TÜRKIYE

Insurance Market Overview

by Hussein Elsayed

(I) TÜRKIYE: General Information

Indicator	Value	Indicator	Value
Region	Western Asia	**Surface area (km²)**	783,562
Population ('000, 2025)	87,685	**Sex ratio (m per 100 f)**	99.6
Population density (per km², 2025)	113.9	**National currency**	Turkish Lira (TRY)
Capital city	Ankara	**Exchange rate (per US$)**	35.3
Capital city population ('000, 2025)	5,018.0	**Surface area (km²)**	783,562
UN membership date	24 October 1945		

Economic Indicators

Indicator	2015	2020	2025
GDP: Gross domestic product (million current US$)	864,314	720,338	1,118,253
GDP growth rate (annual %, constant 2015 prices)	6.1	1.9	5.1
GDP per capita (current US$)	10,802.0	8,367.0	12,814.0
Economy: Agriculture (% of Gross Value Added)	7.8	7.5	6.9
Economy: Industry (% of Gross Value Added)	31.6	31.5	32.0
Economy: Services and other activity (% of GVA)	60.6	61.0	61.0
Employment in agriculture (% of employed)	20.4	17.6	14.6
Employment in industry (% of employed)	27.2	26.2	27.6
Employment in services & other sectors (% employed)	52.4	56.2	57.8
Unemployment rate (% of labour force)	10.3	13.1	8.8
Labour force participation rate (female/male %)	31.4 / 71.4	30.8 / 68.1	36.8 / 71.7
CPI: Consumer Price Index (2010=100)	146	263	1,323
Agricultural production index (2014-2016=100)	102	119	127
International trade: exports (million current US$)	150,982	169,658	261,789
International trade: imports (million current US$)	213,619	219,514	344,013
International trade balance (million current US$)	-62,637	-49,856	-82,224
Balance of payments, current account (million US$)	-21,354	-30,976	-9,973

Major Trading Partners (2024)

Category	Country	Share (%)
Export partners	Germany	7.8
Export partners	United States	6.2
Export partners	United Kingdom	5.8

Category	Country	Share (%)
Import partners	China	13.1
Import partners	Türkiye	12.8
Import partners	Italy	7.9

Social Indicators

Indicator	2015	2020	2025
Population growth rate (average annual %)	2.5	0.8	0.2
Urban population (% of total population)	73.6	75.6	...
Urban population growth rate (average annual %)	2.4	...	...
Fertility rate, total (live births per woman)	2.2	1.8	1.6
Life expectancy at birth (females/males, years)	79.7 / 73.5	79.9 / 73.4	80.8 / 74.9
Population age distribution (0-14/60+ years old, %)	23.9 / 11.5	22.8 / 13.0	21.0 / 15.5
International migrant stock ('000 / % total pop.)	3,751.0 / 4.7	6,580.3 / 7.6	7,083.5 / 8.1
Refugees and others of concern to the UNHCR ('000)	1,985.3	3,905.7	3,343.7
Under five mortality rate (per 1000 live births)	13.4	10.6	10.4
Health: Current expenditure (% of GDP)	4.1	4.6	3.7
Health: Physicians (per 1,000 pop.)	1.8	2.0	2.2
Education: Primary gross enrol. ratio (f/m per 100 pop.)	107.6 / 107.0	103.0 / 103.6	102.1 / 102.8
Education: Lower secondary gross enrol. ratio (f/m per 100 pop.)	108.8 / 105.5	112.2 / 109.0	104.0 / 102.5
Education: Upper secondary gross enrol. ratio (f/m per 100 pop.)	104.8 / 109.8	110.8 / 118.2	125.0 / 132.8
Intentional homicide rate (per 100,000 pop.)	2.8	2.5	3.2
Seats held by women in the National Parliament (%)	14.4	17.3	19.9

Environment and Infrastructure Indicators

Indicator	2015	2020	2025
Individuals using the Internet (per 100 inhabitants)	53.7	77.7	87.3
Research & Development expenditure (% of GDP)	0.9	1.4	1.4
Threatened species (number)	370	435	455
Forested area (% of land area)	28.1	28.9	29.3
CO2 emission estimates (million tons / tons per capita)	327.6 / 4.1	364.3 / 4.2	389.4 / 4.5
Energy production, primary (Petajoules)	1,317	1,826	2,113
Energy supply per capita (Gigajoules)	67	71	75
Tourist/visitor arrivals at national borders ('000)	39,478	15,894	50,453
Important sites for terrestrial biodiversity protected (%)	2.3	2.3	2.3
Population using safely managed sanitation (urban/rural, %)	63.5 / 67.3	73.8 / 78.2	78.0 / 81.1
Net Official Development Assistance disbursed (% of GNI)	0.65	1.16	0.60
Net Official Development Assistance received (% of GNI)	0.25	0.08	0.14

Source: UN - World Statistics Pocketbook 2025

1 - Türkiye: Country Risks

♣ *Political & Security Risks*

Türkiye faces a complex political and security environment characterized by domestic political polarization, governance concerns, and ongoing security threats linked to instability along its southern borders with Syria and Iraq.
Its strategic geopolitical position also exposes the country to regional tensions in the Eastern Mediterranean and the broader Middle East, including friction with some Western partners.

♣ *Economic & Fiscal Risks*

The Turkish economy continues to face significant challenges related to elevated inflation, currency volatility, and high energy and financing costs. Although macroeconomic stabilization policies have improved some indicators, inflation remains high relative to peer emerging markets.
The IMF projects Türkiye's GDP growth at around 3.4% in 2026, while persistent energy price pressures and a widening current account deficit remain key vulnerabilities. Fiscal pressures also continue due to post-earthquake reconstruction costs and elevated public spending.

