

Young Insurance Professionals Programme (YIPP)

Course 01: Introduction to Reinsurance

Course Overview

The origin of insurance and reinsurance can be traced back to the age when the idea of mutual aid as well as trade by barter were propagated. Then, if a member of the community suffered loss, such as the destruction of the house, or the loss of crops, family and friends would help the individual to rebuild the house, or provide food or seeds to ensure survival – if such resources were available. However, as economies evolved, the concept was formalized.

Reinsurance is the insurance of insurers. In this Reinsurance course, you are introduced to its principles and applications. You study the main types of reinsurance and their contribution to and importance in maintaining a stable insurance industry. This course requires you to have a strong basic understanding of property, liability and automobile insurance.

This interactive course provides an overview of the development of the reinsurance market necessary to understand current practice, giving delegates an insight into the key issues facing the market today and in the future.

Course Objectives

At the end of this course delegates will:

1. Understand the origins of insurance and reinsurance
2. Be able to apply these subjects in the context of the general development of commerce and business throughout the world.
3. Recognize the role of commerce and innovation in insurance and reinsurance.

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Course Outline

1. History of Insurance and Reinsurance

- 1.1. Origin of Insurance
- 1.2. The First Insurance Companies
- 1.3. The Early Professional Reinsurers
- 1.4. The Development of Reinsurance in Africa
- 1.5. The Basis of Modern Insurance

2. Definition of Insurance

- 2.1. Definition
- 2.2. Spreading Risks: from Policyholders to Reinsurers
- 2.3. Parties to a Reinsurance Contract
- 2.4. Legal Principles Applicable to Reinsurance
- 2.5. Similarities and Differences between Insurance & Reinsurance

3. Players in the Reinsurance Market

- 3.1. Buyers and Providers of Reinsurance
- 3.2. Reinsurance Intermediaries

4. Why Insurance Companies Need Reinsurance

- 4.1. Loss Limitation
- 4.2. Provide Capacity to the Reinsurer
- 4.3. Create Financial Stability

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4.4. Protect Solvency Margins

4.5. Provide Value Added Services

5. Basic Forms and Types of Reinsurance

5.1. Facultative Reinsurance

5.2. Treaty Reinsurance

6. Documents Related to Reinsurance

6.1. Intermediary's/Reinsurer's Cover Note

6.2. Reinsurance Treaty Agreement

7. Conclusion

8. Appendix

General Information

Course Format: Online

Duration: 3 Hours in one sitting, 10 days for self-paced

Target Audience: Those new to reinsurance

Delivery Approach: Case Studies, Aptitude Tests, Examples