IAC NEWSLETTER

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INSURANCE ASSOCIATION OF THE CARIBBEAN INC. 50 Years

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IAC NEWS

43rd Annual Caribbean Insurance Conference

Join Us for the 43rd Annual Caribbean Insurance Conference – **A Special Celebration!**

We are excited to announce the 43rd Annual Caribbean Insurance Conference (CIC), taking place from June 1 to 3, 2025 at the stunning Westin Playa Bonita, Panama. This year marks a truly special occasion as the Insurance Association of the Caribbean (IAC) proudly celebrates 50 years of dedication to the growth and advancement of the insurance industry in the region.

As we commemorate this significant milestone, we invite you to be a part of this landmark event.

The CIC offers an unparalleled opportunity to network with industry leaders, gain valuable insights from expert speakers, and participate in discussions shaping the future of insurance across the Caribbean.

Don't miss out on the chance to join us for this exciting and meaningful event! Register now to secure your spot and take advantage of discounted hotel rates at the Westin Playa Bonita before the deadline of April 30, 2025.

This is more than just a conference – it's a celebration of the past, present, and future of the insurance industry in the Caribbean. We look forward to seeing you there!

Register Today and Celebrate 50 Years with Us!

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Barbados Increases Captive Insurance Market Share

"Barbados' attractiveness as a global hub for captive insurance companies continues to grow, with almost $50 billion in assets under management up to September 2024, while another $123.8 billion in other classes of insurance are managed on the island.

This was revealed during the media launch of the fifth annual Barbados Risk & Insurance Management Conference (BRIM) 2025 hosted by BIBA, the Association for Global Business at the offices of Protexxa, Harbour Industrial Park, St Michael on Wednesday.

In a prelude to a much more extensive sectoral update that will be presented during BRIM on March 27 and 28 at the Wyndham Grand Hotel, Warrick Ward, chief executive officer of the Financial Services Commission (FSC), disclosed that Canada continues to be the main source market accounting for 51 per cent of captives, followed by the United States with 25 per cent.

Even as the island rates third in the Caribbean and seventh globally in captive rankings, the number of companies establishing in Barbados showed year-on-year growth. In 2024, there were 19 captive formations compared to 12 in 2023, the regulator outlined, as he heralded BRIM's value to the insurance industry and its cross-linkages to sectors such as tourism.

Ward emphasised: "The BRIM conference allows us an opportunity to get away from creating new guidelines and legislation, to get outside and provide key updates and avail ourselves to the opportunity to listen, learn, and consider the views of not only our direct stakeholders, but also those who operate within the space."

He noted further: "The insurance sector is the largest of our regulated sectors, but in terms of the international business, we are also revamping our framework for the securities sector because we see this as another plank that Barbados can further develop. We aim to do this without weakening the regulatory rigour, which we strive to uphold.

"Globally, the captive insurance sector continues to grow. As companies with increased use of business analytics, as well as their operations support, they have more insight with regards to decision making as they look to optimise the use of capital."

He pointed to the agency's push towards a risk-based regulatory framework as it has begun work on a "comprehensive and purpose-driven approach to our legislative amendments and our reform agenda" as the commission seeks "a modern and flexible framework".

According to Ward: "The insurance sector continues to grow, and at the commission, we're patently aware that we must evolve and be positioned to meet the needs and demands of our stakeholders. Therefore, in 2024, at the commission, we have been informed of the proposed amendments to the Insurance Act, which will facilitate the introduction of risk-based requirements for statutory funds, capital, and solvency."

Also addressing the media launch was Joanna Austin, BIBA's first vice-president, who highlighted that BRIM 2025 has already confirmed over 150 delegates, speakers and sponsors from ten countries and 88 companies.

While Barbados is a mature international insurance jurisdiction with several decades of experience in the arena, the BIBA vice-president observed the island had been "remiss" in putting on an in-country showcase of its expertise, regulatory environment and desirable quality of life, all in one package. However, the BRIM Conference fills a niche in the industry, providing a platform for professionals from various sectors, including property and casualty (P&C), reinsurance, risk management, banking, financial, and legal services, to come together and engage in cross-cutting discussions.

