



Ghana Re

# the Guarantor

HOUSE JOURNAL OF GHANA REINSURANCE CO. LTD

January - June  
2015



GHANA REINSURANCE  
**SUPPORTS**  
JUNE 3rd  
**FIRE VICTIMS**

**2015**  
**Training**  
**Programmes**

**Ghana Re**  
**Pays**  
**GH¢ 5.6 Million**  
**As Dividend**



**Ghana Re**

## MISSION STATEMENT



**T**o be the Reinsurer of Choice in Ghana and chosen markets in Africa through innovative and capacity building applications combined with commitment to customer satisfaction and Corporate profitability

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## THE SHAREHOLDER'S REWARD

Individuals, organisations and governments invest with diverse motives. Among other reasons, individuals and organisations invest to earn dividends or enjoy share/stock price appreciation (appreciation of value). In addition to the above, a government may establish an organisation for the provision of vital services, like water and energy, to guarantee the wellbeing of its citizens or invest in a specific sector of the economy for strategic reasons.

The government of Ghana established Ghana Re in 1972 and was incorporated as a limited liability company in 1995. Among the objectives for the establishment of the company were; to increase retention capacity within the country so as to reduce the outflow of foreign exchange and generate funds for investment in the national economy.

Ghana Re has over the years, supported the national economy by declaring and paying dividends to the government. For the year 2014, Ghana Re paid GH¢5.6 million to the sole shareholder, the government of Ghana. Additionally, an amount of GH¢21.84 million was paid to the Ghana Revenue Authority as taxes for year 2014. Admittedly, Ghana Re, has in no small measure, provided funds for investment in the national economy over the years. It was therefore not surprising that, at its annual general meeting held on June 8, 2015, the Government commended the Board, management and staff of Ghana Reinsurance Company for the outstanding performance.

Regarding the objective of business retention within the country so as to reduce the outflow of foreign exchange, Ghana Re needs the co-operation of both

the local insurance companies and the National Insurance Commission to fully achieve this objective. There is the need to be mindful of Section 53 of Insurance Law 2006 Act 724. The section allows insurance companies, based on their financial capacity, to decide what amount of business to cede and the reinsurance company to deal with but with the caveat that domestic capacity must be exhausted first.

Through hard work and professionalism, Ghana Re's shareholder's reward has been appreciating over the years. The value of the company has increased tremendously and there has been regular payment of dividend. However, there is the need for expansion of capital and operations to enhance the fortunes of the company.

Mr. Gustav Siale

Managing Director

### Editorial Committee

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PAYS

# GH¢5.6 MILLION DIVIDEND TO SHAREHOLDER

**A**t its Annual General Meeting held on June 8, 2015, the Government commended the Board, Management and Staff of Ghana Reinsurance Company for the Company's outstanding performance in 2014.

The Company recorded 56% increase in net profit before tax from GH¢36.60 million to GH¢57.00 million in 2014. Composite gross premium grew by 40% to GH¢104.39 million from GH¢74.79 million in 2013.

The growth was underpinned by 76% increase in premium income written from markets outside Ghana amounting to GH¢40.55 million compared to GH¢23.04 million in 2013 while that of the local market increased by 36% to GH¢55.39 million from GH¢40.85 million in 2013. Notably, 58% of the Company's premium was

generated locally and 42% from international markets.

In addition, direct payments by Ghana Re to Government totalled GH¢27.44 million being GH¢5.6 million in dividends and GH¢21.84 million in corporate taxes.

The Chairman stated that the positive growth achieved by Ghana Re in a challenging year, attests to its strength and that the Company will focus on increasing its capital in the coming year to take advantage of reinsurance opportunities in local and international markets.

# CASH IN TRANSIT

*“It is not for nothing that even the Bible states that the love for money is the root of all evils”*



**By Mawuli Zogbenu**

A little over two years ago, there was a report of an accident, near the Kwame Nkrumah Circle, involving a bullion van, carrying huge sums of money reported to have been hit by a commercial bus. The cabin of the van broke open and bundles of cash scattered all over. For some passers-by, it was an answered prayer, as

motorists, both private and commercial all pulled up on the shoulders of the road to join the scramble for the scattered money. Guess what? The target was the 'higher denominations' and I only wished I was a few meters around! The police arrived in a timely manner to salvage the remains and immediately commenced

investigations into both the cause of the accident and possibly locate the individuals who may have bolted with some moneys, as a result. I wondered – 'even if CCTV footages revealed the scavengers, what crime would they have been charged with?'

Similar Bullion Accident in Hong Kong

Very recently, Al Jazeera TV reported of the Hong Kong Police's appeal to the public to return millions of dollars taken after a van transporting \$68m (£44m) crashed on a highway. An estimated \$4.5m (£3m) worth of banknotes were left strewn across the road after the accident where dozens of people were said to have rushed to scavenge for the cash before the Police got to the scene to secure the area.

Some of the moneys were retrieved and the Police warned that failure to return the rest would be "a very serious crime". The definition of this "very serious crime" is still beyond my comprehension though.

Much as swift investigations into these incidents are recommended, my contention was about the responsibility of the sender banks and their allied service providers to



have envisaged the likelihood of an armed attack, accident, loss due to several other factors, in the course of transiting money via bullion vans. Anyhow, the assumed onus was on the transporters of the cash to have a Cash-in-Transit (CIT) Insurance Policy as security for any such occurrences.

#### What is Cash-In-Transit (CIT) Insurance Policy?

A CIT Policy provides cover for loss of or damage to money, in the custody of an authorized person or institution, whilst in transit from the insured's premises. The policy indemnifies the insured, usually the bank, against loss of or damage to safe or strong-room belonging to the insured or money lost in transit as a result of theft, within the limits of liability and the geographical coverage of the policy. Typically, insurers will require information on the Limit per Carriage to arrive at the Estimated Annual Carriage, and Cash in Safe.

