** 2007. **t** Overestimated or based on overestimated data. **u** 2005. **v** Including nationals residing abroad.

(II) SUDAN: Insurance Market

Key Highlights

- The Sudanese insurance industry is regulated by the *National Insurance Regulatory Authority (NIRA)*.
- The Sudanese insurance industry is regulated by the provisions of the *Insurance Supervision Act 2001* and the *Insurance Act 2003* and its amendments of *Insurance Act 2018*.
- Motor third-party liability insurance, marine cargo insurance and aviation third-party liability insurance are the key classes of compulsory insurance.
- 100% FDI is permitted in the Sudanese insurance industry.
- The placement of non-admitted insurance is prohibited in the Sudanese insurance industry with a few exceptions.

(A) Historical Landmarks and Regulatory Environment

- 1950s** The Sudanese insurance industry was established, consisting almost entirely of agencies of foreign (particularly British) insurers.
- 1960s** The Insurers (Control) Act was introduced. Sudanese insurers, some locally owned and others with joint foreign ownership, entered the industry.
- 1970** All foreign-owned insurers and agencies were nationalised.
- 1974** The National Reinsurance Co was established.
- 1980s** A number of locally owned insurers were established.
- 1991** Shiekan Insurance and Reinsurance Co was established to deal with government insurance risks.
- 1992** All conventional insurance and reinsurance companies in Sudan were converted to sharia' compliant insurance and reinsurance companies as mandated by the Ministerial Decree of the Minister of Finance No 219/1992..
- 1993** Sharia was applied to the insurance industry.
- 2001** A revised Insurance Supervision Act was introduced.
- 2003** Implementation of the Insurance and Takaful Act 2003. The act defines the scope, subject and parties of insurance under takaful contracts. (The term Takaful is used in Sudan to refer to life insurance).
- 2013-2014** Market development continued to be inhibited by the political and economic situation within Sudan and internationally. With high inflation caused by the country's economic problems, Sudan's insurance market has shown little growth in real terms. The dispute with South Sudan and international economic sanctions continued to hinder development.
- 2015** As per the Sudanese legal regime, formation and registration of companies is governed by Companies Act 1925 which remained in force till replaced by Companies Act 2015.
- 2016-2017** In March 2016, a new amendment was passed in Sudan that raised the value of blood money by a minimum of 800.0%, and is applicable in the event of accidental death. In June 2016, the Sudanese government began working on a new law requiring every Sudanese person to have access to healthcare services. On 9 May 2017, the Sudanese parliament approved the 2016 draft bill governing the insurance business in Sudan.

2018-2021

The launching and implementation of *the new Insurance Act in 2018* which has carried out many reforms and significant changes:

- The new law provides for the establishment of an independent legal oversight body and it also introduces restrictive measures against the companies that fail to comply with this regulation.
- The composite insurers required to separate their life and medical insurance businesses from their non-life businesses.
- The new law enabled foreign insurance companies to obtain licenses to operate on the local market, a practice denied to them since 1992 provided that 30% of the company's shareholders are Sudanese (individuals or companies),
- Approving the (double insurance system) so that commercial companies operate, alongside companies operating under the system (Islamic Cooperative), according to the recommendations of the first insurance conference in 2020.
- Also, to raise the capabilities of workers in the Sudanese insurance market, ISA have allowed the percentage of administrative expenses to be raised from 15% to 20%, provided that 2/5 percent is spent on training employees in companies.
- With regard to the executive departments, ISA is the one who approves managers and directors of departments and branches according to professional and ethical qualifications, as stated in the Insurance Supervision Law of 2018, and the regulating regulations.



- The Sudanese insurance industry is regulated by the *National Insurance Regulatory Authority (NIRA)* which responsible for the supervision of the Sudanese insurance industry and is instrumental in ensuring the stability and efficient functioning of insurance and reinsurance companies.
- It functions in accordance with the guidelines stipulated in *the Insurance Control Act 2003 and New Insurance Act of 2018*. Some of the primary responsibilities of ISA include protecting the consumers or holders of insurance contracts, licensing companies involved in the insurance business, appointing, or revoking an authorized auditor for any insurance company, and so on.
- *Association of Sudanese Insurance and Reinsurance Companies (ASIRC)*: Founded in 1977; all insurance and reinsurance companies operating in Sudan are members. It represents the common interests of its members relating to insurance activities. Some of its key objectives include fostering relationships with international associations to exchange experiences and ideas which benefit its members, safeguarding members' interests, organizing, and developing the insurance market, etc.



