



PROSPERITY



THE WORLD BANK

Kyrgyz Republic
Catastrophe Insurance



WORLD BANK GROUP

Academy



Organization of the insurance system

1. Public Insurance Organization (SSO)

- Established by the Cabinet of Ministers of the Kyrgyz Repub
- Carries out compulsory home insurance.



КЫРГЫЗГОССТРАХ

ГОСУДАРСТВЕННАЯ
СТРАХОВАЯ ОРГАНИЗАЦИЯ

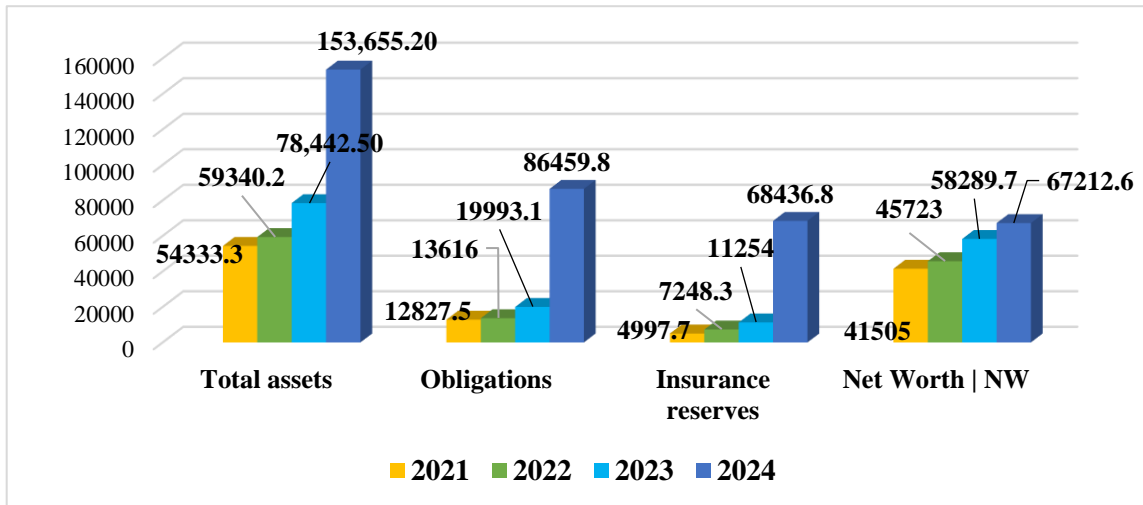
2. Private Insurance Companies

- 15 companies in the market, including 9 organizations with 100% Kyrgyz capital and 6 organizations with non-resident participation.

