

Claims under Policies Covering Comprehensive Non-Payment for Regulated Financial Institutions where the Insurer was contractually required to accept liability in 2023

A2Z Risk Services Ltd is pleased to announce that, according to data submitted by the participants in this year's survey, 100% of the claims made by regulated financial institutions in 2023 were honoured as required by the insurance contract.

Of these claims, the vast majority (87% and 85% respectively by frequency of claims) contained an exclusion for loss caused by a nuclear, biological, chemical or radioactivity incident (NCBR) or insolvency of the Insured.

Claims under policies covering comprehensive non-payment for banks/regulated financial institution Insureds where the Insurer was contractually required to accept liability in 2023	# claims	Percentage of claims	Amount (USD)	Percentage of total amount
Claims Where a Proof of Loss was Submitted under the Policy	227	100%	537,005,378	100%
Full Settlement (100% of the amount claimed by the Insured as final settlement was	227	100%	537,005,378	100%
of these claims the number that contained an 'NCBR' or 'RACE' exclusion	197	87%	444,596,715	
of these claims the number that contained an 'Insolvency' exclusion	192	85%	473,751,135	
Compromised Claims (Claim validity was disputed or the amount paid was less than the amount claimed)	0	0%	0	0%
Claims where liability was accepted by the Insurer by the contractual deadline	227	100%	537,005,378	100%
Claims where liability was NOT accepted by the Insurer by the contractual deadline	0	0%	0	0%

Please see important explanatory notes at the end of this document.

Regionally, Africa dominated in terms of the number of claims but insurers paid the highest amount of claims in Asia in 2023.

Geographic Location	# claims	% of claims	Amount (USD)	Percentage of total amount
ASIA	38	17%	220,524,222	41%
Central Asia	0		-	
Eastern Asia	24		132,958,852	
Southern Asia	8		9,795,686	
South-Eastern Asia	0		-	
Western Asia	6		77,769,684	
EUROPE	33	15%	96,108,365	18%
Northern Europe	0		-	
Southern Europe	0		-	
Eastern Europe	29		93,765,232	
Western Europe	4		2,343,133	
AFRICA	143	63%	189,166,873	35%
Northern Africa	0		-	
Sub-Saharan Africa	143		189,166,873	
AMERICAS	13	6%	31,205,918	6%
Latin America and the Caribbean	8		15,089,258	
Northern America	5		16,116,660	
OTHER	0	0%	-	0%
Australia and New Zealand	0		-	
Polynesia	0		-	
Melanesia	0		-	
Micronesia	0		-	

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Although the frequency of claims for public sector obligors was over twice that for private sector obligors, the amount of these claims was more evenly split between public and private sector obligors. The vast majority of claims, whether by frequency or amount, were for trade-related transactions.

Total Claims:	227		537,005,378	
	# claims	% of claims	Amount (USD)	Percentage of total amount
Type of Obligor				
1a. Public Sector	159	70%	279,179,119	52%
1b. Private Sector	68	30%	257,826,259	48%
Trade-Related				
2a. Trade	193	85%	409,177,302	76%
2b. Non-Trade	34	15%	127,828,076	24%

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Claims were paid in a wide range of industries in 2023, with crude petroleum extraction and other financial services showing the largest amounts paid, although not the greatest number of claims.