- **License Types:** To underwrite, advertise, and sell insurance products in the country, insurers and reinsurers need to be authorized by the ISA. Insurers are only permitted to operate within those classes for which they have been granted a license, although companies are permitted to operate insurance activities within a single class or group of specific classes. According to Article 27 of the Insurance Control Act the types of insurance licenses provided by the ISA are fire insurance, motor vehicle insurance, personal accident insurance, liability insurance, and marine insurance.
- **Capital Requirement: ¹**
Minimum capital requirement: SDG 500 mn | Minimum paid-up share capital: SDG 100 mn
- **Product Authorization:** Prior Authorization for insurance and reinsurance products.
- **Compulsory Insurance:**
 - *Motor third-party liability insurance,*
 - *Marine cargo imports*
 - *Aviation third-party liability*
 - *Workers' compensation.*
 - *Professional liability for insurance and reinsurance brokers.*
 - *Medical malpractice for surgeons, doctors, specialists, anaesthetists and public health workers.*
- **Pools:** There are no insurance market pools in the traditional sense but in recent years the Central Bank of Sudan has encouraged the development of microcredit and microinsurance. One product includes credit, business material damage and life insurance cover. A second one is designed for small farmers, and can include life, disability, crops, livestock and property.
- **Reinsurers:** Reinsurers are insurance companies that sell insurance policies to other insurance companies, protecting them from the risk of unexpected financial losses. A reinsurer is not permitted to operate in any type of insurance business in Sudan, without the permission of the NIRA.
 - Mandatory Cession:
 - *The Sudanese insurance companies are mandated to cede 40% of their business to National Reinsurance Company (Sudan). This represents a decrease from 50% previously. The reduction was recently made in 2017 to allow insurers more dealings with other reinsurers inside and outside Sudan.*
 - *Africa Re benefits from a compulsory cession of 5% of all Sudanese reinsurance treaties, and 10% to PTA Re (Zep-Re)*
 - Fronting
 - *Reinsurance arrangements are scrutinised by the ISA which means that fronting arrangements are required to have prior approval*
 - *Fronting commission levels range broadly between 2.5% and 7.5%.*
- **Solvency Margins:** The solvency margin calculation is set by the ISA. Policyholders' funds plus shareholders' funds must equal or exceed 20% of gross written contributions. This must be substantiated by an auditor's certificate.
No distinction is made between takaful and non-life business. The same requirements apply to reinsurers.
- **Intermediaries:** Intermediaries act as distributors of insurance or reinsurance products and services. An intermediary sell solicits or negotiates insurance contracts with customers on behalf of firms for compensation. Intermediaries also counsel customers and provide advice on various insurance products. Insurance agents, brokers, risk managers, insurance investigators, and claims-settling agents also operate as intermediaries in the Sudanese insurance industry.
- **Insurance taxation:** Insurance surplus taxation free according to Islamic Insurance.
There is 10% of premium stamp duty.
No VAT is applicable to insurance contributions, although the country does have a VAT system. VAT is 17.5% and is charged on intermediary commissions. VAT is also applicable to motor repairs.

¹ - Africa Re Dashboard <https://www.africa-re.com/dashboards/SD>

(B) Insurance Market Statistics & Performance

➤ Market Structure:

Market Structure 2019-2020	2019	2020
	Insurers	14
Reinsurers	2	2
Insurance Brokers	10	6
Reinsurance Brokers	2	2
Agents	283	283
Producers	439	517
Loss Adjusters	99	86

Source: National Insurance Regulatory Authority (NIRA)

