

International Statistical Bulletin

2014



Overview

The International Statistical Bulletin is a publication of the Financial Services Commission in Barbados highlighting the position and performance of international financial institutions supervised by the Commission.

Highlights

- ❖ Total assets in 2013 were 1.3% lower than from the previous year
- ❖ Gross premiums were flat, while net premiums grew by 36.9% in 2013 from the previous year
- ❖ Growth in active Exempt Insurance Companies (EICs) by 5.6% in 2014 from 2013
- ❖ The majority of new EIC licenses issued were from Canada in 2013 and 2014

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Financials

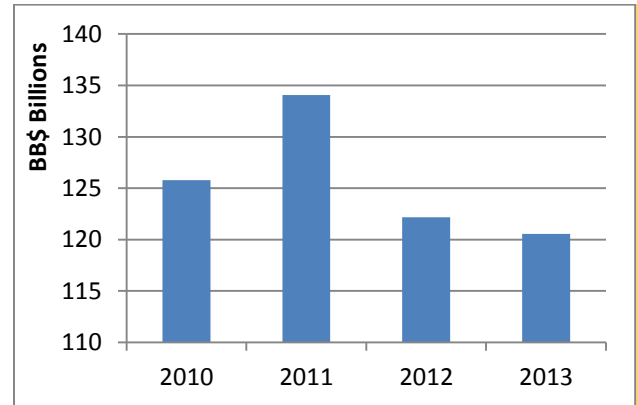
Financials for international insurance companies
(As at December 31st and expresses in Barbados dollars)

	2012	2013
Total Assets	122,157,548,353	120,557,050,615
Total Liabilities	76,669,665,260	83,675,867,004
Capital	9,338,287,374	9,402,649,156
Gross Premium	33,735,462,651	33,709,054,632
Net Premium	21,005,018,809	28,760,507,151

- ❖ Total Assets in international insurance industry was 1.3% lower at December 31st, 2013 than prior year end
- ❖ Gross premiums in the international insurance industry in 2013 were mostly unchanged from the previous year.

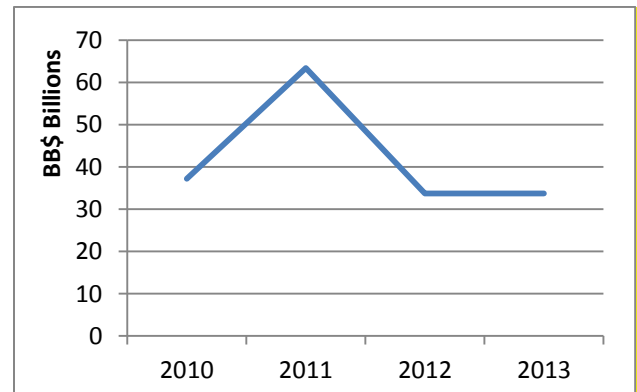
Total Assets in international insurance industry from 2010 to 2014

(As at December 31st and expresses in billions of Barbados dollars)



Gross Premiums in international insurance industry from 2010 to 2014

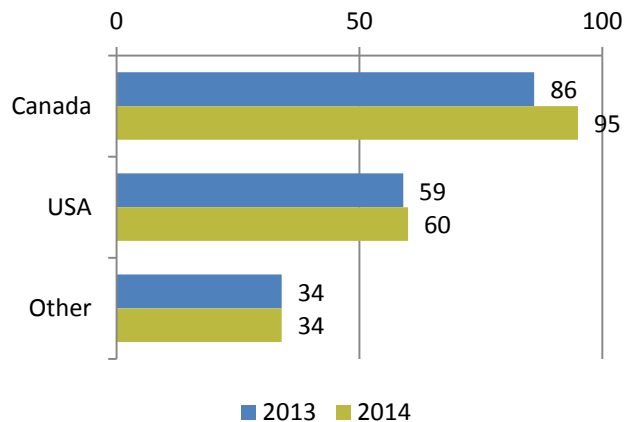
(As at December 31st and expresses in billions of Barbados dollars)



Registrations

Active Insurance Companies

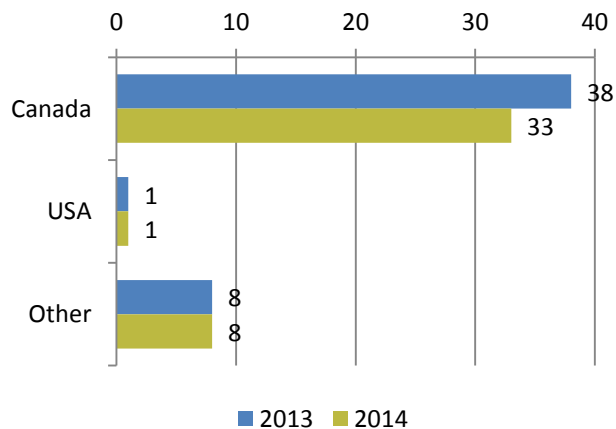
Active Exempt Insurance Companies operating in 2013 & 2014



The Canadian market appears to be the most robust market for international insurance companies domiciled in Barbados.

