

An Emerald that doesn't lose its shine

We talk to Emerald CEO, Bernard Ray about his company's role in underwriting corporate property risks, among other things

Gauteng-based Emerald, the largest Corporate Property and affiliated Engineering Insurance Underwriter in South Africa, says three key words are at the core of its business – professionalism, innovation and integrity.

As an underwriter whose reach extends across the African continent, it has carved its niche in the area of corporate property risks. CEO, Bernard Ray, says typically these will be property risks where the total sum insured exceeds R500 million, or where the risk type requires specific expertise.

"You'll find us participating on the larger gold, platinum and coal mines; freight and passenger rail networks; ports and other infrastructure; State and municipal entities; power generation and telecommunications," says Ray. He says some of Emerald's policyholders have been with the company almost from the start, when it began business in 1999, and most for a number of years.

"Building lasting relationships with our intermediaries and policyholders provides benefits to all stakeholders," says the CEO. "Our underwriters build up a thorough knowledge of the risk and the policyholder's approach to risk management. This allows us to measure the risk better and in turn to provide better and more cost effective products to policyholders".

The company was founded by Gary Corke and Dave Manuel after their successful careers in the short term industry in both England and South Africa.

They wanted to offer something more than what was on offer at the time, providing personalised and solution orientated service to their clients. The business was built on sound

principles and solid ethics which are still espoused in the company today.

It's a Wrap

An additional form of cover provided by Emerald is Riot Wrap. "Emerald can provide SASRIA cover for its South African based risks," Ray explains. "For risks that fall outside of the ambit or extent of the cover SASRIA offers, and for risks on the rest of the African continent, Emerald has an exclusive Lloyds facility that provides a wide range of covers that may, for example, include, Riot, Strike, Civil Commotion, Terrorism, Political Violence, War and Civil War, Kidnap and Ransom, if requested".

Emerald describes itself as a company that celebrates intellect, innovation and initiative,

Recently two Emerald employees, Chris Potter and Linda Dayanand were awarded silver awards for outstanding risk management in the annual Santam Recognition Awards, further testament to the esteem in which the company is held.

Emerald prides itself on "seeking unique ideas," and Ray says this uniqueness is linked to a strong solution orientated approach. "The more complex the risk, the more likely it is that we will find a way to insure it," he says. "That gives us the ability to participate on risks that others are not able to. It may be that we structure the cover differently, or use reinsurance creatively to protect our position".

Outstanding qualities of the mind that make an individual – and a company – truly shine are

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and Ray explains that, despite being a relatively small company with only 46 staff, and given the size of its premium income, it continually punches above its weight.

"We can do this because we firmly believe that we have the most experienced and skilled underwriters and claims technicians in the corporate property insurance market in Africa," says Ray. "This is backed up by professional and motivated finance and administrative teams, we encourage personal growth and are committed to 'growing our own timber'".

what Emerald looks for in its staff. "We wholeheartedly develop our intellectual capital and put this to work for our clients," says Ray.

A Pan-African underwriter

Emerald regard itself as a Pan-African underwriter and has been underwriting African risks outside of South Africa for the past nine years. It currently underwrites risks in about seventeen African territories as diverse as Mauritania and the Democratic Republic of Congo. At the end of 2013 its non-South African, Africa portfolio



accounted for approximately 17% of its total gross written premium.

Emerald is a wholly owned subsidiary of Santam and, explains Ray, "Sanlam in turn has an effective 60% ownership in Santam, so we are firmly part of the Sanlam Group".

Sanlam is the second largest insurance group in South Africa, but with the largest footprint in Africa.

It currently owns businesses in 23 countries worldwide, namely South Africa; Botswana; Ghana; Kenya; Lesotho; Malawi; Mozambique; Namibia; Nigeria; Rwanda; South Sudan; Swaziland; Tanzania; The Gambia; Uganda; Zambia; India; Malaysia; Philippines; UK/Ireland; Switzerland; Australia and the USA.

"Part of our business strategy is to follow the group's footprint and to provide technical and product support for the group's general insurance business in the field of corporate property risks," says Ray.

As for the challenges that lie ahead, Ray points out that South Africa, and indeed Africa as a whole, is part of the globalisation taking place in the insurance industry today.

"More and more we experience the influence of global insurance industry players in our space.

"We believe that it is imperative to create a value proposition that can compete equally in the global arena, which, in a manner of speaking, will create a barrier to entry to the global players.

"To that end we have made sure that our talent is world class, and that our capacity for risk is equal to that of the globals. Currently we have the capacity to write up to US\$100 million per risk for our share and will continue to monitor this for adequacy," says Ray. ▲



Bernard Ray, Chief Executive Officer