SIC HIERARCHY	INDUSTRY SECTOR NAME	# claims	% of claims	Amount (USD)	Percentage of total amount
1.000	Crop and animal production, hunting and related service activities	3	1%	2,292,234	0.43%
6.100	Extraction of crude petroleum	8	4%	77,383,452	14.41%
7.100	Mining of iron ores	6	3%	33,055,763	6.16%
8.910	Mining of chemical and fertiliser minerals	18	8%	49,285,981	9.18%
9.100	Support activities for petroleum and natural gas extraction	1	0%	2,664,748	0.50%
13.100	Manufacturing of textile fibres	2	1%	4,125,000	0.77%
17.120	Manufacturing of paper and paperboard	1	0%	1,132,857	0.21%
20.100	Manufacture of fertiliser and nitrogen compounds	1	0%	1,600,000	0.30%
24.100	Manufacture of basic iron and steel and of ferro-alloys	1	0%	2,100,000	0.39%
25.110	Manufacture of metal structures	1	0%	785,478	0.15%
36.000	Water collection, treatment and supply	13	6%	14,342,351	2.67%
41.000	Construction of buildings	4	2%	1,758,491	0.33%
41.201	Construction of commercial buildings	29	13%	31,728,407	5.91%
42.000	Civil engineering	17	7%	23,586,940	4.39%
42.110	Construction of roads, motorways	25	11%	41,743,076	7.77%
42.130	Construction of bridges and tunnels	5	2%	8,240,167	1.53%
42.220	Construction of utility projects for electricity and telecommunications	2	1%	750,000	0.14%
42.990	Construction of other civil engineering projects	4	2%	2,343,133	0.44%
42.910	Construction of water projects	19	8%	29,036,848	5.41%
43.000	Specialised construction activities	5	2%	12,311,926	2.29%
46.210	Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	1	0%	7,000,000	1.30%
46.711	Wholesale of petroleum and petroleum products	8	4%	21,138,852	3.94%
46.720	Wholesale of metals and metal ores	2	1%	5,815,779	1.08%
64.990	Other financial services	6	3%	77,769,684	14.48%
68.209	Letting and operating of owned or leased real estate	9	4%	43,500,000	8.10%
77.351	Renting and leasing of passenger air transport equipment	3	1%	4,388,460	0.82%
84.100	General public administration activities	11	5%	17,952,724	3.34%
85.400	Higher education	6	3%	3,900,348	0.73%
85.590	Other education n.e.c.	2	1%	1,717,008	0.32%
85.600	Educational support activities	2	1%	1,279,993	0.24%
86.100	Hospital activities	12	5%	12,275,678	2.29%

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Explanatory Notes:

- Claims included in the survey are those where the Insurer was contractually required to accept liability in calendar year 2023. Please note that as the survey counts each claim where a Proof of Loss is required as a separate claim, figures may only include one or more instalments in a series of claims.
- Public sector is as per the definition of a Government Entity per Lloyd's Bulletin 4755, paraphrased as:
 - a central/regional/local government or a ministry, department or agency thereof;
 - an entity in which the central/regional/local government retain(s) a controlling interest or a majority shareholding; or a central bank or other equivalent monetary authority
- Trade-related is as per Lloyd's Bulletin 4755; paraphrased as:
 - Specified contract(s) for the sale/lease/purchase of assets, goods or services or the financing thereof;
 - Financing repaid by or secured by assets, goods or services or proceeds from the sale thereof;
 - Financing whose use of proceeds is specified to be for trade purposes or is for a government entity to develop or operate infrastructure; or for a commodity trader;
 - Reinsurance of or co-insurance with a multilateral institution, export credit agency or regional trade or developmental organisation
- Industry sectors are based on the UK Standard Industry Classification Codes; however industry sector names have been expanded to provide additional detail where possible. Regional information is based on the sub-regions of the United Nations grouping of Member States.
- The participants in the survey were: Aon Risk Services, Assetinsure, Axis Capital, BPL Global, Gallagher, GreenStars BNP Paribas, HDI Global Specialty, Marsh, Howden CAP, Miller Insurance, Munich Re, Sovereign Risk Insurance, Swiss Re, Texel Finance Ltd, and WTW.
 - Insurers participating in the survey have only included claims not otherwise included in the data provided by the participating brokers.
 - *Additional participants are welcomed to ensure that this survey is representative of as great a proportion of the market as possible.*
- 'NCBR' excludes loss caused by *inter alia* the radioactive, toxic, explosive or other hazardous/contaminating properties of any radioactive matter or any chemical, biological, bio-chemical or any chemical, biological, bio-chemical, or electromagnetic weapon: see Lloyd's standard clause CL270 for details.