#### What Constitutes money in CIT Policy?

Money under this policy shall be deemed to consist of bank notes, currency notes, treasury notes, bank drafts, cheques, postal orders, money orders, insurance and postage stamps. For want of operational efficiency, many banks outsource the movement of cash to private cash-carrying companies. In Ghana, the private Cash carrying companies are presumed to be regulated by the Bank of Ghana, in line with their regulation on financial logistics and security. Other countries however, have their

own pieces of legislations.

#### Signing on to the CIT Policy

A proposal form is normally completed with details about the estimated maximum amount in transit at any given time and the annual aggregate in transit. The premiums and renewal premiums are calculated on the amount of money in transit during the period of the insurance. The law requires the insured to keep accurate record thereof and avail them, at all times, for inspection. The Insured shall also, within one month from the expiry of the policy furnish the insurer with the actual account details of all moneys-in-transit during the period. The premium for such period shall thereupon be adjusted and the differential paid as a return premium or additional premium. Meanwhile, the policy may be cancelled at any time before its normal expiry and in such event, no compensation or claim shall be payable.

#### CIT Claim Procedure

Prompt and thorough investigation of claims is crucial to indemnifying the insured for any one claim subject to the conditions of the CIT Policy. The insured is required to first and foremost report to the security agencies of the loss and furnish the insurer with all explanations, vouchers, proof of ownership and other evidences as may be required by the insurer to substantiate the claim. Notwithstanding the settlement of the claim, the insurer may, at its own expense and without prejudice, take appropriate steps to

recover the lost money and the insured is obliged to assist in anyway necessary (e.g. provide information to either the insurer or the police).

#### Exclusions under a CIT Policy

Just like any other policy, these exclusions are factors or circumstances that may absolve the insurer from paying a claim. Under a typical CIT Policy, the following exclusions may vitiate the payment of a claim:

- Damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, war, act of foreign enemy, hostilities or warlike operations, labour unrests, etc.
- Abandoning dispossession resulting by order of any government de jure or de facto or by any public authority.
- Any act of terrorism, regardless of any other cause contributing concurrently or in any other sequence to the loss, damage or expense.
- An act occasioned by fraud or dishonesty of any employee, family or household member of the insured arising out of shortages due to clerical or accounting errors, outside the limits specified in the Policy and deemed consequential

#### The Way Forward

The CIT Policy is a very delicate one which requires a lot of due diligence from both the insurer and insured; hence the necessary safety precautions must be put in place in order that both parties would be on the same page in the event of a mishap.



# Ghana Re's Annual Thanksgiving Service

Ghana Reinsurance Company Ltd held its Annual Thanksgiving service at the company's head office in Accra on 24th January 2014. The annual service which was introduced by the current Managing Director, Mr. Gustav Siale, was to thank the Almighty God for His Grace and Mercies and for granting business success

throughout the year 2014. It was also meant to thank God for protecting staff of the company in spite of some few challenges. The service was also to seek God's guidance for 2015 and pray for renewal of strength for the Board of Directors, Management, staff, clients and business partners.







In a brief exhortation, Rev. Eddie Adiamah, of Lighthouse Chapel International, Accra, reminded all staff to be mindful of the God factor in their professional lives and personal lives. He mentioned that, as humans, we will not be able to chalk sustainable successes if we forget our Maker. He also stated that, the word of God is enough to ensure growth both spiritually and physically.

The Managing Director took the opportunity to congratulate management and staff and encouraged them to work harder to ensure the growth of the company over the years. He urged all staff to collaborate and work as a team while emphasizing that the company will continue to thank God. Mr. Siale took the opportunity to wish all staff a Prosperous 2015.

Present at the ceremony was the former Deputy Managing Director, Mr. Rogers - Akpatah.





# PROMOTING PROFESSIONALISM AND ETHICS

IN THE CHANGING REGULATORY ENVIRONMENT

A paper presented by Dr. Abiba Zakariah (DMD, Ghana Reinsurance Company) at the annual conference of Ghana Insurance Brokers association at Elmina Beach Resort on Friday 20<sup>th</sup> March, 2015.

**M**

Madam Chairperson, President of Ghana Insurers Brokers Association (GIBA), CEO's of the insurance Industry, Esteemed ladies and gentlemen;

May I take this opportunity to thank the organisers for inviting me to this event devoted to the topic 'Promoting Professionalism and Ethics in the changing Regulatory Environment.' My paper is expected to focus on "Reinsurance on the Ghana market, with some indications on extent of local capacity and arrangements that would provide balance sheet

protection for our clients".

## **Reinsurance on the Ghana market**

Ladies and gentlemen, our industry today faces several challenges at a time when our insureds have become more demanding. As one of the fastest growing industries in the sub-region, Ghana's insurance market has become the destination of some mega insurers, most of whom repatriate premiums outside. Over the past few years the percentage of premium cessions outside the country keeps increasing, from 72% in 2010 to

80% in 2013.

Growing at an annual average rate of 30%, the market premium was GH¢1,051.3 in 2013. The premium reinsured amounted to GH¢216.7 million, out of which only about 20% was ceded to local reinsurers. At this rate, the market Premium is estimated to increase to about GH¢6,600.00 million in 2020, out of which about GH¢5,280.00 million would have been reinsured outside Ghana.

Additionally premium income generated from the oil and gas sector in Ghana amounted to USD14.39m in 2012. The Pool's written premium represented less than 5% of the total written premium, hence about USD13.2million was ceded outside the market in 2012 alone.

