



**Mikhail I. BULAVKIN**  
**Director General**  
**BELARUS Re**  
**(Republican Unitary Enterprise**  
**"Belarusian National**  
**Reinsurance Organization")**

**XPRIMM: First of all, please provide our readers a brief history of BELARUS Re**

**Mikhail I. BULAVKIN:** RUE Belarusian National Reinsurance Organization, known as BELARUS Re, is the first and the only specialized reinsurance company in the Republic of Belarus. The company was established by Resolution of the Council of Ministers of the Republic of Belarus as of 4 November 2006 No.1463 "On Establishment of RUE Belarusian National Reinsurance Organization" in accordance with the Decree of President of the Republic of Belarus dated as of 25 August 2006 No.530 "On Insurance Operations". Currently, BELARUS Re is subordinated to the Ministry of Finance of Belarus. The founder of the company is the Council of Ministers of the Republic of Belarus.

RUE "Belarusian National Reinsurance Organization" in accordance with the legislation of the Republic of Belarus is the sole company which cooperates with foreign insurance and reinsurance organizations on reinsurance of risks, insured on the territory of the Republic of Belarus.

Starting 2010 the process of rating assignment to BELARUS Re has been held by the international rating agency Standard & Poor's International Services. According to the latest assessment of Standard & Poor's International Services long-term counterparty credit and financial strength rating of Belarus Re is set at "B-" in accordance with the same level of the sovereign rating of the Republic of Belarus.

The outlook - «Stable». Standard & Poor's notes the following positive aspects: the signs of stabilization in the economy, a low combined loss ratio, a sufficient level of capital and the fact that the company is competitive because of its unique status in the Belarusian insurance market.

It should be also noted that since 2010, the company KPMG Ltd. has been carrying out an international audit of the financial statements of BELARUS Re.

**XPRIMM:** Please describe in more details your company's business profile.

**Mikhail I. BULAVKIN:** As I have already said, BELARUS Re is the only company ceding risks insured on the territory of the Republic of Belarus among foreign insurance and reinsurance companies or brokers. We cooperate with all Belarusian insurance companies, but we also operate and expand our activities in the international insurance and reinsurance markets. Our portfolio of foreign contractors contains major European names of the industry, but also important players from Russia or other countries across our region: Lloyd's syndicates (29.44% of the business volume), Munich Re (11.76%), Ingosstrakh (10.25%), Partner Re (9.91%), Hannover Re (8.13%) and other companies, with lower shares.

It should also be stated the cooperation with such brokers as Willis Limited (UK), R.L.Davison & Co Ltd (UK), Filhet-Allard Maritime (France), Mathrawala&Sons Insurance Brokers PVT. LTD (India), Malakut Insurance Brokers" (Russia), Marsh - Insurance Brokers"(Russia) and others. The organization cooperates with more than 70 companies out of 17 countries.

*In strategic terms, the Russian Federation market is the most reliable and potentially interesting out of all insurance markets of CIS countries. Nevertheless, we intend to extend integration in the insurance markets of CIS and Western Europe, to diversify activities in the local and foreign markets and, of course, to intensify cooperation with insurance companies in Belarus.*

In terms of covered risks, BELARUS Re provides all types of non-life reinsurance. The share of foreign business gradually increases and reaches 20% of the total premiums. The largest share of premiums written in the context of reinsurance belongs to Green Card Belarusian Certificates, i.e. 23.7%, Aviation Risks - 16.1%, Property Risks - 14.8%, Financial Risks - 13.1%.

**XPRIMM:** How did the financial crisis impact your business?

**Mikhail I. BULAVKIN:** The economic crisis has slowed down the growth of the national economy in 2011; however, the amount of reinsurance remained unchanged.

The results of 2012 indicate the restoration of the national economy of the Republic of Belarus and it should be noted that at present an important direction of development of the national economy is to raise foreign investments.

This is manifested in the construction of roads, industrial buildings, hotels, social, cultural and household facilities. In their turn, such risks require insurance and reinsurance coverage.

Currently, a soft insurance market is observed in Belarus, with reducing insurance rates. However, the country has an obligatory transfer of reinsurance risks to BELARUS Re from all the insurance companies of the country, in case they exceed the legislative standard of liability of 20% of their equity capital. Thanks to its position in the Belarusian insurance market, BELARUS Re has the ability to influence pricing (setting the rate) in insurance, by harmonizing the rate for reinsurance which in turn prevents dumping in the insurance market of the Republic of Belarus.

**XPRIMM: What about the future development? What markets do offer the best development opportunities in your opinion?**

**Mikhail I. BULAVKIN:** In terms of outwards premiums, the most promising is the Russian Federation market and the Republic of Belarus market, as far as now the national market is characterized by the growth of infrastructure investments, low penetration of insurance, following this there is a substantial potential of growth.

In strategic terms, the Russian Federation market is the most reliable and potentially interesting out of all insurance markets of CIS countries. Nevertheless, we intend to extend integration in the insurance markets of CIS and Western Europe, to diversify activities in the local and foreign markets and, of course, to intensify cooperation with insurance companies in Belarus.

In terms of improving our business standards, we intend to automatize business processes and improve our underwriting policy, as well as to create conditions for professional development of the staff. Moreover, we see ourselves as a promoter for new legislative changes, aiming to develop a modern insurance market in our country.

**Olesea ADONEV**  
*International Markets Consultant*  
**Media XPRIMM, Romania**