

Flash Note

Jordan - Insurance Sector

The Government of Jordan has decided to grant insurance companies various incentives and privileges to stimulate mergers in the sector.

Merged insurance companies will be exempt from income tax and annual fees for a period of three years, and will also be exempt from fees payable in cases of company ownership transfers and capital increases.

The insurance sector in Jordan consists of twenty four companies as of end of 2016. Fifteen companies are engaged in three types of insurance: life, non-life, and medical insurance. Seven companies are engaged in two types of insurance: non-life and medical insurance. One company specializes only in life insurance and one company specializes only in non-life insurance.

The number of listed insurance companies on the Amman Stock Exchange is twenty, with a total market capitalization of JD 297.47 million, as of October 17th, 2017.

Jordan's insurance sector total gross written premiums reached JD 582.94 million in 2016, compared to JD 551.70 million recorded in the previous year. According to Swiss Re Group, Jordan's insurance sector was ranked 81 worldwide in terms of written premiums in 2016.

2016 witnessed the first merger in 25 years between two insurance companies: First Insurance Company and Yarmouk Insurance.

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