♣ *Financial Sector & Liquidity Risks*

Türkiye's financial sector remains exposed to risks stemming from high interest rates, declining confidence in the local currency, and reliance on short-term external financing. Exchange-rate volatility and pressure on foreign exchange reserves remain major concerns during periods of market stress.
The IMF and Fitch Ratings have warned that persistently high inflation and large external financing needs could continue to strain liquidity conditions and weaken reserve adequacy.

♣ *Geo-Regional Risks*

Türkiye remains vulnerable to geopolitical risks arising from its location between Europe, the Middle East, and the Black Sea region. Key exposures include regional conflicts, energy market disruptions, supply chain pressures, and instability in neighboring regions.
Any escalation in regional conflicts or prolonged energy supply disruptions could intensify inflationary pressures, widen external imbalances, and weaken economic growth prospects.

2 - Türkiye: Natural Catastrophe (NatCat) Risks

♣ *Flooding*

Flooding and flash-flood risks are increasing across Türkiye, particularly in northern coastal regions, the Black Sea area, and major urban centers such as Istanbul. Heavy rainfall events and insufficient urban drainage systems continue to raise economic and infrastructure losses.

♣ *Drought & Heat Stress*

Türkiye faces growing drought and heat-stress risks, especially across Central and Southern Anatolia. Rising temperatures and declining water availability are affecting agriculture, hydropower generation, and long-term water security.

Coastal Erosion & Storm Surge

Turkish coastal regions along the Mediterranean and Aegean Seas are increasingly exposed to coastal erosion, sea-level rise, and storm surges, posing risks to tourism assets, ports, and coastal infrastructure.

Geophysical (Earthquake)

Earthquakes remain Türkiye's most significant natural catastrophe risk due to its location on major active fault lines, particularly the North Anatolian Fault.
The February 2023 earthquakes highlighted the country's severe seismic exposure, with around 70% of the population living in first- and second-degree seismic zones. Reconstruction and recovery needs have been estimated at more than USD 81 billion.

BEST'S COUNTRY RISK REPORT

Türkiye

CRT-4

August 21, 2025

Region: Middle East & North Africa

- The Country Risk Tier (CRT) reflects AM Best's assessment of three categories of risk: Economic, Political, and Financial System Risk.
- Türkiye, a CRT-4 country, has high levels of economic, political, and financial system risk.
- According to the IMF, Türkiye's real GDP growth is projected to slow from 3.2% in 2024 to 2.7% in 2025. The deceleration reflects the dampening effects of sustained monetary tightening and anticipated fiscal consolidation measures.
- Inflation is forecast to decline significantly from 58.5% in 2024 to 35.9% in 2025. This reduction is attributed to the central bank's return to orthodox monetary policy and a notable decrease in political interference, which has improved policy credibility.

Vital Statistics		
Nominal GDP	USD bn	1322.4
Population	mil	85.5
GDP Per Capita	USD	15,463
Real GDP Growth	%	3.2
Inflation Rate	%	58.5
ESG/Innovation Rankings		
Notre Dame Global Adaptation Initiative Index	Rank (out of 187)	53
Global Innovation Index	Rank (out of 133)	37
Insurance Statistics		
Insurance Regulator	Insurance and Private Pension Regulation and Supervision Agency	
Insurance Density	USD	233
Insurance Penetration	%	1.8

Regional Comparison	
	Country Risk Tier
Türkiye	CRT-4
Cyprus	CRT-3
Albania	CRT-4
North Macedonia	CRT-4
Jordan	CRT-4
Morocco	CRT-4

Source: IMF, UN, Swiss Re, Axco and AM Best

Conclusion

Türkiye combines strong long-term economic potential driven by its diversified industrial, manufacturing, and tourism sectors with elevated macroeconomic and geopolitical risks linked to inflation, currency volatility, and external financing dependence.
At the same time, natural catastrophe exposure — particularly earthquake risk — remains one of the country's most significant structural vulnerabilities, requiring sustained investment in resilient infrastructure and disaster risk management systems.

(II) TÜRKIYE: Insurance Market

KEY HIGHLIGHTS

- *The Turkish insurance sector is primarily regulated by the Insurance and Private Pension Regulation and Supervision Agency (SEDDK), which was established in 2020.*
- *The Turkish insurance industry allows 100% foreign direct investment.*
- *The provisions of the Insurance Law 2007 (No.5684) regulate the life and non-life insurance businesses in Turkey.*
- *The motor third-party liability insurance, liability insurance of a carrier to the passenger of the aircraft, and third-party liability insurance for hazardous activities are the key compulsory classes of insurance.*
- *Non-admitted insurance is not permitted in Turkey with a few exceptions.*

(A) Insurance Market - Historical Landmarks and Regulatory Environment

The insurance market in Turkey has evolved into one of the most dynamic insurance sectors in the Middle East and Eastern Europe. Its journey spans nearly two centuries, beginning with European insurers in the Ottoman era and progressing toward digital transformation, cyber insurance, and regional financial integration in recent years.

European Origins and Early Foundations

Insurance activities were introduced to the Ottoman Empire during the 19th century through agencies and branches of European insurers, particularly in marine trade. In 1862, the Italian insurer "Riunione Adriatica" entered the Turkish market for marine and fire insurance, later becoming part of Allianz.
The Great Pera Fire of 1870 in Istanbul marked a turning point after thousands of homes were destroyed. British insurers expanded rapidly, and the first insurance risk maps of Constantinople were developed.