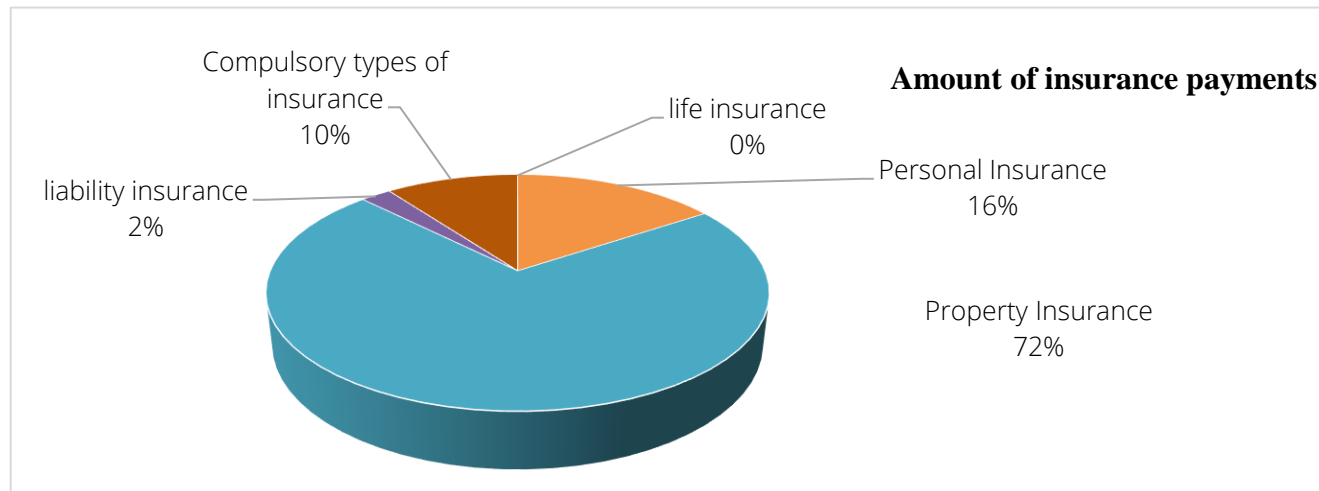
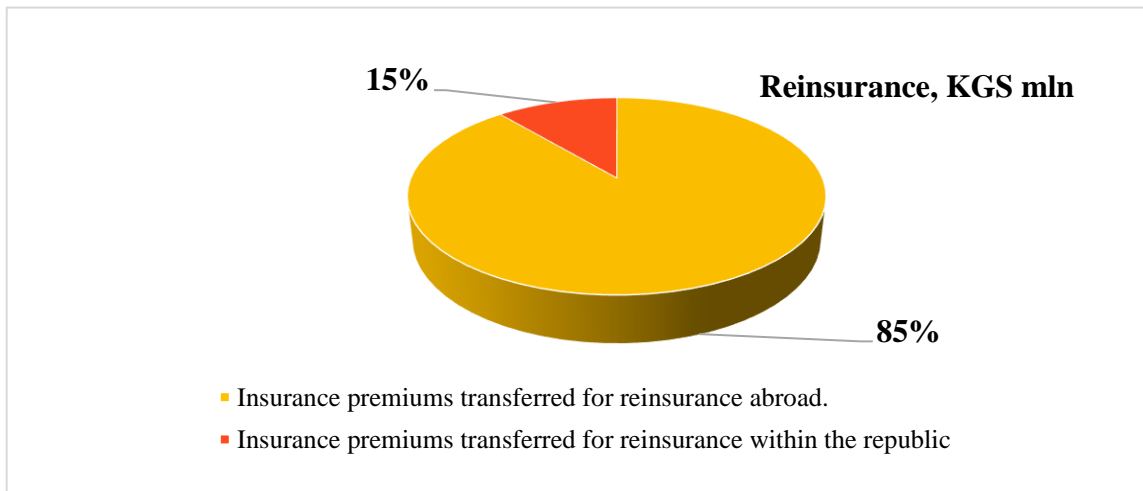
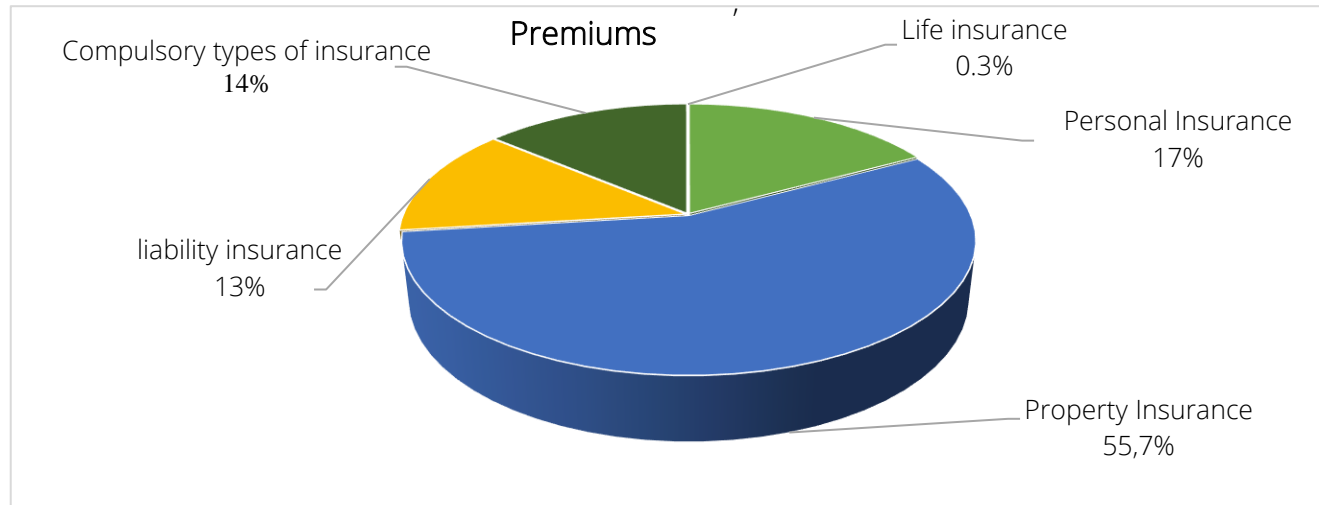


