



THE MAIN IMPORTANT ASPECTS OF THE EVOLUTION OF INSURANCE IN THE WORLD

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Abstract *This article covers the main developments in the insurance market in the world. Insurance and reinsurance operations are carried out in a regulated framework that brings together supply and demand of insurance, insurance market framework known. The insurance market takes place vast majority of specific contracts. Almost all activities of social life and the world economy are protected by insurance, given the scale and diversity shows that security is of great diversity and heterogeneity, therefore we can speak of an insurance market only in generic terms. This article presents the main developments in European insurance and other insurance markets.*

Key words:

Insurance market,
gross written
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density

JEL Codes:

G22, I13

1. Introduction

The role of insurance is to provide support in case of unpleasant events, disasters and risks to which people are exposed every day, If well developed countries can really talk about insurance as playing an important role both in terms of educational, but also the lifestyle of tradition approached and even people knowing exactly how to plan their time and activities so as to include the financial and insurance.

The concept of insurance has developed over many centuries. The idea started with pure marine insurance, which traders have agreed to contribute to the loss of those who suffered damage, after this take place. The problem with this system was that it does not transfer complete uncertainty as traders never knew how much they will pay. Thereby, providing modern developed so that policyholders know from the beginning that full value of their participation mandatory damage (i.e. insurance premium).

2. The role of insurance in economic development

Such trends are important. They underline the message that a vibrant insurance industry is one of the keys to wider economic advance. This is scarcely surprising. Insurance aids economic development through its financial intermediation function in at least five ways:

Insurance facilitates business. Modern economies rely on specialization and improvements in productivity, including productivity in financial services. Trade and commercial specialization demand, in turn, financial

specialization and flexibility. Unless there is a wide choice of financial products – and this includes insurance products – with corresponding levels of innovation, developments in trade and commerce can be held back.

Insurers provide risk management services. In their widest sense, these services cover risk pricing, risk transformation, and risk reduction. They are all essential services for a competitive market. Businesses and individuals need to transform their risk exposures in property, liability, loss of income and many other fields to achieve an optimum “fit” to their own needs. Again, life insurers enable individuals to manage their savings to match the liquidity, security and other risk profiles desired.

Insurers offer risk management through risk pooling. This is the essence of insurance, taking underwriting and investment together. Pooling reduces volatility. If volatility is reduced, there is a smaller “risk premium” to be faced by insureds and borrowers. And, through risk management, insurers can bring to bear economic incentives for reducing business risk exposures.

Insurance mobilizes personal savings: In general, countries with high savings rates are those showing fastest growth. An IMF study in 1995 indicated that of the world’s 20 fastest-growing economies over the previous 10 years, 14 had savings rates greater than 25 per cent of GDP, and none had a saving rate of less than 18 per cent. But 14 of the 20 slowest growing countries had savings rates below 15 per cent. Insurers have a key role in enhancing savings rates and in channelling domestic savings into domestic investment;

and, through long-run investments, matched to risks and generally located in the host economy in which they operate, insurers are key holders of equity and bond portfolios.

Insurers play a key role in fostering efficient allocation of capital and economic resources: In assessing risks, they engage in an information function which requires them to evaluate firms, projects and managers. And they do so both in deciding whether to offer insurance and in their role as lenders and investors. In these ways, a vibrant insurance sector can act as a catalyst to economic growth.

3. Insurance and insurance in Europe

The single market has covering 33 countries in Europe insurance forming the European Economic Area (European Economic Area). In 2011, the largest insurance submarkets in Europe-Britain, France, Germany and Italy subscribe, still the largest volume of gross written premiums in Europe, but it should be noted that the concentration decreased from about 55%

in the years before the crisis to around 40% in 2011. In these countries the volume of premiums for life insurance market leader in insurance expense which strengthens our claim that this is a specific feature mature insurance markets.

The total volume of premiums underwritten insurance market expressed in absolute size, its growth reflects both increased supply of insurance companies and insurance increased demand from those who want to ensure.

In terms of premium volume, there are three groups of countries:

1) First group: United Kingdom, France, Germany, Italy representing 41.38% of the premiums of countries belonging to the CEA

2) The second group: the Netherlands, Spain, Switzerland, Sweden, Belgium, Denmark representing 30.9% of the premiums of countries CEA

3) The third group: other countries whose share in the total volume of insurance premiums CEA member countries is 27.72%.