Building a National Insurance Industry

Following the establishment of the Turkish Republic under Mustafa Kemal Atatürk, the country focused on creating national insurance institutions. In 1925, Anadolu Sigorta became Turkey's first national insurer, followed by the establishment of the national reinsurer "Milli Re" in 1929 to strengthen domestic risk retention.
The following decades saw the creation of major institutions, including:

- Aksigorta in 1960.
- The Insurance Supervisory Board in 1963.
- The Insurance Association of Turkey in 1976.

Liberalization and Regulatory Reforms

The 1990s brought major liberalization reforms, including the abolition of most insurance tariffs in 1990, except for earthquake and agricultural insurance. New legislation also separated life and non-life insurance activities. When Turkey officially began accession talks with the European Union in 2005, the country accelerated efforts to align its insurance framework with European standards. This culminated in the landmark Insurance Law No. 5684 of 2007, widely regarded as a cornerstone reform for the Turkish insurance sector.

MTPL Challenges and Catastrophe Risk

Between 2014 and 2017, Turkey's compulsory motor third-party liability (MTPL) market experienced severe underwriting pressure due to rising claims costs. In response, authorities introduced premium caps and established a "Risky Insurance Pool" to distribute risks among insurers.
Natural catastrophes, including severe hailstorms and floods in Istanbul in 2017, further increased awareness of catastrophe insurance and led to the development of specialised insurance pools, including plans for a Turkish nuclear insurance pool.

Institutional Transformation and State-Led Reform

Between 2018 and 2020, the sector underwent major restructuring under Turkey's New Economic Programme. State-backed reinsurer Türk Re was established to strengthen domestic retention capacity and reduce reliance on foreign reinsurance markets.
In 2019, the Insurance and Private Pension Regulation and Supervision Agency (IRSA) was created as a new regulatory authority, replacing the former Treasury structures with a more flexible and market-oriented supervisory framework.
The same period also witnessed the merger of state-owned insurers under the Turkish Wealth Fund, aiming to create a stronger national insurance platform capable of supporting economic development through surety, credit, and construction completion insurance products.

Cybersecurity and Climate Insurance

Since 2019, cybersecurity and climate change have emerged among the sector's most strategic priorities. Following cyberattacks targeting Turkish banking and telecom institutions, insurers accelerated the launch of cyber insurance solutions covering digital and operational risks.
At the same time, Turkish insurers introduced climate-related insurance products and sustainability initiatives linked to environmental responsibility programmes.

Istanbul Financial Center and Regional Expansion

In 2022, Turkey launched the Istanbul Financial Center project, designed to become a regional hub for banking, insurance, and asset management activities through tax incentives and modern infrastructure.
Turkey also joined Azerbaijan, Kazakhstan, Uzbekistan, Kyrgyzstan, and Turkmenistan in establishing the Turkic World Insurance Union, aiming to strengthen insurance cooperation among Turkic-speaking nations and develop a unified regional insurance pool.

Key Developments from 2024 to 2026

Between 2024 and 2026, the Turkish insurance market maintained strong momentum despite inflationary pressures and economic volatility.
Major developments included:

- Rapid expansion of digital insurance platforms and online distribution.
- Increased adoption of artificial intelligence and data analytics in underwriting and claims management.
- Continued growth of participation insurance (takaful) supported by regulators and public policy.
- Rising demand for private health insurance amid pressure on public healthcare systems.
- Further expansion of earthquake and catastrophe insurance following the impact of the 2023 earthquakes.
- Stronger solvency and risk management standards aligned more closely with European practices.
- Accelerated growth in cyber insurance and SME-focused coverage solutions.
- Expanded strategic role of Türk Re in supporting domestic reinsurance capacity.
- Ongoing regional expansion of Turkish insurers into Central Asia and the Middle East.

Today, Turkey's insurance market represents a unique blend of historical legacy, regulatory modernization, technological innovation, and regional ambition, positioning the country as a rising insurance and financial hub connecting Europe, Asia, and the Middle East.

TÜRKIYE: INSURANCE MARKET SUPERVISION

1. INSURANCE REGULATOR:

The Turkish insurance sector is primarily regulated by the ***Insurance and Private Pension Regulation and Supervision Agency (SEDDK),*** which was established in 2020 as an autonomous regulatory authority. SEDDK is responsible for:

- Licensing insurance and reinsurance companies.
- Supervising insurers, reinsurers, intermediaries, actuaries, and loss adjusters.
- Issuing secondary legislation and regulatory guidelines.
- Monitoring solvency, governance, consumer protection, and market conduct.
- Approving mergers, acquisitions, portfolio transfers, and significant shareholding changes.

The **Ministry of Treasury and Finance** remains responsible for insurance policy development and broader sector oversight.

2. INSURANCE ASSOCIATIONS:

Insurance Association of Türkiye (TSB)

(Formally: Association of Insurance, Reinsurance and Pension Companies of Türkiye). The TSB is the statutory industry association representing insurance, reinsurance, and pension companies operating in Türkiye.

Its main functions include:

- Representing industry interests.
- Supporting regulatory development.
- Publishing market statistics and reports.
- Promoting professional standards.
- Coordinating industry-wide initiatives.

Membership is generally mandatory for licensed insurers and reinsurers.

Other industry organizations include:

- Turkish Insurance Experts Association
- Insurance and Reinsurance Brokers Association
- Turkish Association of Insurance Agents

3- INSURANCE POOLS:

The Turkish Catastrophe Insurance Pool was created after the 1999 earthquake. The program is designed to provide compulsory insurance for all urban residential properties for property damages caused directly by earthquakes and other perils of fire, explosion, tsunami, or landslide following earthquake. . Studies on the design of a disaster insurance product that covers a broader range of natural disasters have been initiated and are planned to be completed by 2023.

The Green Card Pool was established to cover motor third part liability claims of Turkish residents travelling abroad in Europe and to handle claims of accidents in Turkey caused by foreign plated vehicles which have a valid green card.