This trend, should it continue, would be detrimental to the growth of the industry and the economy as a whole. As Africa remains one of the growing continents, multinationals need African economies to support their growth. The ceding of premiums outside our market strengthens theirs and, since we receive no premiums from them, weakens our markets leaving us at their mercy, vulnerable and at a competitive disadvantage. As UNCTAD in 1964 emphasized, a sound national insurance sector contribute to economic growth and employment.

### **Local capacity**

In order to respond rationally in these challenging times and deliver best solutions to our insureds we must inculcate professionalism and ethics into our corporate philosophy, values and culture. In recognition of this fact, Ghana's parliament passed into law the Insurance Act, 2006, Act 724.

Section 53, of the Act, sub section 2, reads; 'An insurer or reinsurer shall utilize the local capacity available in insurance business originating from the local market before recourse to any overseas reinsurance'.

In response the National Insurance Commission (NIC) issued reinsurance guidelines, key amongst them including:

I. 'An insurer shall ensure that before reinsuring any business overseas available local capacity (treaty and facultative) is exhausted.

II. '... no overseas reinsurance placement should be made in respect of ...": Motor, Workmen's Compensation, Personal Accident, Goods-in-transit, Fidelity Guarantee and Life.

The determination of local capacity has always been straightforward, but for the purpose of this discussion, Local capacity can be interpreted to mean the treaty capacity of the three main reinsurers (Ghana Re, Mainstream Re and GN Re) plus the mandatory 5% cession to Africa Re.

This means that for its reinsurance purposes, the insurance company at the designing stage of their treaty programmes for a particular year and in placing a risk on facultative bases, should factor the limits of acceptance of the local reinsurers for each class of business before making cessions to any overseas reinsurers.

### **Determining the arrangements**

Reinsurance is insurance that is purchased by an insurance company from one or more insurance companies (the "reinsurer") directly or through a broker as a means of risk management. Insurers are expected to choose their reinsurers with great

care as they are exchanging insurance risk for credit risk.

To protect the insurer's balance sheet, a reinsurance programme should aim at increasing capacity, providing stability, catastrophe protection, protecting shareholders' funds, providing underwriting expertise, minimizing recourse to facultative reinsurance, being acceptable to reinsurers and being simple and easy to operate.

In choosing a reinsurer, Management should also be guided by their risk appetite & underwriting competence, the structure of the various classes of businesses, their risk profile, the strategic & marketing plan and the territorial scope of operations.

There are two basic methods of reinsurance:

#### **1. Facultative Reinsurance,**

which is negotiated separately for each insurance policy that is reinsured. It is normally purchased by ceding companies for individual risks not covered or insufficiently covered, by their reinsurance treaties, for amounts in excess of the monetary limits of their reinsurance treaties and for unusual risks. Underwriting expenses and in particular personnel costs are higher for such business because each risk is individually underwritten and administered.

#### **2. Treaty Reinsurance**

is where the ceding company and the reinsurer negotiate and execute a reinsurance contract. The reinsurer then covers the specified share of more than one

insurance policy issued by the ceding company which falls within the scope of that contract. The two main types of treaty reinsurance are proportional and non-proportional.

Under **proportional reinsurance**, the reinsurer(s) take a stated percentage share for example of each policy that an insurer writes. This means that the reinsurer(s) will receive that stated percentage of the premiums and will pay the same percentage of claims. In addition, it will allow a "ceding commission" to the insurer to cover the costs incurred by the insurer. The arrangement may be "quota share" or "surplus reinsurance" or a combination of the two.

Under **non-proportional reinsurance** the reinsurer only pays out if the total claims suffered by the insurer in a given period exceed a stated amount, which is called the "deductible" or "priority".

A ceding insurer may have a series of specialized reinsurance contracts such as:

- A quota share treaty arrangement for a bonds programme to provide cover for the large fluctuations in the sum assured
- A surplus treaty arrangement, to limit the losses it might incur from a small number of large fire claims as a result of random fluctuations.
- A non-proportional reinsurance for motor third party, to cover its high limit of liability.

The reinsurers must agree on the maximum amounts of liability that they can accept under the reinsurance contract. Factors considered in setting such limits include the Maximum Policy limits, Catastrophe exposure and the reinsurer(s) capacity

- An overall catastrophe treaty protecting its top line across all classes of business.

Another may have a corporate quota share that reduces their exposure across all lines of business, with specific excess-of-loss treaties for specific lines of business. Others may keep their business net but use facultative reinsurance for specific large accounts to cover a large loss emanating from a large policy.

The reinsurers must agree on the maximum amounts of liability that they can accept under the reinsurance contract. Factors considered in setting such limits include the Maximum Policy limits, Catastrophe exposure and the reinsurer(s) capacity.

The insurer must determine the proportion of a risk or amount of liability it is willing to keep on its own account based on its financial strength. Broad principles for setting retentions are:

- **Share Capital and Free Reserves** provide an indication of a company's solvency, it is suggested that the retention should be between 1%- 5% of the paid up capital and free reserves.
- Liquid assets enables a company pay losses promptly. A cedant's total retentions should

not exceed 20% of the company's liquid assets.

- The retention per risk should be in the range of 1% to 10% of the premium volume of the company.
- Others include the business strategy and management attitude, Size of the portfolio, Type and spread of risks and pattern of losses, Reinsurer requirements, Retentions of similar insurers.

It is important that the programme is reviewed annually, critical issues to be considered in the review process include:

- Whether the programme is still serving its purpose
- Whether the reinsurers can still provide the desired security & service
- The cost and benefits of alternative programmes.