Figure 1. Total European gross written premiums - 2004-2013 (€m)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Nominal growth 2013/12*
AT Austria	13.974	15.295	15.589	15.874	16.214	16.415	16.743	16.452	16.291	16.616	2,0%
BE Belgium	28.417	33.832	29.489	31.193	29.278	28.439	29.612	29.355	32.407	27.789	-14,2%
BG Bulgaria	384	477	643	772	915	850	821	813	808	881	9,1%
CH Switzerland	32.836	32.515	30.688	29.914	35.844	36.140	44.041	45.946	47.235	47.946	3,2%
CY Cyprus	549	594	646	714	773	815	844	859	836	768	-8,2%
CZ Czech Republic	3.488	3.809	4.227	4.635	4.823	5.123	5.877	5.681	5.672	5.281	1,5%
DE Germany	152.166	157.984	161.945	162.923	164.532	171.417	178.844	178.083	181.587	187.309	3,2%
DK Denmark	15.518	16.379	18.125	19.357	20.510	20.398	20.900	22.486	20.970	23.606	-0,5%
EE Estonia	203	254	299	376	326	307	296	283	297	317	6,7%
ES Spain	45.418	48.779	52.836	54.297	59.266	61.194	56.306	59.568	56.613	55.225	-2,5%
FI Finland	13.191	14.297	14.942	15.047	15.812	16.181	18.631	18.145	19.854	21.783	9,7%
FR France	158.226	175.884	197.092	195.732	183.194	199.640	207.257	189.542	181.380	188.200	3,8%
GR Greece	3.624	3.923	4.371	5.007	5.085	5.374	5.237	4.885	4.320	3.781	-12,5%
HR Croatia	865	997	1.114	1.237	1.317	1.289	1.252	1.213	1.196	1.190	0,4%
HU Hungary	2.435	2.715	3.298	3.667	3.339	3.071	3.036	2.610	2.627	2.727	5,5%
IE Ireland	11.998	13.580	16.150	18.204	13.431	12.470	12.724	11.378	10.893	11.313	3,9%
IS Iceland	292	361	330	384	279	227	277	279	276	300	1,5%
IT Italy	101.038	109.780	106.502	99.095	92.019	117.802	125.720	110.228	105.128	118.787	13,0%
LI Liechtenstein	1.491	2.701	4.219	4.172	4.029	6.054	7.535	3.947	2.758	2.796	-17,7%
LU Luxembourg	830	988	1.030	1.103	1.704	1.636	2.080	1.623	1.860	2.082	11,9%
LV Latvia	197	219	291	438	476	315	267	191	281	314	11,7%
MT Malta	237	258	286	352	275	288	325	307	271	296	9,4%
NL Netherlands	48.710	48.519	73.608	74.980	78.513	77.683	77.878	78.751	75.146	75.455	0,4%
NO Norway	10.549	12.005	11.668	13.060	10.721	12.457	14.145	15.298	17.885	16.018	1,9%
PL Poland	6.751	8.043	9.794	12.193	14.227	12.508	13.622	12.702	15.218	13.761	-7,8%
PT Portugal	10.472	13.444	13.123	13.751	15.326	14.516	16.340	11.669	10.911	13.105	20,1%
RO Romania	632	876	1.330	1.864	2.234	1.806	1.949	1.809	1.626	1.817	12,4%
SE Sweden	19.315	22.131	23.625	24.382	22.123	24.329	30.249	30.079	26.356	28.534	11,8%
SI Slovenia	1.457	1.547	1.726	1.894	2.019	2.070	2.094	2.024	2.019	1.937	-4,1%
SK Slovakia	1.198	1.309	1.439	1.714	2.031	2.027	1.994	2.015	2.029	2.171	7,0%
TR Turkey	3.605	4.991	5.182	6.366	5.366	5.700	6.811	6.798	8.145	8.183	26,3%
UK United Kingdom	236.861	265.908	298.753	341.968	206.963	205.953	206.207	221.777	249.078	236.593	-3,0%
Insurance Europe	926.926	1.014.393	1.104.361	1.156.664	1.012.964	1.064.493	1.109.913	1.086.793	1.101.973	1.116.883	2,1%