All insurers licensed to write motor third party liability insurance in Turkey are required to be members of the pool which is run by an independent board of managers in conjunction with the Turkish Motor Insurance Bureau (TMIB). Green cards are issued by local insurers and all premiums are ceded to the pool. Claims are handled by the TMIB and settlement is made in accordance with the laws of the country where the accident occurred. Members share in the profits or losses of the pool in proportion to the volume of business ceded.

The Agriculture Insurance Pool (TARSIM) provides standardized agricultural insurance cover to farmers in Turkey. The Pool is run by a special purpose company set up by the companies writing agricultural insurance business. It is overseen by a Board comprising government and industry members and a member from the Union of Turkish Chambers of Agriculture. It receives a government subsidy of a minimum 50 percent of the premiums written. Insurance companies issue insurance policies with their own name, however all of the risk and the premium must be transferred to the Agriculture Insurance Pool. These insurance companies can optionally take a share from the Pool through retrocession.

4. Key Legislations:

The principal legal framework includes:

Legislation	Law No.	Year Issued / Effective	Purpose
Insurance Law (Sigortacılık Kanunu)	**Law No. 5684**	**2007** (effective 14 June 2007)	The principal law governing the insurance and reinsurance sector, including licensing, supervision, solvency, intermediaries, insurance arbitration, and consumer protection.
Private Pension Savings and Investment System Law	**Law No. 4632**	**2001**	Governs the private pension system, pension companies, pension funds, and retirement savings schemes.
Agricultural Insurance Law	**Law No. 5363**	**2005**	Regulates the Agricultural Insurance Pool (TARSİM) and agricultural insurance covering crops, livestock, aquaculture, and other agricultural risks.
Disaster Insurance Law	**Law No. 6305**	**2012**	Establishes the legal framework for compulsory disaster insurance, including the Compulsory Earthquake Insurance (DASK) scheme.
Turkish Commercial Code	**Law No. 6102**	**2011** (effective 1 July 2012)	Regulates commercial matters, including insurance contracts (Book Six), reinsurance, and the rights and obligations of the parties to insurance contracts.
Turkish Code of Obligations	**Law No. 6098**	**2011** (effective 1 July 2012)	Establishes the general legal framework for contracts and obligations applicable to insurance relationships unless otherwise provided by the Insurance Law or Commercial Code.
Highway Traffic Law	**Law No. 2918**	**1983**	Provides the legal basis for compulsory Motor Third-Party Liability Insurance and compensation arising from road traffic accidents.

Secondary Legislation

In addition to the above primary legislation, the Insurance and Private Pension Regulation and Supervision Agency (SEDDK) has issued numerous secondary regulations, communiqués, and guidelines since its establishment in 2020.

These govern areas such as:

- Licensing of insurance and reinsurance companies
- Solvency and capital adequacy
- Corporate governance
- Technical reserves
- Risk management and internal controls
- Financial reporting and accounting
- Reinsurance arrangements and prudential supervision

For concise market reports, these instruments are commonly referenced collectively as: SEDDK Secondary Regulations, Communiqués, and Guidelines (2020–present).

5. Company Registration and Operation

According to Article 3 of the Turkish Insurance Code ("Insurance Code"), insurance and reinsurance companies operating in Türkiye must be established as either joint stock company or cooperative as per Turkish Commercial Code ("TCC") and be registered and licensed in Türkiye.

Main requirements include:

- Incorporation as a joint stock company (A.Ş.) under Turkish law.
- Meeting minimum paid-up capital requirements.

- Demonstrating adequate financial resources.
- Submission of a business plan.
- Fit-and-proper assessment of shareholders and senior management.
- Appropriate corporate governance and internal control systems.
- Compliance with solvency, technical reserve, accounting, and reporting requirements.

Companies are licensed separately for each insurance branch (life and non-life). Reinsurers are also subject to licensing and prudential supervision.

6. Foreign Ownership & FDI

Türkiye maintains a generally liberal foreign investment regime.

Foreign investors may:

- Establish wholly foreign-owned insurance or reinsurance companies.
- Acquire Turkish insurers subject to regulatory approval.
- Participate in mergers and acquisitions.
- Establish branches where permitted under applicable legislation.

Foreign investors receive national treatment under Turkish investment legislation, although ownership changes in regulated insurers require prior approval from SEDDK.

7. Compulsory Insurances

Major compulsory insurance classes include:

- Motor Third-Party Liability Insurance
- Compulsory Earthquake Insurance (DASK) for residential buildings
- Employer Liability Insurance (for certain sectors)
- Passenger Transportation Liability Insurance
- Hazardous Materials Liability Insurance
- Medical Malpractice Liability Insurance
- Aviation Third-Party Liability Insurance
- Maritime Pollution Liability Insurance
- Agricultural insurance schemes for specified risks

Additional compulsory covers apply in regulated sectors such as energy, transportation, and environmental liability.

8. Reinsurance Business

As of 2026, the Turkish reinsurance market comprises **4 licensed domestic reinsurers**, according to the Insurance and Private Pension Regulation and Supervision Agency (SEDDK):

- **Milli Reasürans T.A.Ş. (Milli Re)** – Türkiye's oldest reinsurer, established in 1929.
- **Türk Reasürans A.Ş. (Turkish Re)** – the national reinsurer established in 2019.
- **Türk Katılım Reasürans A.Ş.** – Türkiye's first participation (Islamic) reinsurer.
- **VHV Reasürans A.Ş.** – a Turkish reinsurer owned by Germany's VHV Group.

