

# Jamil Elbahou

(CEO & Chief Underwriting Officer - ConnectUW)

**We continue to grow our geographical scope towards a worldwide offering whilst creating a balanced & profitable portfolio of business**



Connect Underwriting Ltd, a Lloyd's Coverholder, is a London based (re)insurance underwriting group with operations in the UK and Europe. It underwrites on behalf of, and works with its strategic partner markets to provide capacity for global blue ocean distribution opportunities. Its platform "Connect Marketplace", is recognized by Lloyd's for electronic placement status, and the company works closely with the Lloyd's broking community. Jamil Elbahou, CEO and Chief Underwriting Officer of MGA Connect Underwriting, takes a look back at an extraordinary year and shares, with Al Bayan Magazine in its annual issue, his outlook for 2021. Below is the interview conducted.

**\* How is the industry mitigating the effects of the COVID-19 pandemic?**

One thing is for definite - 2020 is a year like no other. We have seen some large, high profile COVID related insurance claims going through the courts that will have a major impact on how insurance is underwritten in the future. Almost immediately insurers were tightening their coverage and inserting exclusions to protect themselves from future pandemic situations. COVID-19 has hit the world's economies hard and the global insurance has not escaped. Here in London, we have seen some major insurers exiting the market, creating a shortage of capacity, particularly in some of the casualty classes.

**The most challenging risks in the market are going unprotected**

**\* What are the other challenges that the insurance market is facing?**

The threat of future waves of the pandemic put to one side, the challenge the insurance market faces is to quantify existing exposures, whilst trying to keep an estimate of losses in order to manage solvency ratios.

The economic effects of the pandemic have meant that a client's credit risk

is more of an issue now than ever, putting pressure on the liquidity of funds. In our sector, we are faced with higher reinsurance costs which is putting a strain on our bottom line. In some cases, insurers are being forced to be even more selective in their choice of risks, meaning that sometimes the most challenging risks in the market are going unprotected. With regard to distribution, the lack of insurance penetration and awareness in the emerging markets continues to be a challenge.

**\* What are the obstacles that prevent you from progressing in the MENA Markets?**

I run a global business, with a worldwide book. However, we

have a substantial portfolio of business in the MENA markets and pricing in the region continues to be very competitive. Pricing needs to stabilize across the board for it to be sustainable for reinsurers to operate in the region in the long-term.

**\* Lloyd's CEO stated that the growth in premiums will exceed 13 percent. Do you think that this will increase conditions and rates during the renewals, especially after the losses incurred by global and regional reinsurance companies, or will it be softer in some branches after promoting the Covid-19 vaccine?**

I think this remains to be seen and we won't have the full picture on the impact of COVID-19 until sometime next year. The tightening of capacity will mean that large risks may become more difficult to place, which could put an upward pressure on rates. There may also be a shift in distribution, with local cedants opting to place risks in the local market, rather than approaching the global insurance hubs.

**\* Will you have a new strategy in the coming year in the Arab markets?**

We have a global strategy and we will continue to focus on large risks that require facultative capacity from the London market within the property, engineering and energy space. In addition, we also underwrite war & terrorism and casualty classes.

**\* What are the latest achievements and developments of your company?**

This is our third year of underwriting and although we haven't yet closed our books for 2020, we have had a successful year and we look forward to further growth in 2021. We have solidified our presence as a London Market dedicated to London and International reinsurance brokers. We continue to grow our geographical scope towards a worldwide offering, whilst creating a balanced and profitable portfolio of business.

**Pricing needs to stabilize across the board for it to be sustainable for reinsurers to operate in the region in the long-term**

