

THE OFFENSIVE OF THE INSURANCE MARKET. A STUDY FOR CENTRAL AND EASTERN EUROPE

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Abstract: *The car insurances remain the most consistent in Central and Eastern, representing such an important part of the market portfolio in almost all countries of the region, that it surely has the capacity to influence not only the global market tendency but also its soundness and public image. Continuing the tendencies of 2016 there were two of the most important factors, which support the appreciation of the car insurances: on the one hand the growing sales of motor cars and utility vehicles and on the other hand the tendency of increasing the prices. In the first half of 2017, Central and Eastern Europe has registered a robust economic growth, the ascendent tendency accelerating from one trimester to the next.*

Key words: *insurance market; gross premium; life insurances; common insurances; property insurances*

INTRODUCTION

The data published by the offices for statistics from the whole region have shown that the gross domestic product (GDP) has grown on regional level with 4.2 % in the second trimester of 2017, as compared with the same period of the year 2016, outbalancing both the growth rate of 4.0% of the first trimester and the previous estimated growth value of 4.1 %. The distinctly positive dynamics of the economy of Central and Eastern Europe was due to investments stimulated by the EU development funds, to the consolidation of the labour force market and the significant economic expansion within the Euro zone, the main regional commercial partner, explain the experts of FocusEconomics in an analysis. In fact, Central and Eastern Europe has registered in the first part of 2017 the highest dynamics of the last 10 years, underline the expert analysts, while the expectations for the future are also optimistic. [11], [14]

MATERIALS AND METHODS

Among the most important element of novelty introduced by this law there is the establishment of the reference rate, an institution with a new role and new responsibilities – BAAR (the Car Insurers' Office from Romania), the concept of High-risk Customers (factor "N"), which governs the bonus – the application criteria of bonus – malus and direct settlement. The secondary legislation, issued by the Market Surveillance Authority contains details and the mechanisms about the implementation of the new law regarding the compulsory motor vehicle liability insurance (RCA) and clarifies a series of provisions, among which: regulation of the assessment and evaluation methods, settling and payment of the claims: the method of direct settlement; compulsory motor vehicle liability insurance (RCA) applicable to high-risk customers; regulations regarding the application of bonus-malus. For this study I applied methods as: data collection, processing, centralizing data, data analysis and drawing conclusions. [2], [7], [12]

RESEARCH RESULTS

Regional performances. The insurance market in Central and Eastern Europe has registered an overall growth of 12.84 % in the first half of the current year reaching the volume of 18.28 billion Euro. The amount of the paid damages has increased coming to 10.64 billion Euro, that is with 10.75 % more than in the first half of 2016. The segment of life insurances has advanced about 7 %, to an overall of subscriptions of 6.48 billion Euro, while general insurances have reached a regional level of 16.3 %, reaching a total of subscribed gross premiums (PBS) of 11.8 billion Euro. The main players of this growth were the car insurances, more precisely the class of compulsory motor vehicle liability insurance (RCA). In Tabel 1. we can see the evolution of the subscribed gross premiums and the damages paid in the first semester of 2016 in comparison with the same period of 2017. [14]

Tabel 1.

Central and Eastern Europe (CEE) – Subscribed gross premiums and paid damages

Country	Subscribed gross premiums		Evolution	Damages paid		Evolution	Market quota
	S1 2016	S1 2017	%	S1 2016	S1 2017	%	S1 2017
	mil. Euro	mil. Euro		mil. Euro	mil. Euro		%
Albania	48.20	55.93	16.04	13.68	20.41	49.17	0.31
Bosnia and Herzegovina	162.03	176.43	8.89	61.66	62.71	1.71	0.96
Bulgaria	528.07	581.63	10.14	259.47	263.28	1.47	3.18
Czech Republic	2,809.70	2,941.03	4.67	1,684.53	1,771.73	5.18	16.09
Croatia	640.71	665.62	3.89	306.92	334.83	9.09	3.64
Estonia	189.74	207.84	9.54	112.12	111.63	-0.44	1.14
Kosovo	41.36	43.35	2.41	18.20	22.60	24.18	0.23
Latvia	283.63	327.35	15.41	172.10	178.74	3.86	1.79
Lithuania	330.20	387.68	17.40	181.05	213.90	18.14	2.12
Macedonia	72.68	74.95	3.13	30.45	26.06	-14.39	0.41
Montenegro	38.65	39.99	3.45	14.73	15.87	7.75	0.22
Poland	6,161.80	7,471.03	21.25	4,115.61	4,672.73	13.54	40.86
Romania	1,038.71	1,103.31	6.22	473.19	549.04	16.03	6.03
Serbia	366.38	404.21	10.32	115.60	141.29	22.22	2.21
Slovakia	953.39	1,066.07	11.82	543.39	574.98	5.81	5.83
Slovenia	1,091.25	1,165.75	6.83	690.05	738.77	7.06	6.38
Hungary	1,447.45	1,572.88	8.67	820.46	947.95	15.54	8.60
Overall ECE	16,203.95	18,284.05	12.84	9,613.19	10,646.52	10.75	100

