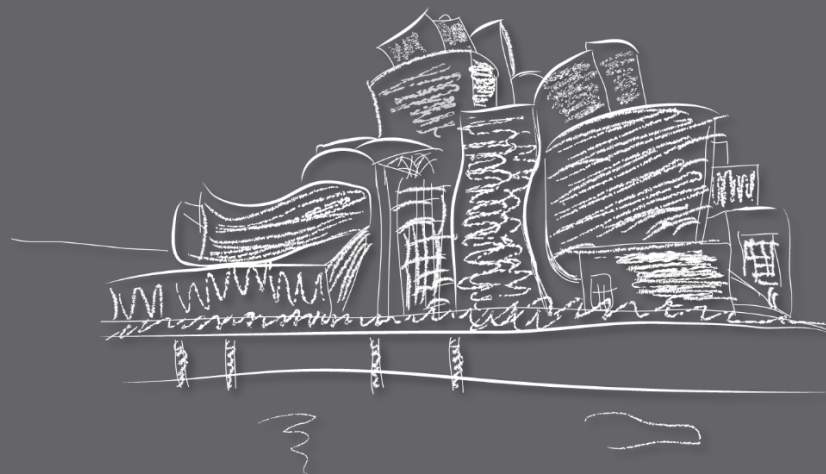


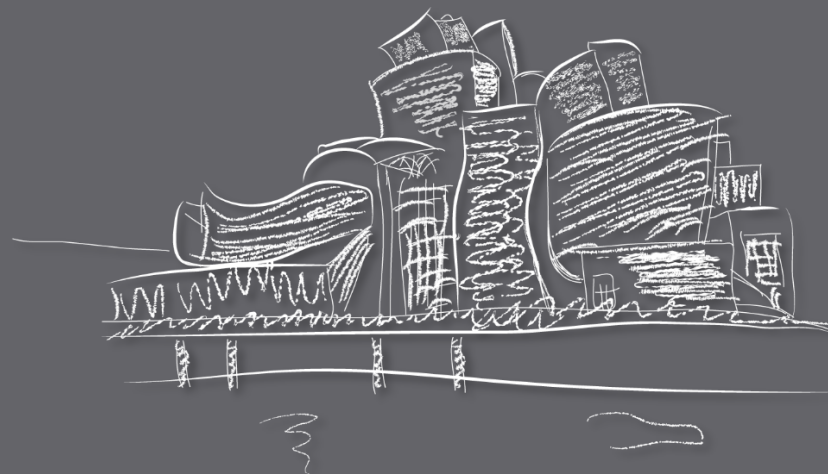
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J O R N A D A S
INTERNACIONALES



Mesa Redonda:

“LA REALIDAD DEL MERCADO BRASILEÑO”

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J O R N A D A S
INTERNACIONALES



D^a CRISTIANE FRANCA ALVES

PRESIDENTA DE ABGR (ASOCIAÇÃO BRASILEIRA DE GERÊNCIA DE RISCOS)



AGENDA

1. Cultural Aspect
2. Historical Aspects: Politic, Economy and Geographic
3. IRB
4. Current Scenario
5. Challenges – ABGR





Cultural Aspect

1. Cultural Aspect

Optimism

is a strong characteristic of Brazilian people and because of this it is very common to listen to following sentence in Brazil:

We live in a Paradise
“ God is Brazilian”

So:

- ✓ Why do I have to worry about Risk Management?
- ✓ Why do I have to get an insurance policy?
- ✓ Why do I have to take care about prevention?



Historical Aspects: Politic, Economy and Geographic

2. Historical Aspects: Politic, Economy and Geographic

- ✓ Historically no traditional wars, no riots, no civil commotion, no terrorism,
- ✓ Until 1993, when Brazil reached economic stability, Brazilian people faced a reality of strong inflation, constantly devaluation of our currency and only in 1996 it was allowed the local insurance companies to be controlled by foreign groups
- ✓ No catastrophic loss exposure: no major exposure to earthquakes or hurricanes, mass movements, fire (notably wildfires)
- ✓ Abundant natural resources



IRB

3. IRB

- ✓ Brazilian reinsurance market was monopolised by the state until 2008. It means, only IRB, State Owned Reinsurer was the only allowed to operate as reinsurer.