Beyond these domestic players, Turkish insurers make extensive use of international reinsurance capacity. Major foreign reinsurers active in the market include Swiss Re, Hannover Re, Munich Re, SCOR, Everest Re, Korean Re, PartnerRe, Lloyd's syndicates, QBE Europe, Malaysian Re, among others, through both treaty and facultative arrangements.

From a regulatory perspective, Türkiye does not impose any compulsory cession requirements in favor of domestic reinsurers, nor does it grant local companies a statutory right of first refusal. The historical compulsory cession system administered by Milli Re was abolished in 1991, after which reinsurance placements became entirely market-based and commercially negotiated.

Although there is no mandatory domestic cession, Milli Re and Türk Re remain the leading local reinsurers. Milli Re currently accounts for approximately 18% of the domestic reinsurance market and leads numerous proportional treaty programs for Turkish insurers, reflecting its continued strategic importance despite the fully liberalized reinsurance market.

Reinsurance plays an important role in managing catastrophe exposure, particularly earthquake risk, large industrial risks, aviation, marine, engineering, and energy insurance.

(B) TÜRKIYE: Insurance Market Performance & Statistics

The Turkish insurance industry is .

TÜRKIYE: Insurance Market Structure in 2024:

Type	Activity	Number
Insurance companies	Non-life	47
	life	5
	Reinsurance	4
	Pension funds	15
Total		**71**
Distribution network and adjusters	Agents	19 217
	Brokers	223
	Life and non-life adjusters	2 095
	Agricultural adjusters	4 147
Total		**25 682**

Sources: *Insurance and Private Pension Regulation and Supervision Agency (SEDDK) and Insurance Association of Turkey.*

TÜRKIYE: Insurance Market Performance in 2024:

Turkish insurance market: premium evolution by life and non-life class of business (2020-2024)

Figures in thousands USD

	2020	2021	2022	2023	2024
Non-life	9 239 432	7 639 079	10 912 020	14 318 544	20 915 596
Life	1 956 454	1 512 529	1 648 142	1 903 953	2 828 279
Total	**11 195 886**	**9 151 608**	**12 560 162**	**16 222 497**	**23 743 875**

Insurance density (2024): 277.6 USD | **Penetration rate (2024):** 1.8%

Turkish insurance market: turnover by class of business (2020-2024)

Figures in thousands USD

Classes of business	2020	2021	2022	2023	2024	Shares 2024
Motor	4 234 187	3 281 286	5 460 681	6 735 283	9 403 483	39.60%
Fire [1]	2 514 588	2 188 650	2 633 571	3 679 827	5 577 561	23.49%
Health	1 368 749	1 140 958	1 605 451	2 364 824	3 866 851	16.29%
Marine [2]	345 979	344 592	416 237	429 260	608 640	2.56%
Accident	303 301	210 161	251 693	367 135	512 550	2.16%
General third party liability	296 933	280 580	318 276	375 913	445 732	1.88%
Other risks [3]	175 695	192 852	226 111	366 302	500 779	2.11%
Total non-life	**9 239 432**	**7 639 079**	**10 912 020**	**14 318 544**	**20 915 596**	**88.09%**
Life	**1 956 454**	**1 512 529**	**1 648 142**	**1 903 953**	**2 828 279**	**11.91%**
Grand total	**11 195 886**	**9 151 608**	**12 560 162**	**16 222 497**	**23 743 875**	**100%**

Turkish insurance market: loss ratio by non-life class of business (2024)

Figures in thousands

Class of business	Incurred losses		Earned premiums		Loss ratio
	TRY	USD	TRY	USD	
Motor	215 096 592	6 089 385	215 740 553	6 107 615	99.70%
Fire [(1)]	18 226 512	515 993	47 407 341	1 342 102	38.45%
Health	72 935 836	2 064 813	97 462 516	2 759 164	74.83%
Marine [(2)]	3 973 026	112 476	7 064 939	200 009	56.24%
Accident	687 800	19 472	12 615 221	357 137	5.45%
General third party liability	4 338 724	122 829	5 628 411	159 340	77.09%
Other risks [(3)]	812 945	23 014	7 000 573	198 186	11.61%
Total non-life	**316 071 435**	**8 947 982**	**392 919 554**	**11 123 553**	**80.44%**

Turkish insurance market: Management expenses ratio by non-life class of business (2024)

Figures in thousands

Class of business	Management expenses		Net written premiums		Management expenses ratio
	TRY	USD	TRY	USD	
Motor	49 446 947	1 399 843	278 931 142	7 896 541	17.73%
Fire [(1)]	20 875 300	590 980	69 987 891	1 981 357	29.83%
Health	26 656 720	754 652	127 454 310	3 608 232	20.91%
Marine [(2)]	2 370 834	67 118	8 336 479	236 006	28.44%
Accident	7 259 017	205 503	16 332 332	462 368	44.45%
General third partyliability	1 870 058	52 941	6 491 852	183 784	28.81%
Other risks [(3)]	3 195 104	90 453	10 990 526	311 142	29.07%
Total non-life	**111 673 980**	**3 161 490**	**518 524 532**	**14 679 430**	**21.54%**