Source : Processing data XPRIMM Insurance Report 2017[13]

Tabel 2.

TOP 5 CEE (Central and Eastern Europe) Markets - Subscribed gross premiums (PBS) (million Euro) & market quota (%)

Consec. No.	Country	PBS (subscribes gross premiums, million Euro)	Market quota (%)
1.	Poland	7,471	40.86
2.	Czech Republic	2,941	16.09
3.	Hungary	1,573	8.38
4.	Slovenia	1,166	6.43
5.	Romania	1,103	6.03
6.	Others	4,026	22.04
OVERALL		18,280	100

Source : Processing data XPRIMM Insurance Report 2017[13]

* CEE standing here for Central and Eastern Europe

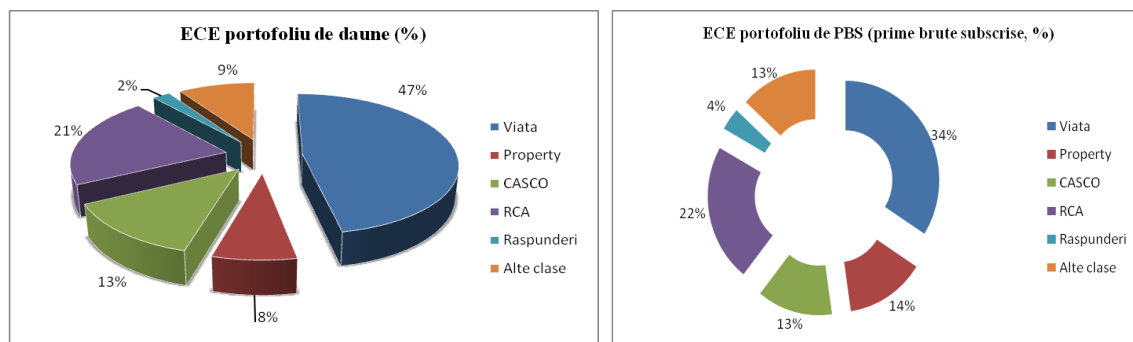


Figure 1. Central and Eastern Europe (CEE) – Damage portfolio (%) and PBS portfolio (%)

Source : Processing data XPRIMM Insurance Report 2017

* CEE standing here for Central and Eastern Europe

Poland has reported the most impressive growth rate in the region, of 21.25 %, a value generally characteristic for the emerging markets. Thus, with a volume of subscribed premiums of 7.47 billion Euro, Poland holds a quota of almost 41 % of the regional subscribed gross premiums (PBS), growing with about 2 percentage points in comparison with the previous year. It's worth underlining that in contrast to the previous years, when the evolution of the Polish market was determined by the dynamics of the life insurance business, in the first part of the year 2017 the decisive factor were the compulsory motor vehicle liability insurances (RCA).