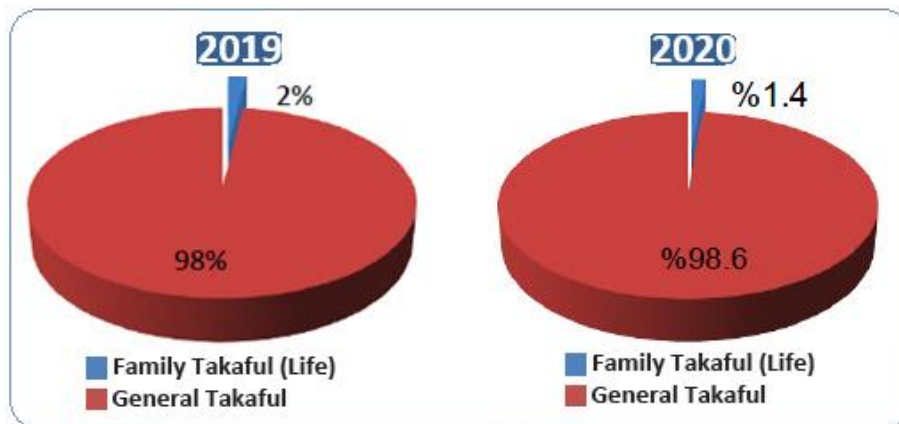
"In 2022 the Sudanese insurance market consisted of 17 companies" According to Mohamed Sate (General Secretary of National Insurance Regulatory Authority)

➤ Insurance Premium:

in thousands SDG

Direct Insurance Premium 2019-2020					
	2019	Market Share %	2020	Market Share %	2019/2020 Evolution
Family Takaful (Life)	244,756	2.0%	312,557	1.4%	27.7%
General Takaful	12,260,686	98.0%	21,972,131	98.6%	79.2%
Total	12,505,442	100%	22,284,688	100%	78.2%

Source: National Insurance Regulatory Authority (NIRA)



in thousands SDG

Reinsurance Premium (2019-2020)			
	2019	2020	2019/2020 Evolution %
Family Takaful (Life)	535	96,041	79.4%
General Takaful	4,827	8,824,414	82.8%
Total	4,881	8,920,456	82.8%

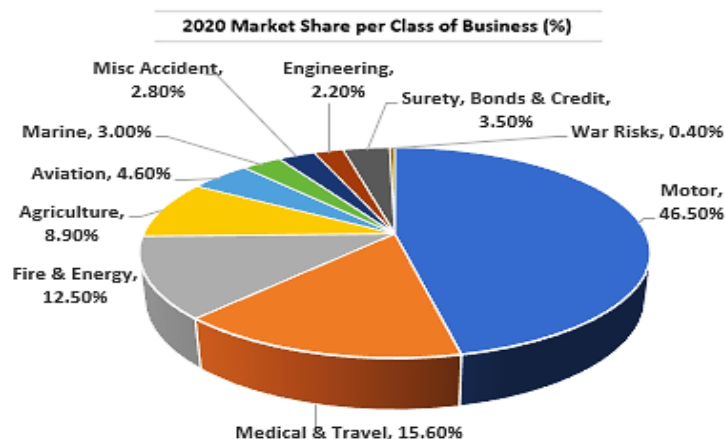
Source: National Insurance Regulatory Authority (NIRA)

Direct Insurance Premium 2019-2020: Market Share per Class of Business

in thousands SDG

Class of Business	2019	2019 Market Share %	2020	2020 Market Share %	19/20 Evolution %
Motor	6,022,264	49.1 %	10,224,472	46.5 %	69.8 %
Medical & Travel	1,583,910	12.9 %	3,426,685	15.6 %	116.3 %
Fire & Energy	1,368,728	11.2 %	2,739,121	12.5 %	100.1 %
Agriculture	1,080,345	8.8 %	1,974,401	8.9 %	82.8 %
Aviation	604,979	4.9 %	1,002,520	4.6 %	65.7 %
Marine	523,193	4.3 %	736,068	3.0 %	40.7 %
Misc Accident	284,222	2.3 %	522,025	2.8 %	83.7 %
Engineering	294,072	2.4 %	480,208	2.2 %	63.3 %
Surety, Bonds & Credit	453,424	3.7 %	780,700	3.5 %	143.6 %
War Risks	45,549	0.4 %	85,930	0.4 %	88.7 %
TOTAL	12,260,686	100%	21,972,130	100%	79.2 %