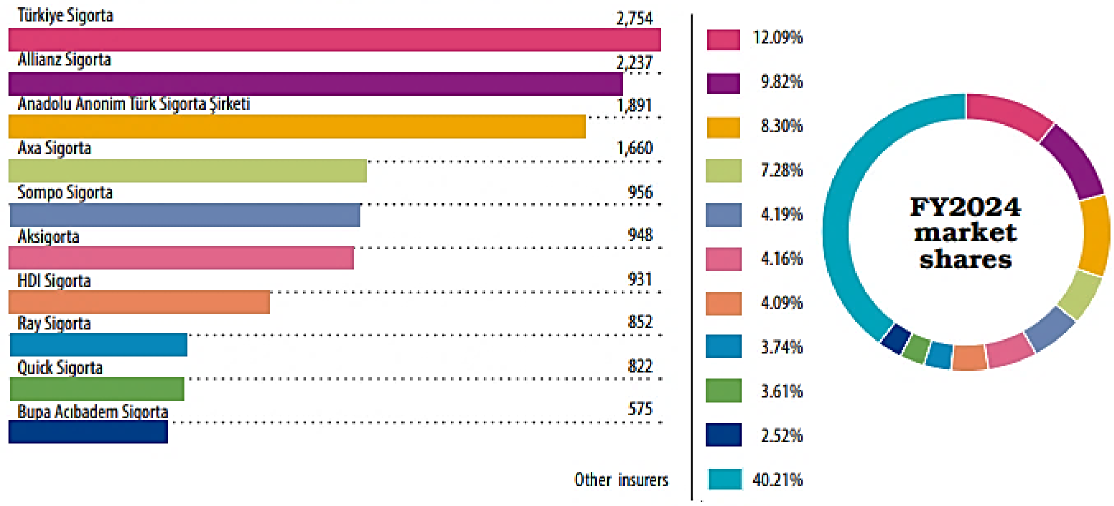
Turkish insurance market: combined ratio by non-life class of business (2024)

Class of business	Loss ratio	Management expenses ratio	Combined ratio
Motor	99.70%	17.73%	117.43%
Fire [(1)]	38.45%	29.83%	68.28%
Health	74.83%	20.91%	95.74%
Marine [(2)]	56.24%	28.44%	84.68%
Accident	5.45%	44.45%	49.90%
General third party liability	77.09%	28.81%	105.90%
Other risks [(3)]	11.61%	29.07%	40.68%
Total non-life	80.44%	21.54%	101.98%

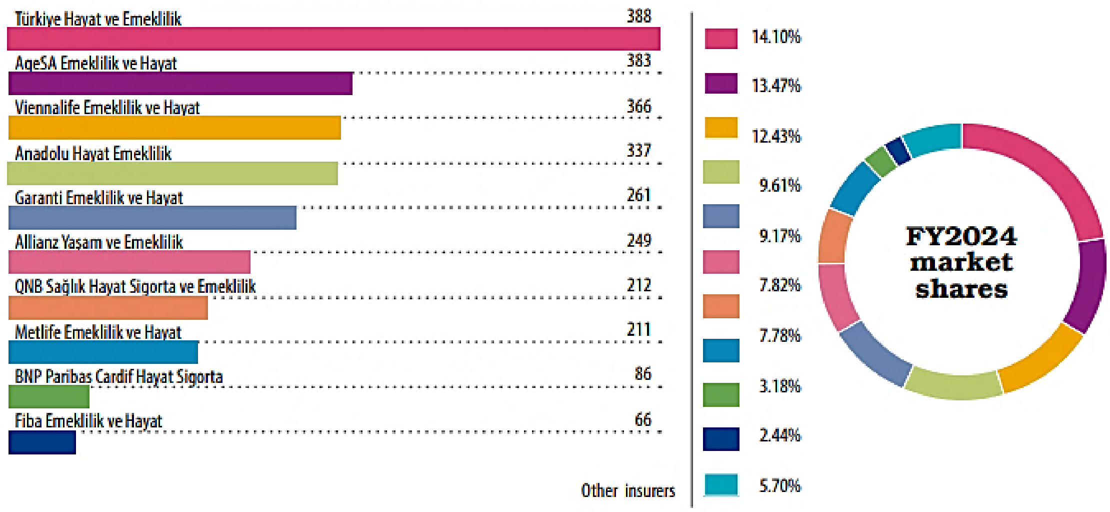
[(1)] Including natural disasters and other property damage.
[(2)] Including marine, aviation, and land transportation.
[(3)] Including credit, bond, financial losses, legal protection, and assistance.
Exchange rate as at 31/12/2024: 1 TRY = 0.02831 USD, at 31/12/2023 : 1 TRY = 0.03361 USD, at 31/12/2022: 1 TRY = 0.05341 USD, at 31/12/2021: 1 TRY = 0.08724 USD, at 31/12/2020: 1 TRY = 0.13557 USD

TÜRKIYE: INSURANCE COMPANIES IN 2024

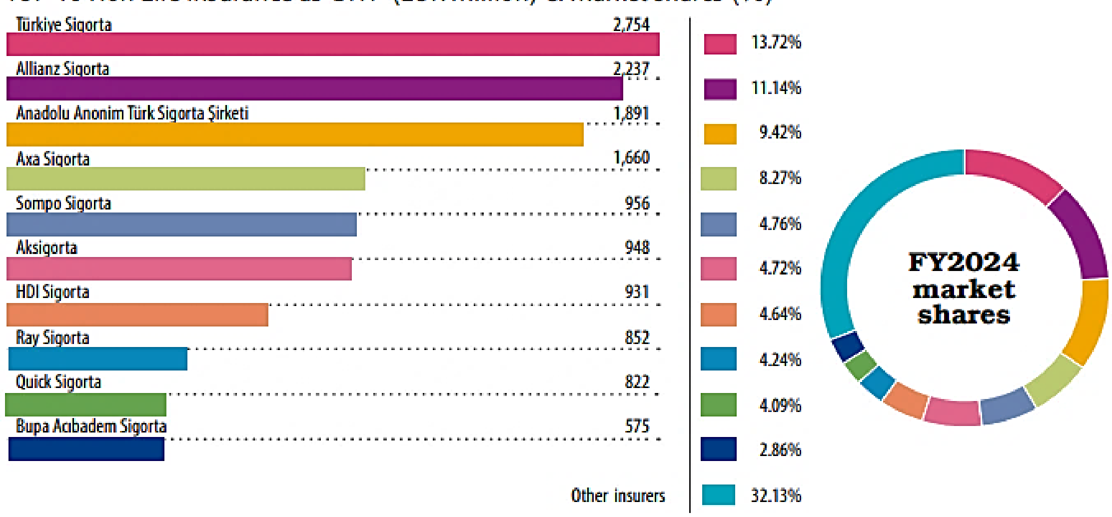
TOP 10 as GWP (EUR million) & market shares (%)