Regional Top 5 is completed by:

- The Czech Republic, with subscribed gross premiums of 2.9 billion Euro, representing a quota of 16 % of the regional gross subscription;
- Hungary – subscribed gross premiums (PBS): 1.5 billion Euro; 8.6 % of the regional subscribed gross premiums;
- Slovenia – subscribed gross premiums (PBS): 1.16 billion Euro; 6.4 % of the regional subscribed gross premiums;
- Romania – subscribed gross premiums (PBS): 1.1 billion Euro; 6.03 % of the regional subscribed gross premiums.[10], [14]

Life insurances in Central and Eastern Europe (CEE). The life insurance sector continued to feel the impact of the financial milieu, characterized by reduced interests. This will affect the insurers' capacity to generate a good investment efficiency for the insurance policies, which have also a financial saving/ investment component. In fact, the vendors of life insurances have been completely demoralized to offer the traditional products, which contain a warranty clause concerning the investment efficiency. [4]

The unit-linked products, where the investment risk is transferred to the insurance holder, seem to be better adapted to the current conditions. In many countries of Central and Eastern Europe the unit-linked products have been intensely promoted, registering impressive growth rates, double digits. [6]

Romania can be considered a good example, the subclass of the unit-linked products having proved an astonishing growth of almost 49 % during the first six months of the year. Latvia and Estonia have also reported an important growth in this product category. [15]

Tabel 3.

Central and Eastern Europe (CEE)– Life insurances

Country	Subscribed gross premiums		Evolution	Damages paid		Evolution	Regional market quota	
	S1 2016	S1 2017	%	S1 2016	S1 2017	%	S1 2016	S1 2017
	mil. Euro	mil. Euro		mil. Euro	mil. Euro		%	
Albania	3.32	4.23	27.47	0.47	1.30	174.35	0.05	0.07
Bosnia Herzegovina	31.94	35.34	10.64	12.00	14.67	22.28	0.53	0.55
Bulgaria	117.58	120.84	2.78	41.46	47.01	13.38	1.94	1.87
Czech Republic	1,076.26	1,086.65	0.96	782.25	868.48	11.02	17.77	16.77
Croatia	202.68	206.37	1.82	117.47	136.08	15.83	3.35	3.19
Estonia	40.25	43.19	6.58	26.57	24.59	-7.44	0.67	0.67
Kosovo	1.40	1.30	-7.14	0.39	1.27	225.06	0.02	0.02
Latvia	49.00	58.68	19.76	36.37	43.25	18.91	0.81	0.91
Lithuania	100.12	109.68	9.55	54.88	70.60	28.63	1.65	1.69
Macedonia	8.98	10.47	16.56	1.72	1.74	1.29	0.15	0.16
Montenegro	6.14	6.59	7.30	1.97	2.17	10.17	0.10	0.10
Poland	2,693.76	2,888.89	7.24	2,068.91	2,460.35	18.92	44.47	44.59
Romania	147.61	234.32	34.20	72.22	120.67	67.09	2.88	3.62
Serbia	80.47	90.86	12.92	23.82	34.28	43.93	1.33	1.40
Slovakia	476.06	513.11	7.78	334.24	339.05	1.44	7.86	7.92
Slovenia	294.91	329.46	11.72	230.60	247.78	7.45	4.87	5.09
Hungary	699.13	738.48	5.63	526.53	587.23	11.53	11.54	11.40
Overall ECE	6,056.88	6,478.47	6.96	4,331.87	5,000.49	15.43	100	100