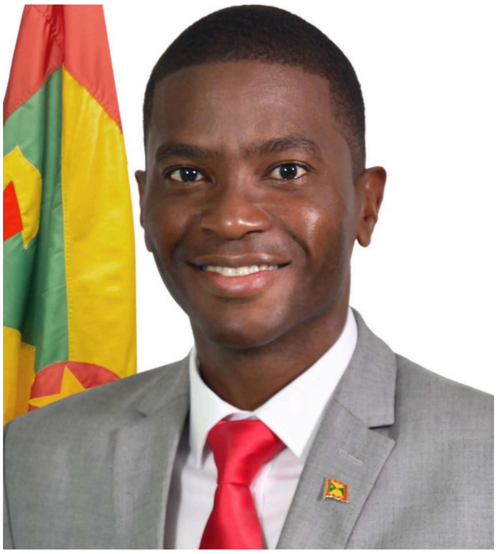
She added: "This year we will be having speakers who will be exploring the health and environmental impacts of PFAs ("Forever Chemicals") and what insurance and captive managers can do to prepare for expected losses; why insurance linked securities are the single most important development in the insurance sector in the last two decades; the emerging risks being placed in captives and the associated analytical issues; and innovative solutions for mitigating the risks to cryptocurrencies from cyberthreats, among others," Austin told the media.

Scott Stollmeyer of US Risk Group, who represented sponsors of BRIM 2025, praised BIBA's outstanding efforts in producing the annual event.

Source: - February 28, 2025 - By: Barbados Today

REGIONAL NEWS

Grenada's Government Terminates Agreement With US Company Contracted to Develop Health Insurance Plan



The Honourable Dickon Mitchell
Prime Minister, Grenada

ST. GEORGE'S, Grenada – Grenada's government has terminated its agreement with a company in the United States that was contracted to develop the framework for the island's implementation of a National Health Insurance plan aimed at strengthening and improving the healthcare system and services.

JIPA Network is an association of health care providers throughout Latin America, the Caribbean and the United States.

Based in the United States, the company serves as an association of health care entities working together to make high-quality health care affordable and accessible. It began working with the Government of Grenada in 2019 to make National Health Insurance a reality for the island.

Following the election in June 2022, the Dickon Mitchell administration continued working with the company.

However, the agreement was terminated due to the Government not satisfied with achievement after five years.

“We continued to retain JIPA but internally after reviewing the outcome and the performance over the last several months, the cabinet took a decision to terminate the contract and to relook the approach,” Mitchell said in his first interview for 2025.

He did not say when the decision was made to terminate the contract which was originally signed in 2019 with the government of then Prime Minister Keith Mitchell said the was not happy with the situation.

He said the cabinet agreed that a new approach will be adopted to make the implementation of National Health Insurance in Grenada a reality.

“What we have decided to do is to reappoint a committee, home grown but with a consultant that will allow us to analyse what are the best options for us to be able to get us to a point where we can actually launch an NHI,” said the Prime Minister.

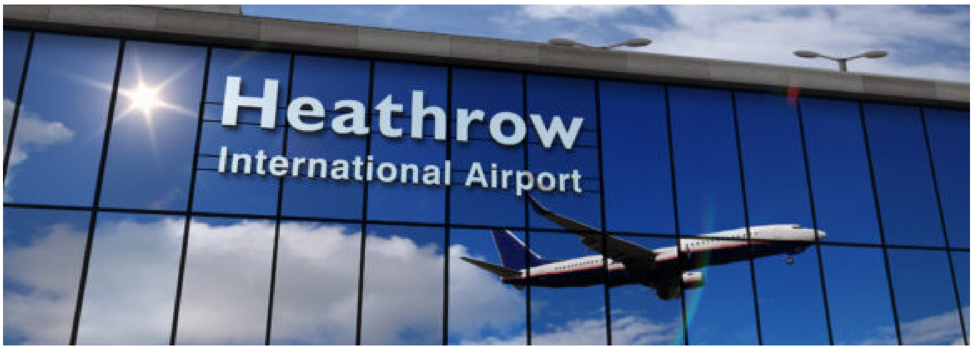
“We are absolutely committed to NHI because we realise that is part and parcel of how we will ensure sustainability to the new healthcare system, it is just not the hospital but we recognise that you have to creep before you walk and therefore starting a more simplify NHI and build up over the years is the better approach rather than a overly complicated system from the get go.”