Source: National Insurance Regulatory Authority (NIRA)



Direct Insurance Premium 2019-2020: Market Share per Company

in thousands SDG

	2019	2019 Market Share %	2020	2020 Market Share %
1 Shiekan Insurance and Reinsurance Co. Ltd	3,107,746	24.3 %	3,707,346	16.9 %
2 Islamic Insurance Company Ltd	2,250,535	18.4 %	3,503,597	15.9 %
3 The United Insurance Company Ltd.	1,001,790	8.2 %	2,376,395	10.8 %
4 Taawuniya Insurance Co.	927,117	7.6 %	2,821,772	12.8 %
5 EL Baraka Insurance Co.	856,704	7.0 %	1,594,808	7.3 %
6 EL Nelein Insurance Co	853,143	7.0 %	1,975,539	8.9 %
7 The Sudanese Insurance and Reinsurance Company	844,171	6.9 %	1,201,178	5.5 %
8 Alsalama Company for Insurance Ltd	802,003	6.5 %	1,384,655	6.3 %
9 The Middle East Insurance Co.(S) Ltd	650,041	5.3 %	1,263,534	5.8 %
10 Blue Nile Insurance Co Ltd	300,014	2.4 %	459,491	2.1 %
11 Almutakhassisa Medical Ins Co (MMI)	233,975	1.9 %	783,401	3.6 %
12 Juba Insurance Co	229,297	1.9 %	332,199	1.5 %
13 Savanna Insurance Company	161,747	1.3 %	267,449	1.2 %
14 General Insurance Co	42,403	0.3 %	61,237	0.3 %
15 Takaful company	-	0.7 %	153,016	0.7 %
16 Al-Ahlya Medical Ins	-	0.4 %	86,514	0.4 %
TOTAL	12,260,686	100 %	21,972,131	100 %

Source: National Insurance Regulatory Authority (NIRA)

2021 Insurance Cos Ranking by Premium Written

in thousands US\$

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	SHIEKAN	61,100	66,700	N/A	N/A	N/A	N/A	N/A	N/A	-
002	ISLAMIC	26,710	48,300	2,170	N/A	10,440	N/A	1,610	N/A	15.4
003	TAAWUNIYA	20,100	19,800	N/A	N/A	N/A	N/A	N/A	N/A	-
004	NILEIN	18,700	18,310	N/A	N/A	N/A	N/A	N/A	N/A	-
005	SUDANESE	18,200	18,120	20,410	20,730	13,800	12,560	4,300	4,210	31.1
006	SALAMA	17,340	17,210	N/A	N/A	N/A	N/A	N/A	N/A	-
007	UNITED	14,460	21,500	11,870	18,200	11,870	18,200	3,180	1,700	26.8
008	MIDDLE EAST	13,100	13,950	N/A	N/A	N/A	N/A	N/A	N/A	-
009	BARAKA	12,850	18,390	11,050	N/A	12,460	N/A	1,810	N/A	14.5
010	BLUE NILE	6,800	6,440	N/A	N/A	N/A	N/A	N/A	N/A	-
011	MMI	5,320	5,020	N/A	N/A	N/A	N/A	N/A	N/A	-
012	JUBA	5,010	4,920	N/A	N/A	N/A	N/A	N/A	N/A	-
013	SAVANNA	3,220	3,470	N/A	N/A	N/A	N/A	N/A	-	-
014	GENERAL	810	910	N/A	N/A	N/A	N/A	N/A	N/A	-
TOTAL (US\$ 000)		223,720	263,040	45,500	38,930	48,570	30,760	10,900	5,910	88

Exchange Rate : As at 2020 = 1 US\$ = 441 SDG | As at 2021: 1 US\$ = 50 SDG

Source: Albayan Magazine Supplement "MENA Insurers, Reinsurers and Reinsurance Brokers 2021 Ranking", Dec 2022

Distribution Channels:

12% of the subscription in the Sudanese market is done through insurance brokers, while the largest percentage of the subscription in the market is through the executive and marketing departments of the companies.

