

## State-owned short-term insurer shows strong results

Service delivery protests were responsible for 80% of R1.5bn-worth of claims received by the state-owned short-term insurer, Sasria, while labour strikes accounted for the balance in the financial year 2018



Gross written insurance premium reached R2.1bn for financial 2019, up by 8.8% from R1.9bn the previous year. This growth is at the back of a slow economic growth, Sasria has grown its revenue by 8.8% against CPI.

In the past five years, Sasria received over 16,000 claims valued at over R4.6bn.

The balance sheet remains strong, with total assets worth R8.4bn, up 5.7% from a year ago, ensuring the ability to honour current and future claim obligations. Sasria currently holds 2.7 times the amount of capital that the Prudential Authority requires Sasria to hold.

Sasria has once again earned a clean audit for its operations and activities for seven years running.

Sasria had delivered on its five-year strategy to serve as a mature, professional and financially sustainable organisation, says managing director, Cedric Masondo. "We are committed to stretching our strategic goals to deliver on the transformation mandate, while continuing to provide cover against special risks."

### Helping the economy

Sasria was created in response to riots and civil unrest during apartheid, when insurance companies balked at paying compensation to ordinary businesses damaged by the protesting public. Now as Sasria marks its 40th anniversary, recent protests have shown that this special risk insurance cover remains as necessary as ever.

The organisation plays a vital role in supporting the stability of the economy by being the only short-term insurer providing affordable cover against such risks of civil commotion, public disorder, strikes, riots and terrorism to any individual, business, government or corporate entity with assets in South Africa. By covering some losses and damages after disruptive events, Sasria helps its customers to restore their businesses, contributing to economic and social stability and protecting the economy from further job losses.

Future plans include developing alternative products and distribution channels to protect businesses that are not yet insured.

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