### **Benefits of using local reinsurance**

In conclusion Madam Chair, Ladies and Gentlemen, the use of local Reinsurer's leads to the following;

- Benefiting from the reinsurer's experience and expertise in underwriting similar risk gained on the various risk.
- The regulator can better protect the industry and the insureds
- Strengthens our markets, as we retain more premiums locally, build our capacity and grow
- helps to ensure that insurance companies remain solvent
- Reinsurance programs are designed to suit the specific needs of the cedant
- Cedants have personal knowledge of their reinsurer.

CORPORATE SOCIAL RESPONSIBILITY:



## GHANA REINSURANCE SUPPORTS JUNE 3<sup>RD</sup> FIRE VICTIMS

**G**hana Reinsurance Company has over the years donated generously to educational and health institutions regularly. Besides, the company is quick to respond to emergency social needs resulting from disasters. A fire outbreak which occurred, in the midst of a heavy down pour, on June 3, 2015, claimed over 159 lives. Several others sustained various degrees of burns and were consequently admitted at various hospitals including the 37 Military Hospital.

On June 15, 2015, Ghana Reinsurance Company donated items worth Fifty Thousand Ghana Cedis (GH¢50,000) to the 37 Military Hospital in support of victims of the June 3, fire disaster. The items included antibiotics, injectables, examination gloves, bleach, bandages and gauze.

The gesture was in response to an appeal from the hospital to individuals and organisations to donate towards the care of fire victims undergoing treatment at the hospital. Presenting the items, Mrs. Charlotte Osei, a Board

member, expressed her hope that the items donated will go a long way to alleviate the financial pressure confronting the hospital at that challenging moment. She expressed gratitude to staff of the hospital for their commitment and dedication to duty. The Company was represented by some Board members, Management and staff. The Acting Commanding Officer of the 37 Military Hospital, Colonel Michael Agyapong-Yeboah, who received the items on behalf of the hospital, thanked the Company for its support.

## Personality Profile



# Mr. Patrick AGYEKUM

MANAGING  
DIRECTOR  
PROVIDENT  
INSURANCE  
CO. LTD

Patrick Kwadwo Agyekum joined the insurance industry in June 1980 as an Assistant Accounts Superintendent. Although he left the industry after three years, his affection for insurance compelled him to return, joining Provident Insurance Company in 1995 as Chief Manager, Finance. With modesty and hardwork, he was elevated to the position of Managing Director in 2009, a position he has held successfully to date. Under his

leadership, Provident Insurance Company has earned several accolades including Ghana Reinsurance Company's Loyalty Award for 2013 operations. According to Patrick, to enhance operations and to re-position itself, Provident has introduced new business processes including the establishment of a reliable operations software. He, as the project sponsor, serves as the liaison between the project team and the Board. Additionally, to raise the level of professionalism, both new and existing staff of the company are constantly trained. Under his

## 5th CEDANTS' AWARD WINNER

leadership premium income has increased significantly over the years.

In response to a question on 'how he ensures that shareholder interests drive his company's strategy and execution', Patrick outlined three key issues that his company focuses on; Professionalism, Business growth and Profitability. In order to put the company's objectives at the forefront, he makes sure he carries along his team members and clearly communicates the rationale behind the objectives to them. Mr. Agyekum holds regular management meetings and strategic budget sessions to ensure that all managers know and understand their roles in the organisation. In a quest to promote team spirit and job commitment, he is working with the Board to implement some form of group performance system that would reward hardworking staff. Patrick, who serves on several Boards including the Ghana Insurers Association Board, is always prepared to take up additional responsibilities within and outside the insurance fraternity.

Mr. Agyekum believes, with the risk-based supervisory approach adopted by the Regulator, the insurance industry has good prospects and will remain resolute and formidable. He advocates that, there is the need to benchmark the industries practices with international best practices. Although Patrick believes that local insurance companies are not growing very fast because the multinational companies prefer to insure with multinational insurance companies, through concerted effort by all stakeholders, the insurance industry will expand in the foreseeable future. He is also of the opinion that the low insurance penetration in Ghana can be improved through prompt claim settlement, conscious public education and the incorporation of insurance curriculum in the curricula for Secondary and Tertiary levels of education.

At his Ring road office, Patrick recounts his tortuous journey through life. He started his primary

