

## Australia: Insured losses from Tasmanian bushfires reach US\$73 mln

As of mid January, Insurance Council of Australia (ICA)'s CEO Rob Whelan said that insurers have received 725 claims from the Tasmanian bushfires, with insurance losses estimated at AUD69 million (US\$72.8 million).

The ICA is still collecting data from insurers and it was still too early then to estimate what the insurance losses would be, he said.

Meanwhile, the ICA has declared the region around Coonabarabran and the Warrumbungle National Park in northern New South Wales a catastrophe after extensive damage caused by bushfires. This means that insurers had established a taskforce to escalate the industry's response and improve coordination with governments and emergency services, including access to properties and communities when it was safe to do so.

While insurers had anticipated a summer of high bushfire risk, the number and ferocity of the fires experienced so early in the season was of great concern, said Mr Whelan.

Bushfires had been raging in Tasmania, New South Wales and Victoria as the continent experienced scorching conditions in a record heatwave of almost 50°C.



Mr Rob Whelan

## Australia: BMS opens Sydney office

BMS Group, an independent global broker, has opened its Sydney office last month, its first office in the Asia-Pacific region.

The office will be led by Australia-based facultative broker, Mr Glenn Kerr. Mr Kerr, formerly of Aon Benfield, joins the BMS Wholesale team led by Chief Executive Nick Cook. He is tasked with leading the continued growth of BMS' wholesale and facultative business in the Asia-Pacific region.

Chief Executive Nick Cook said: "The opening of our Sydney office demonstrates BMS' commitment to expanding the global wholesale division and further enhances our product offering to our clients. Strategically Asia Pacific is fundamental to our growth plan and under Glenn's leadership we look forward to building our platform in the region."



Mr Glenn Kerr



Mr Nick Cook

## China: CIRC warns insurers against regulatory breach

Nineteen insurers including China Life and Ping An were sent notices by CIRC last month, warning them to stop breaching regulations and to carry out internal checks and report back to the regulator by 15 March. Five of the insurers were also banned from conducting new business.

The insurers were said to be conducting unlawful practices including collecting commissions illegally and falsifying the numbers of brokers and agents they used.

## Carlyle Group expects US\$4 bln profit on China exit

American private equity firm Carlyle Group is ending its lucrative presence in China with the sale of its remaining stake in the country's third-largest insurer, China Pacific Insurance Co (CPIC), for US\$792 million, according to the media.

Carlyle will close its China books with a total profit of more than \$4 billion, five times the \$800 million it invested in CPIC between 2005 and 2007 for a 17% stake. And should the sale succeed, it will have exited the business with its largest dollar profit on an investment, it was reported.

The latest share sale would bring Carlyle Group's total return on its investment in China Pacific to around \$5.2 billion. Carlyle has conducted at least six share sales since CPIC held its initial public offering in 2009. In the latest round, Carlyle is selling around 203 million shares, or 7.3% of China Pacific's Hong Kong-listed shares, for HK\$30-HK\$30.3 (US\$3.87-\$3.90) a share.

## China: Guangzhou mulling over insurance exchange proposal

The Guangzhou Municipal Committee is mulling over numerous proposals urging for the setting up of an insurance exchange in the province. Presently, Shanghai, Shenzhen and Beijing are all planning their own insurance exchanges.

The proposals said that the exchange will have strong cash flow and information flow and will enable cooperation with global insurance and reinsurance market, with the eventual goal of contributing to the Guangzhou foreign exchange settlement and offshore financial business.



Guangzhou, China