Wrong Conclusions:

- ✓ We are lucky / God is Brazilian;
- ✓ No big exposures;
- ✓ no feasible reason to buy insurance policy;
- ✓ When it was necessary to get an insurance policy, IRB was “obligated” to give the reinsurance capacity.

Some people believed that There was “no reason” to perform risk management in Brazil



Current Scenario

4. Current Scenario:

- ✓ Fast growing middle class: around 80 millions poor Brazilian people became middle class on the last 10 years and now they want to preserve their achievements;
- ✓ Abundant natural resources and diversified economy;
- ✓ Large agricultural producer and powerful industry player ;
- ✓ New legislation – the New Civil Law entered into force in 2002 and brought new and clearly liability rules;
- ✓ Access to new channels – electronic media;
- ✓ Climate changes; Flood catastrophes

The most important:

Reinsurance Market effectively opened (even with some restrictions)

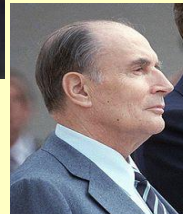


Challenges – ABGR

5. Challenges - ABGR

The ABGR, Brazilian Risk Management Association, was established in 1983 with the mission of bringing together all the “Risk managers” i.e. insurance buyers in Brazil, in order to understand what the local companies were doing to protect themselves.

Then as a second step, ABGR realized the need to take specialized knowledge to its associate members.



**World
in
1983**



Challenges – ABGR

5. Challenges - ABGR

A ABGR tem como missão o desenvolvimento, aprimoramento e divulgação da Gerência de Riscos no Brasil, aos seus associados e a comunidade de Gerência de Riscos e seguros em geral, através da Mídia, Internet, Cursos, Seminários, Projetos técnicos e Educativos específicos.

ABGR's mission is to develop, better and make public Risk Management in Brazil, to its associate members in specific and Risk Management and Insurance Market in general, through the press, on line media, courses and seminars, as well as technical and educational specific projects.



Challenges – ABGR

5. Challenges - ABGR

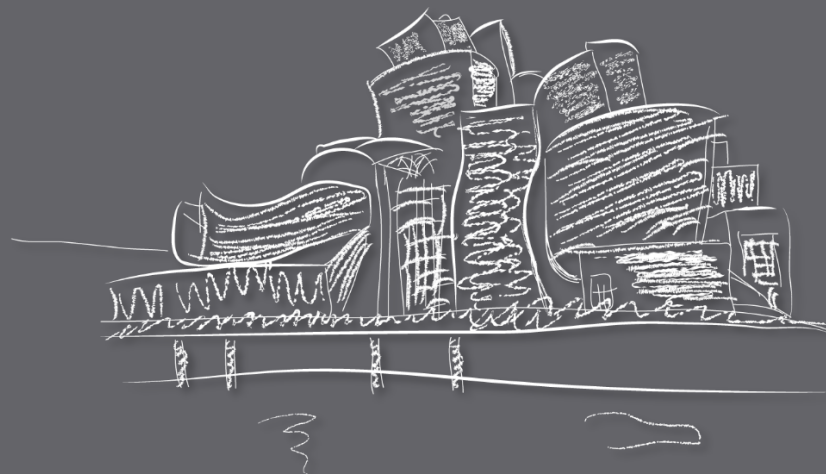
- ✓ Risk Management must focus on LP, BCP, BIA, and quality.
- ✓ CAT Risk, Supply Chain, Cyber Risk, ;
- ✓ Benefits: Health Care and Pension Plan





**Muchas
Gracias!**

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