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REVIEWS

**Iran  
Insurance  
Industry**

## Overview

Insurance industry has a significant role in Iran economy. Insurance industry in Iran is regulated by the Central Insurance of Iran which is an independent governmental institution. Currently, there are 31 private insurance and reinsurance company in Iran one of which is governmental, named Iran Insurance Co.

Based on statistics released by Iranian authorities, Comparing to the corresponding period of last year, insurance premiums in the Iranian market in the first half of the 2018 fiscal year that started on 21st of March, increased by %25.4 to about IRR183.3trn (4.35\$bn). Besides, Iranian insurers sold over 30.1 million insurance policies, registering an %8.4 increase year-on-year.

## Earned Premium

Year	Iran (mm USD)			World (mm USD)		
	life	Non-life		life	Non-life	
2008	218	3,956	4,174	2,439	1,781	4,220
2009	326	4,396	4,722	2,367	1,742	4,110
2010	452	5,256	5,708	2,516	1,819	4,336
2011	560	6,462	7,022	2,612	1,954	4,566
2012	836	9,896	10,731	2,626	1,979	4,605
2013	589	5,867	6,456	2,545	2,049	4,594
2014	807	6,645	7,453	2,656	2,099	4,755
2015	922	6,633	7,554	2,547	2,051	4,598
2016	1,209	7,717	8,926	2,582	2,121	4,703
2017	1,495	8,598	10,093	2,657	2,234	4,892

Based on BMI's prediction Iran's insurance sector will likely grow by an average of %5.2 in USD terms over the forecasted period to 2022. This is huge because of fundamental factors driving growth in the motor vehicle and health insurance sub-sectors of the non-life segment, which are set to increase by %4.4 and %0.6 respectively in USD terms in 2018. Motor vehicle insurance volumes will increase thanks to an expansion in the car fleet. Demographic factors are boosting healthcare spending and therefore, demand for health insurance. Life insurance will likely grow quickly by %2.5 in USD terms from a very low base. However, structurally high inflation - the main constraint on the development of the segment - will remain an issue for the duration of the forecast period

Year	Iran (%)			World (%)		
	life	nonlife	Total	life	Non-life	Total
2008	0.06	1.14	1.20	4.12	2.95	7.07
2009	0.09	1.21	1.30	4.01	2.97	6.98
2010	0.11	1.27	1.37	3.99	2.89	6.88
2011	0.11	1.30	1.41	3.77	2.83	6.60
2012	0.14	1.71	1.86	3.39	2.74	6.13
2013	0.16	1.58	1.73	3.53	2.75	6.28
2014	0.21	1.72	1.93	3.43	2.74	6.17
2015	0.25	1.80	2.05	3.49	2.80	6.29
2016	0.30	1.90	2.20	3.43	2.81	6.24
2017	0.35	1.99	2.33	3.33	2.80	6.13

Iran insurance penetration ranked 57 in world which is the best in Middle East countries followed by Bahrain.



### Sale Network in Iranian Insurance Market

By the end of 32 ,2017 insurance companies, 1203 branches, 33,627 general agents, 652 official brokers, 21,021 life insurance agents and 216 loss adjuster operate in Iranian insurance market. Increasing the number of insurance companies has resulted in increasing the employment in insurance industry during last five years.

Item	2013	2014	2015	2016	2017
Number of companies	29	29	29	32	32
Number of general agents	24,913	27,933	31,131	32,699	33,627
Number of life insurance agents	2,777	4,557	6,782	13,684	21,021
Number of brokers	382	479	605	563	652
Number of loss adjuster	87	105	129	118	216
Number of branches	1,880	1,020	1,069	1,136	1,203
Number of employees	18,403	19,109	18,910	18,759	19,106

Despite the low penetration rate, the Iranian insurance industry has very great development potentials. The restoration of ties between Iranian insurance industry and reinsurance providers, the settlement of sanctions-era international debts to Iranian insurance providers are the outstanding results of the nuclear deal between Iran and global powers, though connection to international markets needs internal and external improvements.