Source: <http://www.insuranceeurope.eu>

Figure 2. Worldwide premiums - 2001-2013 (\$bn)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Europe	1.242	1.349	1.483	1.751	1.684	1.592	1.594	1.622	1.541	1.632
Asia	734	759	768	815	927	1.004	1.161	1.271	1.333	1.279
North America	1.182	1.188	1.262	1.339	1.344	1.250	1.277	1.344	1.397	1.385
Other	132	150	173	202	235	227	265	309	328	346
Total	3.290	3.446	3.687	4.108	4.189	4.073	4.298	4.546	4.599	4.641

Source: Swiss Re Sigma

An important indicator of market insurance is *insurance penetration* or insurance premiums volume share in GDP. This reflects the importance of insurance activity of a country or a geographical area. The share of insurance premiums in gross domestic product of a

country reflects the need to protect companies and individuals to face the risks and therefore a positive forecast for the future development of insurance activities.

Figure 3. Total Premiums to GDP (Penetration) - 2004-2013 (%)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
AT Austria	6,0	6,2	6,0	5,8	5,7	5,9	5,9	5,5	5,3	5,3
BE Belgium	9,8	11,1	9,2	9,3	8,5	8,3	8,3	7,9	8,6	7,3
BG Bulgaria	1,9	2,1	2,4	2,5	2,6	2,4	2,3	2,1	2,0	2,2
CH Switzerland	10,9	10,6	9,7	9,2	9,4	9,7	9,6	9,5	9,6	9,8
CY Cyprus	7,5	7,6	7,6	4,5	4,5	4,8	4,9	4,8	4,7	4,7
CZ Czech Republic	3,6	3,5	3,5	3,4	3,4	3,6	3,9	3,8	3,7	3,7
DE Germany	6,9	7,1	7,0	6,7	6,7	7,2	7,2	6,8	6,8	6,8
DK Denmark	7,9	7,9	8,3	8,5	8,7	9,1	8,9	9,3	8,6	9,5
EE Estonia	2,1	2,3	2,2	2,3	2,0	2,2	2,0	1,7	1,7	1,7
ES Spain	5,4	5,4	5,4	5,2	5,4	5,8	5,4	5,7	5,5	5,4
FI Finland	8,7	9,1	9,0	8,4	8,5	9,4	10,4	9,6	10,3	11,3
FR France	9,6	10,2	11,0	10,4	9,5	10,6	10,7	9,5	8,9	9,1
GR Greece	2,0	2,0	2,1	2,2	2,2	2,3	2,4	2,3	2,2	2,1
HR Croatia	2,7	2,8	2,8	2,8	2,8	2,9	2,9	2,8	2,8	2,8
HU Hungary	2,9	3,1	3,5	3,7	3,4	3,2	3,2	3,0	2,7	2,8
IE Ireland	8,0	8,3	9,1	9,6	7,5	7,7	8,0	7,0	6,6	6,9
IS Iceland	2,6	2,6	2,6	2,7	2,7	2,7	2,8	2,7	2,8	2,7
IT Italy	7,2	7,6	7,1	6,4	5,8	7,8	8,1	7,0	6,7	7,6
LI Liechtenstein	53,5	92,2	135,2	125,0	108,7	183,2	177,8	93,1	64,7	66,7
LU Luxembourg	3,0	3,3	3,0	2,9	4,6	4,6	5,3	3,9	4,3	4,6
LV Latvia	1,2	1,2	1,3	1,5	1,5	1,2	1,0	0,7	0,9	0,9
MT Malta	11,9	12,2	12,8	6,3	4,6	4,8	5,0	4,6	3,9	4,1
NL Netherlands	9,9	9,5	13,6	13,1	13,2	13,6	13,3	13,1	12,5	12,5
NO Norway	5,0	4,9	4,4	4,5	4,1	4,3	4,3	4,3	4,5	4,4
PL Poland	3,0	3,2	3,5	3,7	4,6	3,8	3,8	3,7	3,9	3,5
PT Portugal	7,0	8,7	8,2	8,1	8,9	8,6	9,5	6,8	6,6	7,9
RO Romania	1,0	1,1	1,3	1,6	1,7	1,5	1,6	1,4	1,2	1,3
SE Sweden	6,5	7,5	7,3	7,4	7,5	8,0	8,1	7,7	6,4	6,9
SI Slovenia	5,4	5,4	5,6	5,5	5,4	5,8	5,9	5,6	5,7	5,5
SK Slovakia	3,5	3,4	3,2	3,1	3,2	3,2	3,0	2,9	2,9	3,0
TR Turkey	0,7	0,7	0,8	0,8	0,8	0,9	0,9	1,0	1,1	1,3
UK United Kingdom	13,8	14,3	14,9	17,6	13,5	12,9	11,9	12,1	13,0	12,2
Insurance Europe	8,0	8,3	8,5	8,5	7,7	8,3	8,1	7,7	7,6	7,7

Source: <http://www.insuranceeurope.eu>

At global level insurance penetration was 8.5% both in 2006 and in 2007. In the year 2013, the insurance penetration in Europe was 7.7%.