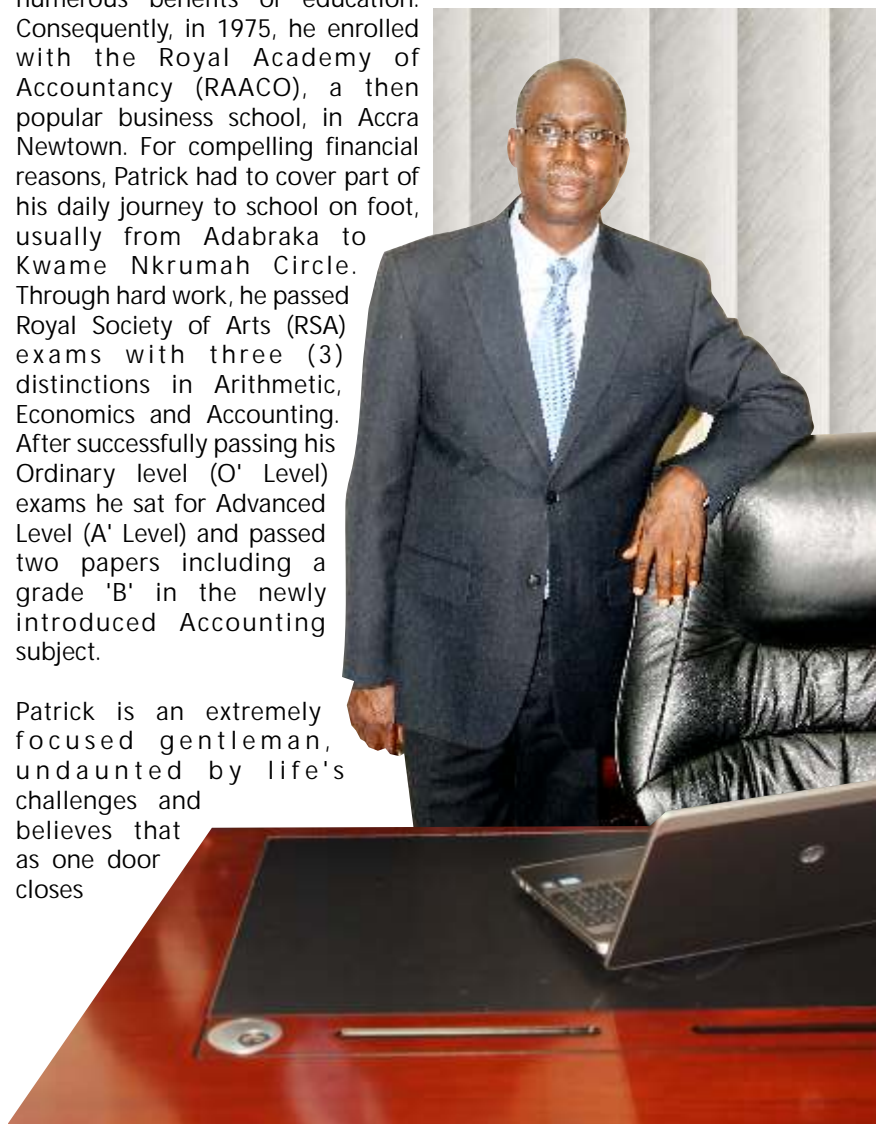
education at the Anglican Primary School, Kwahu Nteso and completed at Kwahu Tafo Roman Catholic Primary School. He attended Kwahu Tafo Middle School where he wrote and passed the common entrance exam in form three (3). However, due to lack of financial support he was unable to attend secondary school. As a boy he was very ambitious in broadening his horizon and decided to visit Accra in search of better opportunities. Whilst in Accra he got himself menial jobs at supermarkets and pubs just to make ends meet. Following, an unpleasant incident, he left Accra and went back to the village to work with the Catholic Mission Farms.

Whiles in Kwahu, he made known his desire to continue his education contrary to his mother's wish. Thankfully, an Uncle intervened and convinced the mother about the numerous benefits of education. Consequently, in 1975, he enrolled with the Royal Academy of Accountancy (RAACO), a then popular business school, in Accra Newtown. For compelling financial reasons, Patrick had to cover part of his daily journey to school on foot, usually from Adabraka to Kwame Nkrumah Circle. Through hard work, he passed Royal Society of Arts (RSA) exams with three (3) distinctions in Arithmetic, Economics and Accounting. After successfully passing his Ordinary level (O' Level) exams he sat for Advanced Level (A' Level) and passed two papers including a grade 'B' in the newly introduced Accounting subject.

Patrick is an extremely focused gentleman, undaunted by life's challenges and believes that as one door closes

another one would open according to the will of God. After all efforts to enrol at University of Cape Coast for Bachelor of Commerce degree program proved futile, he decided to pursue the professional accounting qualification and registered with Chartered Accountants (CA) Ghana. He completed the CA exams in a record time of five (5) years and eventually became a member of the CA-Ghana in 1995. He has since completed many professional training courses in risk management, governance and insurance. Patrick possesses an Advanced Diploma in Insurance from the Ghana Insurance College and an MBA from GIMPA.

He is blessed with a loving and supportive family, thanks to his ability to balance family life, Christian life and professional life. Patrick's mother was a great inspiration to him and considers her as his role model.



# DONATIONS

## TO SELECTED INSTITUTIONS



**A**s part of its Corporate Social Responsibility, Ghana Re has over the years made it a practice to donate funds to carefully selected institutions in the country.

In view of this, a short ceremony was held on September 5, 2014 at the Company's headoffice to present various sums to these institutions. The theme for the occasion was "Our Health & Education – Our Wealth".

At the ceremony, the Managing Director, Mr. Gustav Siale, reiterated the company's decision to assist selected departments in some state-owned higher learning institutions since education is the backbone for the development of

every nation. He also mentioned that, as the theme suggests, health is one of the major determinants of the wealth of a nation. Undoubtedly, it is expensive to provide good medical care as such Ghana Re believes that extending financial support to selected health institutions will go a long way to ensure quality healthcare delivery.

A total amount of Seventy-Five Thousand Ghana Cedis





**Ghana Re**



(GH¢75,000) was donated to the under-listed institutions:

- College of Health Sciences, Korle-Bu, Accra
- School of Medical Sciences, KNUST, Kumasi
- Students Financial Aid Office, Legon
- Urology (GU) Department, Korle-Bu
- Department of Child Health, Korle-Bu
- Ghana National Trust Fund
- Ghana Heart Foundation



# SOLID AND DEPENDABLE SUPPORT

For Your Reinsurance Service



**Ghana Re**

*Your Reinsurer of Choice*

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**RATING: AM BEST – Financial Strength: B, Issuer Credit: bb**

# 2015 Training Programmes

In line with the Company's policy of ensuring the development and enhancement of the technical capacity of its clients and as per the training programme for 2015, Ghana Re has since the beginning of the year organized three seminars, two in Ghana and one in Sudan. The two held in Ghana were the 9th Ghana Re International Seminar, for both the local and international market, and Fire Underwriting and Claims Management for the local market only. The seminar held in Sudan for the Sudanese market was on Advanced Reinsurance.



