

NEWSPAPER INSURER PRESS ISSUE №7 (16 - 30 April 2008) WITH AN ACCENT PUT ON THE HIGHLIGHTS, HOT TOPICS AND COMMENTS

Dear readers, in the overview of issue no 7 of the newspaper „Insurer Press“ we put an accent on the highlights and hot topics news and events. We make you acquainted with the analyses and thoughts expressed by the leading insurers and also keep you informed about all that happened within the period between the last two issues of the newspaper.

Happy new returns and best wishes to all who celebrate their birthday!

Let's wish all lots of love, good health and happiness to our contributors, friends and well-wishers!

We start with our congratulations on reader doctor **Neno Pavlov** who already has the academic rank professor (page 22). On 10th April Mr. Nenov celebrated his anniversary. The Scientific Commission on Economic sciences at the Supreme Testimonial Committee at the Council of Ministers has conferred the academic rank professor on Economics and speciality in Finances, currency, credit and insurance, upon reader doctor of Economics **Neno Pavlov** for original, topical and important in both volume and character scientific production, for his active participation in the reformation of the academic content and preparation of high education specialists.

Congratulations on professor **Pavlov** for his election for Chaitman of the Board of Prof Garviiski foundation. We wish him successful and salutary business.

And just one more event from the academic society - the prominent insurer **Luka Dokov** is Doctor Honoris Causa in the Higher School of Insurance and finance (VUZF). The Academic Council of the Higher Scholl unanimously decided to confer the honorable rank Doctor Honoris Causa to **Luka Dokov** for his contribution to the development of the insurance and reinsurance business in Bulgaria. The insignia of honour will be officially bestowed on Mr. Dokov during the School Holiday on 12 May. Our team congratulates Mr Dokov - the big furtherer of the prosperity of the insurance in the country, on this public recognition.

On page 2 you can find the information that FSC will support an insurance agency abroad. On the same page we read that the insurance company **Allianz Bulgaria** announced promotion of company property insurance products.

In our regular column „Between two issues“ we make you acquaint „with the hot news from the Financial Supervision Commission, the fixed dates for the examinations for brokers and investment consultants (21st and 22nd June) and information about the newly started monthly bulletin of FSC.

Page 3 is devoted to DZI. There is the interview of **Andrei Shotov, Chairman of the Board of Pension Insurance company „Budeste“ AD**. He shared before **Ileana Stoyanova** that „We formed well balanced investment portfolio which guarantees very good profitability while high level of security“.

The cover story is on pages.4, 11 and 14. It examines the topical Risk Management. The publication of **Slavimir Genchev** is entitled „The reinsurance broker **WILLIS RE**

Hosts Catastrophic Risk modeling seminar. In the beginning of April **Willis Re**, the reinsurance division of global insurance broker **Willis Group Holdings**, hosted a risk management seminar in Sofia, **Radisson SAS Hotel** „to highlight the growing challenges facing Bulgarian insurance companies and how risk management can help.“ Catastrophe risk management provides insurance penetration in depth across an array of business sectors and this theme is very discussed (also in details and very professionally in the newspaper „Insurer Press“). Furthermore, given the current economic climate, the catastrophe models are extremely relevant.

Stephania Iliina who works in the central of the reinsurance broker in London for 2 and a half years, lead off the seminar and presented the hosts. A number of **Willis Re** associates and directors delivered a series of talks and open forums on the topic of insuring Bulgarian companies against catastrophic perils. **Johann Meeke** of **Willis** delivered a talk on the role of enterprise risk management as a new paradigm for the insurance industry.

Martin Fall of **FINEX International** (the financial, executive and professional risks division of **Willis**) also briefed the participants on the latest products and coverage available to cover against financial risks.

Trying to highlight all possible options, the company has invited all interested people - representatives of the insurance business and as well as representatives from the Bulgarian government and the institutions, dealing with catastrophic risks

There was a great interest shown in this event and the lecturers were asked many questions. **Guy Hudson, Executive Director of Willis Re**, gave a special interview to „Insurer Press“.



Mr. Hudson declared that „**The catastrophic risk modeling is very expensive undertaking**“. He answered the question about the reason for their company to pitch on Bulgaria for this seminar this way:...

„**Willis Re**, from his part, has been in the front ranks in the development of catastrophic risks models and schemes. We are the designers of the first Turkish catastrophic pool model. Recently we were appointed by the Romanian Ministry of internal affairs and the Romanian administration for a consultant on the creation of catastrophic pool in this country“.

This Risk Management topic was also examined in the article „**The Risk Management - the guarantee for security and prosperity of the small companies**“.

Especially for **Insurer Press**, the author - the reader doctor **Ivanka Boneva** commented: The need of specialized insurance market for regulation and support of the risk management, is getting more and more powerful. The reader doctor **Ivanka Boneva** is lecturer in Economics, Finances and Corporate risk management in the Economic faculty in the University of Forestry.

In the article which will continue in the next issue, dr. **Boneva** examines in details and theoretically substantiated the Risk Management Process in its stages/steps for timely and effective reactions.