“Grenada is only still 110,000 people, so the same way in which our NIS started small and has grown, we think we need to get to that point where the NHI can actually start. We believe this is a more straight-forward and more effective approach,” he added.

Expected to become a reality in November 2025, the NHI was expected to revolutionize healthcare in Grenada.

The NHI guarantees will provide universal coverage, comprehensive care and accessibility as well as quality medical care to citizens and other people seeking healthcare.

Source - January 10, 2025
By: Caribbean Today



Heathrow Shutdown Raises Concerns Over Contingency Planning

The closure of Britain's Heathrow Airport is set to affect the global aviation system for days at a cost of tens of millions of dollars, experts say, posing questions about why better contingency planning was not in place at the hub.

Experts were in shock at the scale of the outage, which has not been seen since the Icelandic ash cloud of 2010, as they tried to estimate the cost and breadth of the repercussions caused by a fire at a nearby electrical substation that knocked out the airport's power supply and its back-up power. (Editor's note: For travel insurers, "this high-profile, large-scale disruption will have significant but manageable financial and operational implications," according to the credit agency Morningstar DBRS. "However, such financial hits, especially when concentrated in a single geographic region, highlight the volatility that infrastructure-related disruptions pose to insurers.")

The chaos delivered a vivid demonstration of the vulnerability of critical infrastructure at a time when security has risen to the top of the European agenda.

Heathrow processes around 1,300 flights a day, according to Eurocontrol. The blaze, which was reported just after 2300 GMT, on Thursday, forced planes to divert to airports across Britain and Europe, while many long-haul flights simply returned to their point of departure.

The cost of the impact could total around 20 million pounds ($26 million) a day, said Paul Charles, a travel consultant, with no guarantee that Heathrow will reopen on Saturday given the vulnerability of the airport's power supply.

"A back-up should be failsafe in the event of the core system being affected. Heathrow is such a vital piece of the UK's infrastructure that it should have failsafe systems," Charles told Reuters.

Energy Minister Ed Miliband said the fire had prevented the power back-up system from working and that engineers were working to deploy a third back-up mechanism, adding the government was working to understand "what, if any, lessons it has for our infrastructure."

Experts pointed to potential weakness in Heathrow's back-up plans. The shutdown comes less than a year after Heathrow told Britain's Civil Aviation Authority in a filing that it was "a leader in airfield resilience."

"(An) airport will have multiple electrical routes to feed it and to see them all wiped out is highly unusual," Tim Green, head of the department for electrical and electronic engineering at Imperial College London, told Sky News.

Tony Cox, an international risk management consultant, said: "I can't remember a piece of critical infrastructure being wholly shut down for at least a day because of a fire. I can't think of anything comparable."
The closure is set to have days-long knock-on effects globally, leaving airline passengers stranded as carriers reconfigure their networks to move planes and crews around.

Independent air transport consultant John Strickland said: "There will be impact running on several days because once aircraft are grounded somewhere away from an operation, they are stuck there with the crews operating the flights, and of course the customers, until those crews have been out to have the legally required rest periods."

This is not the first aviation sector outage in Britain that has raised concern across the industry.

An outage of Britain's air traffic control system NATS in 2023 cost over 100 million pounds ($129 million), according to an independent review by Britain's Civil Aviation Authority, raising questions about the stability of the system.

The Heathrow outage, especially if it drags on past Friday, is likely to lead to extensive scrutiny.