## GHANA

### 9<sup>th</sup> Ghana Re International Seminar

The 9th Ghana Re International Seminar came off at Elmina Beach Resort, Elmina, from the 22<sup>nd</sup> to 28<sup>th</sup>

February, 2015. The focus for this year's seminar was on General Liability Insurance. The aim was to provide participants with a thorough understanding of the legal framework of liability insurance, how

individuals incur liability and how insurance products respond to variety of liability risks.

In all, Forty-nine (49) participants attended with Twenty-seven (27) from Ghana, Seven (7) from Sudan

One (1) from Nigeria and One (1) from Cote d'Ivoire. Two (2) participants were from Ethiopia, One (1) from Tanzania Six (6) from Zambia and Four (4) from Kenya . Participants from Kenya include Mr. Samuel Gathekia from the Ghana Re Kenya office. Participants were welcomed to the seminar with an opening cocktail hosted by the Managing Director, Mr. Gustav Siale and the Deputy Managing Director, Ms. Abiba Zakariah.

The seminar was formally opened on Monday, February 23, 2015 by the Deputy Managing Director Ms. Abiba Zakariah on behalf of the Managing Director. Explaining the rationale behind the chosen topic for the seminar, the Deputy Managing Director said that it was in recognition of the current 'litigious business environment' that the focus of 2015 international seminar was on

"General Liability Insurance". She said that in recent times, the sophisticated and competitive nature of various business environments has given rise to individual business entities resorting to all manner of processes and procedures in order to survive. This, has resulted in the passing of laws by legislators to provide a common standard protection for all against false, misleading or deceptive representations. She pointed out that even though the pieces of legislation have had the impact of changing the way businesses interact with their customers, the passage of the laws has also created some responsibilities for these same businesses which turn to insurers to seek protection against the likely liabilities that may arise.

She further stated that our once conservative courts have also demonstrated that large awards

against businesses found liable for injury or damage are now the order of the day, leading to an increase in the awareness of the rights of consumers as well as giving them access to inexpensive dispute resolution mechanisms.

She prayed that participants would be well equipped to provide true customer risk management.

The four-day seminar was highly interactive with resource persons combining power point presentations, practical case studies and discussions of personal experiences to demonstrate how liability insurance operates. Participants were later broken into groups to study and make formal presentations on selected case studies.

The resource persons, who



performed very well, were Mr. Gustav Siale, Managing Director, Ghana Re, Ms. Abiba Zakariah, Deputy Managing Director, Ghana Re, and Mr. Alfred Ofori Kuragu, Managing Director, Glico General Insurance Company.

The programme closed on the evening of Friday, February 27, 2015 after a trip to the Kakum Forest Reserve. The closing ceremony was chaired by Mr. Siale, the Managing Director and the Guest Speaker was



Ms. Lydia Lariba Bawa, Commissioner of Insurance.

In his closing remarks, the Managing Director thanked the participants for attending the programme especially those from other African countries who had travelled all the way to Ghana to participate. He commended them for being worthy ambassadors of their company during their stay and hoped that they would carry similar sentiments about Ghana Re back home.

He reminded participants that as underwriters in the insurance industry, they had the huge task of inculcating professionalism into their corporate philosophy and embracing it in order to attract and

retain clients. There was therefore the need to do things- such as being ethical, responsible, accountable and more importantly, equip themselves with the required knowledge and skill in our respective fields. This, he said, was the only way they could grow as individuals, as companies and as an industry.

Speaking at the ceremony, the Commissioner of Insurance and Guest Speaker, Ms. Lydia Lariba Bawa enumerated some challenges facing the industry for which the Commission has responded by issuing certain directives to resolve or mitigate its impact on its operations. These included reducing huge premium debts and extension of credit on insurance cover as well as increased retention capacity for insurers. She said that although the above interventions were very challenging, it required companies to be more innovative in an attempt to reduce the impact the directives may have on their operations.

She added that the current growth in the industry was increasing awareness and improving the competitive structure of the industry, and to enable a company compete favourably, it was necessary for it to place the appropriate technical tools in the hands of the people it employs. She continued that this was the reason why she has always advocated for training and capacity building of underwriters by companies to help equip such people with the right skills, knowledge and understanding of the needs of clients well ahead of time. To quote, the Commissioner said "Firms must pay more attention to training and retraining of their staff to ensure that they remain technically proficient and they are to see this as an investment rather than expenditure".

The commissioner reiterated her

strong conviction that these observations were not new to Ghana Re, considering their longstanding and reputable expertise in the Ghanaian insurance industry, hence the Company's commitment to the organization of training seminars to help equip underwriters accordingly. She took the opportunity to applaud and thank Ghana Re, on behalf of the industry, for continually striving to update and improve the skill and knowledge of personnel in the industry, thereby increasing professionalism and improving the image of the industry.

She concluded by pledging the Commission's unflinching support and its preparedness to assist the industry in any way possible to ensure that underwriters discharge their duties professionally and in line with international best practices.

Participants were generally happy and appreciative of the opportunity accorded them by Ghana Re to upgrade their skill and knowledge in General liability Insurance, describing the presentations as all inclusive, involving and highly interactive.

### Fire Underwriting and Claims Management Seminar

The two day programme for the local market on Fire Underwriting and Claims Management was held on Wednesday June 10 and Thursday June 11, 2015. Fifty-four (54) participants drawn from the local insurance market attended the seminar held at Ghana Re Headoffice.

Topics covered include Introduction to Fire Insurance, Considerations for Underwriting Fire Insurance and Case Studies on Fire Insurance.

The two day programme was to draw

participants' attention to the importance of providing adequate cover for clients, advising them on their responsibilities as policy holders, informing them about the requisite documentation for lodging claims and processing claims fairly, objectively and promptly. The two resource persons, Mr. Jonathan Kwakye and Mr. Kwaku Appietu-Ankrah handled Fire Underwriting and Claims Management respectively.