On the other hand some risks are not subject to management. The relation between Risk, Certainty and Uncertainty is already known. In the most cases the risk management is within the margin between the Certainty and Uncertainty.

The Certainty is accessed trough monitoring and scanning of the environment, followed by identification, analysis, assessment, and treatment of the risk with the purpose of limitation or avoidance. And contrariwise the Uncertainty involves, indefiniteness, impossible interference, respectively uncontrollability. You can read this interesting article on page 11.

On pages 6 and 16 is our column „To be continued“. This time it is devoted to **Investment fund linked life insurance products**.

Nadejda Vantova - member of the Board of Managers and Executive Manager of the insurance company **Uniqua - Life AD** shared that the new fund linked life insurance exceeded the expectations. Only for two

months the premium income amounted to around BGN900,000. These life insurances were took out by people with different professional and financial background.

Nrs. Vantova answers ques-

tions about the profitability of the Bulgarian funds, the change of the primary selected funds, comparison between the profitability from the classic and the fund linked life insurance products. Mrs **Vantova** also highlighted the trends on the fast developing insurance market, the new products, the average life insurance sum and the term for which the insurance contracts are usually concluded.

In the column „Forum“ we continue the publication of the materials from the Sixth Financial Exhibition „**Banks, Investment, Money**“ that has taken place a month ago (from 27 to 29 February), in the city of Plovdiv, under the patronage of the Finance Minister **Plamen Oresharski**. The most interesting for the auditory of the newspaper „Insurance Press“ module - „Potential for development of the insurance and social security market in Bulgaria in high competitive envi-



ronment“ was attended by representatives of FSC **Valentina Dinkova** and **Zhivka Slavkova** and also of the business - **Rick Jansen, Stephan Stephanov** and **Ivo Gruev**.

In the previous issues of the newspaper we published the resumes of the reports of some lecturers. In this issue we make you acquaint with the reports of **Zhivka Slavkova**, Head of Regulator's and Market Analyses, Insurance Supervision Direction, FSC. Mrs **Slavkova** announced the actual insurance market data.

Stephan Stephanov, Chief Director of „Marketing and Sales“ of „KD Life“, and a presentation „Life Insurance Market in Bulgaria - analyses and perspectives for development“ - a detailed analysis of the last year insurance market.

In his expose **Ivo Gruev** - Vice-Executive manager .of insurance and reinsurance company **Bulstrad**, dwelled upon the big importance of the risk management in the insurance business.

On page 8, under the regular heading „**Look back, Look forth**“ we publish the conversation of **Petar Andasarov** with **Nikolay Stoykov**, Manager of **ING Life Insurance**. Mr. **Stoykov** draws the conclusion that -the Bulgarian customer more and more often is attracted by life insurance products as an alternative to savings and investments.

In the same rubric, on pages 10 and 16 you can find the conversation of **Yoanna Stephanova** with **Svetla Nestorova**, Chairwoman of the managing board and Ex-

ecutive Director of insurance company **Bulstrad**. Nrs **Nestorova** shares that: „The future belongs to the long-term saving insurance products. We decrease the risk for the client to buy something uncalled -for. The glossy investment times have already passed and we are to meet the reality. Mr. **Nikolova** answers questions about the results and achievements of the company for 2007, the investments that will be made, the expectations for the stabilization of Bulgarian Stock Exchange, others.“

On page 12, under the heading „Appropos“ we mark 8 years. **Grawe Bulgaria Life Insurance AD**.

Nikolay Logofetov, Executive manager of **Grawe Bulgaria Life Insurance AD ND OF Grawe General Insurance Company** which started its activity this March. Mr. **Logofetov** gave an interview to **Insurer Press**. In

the interview he is talking about the policy, the traditions and the history of the concern **GRAWE** and also about the new products, which are offered by the company.

Mr. **Logofetov** shared information about the financial results of the company for 2007

in the field of life insurance. Mr. **Logofetov** makes the readers of **Insurer Press** acquaint with the company's newly launched product „Live to see, serious ill and case of death“ with two more supplements.

Page 13 is devoted to a bright holiday 14-anniversary of **Bulgarski Imoti - Winer - Shetishe**. The material is named - fourteen steps to success. Here you can read the interview with the authors of the idea for the creation of „**Bulgarski imoti**“. **Dancho Djikov** shares: When you want, when you are able to do, when you believe yourself, when the others believe in you - here come the results. **Angel Kraichev** emphasizes that: everyone of us can be proud with his personal contribution.

In „**Gallery Insurer**“ (pages 15 and 21) we are talking with **Plamen Hinkov**, member of the managing board of **Generali Bulgaria Holding**. And Executive Manager of **Generali Insurance AD**. Mr. **Hinkov** is talking about his road of life, professional life, about the trust, the success, the slow change of the way of thinking, job satisfaction and the results. He also shares his opinion about the Guarantee fund and answers many other questions.

We finish our overview with the column „In the world“ and the material of **Iva Ivanova** (page 19). The Americans grumble against the disablement insurance“.

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