"It is a clear planning failure by the airport," said Willie Walsh, the former head of British Airways and the director of trade group IATA.

Under EU and British rules, customers are entitled to up to 600 euros from airlines for delays of three hours, or cancellations, as well as paid hotel stays and food, but only if the airline is at fault. In this case, the airlines are not at fault.

Most airlines are likely to offer the option of rerouting or a refund for a flight with some support for accommodation for those stranded by the shutdown.

While airlines are likely to offer these benefits in the interest of customer service, one can expect drawn out negotiations about who should fund the cost of the disruption and if others should repay airlines for fronting the bill.

"We must find a fairer allocation of passenger care costs than airlines alone picking up the tab when infrastructure fails," Walsh added in his statement.

The question of who picks up the bill is unclear, according to Strickland.

It will be a complex discussion between the airport, the airlines, the electricity providers and insurance companies, he said. "Of course, nobody will want to accept responsibility if it's possible not to."

Source: March 21, 2025 - Insurance Journal
By Joanna Plucinska & Tim Hepher

CANNASURE: LEADING THE WAY IN CANNABIS COVERAGE

Discover how Cannasure, a subsidiary of One80 Intermediaries, provides tailored insurance solutions backed by deep industry expertise to drive success for clients in the cannabis sector

IN THE insurance industry, being a "jack of all trades, and a master of none" isn't always the best approach – especially when it comes to highly specialized markets. Unlike other fields, the cannabis insurance market requires extensive expertise in the unique risks and regulatory challenges involved.

Recognizing this need, Cannasure, a subsidiary of One80 Intermediaries, has been a trailblazer since its inception in 2010. With a singular goal of helping legal marijuana businesses secure the insurance they need at reasonable costs, the company has carved out a niche as a specialist provider.

"When it comes to premiums, the market sets the price – if the going rate is $10,000, we have to be able to deliver coverage that aligns with that expectation, shared Kieran O'Rourke, vice president, director of underwriting at Cannasure Insurance Services. "It's essential to understand the fundamentals behind pricing and how they translate to the open market," he said.

Over the past decade, the company has solidified its reputation as a trusted expert and a leading insurance provider in the cannabis and hemp industries. "Our team is made up of dedicated specialists, all of whom focus exclusively on the cannabis industry," confirmed Patrick McManamon, cannabis program practice leader and founder of Cannasure Insurance Services. "It's all about focusing on our team's deep understanding of the marketplace and tailoring our policies to meet the unique needs of clients," he continued.

Cannasure's success as a specialist provider in the cannabis insurance market is rooted in its focus on building strong, strategic relationships with top-tier insurance agents and partners.

"At Cannasure, we don't own the surplus or capacity – we contract for it. What sets us apart is our strong command of that capacity. By protecting it, we earn the trust and respect of our partners," said O'Rourke. "We handle their paper, their surplus, and their trust with care, ensuring our growth remains responsible. Simply put, we can only succeed if we protect the capacity that allows us to write policies," he continued.

Cannasure's entry into emerging cannabis markets like Minnesota highlights their proactive approach to building long-term relationships. The firm has strategically partnered with agents involved in the state's cannabis landscape, collaborating with legislators, business owners, and regulatory bodies to shape the market's growth.

By forging these relationships early, Cannasure ensures that it is aligned with local industry experts who can guide its approach and help drive markets forward. "We spend our time developing relationships in advance of a state that's about to go recreational," shared Jim McErlean, director of business development at Cannasure Insurance Services.

The firm's long-term relationships with carriers have also played a pivotal role in its success, shielding it from the market fluctuations that many others face.

"Since launching our program, we've worked exclusively with two carriers, and our reinsurance panel, which has been with us from the start, has only expanded. We've never lost anyone from our panel, and this consistency has shielded us from the market volatility experienced by others, who often come and go or lose carriers," added McManamon.

What sets Cannasure apart? The firm's success is built not only on strong relationships but also on a keen awareness of the market's competitive landscape. Cannasure regularly evaluates its offerings through an annual review process, ensuring clients get the best and its products remain relevant and competitive.