TOP 10 Life insurance as GWP (EUR million) & market shares (%)



TOP 10 Non Life insurance as GWP (EUR million) & market shares (%)



Source: Insurance Profile Turkey Full Year 2024 First Half 2025 – by XPRIMM, Oct 2025

TÜRKIYE: Insurance Market Performance 2025 & 1H2026

FY2025

The Turkish insurance sector grew by 45.8% to TRY 1.22 trillion (USD 26.21 billion) in 2025, according to data from the Insurance Association of Türkiye (TSB). In U.S. dollar terms, due to exchange rate movements, the market change was approximately 6.5% year-on-year.

Premium production in the life sector jumped by approximately 79% year-on-year to TRY 178.8 billion (USD 3.84 billion), while on the non-life side, gross written premiums (GWP) increased by 41.33% year-on-year to TRY 1.04 trillion (USD 22.34 billion).

With an over 55% growth in business volume, health insurance increased its share of the market portfolio by about 1 percentage point. In addition, the portfolio structure experienced a significant shift in favor of life insurance, whose market share increased by more than 2.5 percentage points.

Of the 70 active members of TSB, the company generating the largest premium volume was Türkiye Sigorta (12.03% market share), followed by Allianz Sigorta (9.43%) and Anadolu Anonim Türk Sigorta (8%).

According to the Insurance Sector 2026 Outlook Survey conducted by the Insurance Association of Türkiye (TSB), the Turkish insurance sector is expected to continue expanding in real terms during 2026 despite persistent macroeconomic pressures. Overall, Turkish insurers enter 2026 with cautious confidence, with real growth remaining achievable provided they maintain disciplined underwriting, adapt to regulatory developments, and improve operational efficiency.

XPRIMM - 5 March 2026

Takaful market soars by 63% in 2025

Participation insurers (takaful operators) in Turkiye generated TRY70.1bn ($1.6bn) in contributions in 2025 in nominal terms, representing a 62.9% increase compared to the previous year, according to data from the Insurance Association of Turkiye (TSB).

MEIR team | 21 Jan 2026

1Q2026

The Turkish insurance market posted total premiums of TRY396.4bn ($8.8bn) for the first quarter of 2026, a jump of 30.4% year on year, making a strong start to 2026, data released by the Insurance Association of Turkiye indicate.

However, after taking inflation into account, the insurance market showed a real contraction of 0.45% in 1Q2026.

Monthly data showed that total premiums shrank by 4% year on year in January. The real year-on-year change for the first two months was -0.60%, indicating an improvement in the single month of February. This means that the single month of March also produced positive real growth as the cumulative real decline was only 0.40%.

In 1Q2026, non-life branches produced premiums of TRY340.0bn, representing 85.8% of the overall insurance market's total. The non-life segment grew by a nominal 27.6% y-o-y.

The life insurance segment chalked up TRY56.4bn in premiums in 1Q2026, contributing 14.2% of overall premium income. The segment surged by a nominal 50.1% when compared to the corresponding quarter in 2025.

Non-life insurance shrank by 2.5% in real terms, while life insurance grew by 14.7% in real terms. In the January-March 2026 period, 13 out of 20 insurance branches saw real contraction.

TURKISH INSURANCE MARKET PERFORMANCE 1Q2026 BY BRANCH OF BUSINESS

TOTAL 1Q2026 PREMIUMS	1Q2026 vs 1Q2025 NOMINAL CHANGE	1Q2026 vs 1Q2025 REAL CHANGE	NON-LIFE SHARE OF MARKET	LIFE SHARE OF MARKET	NUMBER OF BRANCHES
TRY 396,422 m	30.40%	-0.40%	85.80%	14.20%	18

PREMIUMS AND GROWTH BY BRANCH OF BUSINESS (TRY million)

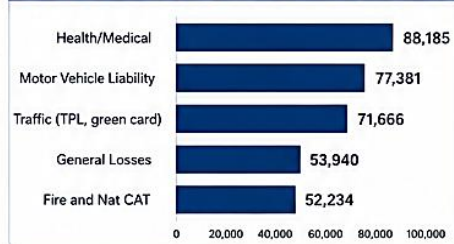
Branch of Business	1Q2026 Premiums (TRY m)	Market Share	1Q2025 Premiums (TRY m)	Nominal Change	Real Change
Accident	6,094	1.79%	5,510	10.59%	-15.49%
Health/Medical	88,185	25.94%	66,006	33.60%	2.09%
Motor Own Damage	39,816	11.71%	32,621	22.05%	-6.74%
Aircraft	1,094	0.32%	879	24.43%	-4.92%
Marine/Watercraft	2,059	0.61%	1,832	12.43%	-14.09%
Marine/Cargo (Transport)	4,008	1.18%	3,199	25.28%	-4.27%
Fire and Nat CAT	52,234	15.36%	43,226	20.84%	-7.66%
General Losses	53,940	15.87%	32,065	68.22%	28.54%
Motor Vehicle Liability	77,381	22.76%	68,604	12.79%	-13.81%
Traffic (TPL, green card)	71,666	21.08%	54,845	30.67%	-0.15%
Aircraft Liability	1,193	0.35%	909	31.28%	0.32%
Watercraft Liability	711	0.21%	415,593	71.08%	30.72%
General Liability	6,552	1.93%	5,361	22.23%	-6.60%
Credit	1,317	0.39%	747	76.28%	34.70%
Suretyship (Bail)	298	0.09%	222	34.06%	2.44%
Financial Losses	1,949	0.57%	1,590	22.53%	-6.37%
Legal Protection	1,924	0.57%	2,364	-18.60%	-37.80%
Assistance	1,215	0.36%	932	30.30%	-0.43%
NON-LIFE TOTAL	339,971	85.80%	266,483	27.60%	-2.50%
LIFE TOTAL	56,452	14.20%	37,602	50.10%	14.70%
GRAND TOTAL	396,422	100.00%	304,086	30.40%	-0.40%