Highest performance indicator on insurance share in GDP plays Liechtenstein 66.7% which is the financial services sector in this country is very developed. Other countries with a high share index insurance in UK GDP is 12.2% in 2013, Switzerland with 9.8%, France 9.1%, Italy 7.6%, Germany 6.8%, other countries with lower weights.

The ratio of investment to GDP insurance companies (Ciurel, V, 2011, p. 106) is another indicator that reflects the importance of insurance in economy,

insurance shows the impact on the economy through investments made by medium and long term insurance companies.

Insurance density is an indicator that shows the volume of insurance premiums on an inhabitant of the area analyzed. At European level insurance density was 1901euro/capita in 2010, and in 2013 was 1883 euro/capita.

In Europe, the highest density is in Switzerland to 5964 euro/capita in 2013, France 2870 euro/capita, Germany with 2284 euro/capita and Italy to 1990 euro/capita.

Figure 4. Total Premiums Per Capita (Density) - 2004-2013 (€)

		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
AT	Austria	1.716	1.865	1.889	1.916	1.949	1.965	1.999	1.958	1.938	1.966
BE	Belgium	2.733	3.239	2.805	2.947	2.745	2.645	2.732	2.668	2.921	2.490
BG	Bulgaria	49	62	83	102	122	114	111	110	110	121
CH	Switzerland	5.604	5.555	5.385	5.370	5.710	5.671	5.762	5.781	5.839	5.964
CY	Cyprus	1.299	1.385	1.483	943	995	1.022	1.031	1.023	970	886
CZ	Czech Republic	380	395	414	439	457	474	513	509	495	502
DE	Germany	1.844	1.915	1.964	1.979	2.001	2.090	2.186	2.178	2.219	2.284
DK	Denmark	2.867	3.027	3.338	3.553	3.741	3.692	3.773	4.030	3.759	4.213
EE	Estonia	148	187	221	280	244	230	222	213	224	240
ES	Spain	1.067	1.127	1.201	1.212	1.298	1.323	1.211	1.276	1.209	1.182
FI	Finland	2.527	2.730	2.843	2.851	2.983	3.038	3.482	3.376	3.676	4.014
FR	France	2.540	2.802	3.117	3.075	2.862	3.102	3.205	2.917	2.778	2.870
GR	Greece	328	354	393	449	455	480	468	439	388	342
HR	Croatia	202	224	249	276	295	286	282	280	277	279
HU	Hungary	199	229	277	311	298	279	284	277	260	275
IE	Ireland	2.978	3.303	3.838	4.194	3.013	2.758	2.797	2.489	2.377	2.464
IS	Iceland	531	579	646	724	803	806	846	878	924	931
IT	Italy	1.757	1.897	1.834	1.702	1.569	1.997	2.124	1.857	1.770	1.990
LI	Liechtenstein	54.633	98.882	158.229	159.922	137.841	205.566	213.828	108.107	74.369	75.892
LU	Luxembourg	1.824	2.142	2.196	2.316	3.522	3.315	4.143	3.170	3.544	3.877
LV	Latvia	83	97	131	199	219	147	128	93	137	155
MT	Malta	1.382	1.491	1.644	867	674	702	784	741	648	702
NL	Netherlands	2.996	2.976	4.506	4.584	4.786	4.712	4.699	4.728	4.492	4.497
NO	Norway	2.270	2.488	2.477	2.655	2.639	2.576	2.716	2.883	3.152	3.171
PL	Poland	174	196	237	277	373	324	342	354	387	357
PT	Portugal	1.000	1.281	1.248	1.306	1.452	1.374	1.545	1.104	1.035	1.250
RO	Romania	26	34	47	71	97	84	92	87	80	91
SE	Sweden	2.191	2.603	2.665	2.851	2.956	3.042	3.277	3.214	2.692	2.986
SI	Slovenia	728	774	861	942	1.004	1.019	1.023	987	982	941
SK	Slovakia	296	312	331	358	392	377	370	374	375	401
TR	Turkey	32	37	45	53	55	58	66	76	87	108
UK	United Kingdom	3.350	3.632	3.969	4.925	3.840	3.536	3.406	3.526	3.840	3.703
Insurance Europe		1.570	1.694	1.824	1.945	1.818	1.865	1.901	1.843	1.845	1.883