"We take a hard look at what our competitors are doing and why," explained McErlean. This review involves analyzing base product coverages, exploring opportunities to expand limits, and adjusting pricing based on loss activity and market trends.

Cannasure's innovative approach to cannabis insurance is grounded in understanding client needs and creating products that address industry-specific risks.

Key offerings include:

Flexible security requirements: Unlike competitors that strictly enforce DEA vault and safe requirements, Cannasure takes a client-focused approach. "We listen to what the client has," said McErlean. "They built their safes and vaults for specific reasons – whether it's space constraints or extra security measures. We want to have a conversation to understand how those mechanisms support theft prevention and employee safety." This flexibility allows Cannasure to create policies that truly align with each client's unique setup.

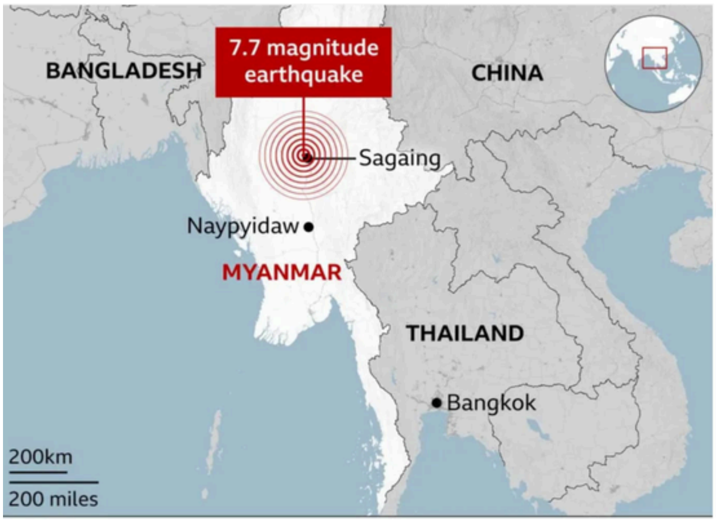
Budtender liability coverage: Recognizing the critical advisory role of budtenders, Cannasure offers unique liability protection against claims arising from "bad advice." "If a budtender recommends a product for relaxation, anxiety relief, or sleep, and something goes wrong, we're there to protect them and their business," explained McErlean. This innovative coverage supports dispensaries and their employees in navigating the complexities of product recommendations.

Voluntary product recall expense reimbursement: Cannasure's product recall coverage extends beyond government-mandated recalls. "Most competitors only cover recalls triggered by government action," McErlean noted. "We also reimburse businesses for voluntary recalls when they recognize an issue with their products and want to act proactively to protect consumers." This unique feature helps businesses manage expenses while maintaining trust and safety in the marketplace.

Source: March 24, 2025 - Insurance Business

REINSURANCE NEWS

DEADLY EARTHQUAKE STRIKES MYANMAR, TRIGGERING WIDESPREAD DEVASTATION



A powerful 7.7 magnitude earthquake has struck Myanmar, causing widespread devastation, triggering tremors as far as Bangkok, Thailand, leading to building collapses, significant loss of life, and prompting Myanmar to declare a state of emergency.

Myanmar's state media has reported that buildings have collapsed in at least five cities and towns. Two bridges and an expressway have also suffered significant damage. Additionally, Myanmar National Airlines has canceled some flights.

The Red Cross's international programme coordinator has certified this, noting that public infrastructure, including roads, bridges and public buildings, has been damaged.

In the wake of the disaster, Myanmar has declared a state of emergency, mobilising rescue teams to assist those affected.

Meanwhile, emergency services in Bangkok, Thailand, hundreds of miles away from the epicentre, are also working to locate the missing and provide aid to those injured in the collapse.

The Thai deputy prime minister has stated that rescuers are working to free 81 people still trapped in the rubble of a collapsed high-rise in the capital.

It is still too early to determine the exact number of fatalities, but thousands are feared dead. Human Rights Watch has called on Myanmar's military junta to allow humanitarian aid access to help alleviate the crisis.