Structure of the insurance market of the Kyrgyz Republic in 2024

Change in assets, liabilities, equity and insurance reserves (thousands of US dollars)



Exchange rate of 1 Som to USA \$ (USD) :
- as of 31.12.2024 = 87 US dollars (USD)





Compulsory insurance of dwellings against fire and natural disasters



The Law of the Kyrgyz Republic "On Compulsory Insurance of Residential Premises against Fire and Natural Disasters" dated July 31, 2015 No. 209

Insured events

Natural disasters:

- | | |
|------------------|----------------|
| ✓ earthquake | ✓ landslide |
| ✓ mudflow | ✓ strong Winds |
| ✓ heavy snowfall | ✓ flood |
| ✓ avalanche | ✓ snowstorm |
| ✓ collapse | ✓ hail |
| ✓ falling rocks | ✓ thunderbolt |

- ✓ fire
- ✓ water entering as a result of lawful fire extinguishing actions
- ✓ dismantling and relocation of the insured dwelling to a safe area



Compulsory Insurance Premium Residential insurance against fire and natural disasters



Affordable tariffs for residents

<i>Location</i>	<i>Premium value</i>	<i>Insurance payout</i>
City	1 year US\$ 13.7	Up to \$11,494
Village	1 year US\$ 6.89	Up to 5,747 US\$
Personalized rate regardless of location	0.3% of the value of the dwelling	Full Compensation

ERIK Project



To ensure full implementation of the Law, the "Enhancing Resilience in Kyrgyzstan" (ERIK) project has been successfully implemented since 2018 with the World Bank support, where the Financial Supervision Authority together with JSC "GSO" are working on Component 3 "Strengthening financial protection and insurance against natural disaster risks". The total budget of the Component is USD 3.0 million.

Goal of the project:

- ✓ The main objective of this Component is to support the introduction of disaster insurance in the Kyrgyz Republic.
- ✓ **The following sub-components** have been successfully implemented:
 - Implementation of a modern information software product in OJSC "GSO"
 - Development of insurance (financial) module of a probabilistic earthquake risk model for the insurance market of the Kyrgyz Republic;
 - Purchase of actuarial services for tariff setting

To be developed:

- Reinsurance programs;
- Requirements for the management of insurance claims (claims management).



On March 20, 2024, No. 79 was signed Decree of the President of the Kyrgyz Republic On Measures to Develop the Insurance Market of the Kyrgyz Republic



mandating insurance of public property, where 50% or more of the participation in the authorized capital belongs to the state, in GSO



