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MENA: Call for GAIF to study feasibility of forming Arab reinsurer

By [MEIR team](#) | 18 Feb 2021



A call has been made for members of General Arab Insurance Federation (GAIF) to study the feasibility of establishing an Arab reinsurance company with a capital of at least \$3bn.

The stake in the proposed reinsurer is to be split 50% for the government sector and 50% for the private sector, reported *Youm7*.

The proposal was voiced by Mr Omer Elamin, president of Orient Group, during a virtual seminar earlier this month organised by GAIF that had as the theme “The Arab General Insurance Situation: Geopolitical Problems and Prospects for Development”.

Mr Elamin also suggested that colleges be established to teach insurance so as to groom a new generation of talent who are capable of facing challenges and upgrading the insurance industry.

GAIF was founded in Cairo in 1964. It has more than 300 members which are insurance and reinsurance companies, regulators and medical TPAs and other players in the insurance industry.

Establishing a regional reinsurance company has been a longstanding topic. In an interview with *Al Khaleej* in 2017, Mr Elamin said that a Gulf-based reinsurer would pose competition to global reinsurers as the latter would have an understanding of local markets.

He also said that conditions for the success of a new reinsurer include a significant capital base, government contributions to ensure sustainability, the availability of qualified technical and administrative cadres, as well as patience because reinsurers generally show profits after 5-6 years of operations.

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