The economic impact of the earthquake is expected to be severe, with a significant gap between total economic losses and insured damages.

Given that the worst-affected areas are in Myanmar, where insurance coverage is relatively low, much of the financial burden will likely fall on individuals, businesses, and the government.

Reinsurance News believes this protection gap may hinder recovery efforts, exacerbating the humanitarian crisis and slowing the rebuilding of critical infrastructure.

Authorities are assessing the full extent of the damage as aftershocks remain a concern. The international community is closely monitoring the situation, and it remains a developing story, with more updates expected.

Source: Reinsurance News
Author: Kane Wells | March 28, 2025

Conference Registration Fees

CATEGORY	EARLY BIRD REGISTRATION FEE (BY MARCH 15)	REGISTRATION FEE (MARCH 16 - MAY 14)	LATE REGISTRATION FEE (MAY 15 and ONWARDS
IAC MEMBER	~~US$745.00~~	US$800.00	US$950.00
LIMRA/LOMA MEMBER	~~US$745.00~~	US$800.00	US$950.00
IAC & LIMRA/LOMA MEMBER	~~US$745.00~~	US$800.00	US$950.00
NON MEMBER	~~US$1,095.00~~	US$1,150.00	US$1,300.00
EXHIBITORS/SPECIAL INTEREST	~~US$550.00~~	US$600.00	US$745.00
SPOUSE/GUEST	~~US$200.00~~	US$200.00	US$200.00

REINSURANCE NEWS

PEAK RE HIGHLIGHTS 2025 ECONOMIC TRENDS IMPACTING RE/INSURANCE

GEOPOLITICAL TENSIONS AND INFLATION DRIVE DEMAND FOR CAUTIOUS RISK MANAGEMENT AND INNOVATION

The 2025 global economic landscape is set to be shaped by a mix of geopolitical risks and domestic policy developments, with notable implications for the insurance sector.

Insights from Peak Re indicate that events such as the inauguration of a second Trump presidency in the United States, ongoing conflicts in Ukraine and the Middle East, and tensions in trade relationships will play a significant role in influencing economic trends.

According to Peak Re, overall economic growth in Asia is projected to remain stable, supported by a combination of domestic resilience and external demand. However, uncertainties are likely to increase in the latter half of the year, particularly as geopolitical and macroeconomic risks evolve.

The International Monetary Fund estimates that global GDP grew by 3.2% in 2024, matching the growth rate of 2023. Asia remains a key driver of global economic performance, while the Euro area has continued to experience slow growth, with GDP expanding by just 0.8%.

Looking ahead to 2025-26, Peak Re projects that emerging Asia will maintain robust growth, accompanied by a modest recovery in the Eurozone.

The US economy, which expanded by 2.8% in 2024, is expected to slow to 2% growth in 2025 due to the lagging effects of earlier interest rate hikes.

Despite the Federal Reserve beginning a loosening cycle, rates remain elevated, with the November 2024 Fed rate at 4.64%, the highest level since 2008.

Market sentiment has been influenced by inflationary concerns stemming from the Trump administration's policies, which include proposed tariffs and tax reforms.

Indicators such as an inverted yield curve and the Sahm Rule suggest recessionary risks in the US. However, Peak Re highlights that the recent rise in unemployment may be attributed to an expanding labor force rather than widespread job losses. This could help the US avoid a recession and secure a soft economic landing.

The second Trump administration's proposed economic policies, including potential tariffs of 20% on Canadian and Mexican exports and 10% on Chinese imports, could heighten financial market volatility.

While these measures may be used as negotiation tools, Peak Re notes that their broader economic impact remains uncertain. Tax cuts could stimulate growth but may be offset by higher tariffs, creating a complex policy environment.

For Asia, trade uncertainties remain a significant factor, particularly with ongoing US-China tensions. China's exports to the US have plateaued, with a diversification strategy leading to increased trade with other advanced and emerging markets. However, further tariff escalations could pose challenges for China's export-dependent sectors.