Source : Processing data XPRIMM Insurance Report 2017

* CEE standing here for Central and Eastern Europe

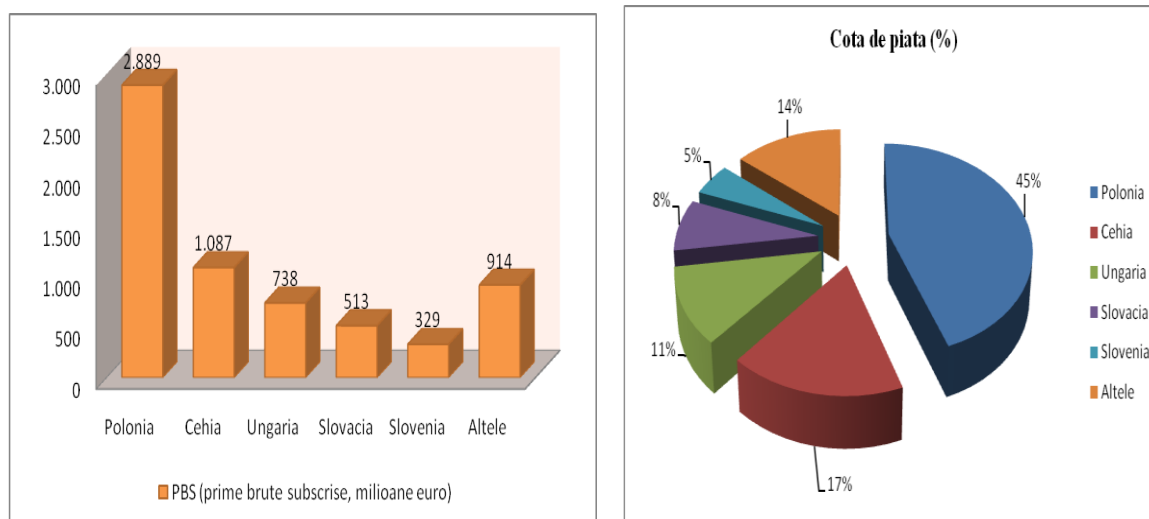


Figure 2. TOP 5 Life insurance markets –Subscribed gross premiums (PBS, million Euro) and the market quota (%)

Source : Processing data XPRIMM Insurance Report 2017

Nevertheless, the absolute regional “champion” remains Poland, its contribution to the regional portfolio of unit-linked life insurances being almost of 50 %. One of the explanations for the high dynamics of the Polish life insurances, especially of the unit-linked segment can be found in the legislative changes introduced approximately a year

before and which have seriously affected the volume of benefits arising from traditional products with the investment component. [13]

The insurers have aligned with the new conditions enriching their offer with other products, adapted to the present circumstances, thus earning the customers' confidence and appreciation. [1]

It has to be said, that the situation is not identical in all countries. In the Czech Republic the decline of the unit-linked products is obvious even if after the changes introduced in the reporting system, the data for the current year are not fully comparable with those of the last year.

Equally visible is the growth of the paid compensation volume, including the premature terminated contracts. According to the CAP – the association of the local insurers – the policies with an unique premium have registered the most obvious downfall, while the policies with deferred payment get over a period of stagnation.

On the whole the life insurances have lost over 2 p.p. of their weighting within the portfolio. Moreover, even if the tendency to interrupt the life insurance policies has begun to attenuate visibly, the figures show that there are still hundreds of thousands interrupted policies per year. [9]

The compulsory motor vehicle liability insurances (RCA) – the regional star. In quantitative terms, the car insurance lines represent on the whole over 34 % of the subscribed premiums in Central and Eastern Europe, with a volume of subscribed gross premiums to a total value of 6.35 billion Euro.

The CASCO class has generated subscribed gross premiums to a total value of 2.32 billion Euro, with 16.64 % more than in the previous year and represents 12.7 % of the incomes arising from the Central and Eastern Europe premiums, an almost unaltered quota in comparison with the previous year. [8]

On the other hand, with subscribed gross premiums of 4.02 billion Euro, the compulsory motor vehicle liability insurance (RCA) line has registered a growth rate of 21.7 %, raising its weighting within the regional portfolio from 20.4 % in the first half of 2016 to 22 % at present.

Among the “large” markets of Central and Eastern Europe Romania is obviously very strongly influenced by the compulsory motor vehicle liability insurance (RCA) class, taking into account that 53 % of the subscribed gross premiums of the general insurances come from this business segment. By comparison, in Poland the RCA class represents 38 % of the subscribed gross premiums non-life, in Hungary 32%, while in the Czech Republic its weighting is 24 %.

The situation of the CASCO class seems a little more balanced, the highest percentage in the building of the subscribed gross premiums non-life is to be found in Estonia (33 %), Bulgaria (31 %) and Slovakia (28 %). The average rate in the premiums portfolio for general insurances in Central and Eastern Europe amounts to 34 % for RCA and 19.7 % for CASCO insurances.[11], [14]

Tabel 4.