Insurance Claims:

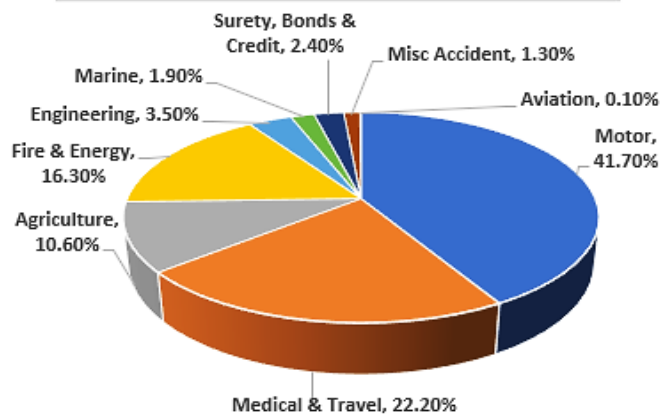
Insurance Claims 2019-2020: Market Share per Class of Business

in thousands SDG

Class of Business	2019	2019	2020	2020
		Market Share %		Market Share %
Motor	3,107,721	49.1 %	4,591,188	41.7 %
Medical & Travel	1,305,376	20.6 %	2,440,955	22.2 %
Agriculture	572,531	9.1 %	1,165,732	10.6 %
Fire & Energy	572,531	9.1 %	1,794,310	16.3 %
Engineering	376,939	5.9 %	385,577	3.5 %
Marine	138,310	2.2 %	211,952	1.9 %
Surety, Bonds & Credit	164,741	2.7 %	258,212	2.4 %
Misc Accident	54,430	0.9 %	146,373	1.3 %
Aviation	27,066	0.4 %	15,742	0.1 %
War Risks	-	-	-	-
TOTAL	6,325,372	100%	11,010,042	100%

Source: National Insurance Regulatory Authority (NIRA)

2020 Market Share per Class of Business (%)



Insurance Claims 2020: Market Share per Company

in thousands SDG

		2020 Total Claims
1	Shiekan Insurance and Reinsurance Co. Ltd	1,762,337
2	Islamic Insurance Company Ltd	2,214,327
3	The Sudanese Insurance and Reinsurance Company	581,853
4	EL Baraka Insurance Co.	698,881
5	EL Nelein Insurance Co	1,034,684
6	The United Insurance Company Ltd.	1,260,111
7	The Middle East Insurance Co.(S) Ltd	442,782
8	Alsalama Company for Insurance Ltd	563,579
9	Taawuniya Insurance Co.	1,232,436
10	Juba Insurance Co	167,595
11	Blue Nile Insurance Co Ltd	312,999
12	Almutakhassisa Medical Ins Co (MMI)	462,121
13	Savanna Insurance Company	113,815
14	General Insurance Co	22,093
15	Takaful company	125,684
16	Al-Ahlya Medical Ins	14,745
TOTAL		11,010,042

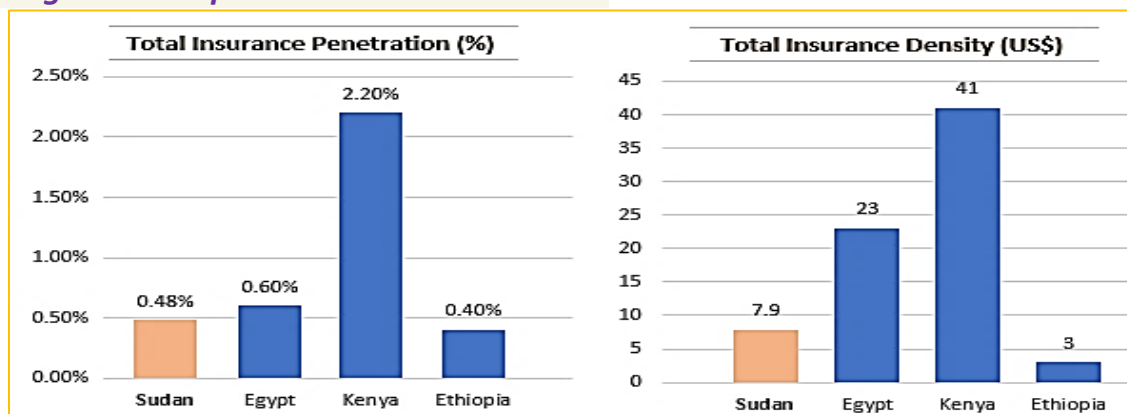
Source: National Insurance Regulatory Authority (NIRA)