Peak Re's analysis highlights several key implications for the insurance industry in 2025. First off, global and Asian growth are expected to support steady demand for property and casualty (P&C) insurance. Historical trends show a close correlation between GDP growth and non-life insurance premiums, with a 1% GDP increase driving approximately 0.62% growth in premiums.

However, recent premium growth has been rate-driven, widening protection gaps that could shift as coverage expands in 2025.

Persistently high interest rates are likely to provide some relief to insurers' investment portfolios, though the pace of monetary easing may slow given inflationary risks.

Structural inflationary trends, exacerbated by potential US policy changes, could increase claims inflation. This may have varying impacts across insurance lines, depending on the nature of the underlying risks.

Geopolitical tensions, coupled with domestic policy changes in the US, could disrupt financial markets, affecting insurers' capital positions and investment strategies. Increased volatility may also influence reinsurance pricing and availability.

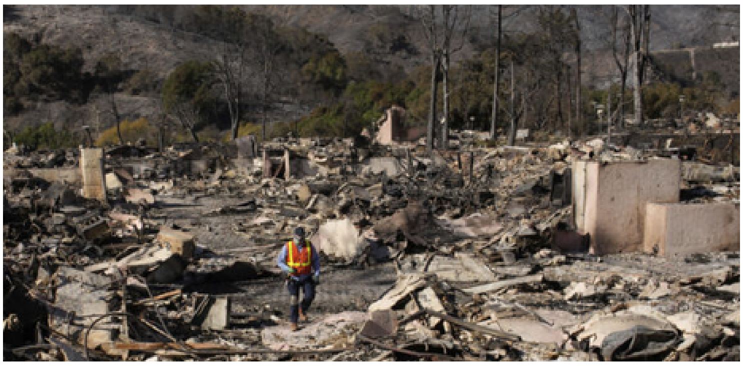
The 2025 global economic outlook presents a complex mix of opportunities and challenges, shaped by geopolitical tensions, inflationary pressures, and domestic policy developments.

Source: January 27, 2025
Insurance Business America
By Kenneth Araullo

REINSURANCE NEWS

INSURERS HAVE NOW PAID OUT NEARLY $7B FOR LA WILDFIRES, REPORT SHOWS

Source: February 13, 2025 - Author: Insurance Journal



A worker surveys the damage from the Palisades Fire in the Pacific Palisades neighborhood of Los Angeles on Jan. 13, 2025. (AP Photo/John Locher, File)

Insurance companies have so far paid out more than $6.9 billion for losses from the biggest two of the Los Angeles-area wildfires that swept through the region and destroyed tens of thousands of homes last month.

That's according to the California Department of Insurance, which on Feb. 13 released the latest data on claims paid for the fires. The figures were updated from data out on Jan. 30, which showed $4.2 billion in claims paid.

Data from insurers released by the CDI show 33,717 claims have been filed for home, business, living expenses and other disaster-related expenses. The data show 5,597 auto insurance claims have been filed for $73 million.

Insured losses from the fires are likely to rise. At this point losses look to be in line with early estimates from modelers of between $8 billion and $40 billion.

Mercury Insurance Group reported on Wednesday it expects gross losses from the wildfires to be in the $1.6 billion–$2.0 billion range, but the company believes potential subrogation and reinsurance recoveries will drop the ultimate bill down to $325 million or less.

Mercury is one of handful of major California insurers to have reported losses in excess of $1 billion from the wildfires. Travelers Companies Inc. announced it will lose an estimated $1.7 billion from last month's wildfires.

USAA, Chubb, Allstate and State Farm are other big carriers to have reported $1 billion or more in losses from the fires.

The California FAIR Plan reported it paid more than $914 million to policyholders affected by the fires, prompting the insurer of last resort to go to the state's insurance commissioner for a $1 billion assessment on admitted market insurers to cover the claims.

Total economic losses from the fires in January could range from $95 billion to $164 billion, according to a report out last week from UCLA.