Source: <http://www.insuranceeurope.eu>

Number of employees working in insurance is maintained at around one million people in the last 10 years, so in 2008 they were 1,009,163 in 2011 their number decreased to 934,512 people. Note that the number of people working in insurance decreased in

2012 compared to 2011 when it was 934,512 people. Most people working in Germany and 212,700 people, 104,715 people UK, France 147 100 people.

Figure 5. Number of employees - 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
AT Austria	26.494	26.267	26.292	26.667	26.547	26.732	26.538	25.794	26.094	26.124
BE Belgium	24.506	24.004	23.752	24.048	24.300	23.964	23.695	23.911	23.861	23.662
BG Bulgaria	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
CH Switzerland	42.186	45.606	47.184	47.990	49.236	49.413	48.659	48.012	48.400	47.832
CY Cyprus	1.691	1.700	1.749	1.767	1.854	1.874	1.965	1.968	1.706	1.706
CZ Czech Republic	14.600	14.506	14.410	14.501	14.726	14.498	14.270	14.499	13.589	13.428
DE Germany	240.800	233.300	225.700	218.900	216.300	216.500	216.400	215.500	214.100	212.700
DK Denmark	14.181	14.046	14.259	16.031	16.309	16.493	16.088	16.164	16.729	17.367
EE Estonia	1.444	1.364	1.458	1.458	1.536	1.737	1.739	n.a.	n.a.	n.a.
ES Spain	45.935	47.526	48.049	47.990	49.277	47.762	47.230	47.265	46.485	46.485
FI Finland	11.180	10.448	10.583	10.669	10.810	10.563	10.472	10.676	10.866	11.249
FR France	138.000	143.700	143.750	143.950	145.200	147.700	147.500	147.500	148.200	147.100
GR Greece	9.500	9.500	9.000	9.000	9.000	9.000	9.000	8.000	8.000	8.000
HR Croatia	6.190	7.017	7.984	9.360	10.514	11.184	11.085	11.259	11.652	11.533
HU Hungary	27.226	26.001	26.131	26.242	26.125	23.914	25.003	24.493	21.113	20.361
IE Ireland	14.989	14.303	14.256	14.762	15.033	14.304	13.556	13.500	14.000	14.334
IS Iceland	563	575	577	580	575	557	557	560	560	560
IT Italy	40.105	39.924	39.795	46.278	46.831	47.369	47.185	47.477	47.712	47.936
LI Liechtenstein	154	170	223	311	463	507	510	577	601	604
LU Luxembourg	2.969	3.045	3.170	3.242	3.368	3.427	3.561	3.572	3.609	3.609
LV Latvia	2.988	3.333	3.800	n.a.	n.a.	n.a.	n.a.	n.a.	3.000	3.000
MT Malta	642	667	806	832	786	n.a.	n.a.	n.a.	n.a.	n.a.
NL Netherlands	64.000	63.000	62.000	62.000	60.000	59.000	57.000	56.000	54.000	52.000
NO Norway	9.033	9.290	9.587	9.684	9.902	9.753	9.688	9.921	9.950	9.950
PL Poland	29.997	29.550	29.437	30.319	30.777	30.080	28.721	28.134	25.890	25.525
PT Portugal	11.835	11.829	11.518	11.295	11.307	11.270	11.224	11.242	11.180	11.135
RO Romania	36.130	36.000	n.a.	n.a.	n.a.	15.083	9.220	8.230	11.837	12.299
SE Sweden	18.914	19.000	19.389	20.032	20.715	19.259	20.414	20.428	20.551	20.710
SI Slovenia	5.690	5.878	5.987	6.059	6.325	6.269	6.091	6.056	6.062	5.970
SK Slovakia	6.484	6.304	6.300	6.300	6.640	6.218	6.097	6.097	6.097	6.099
TR Turkey	12.140	12.837	13.550	14.937	16.007	18.840	16.683	17.314	17.704	18.153
UK United Kingdom	208.100	176.100	179.300	177.500	178.700	181.488	111.864	110.363	105.800	104.715
Insurance Europe	1.068.666	1.036.790	999.996	1.002.704	1.009.163	1.024.758	942.015	934.512	929.348	924.146

Source: <http://www.insuranceeurope.eu>

European market will be characterized by strong globalization and regionalization to be able to deal with the effects of the new sovereign debt crisis. The new regulations on solvency of insurance companies and reinsurance - Solvency II Directive will lead to modification of the insurance companies will operate in the next period.