Central and Eastern Europe (CEE)– General insurances

Country	Subscribed gross premiums		Evolution	Damages paid		Evolution	Regional market quota	
	S1 2016	S1 2017	%	S1 2016	S1 2017	%	S1 2016	S1 2017
	mil. Euro	mil. Euro		mil. Euro	mil. Euro		%	
Albania	44.88	51.70	15.19	13.21	19.11	44.68	0.44	0.44
Bosnia Herzegovina	130.09	141.09	8.46	49.66	48.04	-3.26	1.28	1.20
Bulgaria	410.49	460.79	12.25	218.01	216.27	-0.80	4.05	3.90
Czech Republic	1,733.43	1,854.38	6.98	902.27	903.26	4.92	17.08	15.71
Croatia	438.03	459.25	4.84	189.44	198.76	1.74	4.32	3.88
Estonia	149.21	164.65	10.35	85.55	87.04	1.74	1.47	1.39
Kosovo	39.96	41.05	2.74	17.81	21.33	19.78	0.39	0.35
Latvia	234.64	268.67	14.50	135.73	135.49	-0.18	2.31	2.28
Lithuania	230.08	277.99	20.82	126.17	143.30	13.58	2.27	2.35
Macedonia	63.70	64.48	1.23	28.73	24.32	-15.33	0.63	0.55
Montenegro	32.52	33.40	2.72	12.76	13.70	7.37	0.32	0.28
Poland	3,468.05	4,582.15	32.12	2,046.69	2,212.38	8.10	34.18	38.81
Romania	864.10	868.98	0.56	400.98	428.37	6.83	8.52	7.36
Serbia	285.92	313.34	9.59	91.79	107.02	16.59	2.82	2.65
Slovakia	477.33	552.96	15.84	209.15	235.93	12.81	4.70	4.68
Slovenia	796.35	836.30	5.02	459.45	491.00	6.87	7.85	7.08
Hungary	748.31	834.40	11.50	293.93	360.72	22.72	7.37	7.07
Overall ECE	10,147.08	11,805.59	16.34	5,281.32	5,646.02	6.91	100	100

Source : Processing data XPRIMM Insurance Report 2017

* CEE standing here for Central and Eastern Europe

Tabel 5.

TOP 5 General Insurances market – Subscribed gross premiums (million Euro) and the market quota (%)

Serial No.	Country	PBS (subscribed gross premiums, million Euro)	Market quota (%)
1.	Poland	4,582	38.81
2.	Czech Republic	1,854	15.71
3.	Romania	869	7.36
4.	Slovenia	836	7.08
5.	Hungary	834	7.07
6.	Others	2,825	23.97
OVERALL		11,800	100

Source : Processing data XPRIMM Insurance Report 2017

Without recording relevant peaks, the registration of new motor cars has increased in almost all countries of Central and Eastern Europe. Nevertheless, in spite of the greater influx of new cars, the automobile fleet remains practically “old”, especially as in some countries the influx of old vehicles, “second hand” has been comparable if not even more numerous than that of new cars. [5]

The new car sales served as a catalytic agent for the sales of CASCO policies, but they were not the only factor of growth, on some of the most relevant markets, such as Poland and Hungary the growth rate of the subscribed gross premiums was higher than the increasing of the number of policies.

A similar discrepancy and even more obvious is registered in the RCA segment. In fact, the price of the RCA policies has increased in the majority of the countries, in many cases leading to the customers’ discontent, although the increased prices hardly cover the real value of the risks. [3], [10]

Tabel 6.

Central and Eastern Europe (CEE) - CASCO insurances

Country	Subscribed gross premiums		Evolution	% in subscribed gross premiums general insurances		Regional market quota	
	S1 2016	S1 2017		%	S1 2016	S1 2017	S1 2016
	mil. Euro	mil. Euro	%		%		
Albania	2.51	2.72	8.50	5.58	5.26	0.13	0.12
Bosnia Herzegovina	15.30	16.16	5.64	11.76	11.45	0.77	0.70
Bulgaria	129.81	142.54	9.81	31.62	30.93	6.51	6.13
Czech Republic	309.02	351.85	13.86	17.83	18.97	15.51	15.14
Croatia	58.31	63.90	9.60	13.31	13.91	2.93	2.75
Estonia	49.80	53.63	7.69	33.38	32.57	2.50	2.31
Latvia	47.69	53.34	11.84	20.33	19.85	2.39	2.29
Lithuania	54.69	66.11	20.87	23.77	23.78	2.74	2.84
Macedonia	6.31	6.29	-0.29	9.90	9.75	0.32	0.27
Montenegro	2.70	3.01	11.34	8.31	9.01	0.14	0.13
Poland	729.59	907.09	24.33	21.04	19.80	36.61	39.03
Romania	185.02	195.34	5.58	21.41	22.48	9.28	8.40
Serbia	29.25	34.35	17.41	10.23	10.96	1.47	1.48
Slovakia	124.40	154.95	24.56	26.06	28.02	6.24	6.67
Slovenia	132.69	147.18	10.92	16.66	17.60	6.66	6.33
Hungary	115.66	125.91	8.86	15.46	15.09	5.80	5.42
Overall ECE	1,992.75	2,324.36	16.64	19.64	19.69	100	100

