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UAE ranked third among leading Shariah compliant markets

BY WILLIAM FARIA

DUBAI: The medical and health insurance sector especially Takaful, an Islamic-compliant insurance concept is witnessing exponential growth, not only in the Middle East region but also globally, industry experts disclosed.

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Speaking to The Gulf Today on Tuesday at the launch of individual health insurance plans, Takaful Emarat's general manager, Ghassan Marrouche explained that emphasis should also be placed on the Blue Collar employees, especially those with limited resources either financially, education wise or low job category.

Takaful Emarat also launched a value-added service for both its corporate and individual health insurance customers, known as 'Second Medical opinion' facility.

Marrouche explained that the new service will help customers the opportunity to seek advice from a doctor or surgeon from UNIQA's team of European health experts in Vienna, Austria, basically to confirm a treatment plan or suggest alternative treatments.

He said the new facility is currently being offered free of charge to all its customers, so as to provide world-class, quality health insurance services.

The general manager said that Takaful Emarat is also mindful of its customers welfare and will ensure that in the event of death, the deceased customer's remains will be repatriated to his country of origin for a very low premium contribution, a service that he said is not being provided by any other companies as such.

He also mentioned that since the Micro Takaful scheme, developed specifically for low-income groups was introduced it has proved to be popular among the customers and has shown signs of positive response. Marrouche said Takaful Emarat was the first company in the region to tackle such a concept, as it helps people from all categories.

He said the company also provide tailor made packages to suit the pockets of individuals, especially those in the low income bracket, but even offering premiums as low as Dhs. 100 per annum for a reasonable policy cover, mainly targeting the poor, as they are more risk bound than the others.

Completing Takaful Emarat's line up of new products and services is the new introduced 'Al Moyassar' plan provides Takaful protection in case of death.

"The plan provides non-stop coverage for a period of upto five years, and aims to help in protecting employees families against losses in the event their primary bread winner is no longer living," said Marrouche.

Islamic insurance firms, also called Takaful operators, are not allowed to invest in interest bearing financial products as it is against the teaching of Islam.

He noted that the region is a competitive market with a large number of players and will drive growth for the industry.

According to industry experts, Takaful insurance is growing at an annual growth rate of 15-20 per cent globally, but it will grow even at a faster rate in Saudi Arabia because premium paid by the insured people is considered as donation and not premium.

Likewise, other Arab States have also experienced a boost in the insurance industry, especially because it has become mandatory for companies to provide health insurance for its expatriate employees, and this has therefore pushed forward the Takaful scheme.

Therefore following this mandatory rule, an increasing number of takaful players in key markets have intensified competition with small local players competing against established conventional players.

This is an indication that Takaful is definitely among the fastest-growing segments of the Middle East insurance market, as certain lines of business has become compulsory and customers are starting to understand its value and importance.

Like many other Islamic finance products on offer, Takaful was first initiated in South East Asia, as it spread its services and products beyond.

We are now seeing a vibrant Takaful segment in the UAE, prompting Takaful Emarat to become a major driver of the growth by offering a comprehensive and tailor-made packages to suit every individual person and corporate.



Officials during the round table meeting in Dubai on Tuesday.

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