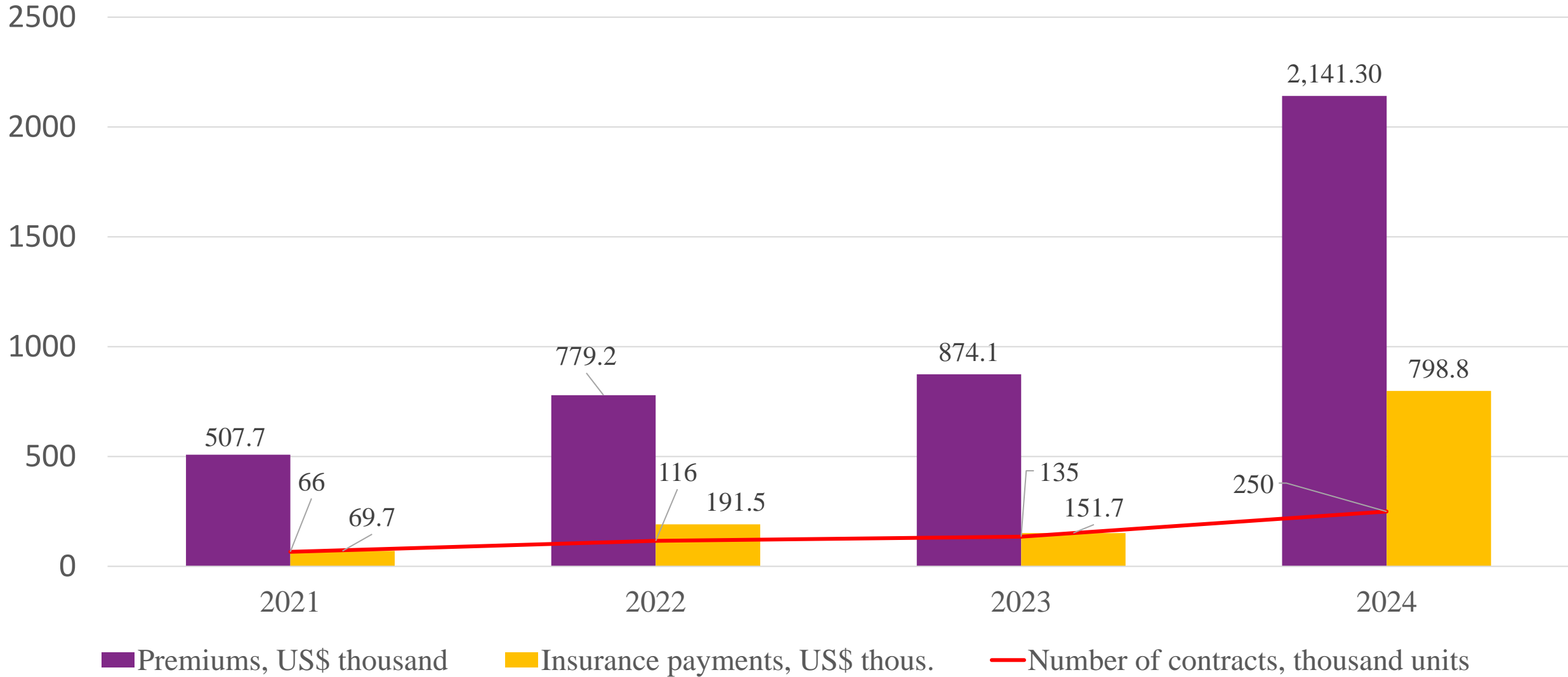
amendments providing for the mandatory conclusion of insurance contracts in the event of: mortgaged property insurance, transactions with residential premises



Decision to nominate JSC "GSO" as the National Reinsurance Operator



COMPULSORY INSURANCE OF DWELLINGS AGAINST FIRE AND NATURAL DISASTERS





Fires, natural disasters and insurance payments for 2024



Mudflows

122 cases;
US\$ 189,794.2



LIGHTNING

1 case;
US\$ 694.2



EARTHQUAKE

2 cases;
US\$ 2,298.8



FIRES

75 cases;
US\$ 226,887.3



STRONG WINDS

40 cases;
US\$ 6,082.7



VOLUNTARY HOME INSURANCE

122 cases;
US \$ 189,794.2

362 Insured events
Indemnity paid in the amount of US\$615,551.4



THANK YOU!