Balance Sheet 2019-2020

in thousands SDG

	2019	%	2020	%
ASSETS				
Cash in Bank	1,343,631	10.1	2,725,157	12.5
Investments	1,770,182	14.2	2,604,530	11.9
Receivables	6,572,399	51.7	11,275,127	51.4
Insurance & Reinsurance Debtors	561,723	3.6	1,195,075	5.5
Other Debtors	860,512	6.6	1,478,850	6.7
Fixed Assets	1,541,099	13.5	2,633,224	12.0
TOTAL ASSETS	12,649,546	100	21,938,963	100
LIABILITIES				
Provisions	5,500,145	50.2	6,155,313	28.1
Insurance and Reinsurance Creditors	2,469,971	20.9	4,069,593	18.5
Other Creditors	3,259,446	17.7	9,550,327	43.6
Policyholders' Funds	839,703	7.1	1,104,402	5.0
Shareholders' Funds	580,281	4.1	1,059,328	4.8
TOTAL LIABILITIES	12,649,546	100	21,938,963	100

➤ Regional Comparison:



(C) Sudan: Insurance Market SWOT Analysis

Strengths	<ul style="list-style-type: none"> ▪ Sudan has untapped mineral and agricultural resources. ▪ Strong trade and investment links with the Gulf and China have limited the impact of volatile Western aid and investment on Sudan's economy. ▪ The launching and implementation of the new Insurance Act in 2018 has improved the regulatory environment substantially ▪ Existing of act of NHIF 2016 beside large coverage of population by NHIF especially the formal sector.
Weaknesses	<ul style="list-style-type: none"> ▪ The weakness of Insurance awareness and so weakness of insurance penetration and density. ▪ widespread protests have swept across the country since a military coup in October 2021, and continue to disrupt economic activity in the main cities. ▪ Sudan has one of the most corrupt public sectors in the world, ranking 164th out of 180 countries in Transparency International's 2021 Corruption Perceptions Index.
Opportunities	<ul style="list-style-type: none"> ▪ Sudan's removal from the US's State Sponsors of Terrorism list in December 2020 could see investor interest in the country pick up somewhat in the long term. ▪ The Investment Encouragement Act 2021 was introduced to improve the legal framework for international investment. ▪ The takaful industry in Sudan remains promising with a huge untapped potential as reflected by the growth rates achieved over the recent period despite the political turmoil and overall instability the country has undergone. ▪ The launching and implementation of the new Insurance Act in 2018 has improved the regulatory environment substantially. <ul style="list-style-type: none"> - <i>The government is looking to privatize state-owned companies, which could yield investment opportunities for foreign firms and improve competition in the market, if the process is genuine.</i> - <i>Approving the (double insurance system) so that commercial companies operate, alongside companies operating under the system (Islamic Cooperative), and separate their life and medical insurance businesses from their non-life businesses.</i> ▪ About 46% of the assets are outside the insurance coverage, which means that the insurance activity covers approximately 50%, and this means that the companies are insufficient compared to the size of the state.
Threats	<ul style="list-style-type: none"> ▪ Efforts by the Sudanese army to hold on to power and quell unrest could see the US re-impose sanctions in the coming years, further weighing on the country's economic outlook. ▪ In April 2023, fighting ignited, primarily between the military forces of Gen. Abdel Fattah al-Burhan, the army chief and de facto head of state, and the paramilitary Rapid Support Forces led by his rival, Gen. Mohamed Hamdan Dagalo (At least 1,000 killed and more than 5,100 injured). ▪ London's marine insurance market added Sudan to its of areas deemed high risk amid further fighting in the conflict-ridden African country, according to an advisory note. ▪ Fighting will persist over the coming period, derailing Sudan's protracted democratic transition in the near term. The Sudanese economy expected to slide deeper into recession in 2023.