- ❖ Canadian EICs accounted for half of all active EICs in 2014
- ❖ US insurers in second place with 31.7% of EICs domiciled in Barbados
- ❖ Growth in active EICs of 5.6% from 2013 to 2014

Active Qualified Insurance Companies operating in 2013 & 2014



- ❖ Canadian insurers dominate amongst QICs with 78.9% of the market.
- ❖ 5 Less QICs active in 2014 compared to previous year

New Registrants

New Licenses issued for 2014

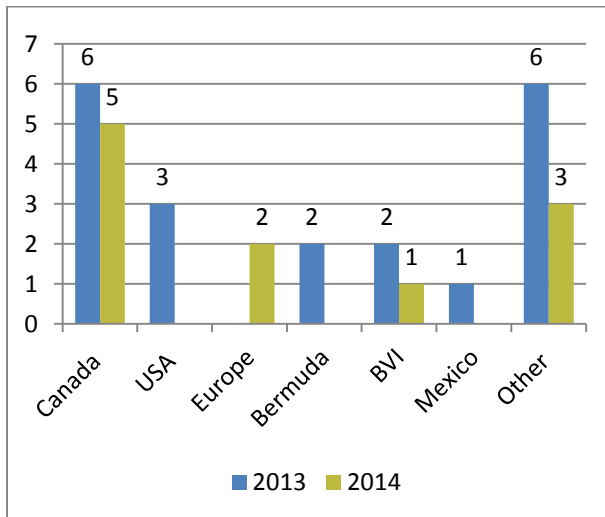
	Q1	Q2	Q3	Q4	Total
Exempt Insurance Company	-	1	3	4	8
Qualifying Insurance Company	1	-	-	1	2
Management Insurance Company	-	-	-	1	1
Holdings Company	-	-	-	-	-
Total	1	1	3	6	11

New Licensees issued do not include QIC to EIC Conversions

EICs were the insurance structure of choice with the majority of new licenses issued for international insurance being for EICs.

- ❖ EICs accounted for 72.7% of all new licenses issued in 2014
- ❖ The 4th Quarter of 2014 was the highest quarter of new licenses issued accounting for 54.5% of new issues.

Origins of New EIC Licenses issued in 2013 & 2014



- ❖ Canada was the largest market for new EICs issues in both 2013 & 2014
- ❖ There were no new EIC licenses issued from the USA, Bermuda or Mexico in 2014.
- ❖ There were no new EIC licenses issued from Europe in 2013.

Glossary

Exempt Insurance Company – exempt insurance business is the business of insuring risks located outside Barbados regardless of whether premiums originate outside Barbados, it includes the business of an underwriter, broker, agent, dealer or salesman in respect of that business.

Financial year – this is the period not exceeding 53 weeks at the end of which the balance of the licensee's accounts is struck or, if no balance is struck or if a period employed, then a calendar year

Gross premiums - also referred to as gross revenues from insurance premiums, includes all fees and other business income derived from insurance business and from activities undertaken in connection with insurance business that gives rise to gross revenues, not including investment income

Insurance business - the business of effecting and carrying out contracts:

- (a) That provide for the protection of persons against loss or liability in respect of risk to which such persons may be exposed;
- (b) By virtue of which the company assumes the obligation to pay a sum of money or other thing of value upon the happening of an event; and
- (c) That provide for re-insurance;

International insurance business - the business of insurance carried on by an exempt or qualifying insurance company in respect of which all the risks insured and all of the gross revenues from insurance premiums originate outside the CARICOM Single Market and Economy (CSME).

Local company - a company incorporated in Barbados under the Companies Act; or any other Act for the time being in force in Barbados

Management services - includes the provision of

accounting, administrative, brokerage and underwriting services, and the processing of claims for exempt insurance business

Manager - a person who, not being an employee of a licensee, provides management services to one or more licensees

Premium income - the net premium earned after deducting any premiums paid by the licensee for re-insurance.

Prescribed securities - means any securities or class of securities prescribed by the Minister in regulations made under section 182.

Principal office - means the office notified to the Supervisor in accordance with subsection (2) of section 37.

Principal Representative - means the representative notified to the Supervisor in accordance with subsection (2) of section 37.

Qualifying insurance company - a registered insurer in respect of which: at least 90 per cent of gross revenues from insurance premiums or at least 90 per cent of all risks insured originate outside the CARICOM Single Market and Economy and a Certificate of Qualification has been issued by the Commission in accordance with section 13A(1) of the Insurance Act.

Resident representative – The individual or management company of the licensee approved by the Commission for the purpose of managing the business of the licensee.

Reinsurance business - the business of providing to an insurer a contract of insurance against risk assured by the insurer under a policy of insurance issued by the insurer to a third party.

Securities - has the meaning assigned to it by section 4 of the Securities Exchange Act.

Supervisor – refers to the former Supervisor of Insurance, the roles and responsibilities of which are now that of the Financial Services Commission.