4. Other insurance submarkets

One of the largest insurance submarkets along the American and European markets is the United States submarkets.

In 2011, the US market, the largest submarkets stretched the boundaries of a country represent 28.84% of the global insurance market. Insurance premiums for life insurance, in absolute value were 590 billion (22.45% of the world market for life insurance) and 736 billion (37.38% of the global insurance). The first life insurance increased in 2011 compared to 2010 by 2.9% and general insurance decreased by 1.3%.

Characterized by very large internal security of submarkets influenced the development of strong reinsurance companies. The diversity of the American insurance practiced within the area attracted worldwide reinsurers willing to take some of the risks that large

and diverse subscribe largest US local submarkets that of New York. This enables insurance and reinsurance companies internal reinsurance companies worldwide representative and specialized brokerage firms.

Most major US insurance and reinsurance companies (Ciurel, V, 2000) are MetLife, Prudential, General Reinsurance, Employers Reinsurance, Bellefonte Insurance, Reinsurance Corporation of New York, American Reinsurance, American International Group, Transatlantic Reinsurance, St. Paul Re, American Foreign Insurance, Asociation Kamper Group.

Although the internal market provide enough risk to insurance and reinsurance companies, N.Y. submarkets have penetrated other submarkets for the desire to take risks in other areas and interact with insurance companies in these areas. In almost all the world's major submarkets that subscribe risks, are representations of large US companies and brokerage houses US willing to take risks and to exchange information.

In other important geographical area of the world, another important submarkets insurance and reinsurance is that of *Japan*. This subscribed in 2011 a volume of insurance premiums 911 billion (19.83% of the global insurance market). Insurance premiums for life insurance premiums are \$ 703.8 billion (26.79% of the world market for life insurance) and \$ 207.7 billion are general insurance (10.55% of the global insurance).

Japanese submarket is one of the most secure and stable insurance submarkets in the world, it grow as mutual exchanges between Japanese and foreign companies. It has a high absorption capacity for large and heavy any Risks underwritten in other parts of the world or even in Japan. The largest and most important submarket of Japan is Tokyo where are subscribe all the risks.

The largest specializing companies are: Toa for general reinsurance and Jisai for earthquakes reinsurance.

Other insurance markets in the world are not sufficiently developed to represent important areas where to carry out operations of reinsurance and insurance. In developing markets are Southeast Asia, China, India, the United Arab Emirates but due to poor laws are met with reluctance. In 2011 all these submarkets were significant decreases in the volume of gross written premiums compared to 2010, which means that this crisis has made its presence felt.

Another developed insurance submarket is found in Bermuda Island. Due to tax incentives, here is the headquarters of several insurance and reinsurance foreign companies.

5. Conclusions

Life insurance decreased by 6% in 2011 to 14.58 billion euros. Albania and Macedonia, the smaller specialty markets in the region have the highest growth rates of 25% and 40% respectively, their stages of development offering a wide space for growth.

The worst performance in terms of dynamics belongs markets in Latvia, Estonia and Hungary, with decreases of 24%, 13.8% and 11% respectively.

Property insurance accounted for a volume of premiums of 3.83 billion euro in CEE, with 2.57% more than in 2010. Most countries have risen in this segment or, at worst; volume decreases recorded much lower than for other lines of insurance.

Auto insurance in 2011-2012 remained weak point of the CEE insurance portfolio. With the exception of Slovakia, premiums on auto segment continued to decline in all key markets in the region, mostly due to strong negative trend in CASCO insurance. As MTPL insurance, only seven of the 17 CEE countries reported a decline in subscriptions for this class: Albania, Croatia, Czech Republic, Latvia, Romania and Slovenia.

Currently, global markets "lead" the industry belong to countries with advanced technology and favorable conditions for business development, such as the US, Japan, UK, Germany and France. Today, reality shows that there is a very large gap in insurance coverage, varying from country to country, hundreds of thousands of under-insured individuals in need of financial protection provided by these products.

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