

Asean Reinsurer Of The Year



NATIONAL
REINSURANCE
CORPORATION
OF THE PHILIPPINES

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Allan Santos, President and Chief Executive Officer, National Reinsurance Corporation of the Philippines (Nat Re)

The National Reinsurance Corporation of the Philippines (Nat Re) won the 2024 Asean Reinsurer of the Year Award for the way it supported its local insurance sector in a challenging market during 2023.

It did so by developing innovative products – including a new casualty facility that enabled insurers to explore markets in public and product liability – and expanding cedents' risk management capabilities.

Realising the importance of partnerships for community resilience, Nat Re formed local and international alliances to enable communities to be more disaster-resilient and be financially inclusive.

The reinsurer partnered with insurance firms, reinsurance brokers, health maintenance organisations (HMOs), cooperatives and mutual benefit associations, national government agencies and international aid agencies.

To bolster food security and provide farmers with financial protection, the corporation increased its agricultural reinsurance participation – raising premiums to PHP1.8 billion (US\$30.7 million).

Nat Re demonstrated its commitment to sustainable development by signing a memorandum of understanding with ASEAN reinsurers to support the ASEAN Renewable Energy Pool. Other environmental initiatives include its paperless transactions, carbon emission monitoring, green project investments, reforestation and renewable energy collaborations in the ASEAN region.

Nat Re's WeBill paperless billing method furthers the company's digitalisation efforts, and optimised report extraction and reduced cedants' workloads.

Last year, it pushed this initiative further and convinced all life cedents and five of its six non-life clients to convert to paperless submissions. The result: in 2023 Nat Re booked premiums of PHP117 million (US\$2 million) under 15 treaties from five cedents using paperless billing.

Further, the reinsurer engaged in international reinsurance programs covering property, aviation, cyber, and political violence, which raised foreign inward premiums to PHP2.3 billion (US\$39.2 million) in 2023 from PHP 911 million (US\$15.5 million) in 2022.

Despite a tough business environment and market conditions in 2023, Nat Re generated a combined global and domestic net underwriting income of PHP572.5 million (US\$9.8 million) – 142% more than PHP 236.2 million the year before – and 862% net profit growth.

The reinsurer's proactive asset-liability management initiatives and portfolio de-risking resulted to investment and other revenue growth from PHP215.4 million in 2022 to PHP476.4 million in 2023.

Other indicators of Nat Re's financial health are that it maintained a strong risk-based capital ratio of 221% and AM Best reaffirmed its B++ (Good) financial strength rating with a stable outlook, awarding the firm a National Scale Rating of aa+.PH (Superior).