KEY TAKEAWAYS

- Total premiums reached TRY 396,422 million in 1Q2026, up 30.40% (nominal) compared to 1Q2025.
- Non-life business dominates the market with a share of 85.80%.
- General Losses recorded the highest nominal growth (+68.22%) and real growth (+28.54%).
- Legal Protection declined the most in real terms (-37.80%).
- Health/Medical is the largest single branch with a 25.94% market share.

MARKET SHARE IN 1Q2026

TOP 5 BRANCHES BY 1Q2026 PREMIUMS (TRY million)



HIGHEST GROWTH (NOMINAL)

1. Credit +76.28%
2. General Losses +68.22%
3. Watercraft Liability +71.08%

LARGEST DECLINE (REAL)

1. Legal Protection -37.80%
2. Accident -15.49%
3. Marine/Watercraft -14.09%

NOMINAL GROWTH BY BUSINESS LINE

Non-Life Premiums
TRY 339,971 m
+27.60%

Life Premiums
TRY 56,452 m
+50.10%

Source: TSB

Note: Figures may not sum exactly due to rounding.

TÜRKIYE: INSURANCE MARKET OUTLOOK 2026-2030

LIFE INSURANCE PREMIUMS FORECAST

The sector showed significant strength in 2025, and in 2026 is forecast to grow by 32.0% in 2026 (in local currency terms) due to factors like a large population and a growing economy. However, the life insurance segment specifically faces constraints from ongoing stagnation in bank lending.

Latest Updates

- In 2026, we forecast for Turkiye's life insurance sector to rise by 32.0% in local currency terms, resulting in total premiums written of TRY172.1bn (USD3.6bn). The sector's expansion remains distorted by high inflation rates.
- Throughout our medium-term forecast period to 2030, growth is forecast to average 30.8% per annum in local currency terms, with a gross life premiums written of TRY507.8bn (USD4.3bn). In per capita terms, this will result in coverage growing from USD40.8 in 2025 to USD48.7 in 2030.
- This growth is expected to be tempered by significant challenges, including high inflation and broader economic difficulties.

Life Premiums (TÜRKIYE 2026-2030)

e/f = BMI

Indicator	2026f	2027f	2028f	2029f	2030f
Gross life premiums written, TRYbn	173.12	226.83	296.88	388.34	507.77
Gross life premiums written, TRY, % y-o-y	32.0	31.0	30.9	30.8	30.8
Gross life premiums written, USDbn	3.59	3.77	3.95	4.14	4.34
Gross life premiums written, USD, % y-o-y	8.1	5.0	4.9	4.8	4.8
Gross life premiums written, % of gross premiums written	15.9	18.0	19.7	22.0	24.0
Gross life premiums written, % of GDP	0.2	0.2	0.2	0.2	0.2

estimate/forecast. Source: TSB, BMI

NON-LIFE INSURANCE PREMIUMS FORECAST

Although high inflation in 2025 has created some distortion in growth, the market is poised for continued expansion. In 2026, Turkiye's non-life sector is forecast to expand by 14.6% in local currency terms; the market is supported by favourable demographic and economic trends.

Latest Updates

- Turkiye's non-life sector is forecast to expand by 14.6% in local currency terms, resulting in gross premiums written of TRY912.9bn (USD18.9bn).
- Through to 2030, per annum growth is set to average 15.0% in local currency terms, resulting in premiums written of TRY1,606bn (USD18.0bn). Penetration rates will remain under 1.0% in 2026.
- Ongoing high inflation rates will continue to distort growth in the non-life sector, with inflation rates standing at approximately 35% in 2025 and 26.8% in 2026, creating a more challenging environment for non-life providers to operate in.
- Downside risks to our growth forecasts remain. A volatile economic backdrop means that inflation levels and unemployment have the potential to linger and spike, depending on changes in government policy, including potential attempts to further expand the country's money supply. We also note the potential for further government interference in the autos market, which could further reduce car sales and activity in the key motor vehicle insurance segment.

Non-Life Premiums (TÜRKIYE 2026-2030)

Indicator	2026f	2027f	2028f	2029f	2030f
Gross non-life premiums written, TRYbn	912.93	1,035.90	1,208.27	1,380.52	1,606.21
Gross non-life premiums written, TRY, % y-o-y	14.6	13.5	16.6	14.3	16.3
Gross non-life premiums written, USDbn	18.92	17.20	16.08	14.72	13.73
Gross non-life premiums written, USD, % y-o-y	-6.2	-9.1	-6.5	-8.4	-6.8
Gross non-life premiums written, % of gross premiums written	84.1	82.0	80.3	78.0	76.0
Gross non-life premiums written, % of GDP	1.0	0.9	0.8	0.7	0.6

e/f = BMI estimate/forecast. Source: TSB, BMI

Source: Business Monitor International – 6 March 2026

Reference & Resources