

Jamil Elbahou

Connect Underwriting

Direction towards softening, Position consolidation

Amidst a new era of risk and volatility, Mr. Jamil Elbahou, CEO and Chief Underwriting Officer of London-based MGA, Connect Underwriting Limited, noted that the re/insurance industry is facing tough challenges that indicate the need for additional risk capital. He stated also that the year 2024 was another good year and their main achievement has been to cement their position as a trusted MGA, looking forward for a continued steady and organic growth.



• In this new era of risk, global volatility constitutes a key factor in shaping the way the reinsurance industry will develop. The main factors contributing to this volatility are: climate change, inflation, societal polarization, wars and competition between great powers.

- How do reinsurance companies cope with such volatility and sharp changes?

All of these factors are definitely a challenge for today's market. Climate Change is magnifying the Nat Cat losses we are seeing making it more expensive and complex to buy reinsurance. Inflation continues to skew and inflate losses with no tangible effort from the market to curb under-insurance. Wars and competition between great powers is creating unpredictable SRCC exposures and giving markets little to no warning prior to open conflict ensuing.

The way reinsurers are coping with the challenge is reevaluating how they buy reinsurance and how they challenge their underwrit-

ing philosophies to protect their bottom lines. Unfortunately, with the market starting to soften, the marginal gains made by the limited hard markets will likely not last.

• Amid a global unstable environment caused by geopolitical conflicts, macroeconomic trends and rapid technological developments...

- What role can reinsurance companies play in promoting stability and trust?

I would say that is a role for world governments, organisations and NGOs. Our role, in my view, is to provide capital against the risks taken by insureds, to enable them to operate sustainably in the world economy.

• Since 2023, the reinsurance market is undergoing fundamental corrections that have led to a return to profitability for the industry, with growth forecasts of 2-3% over the next three years.

- How does this reflect on the reinsurance industry, prices, reserves and investments?

I think this remains to be seen. Unfortunately, we're sinking again back in the direction of a softening market. There was a lot of fear about Hurricane Milton and insured losses from other storms but, as loss estimates were revised down, with claims likely to be less substantial than initially predicted, the industry's continued commitment to underwriting discipline is being called into question.

• What are your company's most notable achievements and figures for the year 2024? What are your plans for 2025?

2024 has been yet another good year for the Group. Our main achievement has been to cement our position as a reliable facultative excess-of-loss market in the areas where we operate – Property, Energy and Political Violence. We look forward to continuing to grow organically and steadily in 2025, assisted by our new Lloyd's box, number 356, which opened for business on December 23rd 2024.