Source : Processing data XPRIMM Insurance Report 2017

Tabel 7.

Central and Eastern Europe (CEE)– RCA insurances

Country	Subscribed gross premiums		Evolution	% in subscribed gross premiums general insurances		Regional market quota	
	S1 2016	S1 2017		%	S1 2016	S1 2017	S1 2016
	mil. Euro	mil. Euro	%		%		
Albania	28.24	32.60	15.42	62.93	63.06	0.85	0.81
Bosnia Herzegovina	79.47	85.68	7.82	61.09	60.72	2.40	2.13
Bulgaria	162.08	180.07	11.10	39.49	39.08	4.90	4.48
Czech Republic	418.27	437.30	4.55	24.13	23.58	12.65	10.87
Croatia	141.33	142.78	1.03	32.26	31.09	4.28	3.55
Estonia	38.97	45.00	15.47	26.12	27.33	1.18	1.12
Kosovo	24.74	24.87	0.50	61.93	60.58	0.75	0.62
Latvia	28.51	34.63	21.46	12.15	12.89	0.86	0.86
Lithuania	76.09	101.53	33.43	33.07	36.52	2.30	2.52
Macedonia	29.29	30.98	5.77	45.98	48.04	0.89	0.77
Montenegro	17.13	17.06	-0.41	52.67	51.07	0.52	0.42
Poland	1,170.85	1,738.15	48.45	33.76	37.93	35.42	43.22
Romania	479.85	460.55	-4.02	55.53	53.00	14.52	11.45
Serbia	118.77	129.15	8.74	41.54	41.22	3.59	3.21
Slovakia	138.82	160.74	15.79	29.08	29.07	4.20	4.00
Slovenia	126.11	132.90	5.39	15.84	15.89	3.81	3.30
Hungary	226.99	267.49	17.84	30.33	32.06	6.87	6.65
Overall ECE	3,305.52	4,021.45	21.66	32.58	34.06	100	100

Source : Processing data XPRIMM Insurance Report 2017

* CEE standing here for Central and Eastern Europe

In the end, another fact worth mentioning, although it took place after the analyzed period, is the coming into force of the first law, which has been specially issued for the RCA sector in Romania.

Property insurances. In 2017 the region of Central and Eastern Europe has experienced several episodes of extreme weather: storms, frost waves and hail in the first

months of the year, followed by an extreme heatwave and severe winds, fires and storms, almost every country of the region was affected at least by one of these severe phenomena. Material damages and victims appeared almost everywhere in the region. Nevertheless, the insurance industry did not experience a serious impact as the most affected areas of the region belong to countries, where property insurances have just poorly penetrated, both regarding dwellings and agricultural properties.[7]

On the whole, the segment of property insurances from Central and Eastern Europe (class “fire risks and associated risks” and other “damages to the property”) has registered in the first semester of the year 2017, subscribed gross premiums to the value of 2.43 billion Euro, with an increase of annually 10 %, representing 13.32 % of the regional portfolio and 20.63 % of the subscribed gross premiums (PBS) non-life CEE.[3]

Table 8.