Opening the ceremony on behalf of the Managing Director, Mrs. Monica Amissah told participants that Ghana Re's intention for running this seminar was to assist clients enhance their expertise and competence in both the underwriting and claims handling of Fire risks, taking cognizance of the increased spate of fires on our market and the fact that Fire insurance is now compulsory for commercial buildings in the country. She said that by taking participants through the selected topics, Ghana Re would help raise the market's service level to meet customer



Mr. Seth Nyamadi,

expectations.

Closing the programme, Mr. Seth Nyamadi, the Chief Finance Officer thanked participants for attending and for the support they have provided the Company over the years. He told participants that

Ghana Re has come this far through their support and as the prime reinsurer in the country, Management deemed it an obligation to help enhance the technical capacity of the industry players, not only because it will inure to the underwriting performance but more so it will help reduce insurance risks. He reminded them that insurance products offered have direct relationship with life and it is important for insurers to constantly remind ourselves that a life lost is irreplaceable. He also pointed out to the participants that they were the interface between policy holders and us reinsurers and it is important that we maintain and strengthen the relationship between our respective companies in order to provide and meet their needs.

Participants in their evaluation expressed satisfaction with the performance of the resource persons and the organization of the programme.

#### Sudan

Ghana Re organised a four (4) day seminar on "Advanced Reinsurance" from 26th April to 29th April, 2015. The seminar was the third to be organized in Khartoum, Sudan.

The seminar which was fully sponsored by Ghana Re attracted thirty-eight (38) participants from twelve (12) Insurance Companies, the Regulatory Authority and Neelain University in Sudan.

The Resource persons were Mr. Gustav Siale, the Managing Director and Mr Jonathan Kwame Kwakye, of the Special Duties Department.

The seminar was formally opened at about 9:00am on Sunday, 26th April, 2015 by the Guest of Honour for the opening ceremony, Mr. Mohammed Musa Idris, General Manager of the Insurance Regulatory Authority in

Sudan.

Topics treated for the four day seminar included Introduction to Reinsurance, Proportional and Non-Proportional Treaties, Reinsurance Accounting, Reinsurance Renewal Statistics, and Reinsurance Claims

The presentations at the four (4) day seminar were highly interactive and were well received. Participants found the issues discussed useful and beneficial, most importantly the:

- Explanations of Reinsurance terms
- Reinsurance arrangements with figures
- Reinsurance Placement presentation
- practical and hands on examples given on Reinsurance Renewal Statistics

These comments were given during the closing ceremony on April 29, 2015, by some of the participants. Feedback from the Managing Directors of Blue Nile Insurance Company, Juba Insurance Company, Albaraka Insurance Company and Sudanese Insurance and Reinsurance Companies indicated that the presentations were very comprehensive, highly interactive and very explicable.

A lecturer from Neelain University remarked that "I have got the missing information that I have been seeking for a long time, really I now have full knowledge about reinsurance and how to apply it". She admitted that she had lectured for several years but she has had no practical insight until she attended the Ghana Re seminar. The closing ceremony was chaired by Mr. Mohammed Hassan, the Managing Director of Sudanese Insurance and Reinsurance Company who is also the President of the Sudanese Insurance Association. All the participants were awarded with Certificate of Participation.

# GHANA RE HOSTS RETIRED CHIEF EXECUTIVE OFFICER OF METROPOLITAN INSURANCE COMPANY LIMITED



Ghana Reinsurance Company Limited hosted the immediate past Chief Executive Officer (CEO) of Metropolitan Insurance Company Limited, Kwame Gazo Agbenyadzie, to a dinner at the Holiday Inn Hotel in Accra. Mr. Agbenyadzie retired as CEO in June 2015.

The dinner was attended by a few high profile insurance practitioners including Madam Lydia Lariba Bawa, Commissioner of the National Insurance Commission, George Otoo, immediate past Group Managing Director, Enterprise Group; Atsu Menyawovor, Chief

Executive Officer, Ghana Insurers Association (GIA), Ivan Avereyireh, Managing Director of Ghana Life and President of GIA, Charles Dankyi Ansong, Ag CEO Vanguard Assurance and Kwei Mensah Ashidam, Ag Managing Director of SIC Insurance Company.

Also in attendance were Senior Management staff of both Ghana Re and Metropolitan Insurance.

Mr. Dan Acquaye of Ghana Re, in a short speech, mentioned that Mr. Agbenyadzie and his team exhibited true professionalism in their dealings with Ghana Re. He said Management

of Met Insurance made sure all documents relating to facultative closings were submitted to Ghana Re timeously and also ensured prompt submission of treaty returns and settlement of balances.

According to Mr. Gustav Siale, Managing Director of Ghana Re, out of his 22 years of meritorious service with Ghana Re, this is the second time that his company has organised such program for a distinguished insurance practitioner. A lunch was organised in honour of the retired CEO of Provident Insurance Company, Rudolph Von Balmoos when he retired, for his support to Ghana Re by placing 100 percent of Provident's reinsurance business with Ghana Re.

Gustav Siale expressed his gratitude to Kwame Gazo Agbenyadzie for showing his support to Ghana Re wholeheartedly. He recalled, six years ago Ghana Re found itself at a

defining point when the compulsory cession granted it by law setting up the company was cancelled. At the time, the statutory cession formed about 65% of Ghana Re's income. Consequently, rating companies, AM

Best and Global Credit Rating, responded by downgrading the company. Kwame Gazo Agbenyadzie and his able management team stood by Ghana Re by making Ghana Re leader of its treaties and signing onto a special quota share arrangement.





