

EMERGING CHALLENGES IN TAKAFUL / RE-TAKAFUL PROVISION

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Ludwig Stiftl



Agenda



- 1. Mixed Global trends
- 2. Technical issues currently discussed
- 3. Opportunities are mastered challenges

Mixed Global Trends



Europe/Russia:
Political obstacles, complicated

Generally: Grace perios is expiring, phantasies have been disappointed, new regulations being made on basis of a system frequently critisised and rejected by SAMA

North Africa:

- + new governments and regulations
- Delayed economic recovery

GCC:

- Obligatory covers largely introduced, one-off effect expired
- Takaful reputation already being built
- Shareholders patience
- Project business

SEA:

- General takaful slower than family
- Indonesia gaining speed

Subsaharan:

+ new regulations

techniques

* Project and development business

Technical issues currently discussed



Organisation/ Topic	Corporate governance	Risk based capital, Solvency	Pricing/ Surplus distribution	Accounting (Qard hasan)	Shari'a compliance- differentiation/ mutuality	Risk transfer/risk sharing	Economic/ managerial/ strategic issues
Bank Negara (TOF)	X	X		X	X		
SAMA					X		
IFRS, MASB IAA				X		X	
AAOIFI			X				
IFSB	X	X					
Ernst&Young					X		X
Industry Group Retakaful		X	X		X	X	
ISRA					X		

Clustering of these topics into basic complexes



governance ca	Pricing/ apital, Surplus colvency distribution	Accounting (Qard hasan)	Shari'a compliance- differentiation/m utuality	Risk transfer/risk sharing	Economic/ managerial/ strategic issues
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Clustering of these topics into basic complexes



Risk transfer/risk sharing

Accounting (Qard hasan)

Risk based capital, Solvency

Pricing/ Surplus distribution

Shari'a compliancedifferentiation/ mutuality

Corporate governance

Increasing market penetration with a differentiation of profile (from conventional) and a differentiation of market-approaches (within takaful)

Economic/ managerial/ (service, expenses)

Market entrance strategy

Opportunities are challenges mastered



Solve persistent technical issues

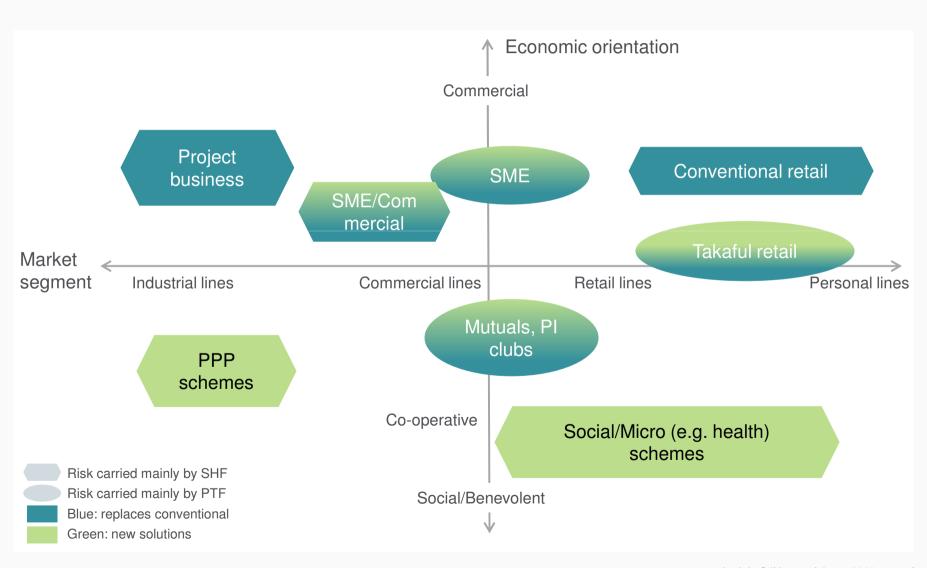
Create clearer and diversified basis

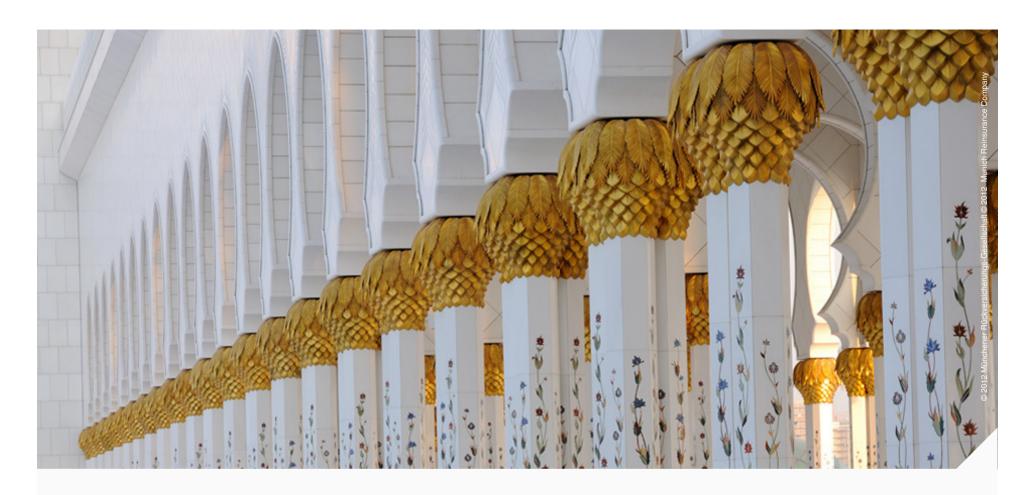
Calibrate new products: Pension, Micro, Mutuality, project

Build a second generation of shari'a compliant insurance

Site and Size of the possible different takaful forms







THANK YOU VERY MUCH FOR YOUR ATTENTION