Central and Eastern Europe (CEE)- property insurances (fire, natural natural disasters and other damages to property, summarized)

Country	Subscribed gross premiums		Evolution	% in subscribed gross premiums (PBS) general insurances		Regional market quota	
	S1 2016	S1 2017		%	S1 2016	S1 2017	S1 2016
	mil. Euro	mil. Euro	%		%		
Albania	5.68	6.84	20.50	12.66	13.24	0.26	0.27
Bosnia Herzegovina	16.01	16.67	4.11	12.31	11.81	0.72	0.68
Bulgaria	63.12	75.63	19.82	15.38	16.41	2.85	3.10
Czech Republic	454.24	495.43	9.07	26.20	26.72	20.52	20.34
Croatia	100.54	103.89	3.34	22.95	22.62	4.54	4.26
Estonia	39.36	42.06	6.86	26.38	25.55	1.78	1.73
Latvia	49.79	47.90	-3.79	21.22	17.83	2.25	1.97
Lithuania	49.73	53.37	7.32	21.62	19.20	2.25	2.19
Macedonia	16.97	15.14	-10.80	26.64	23.48	0.77	0.62
Montenegro	4.33	5.33	23.10	13.31	15.95	0.20	0.22
Poland	659.31	768.28	16.53	19.01	16.77	29.79	31.54
Romania	121.29	126.18	3.79	14.07	14.52	5.49	5.18
Serbia	80.87	84.47	4.45	28.28	26.96	3.65	3.47
Slovakia	121.29	137.47	13.34	25.41	24.86	5.48	5.64
Slovenia	145.86	151.03	3.54	18.32	18.06	6.59	6.20
Hungary	284.46	306.31	7.68	38.01	36.71	12.85	12.57
Overall ECE	2,213.12	2,436.00	10.07	21.81	20.63	100	100

Source : Processing data XPRIMM Insurance Report 2017

* CEE standing here for Central and Eastern Europe

Poland, the Czech Republic and Hungary are the largest markets for property insurances, representing almost 65 % of the regional PBS of this market segment. On one hand, their position is directly proportional to the area of these countries regarding the dwelling stock and agricultural and industrial properties and on the other hand it is due to the high degree of coverage these three countries have achieved. In fact, Poland, the Czech Republic and Hungary are the most efficient countries in this sense: Poland can boast with a degree of coverage in dwelling insurances of about 80%, Hungary too, reports a degree of coverage of over 70 %, while in the Czech Republic over 50 % of dwellings are insured. As of Romania, when taking into consideration the area of the country and the exposure to natural disaster risks should probably be in regional top 3, but has reported a volume of subscribed gross premiums inferior to Slovenia and Slovakia in the first half of the year 2017. [15]

CONCLUSIONS

On the whole, it is expected that the positive trend of the regional economies to stimulate private consumption, while the insurance industries seems to benefit already of the favourable economic milieu, even if there still are various difficulties to overcome, such as the low level of the interest rate. Consequently, 2017 seems to have been a year rather calm and with no extraordinary events. Nevertheless, behind the apparent calm a lot of events are in preparation: legislative changes on European level, which will subdue the markets to a new test of endurance and flexibility, starting with the next year. The lower growth of the life insurance segment has determined a lower weighting within the regional portfolio to 35.4 %, almost entirely in favour of the compulsory motor vehicle liability insurances (RCA) class. The CASCO insurances and property insurances (classes “fire and associated risks” and “other damages to property”, summarized) have maintained their positions in the regional portfolio almost unchanged, respectively 19.7 % and 20.6 %.

On the whole, in the first half of the year 2017 the motor car market of Central and Eastern Europe continued to confront its “historical” problems, registering a certain reinvigoration in terms of subscriptions, especially as a consequence of increasing of the RCA process on the main markets of the region. Nevertheless, this feeling has remained in the first half of year 2017 of a business line full of challenges, which still in search of adequate solutions to improve its profitability. The position of Romania in this top reflects a deficient degree of coverage in dwelling insurances of only ~ 20 %, despite the existence of a compulsory insurance scheme for natural disasters. The lowest coverage degree characterizes especially the emerging markets in the Adriatic region, in some of them, such as Albania or Macedonia just roughly 1 % of the dwelling are insured and even less are covered for disaster risks, too.

If available the data concerning the damages paid for property insurance demonstrate a reduced impact of losses due to severe weather events of the analyzed period. Partially this situation appeared due to the fact, that many of the insured losses have not been completely compensated yet or even occurred after the reporting period, what means that the statistics at the closing of the year may show a different situation. On the other hand, even if at the moment there does not appear a significant peak in the volume of paid damages seems to be good news, as it is just the optimistic transcription of a reality in need of urgent and determined correction measures: the insurance deficit.

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