# Motivational Speeches

"When you are inspired by some great purpose, some extraordinary project, all your thoughts break their bounds. Your mind transcends limitations, your consciousness expands in every direction and you find yourself in a new, great and wonderful world. Dormant forces, faculties and talents become alive, and you discover yourself to be a greater person by far than you ever dreamed yourself to be."

Patanjali

"I have looked in the mirror every morning and asked myself: 'If today were the last day of my life, would I want to do what I am about to do today?' And whenever the answer has been 'No' for too many days in a row, I know I need to change something."

Steve Jobs

Twenty years from now you will be more disappointed by the things that you didn't do than by the ones you did do. So throw off the bowlines. Sail away from the safe harbor. Catch the trade winds in your sails. Explore. Dream. Discover.

Mark Twain

"If it falls your lot to be a street sweeper, go out and sweep streets like Michelangelo painted pictures. Sweep streets like Handel and Beethoven composed music. Sweep streets like Shakespeare wrote poetry. Sweep streets so well that all the hosts of heaven and earth will have to pause and say, here lived a great street sweeper who swept his job well."

Martin Luther King, Jr.

"The people who make it to the top - whether they're musicians, or great chefs, or corporate honchos - are addicted to their calling ... [they] are the ones who'd be doing whatever it is they love, even if they weren't being paid."

Quincy Jones

Do not wait; the time will never be "just right." Start where you stand, and work with whatever tools you may have at your command, and better tools will be found as you go along.

Self-disciplined begins with the mastery of your thoughts. If you don't control what you think, you can't control what you do. Simply, self-discipline enables you to think first and act afterward.

Before success comes in any man's life, he's sure to meet with much temporary defeat and, perhaps some failures. When defeat overtakes a man, the easiest and the most logical thing to do is to quit. That's exactly what the majority of men do

The man who does more than he is paid for will soon be paid for more than he does.

All the breaks you need in life wait within your imagination, Imagination is the workshop of your mind, capable of turning mind energy into accomplishment and wealth.

Create a definite plan for carrying out your desire and begin at once, whether you are ready or not, to put this plan into action.

"To win the big stakes in this changed world, you must catch the spirit of the great pioneers of the past, whose dreams have given to civilization all that it has of value, the spirit that serves as the life-blood of our own country - your opportunity and mine, to develop and market our talents."

*Napoleon Hill*

Reaching

# NEW HEIGHTS

Globally

in Reinsurance Services



Ghana Re

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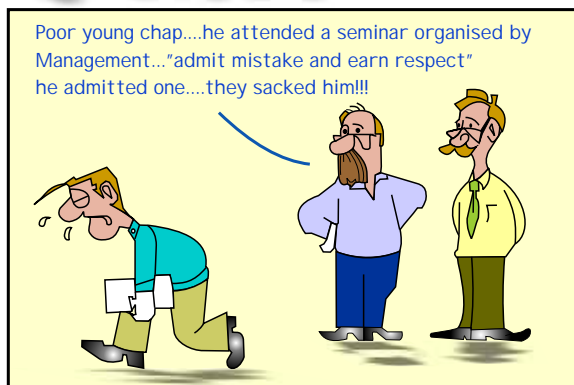
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**RATING: AM BEST – Financial Strength: B, Issuer Credit: bb**

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# Jokes



## WATCHING FOOTBALL WITH A WOMAN IS REALLY STRESSFUL.

**Wife:** which teams are playing?

**Husband:** Arsenal vs Manchester united

**Wife:** ooooh wonderful ! I love Arsenal...

**Husband:** that's a good team...

**Wife:** is Drogba playing?

**Husband:** he doesn't play for any of these teams...

**Wife:** okay sweet...is that Chris Brown?

**Husband:** [bored] no he is Chamberlain...

**Wife:** okay but they look the same...what's that yellow card for?

**Husband:** its a warning to the player... After few minutes Rooney scores for Manchester united...

**Wife:** [celebrates in high mood] is that Chamberlain who has scored?

**Husband:** [calmly] no its Rooney for Manchester united...!!

**Wife:** [furious] how? it should be arsenal who should have scored!!

**Husband:** [silent]

**Wife:** what is that red card for?

**Husband:** [bored] that means the player should go

out of the pitch for his misbehaving...

**Wife:** then is he going to be a coach?

**Husband:** [unwilling to answer] aaaaaa no...

**Wife:** its the same with traffic lights yellow=warning ,red=danger.

**Husband:** exactly darling ...

**Wife:** what about the green card?

**Husband:** mmmm nothing of that kind is in a field of play....

**Wife:** I want arsenal to win the world cup...

**Husband:** [silent]

**Wife:** who is that man standing there, is that Mr Bean? he looks like him

**Husband:** [bored] it's the Arsenal coach ....Arsene Wenger.

**Wife:** that means the other opponent's coach is manchest wenger?

**Husband:** [changes the channel]

## THE BOSS

One day a man goes to a pet shop to buy a parrot. The assistant takes the man to the parrot section and asks the man to choose one. The man asks, "How much is the yellow one?" The assistant says, "\$2000." The man is shocked and asks the assistant why it's so expensive. The assistant explains, "This parrot is a very special one. He knows typewriting and can type really fast."

"What about the green one?" the man asks. The assistant says, "He costs \$5000 because he knows typewriting and can answer incoming telephone calls and takes notes." "What about the red one?" the man asks. The assistant says, "That one's \$10,000." The man says, "What does HE do?" The assistant says, "I don't know, but the other two call him boss."



**Ghana Re**

A  
NEW FACE  
WITH  
RENEWED  
STRENGTH  
READY  
TO SUPPORT  
AND DEVELOP  
OUR CLIENTS  
FOR  
THE FUTURE



**Growth**

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