

The future of underwriting: Innovation and Africa

 By [Nicci Botha](#)

4 Aug 2016

To survive, the insurance industry needs to become much more innovative and Africa is the future for growth, particularly in the energy sector.

Paul O'Neill, newly appointed board of management member of Allianz Global responsible for the company's energy, marine, aviation and entertainment portfolios, shared his views on the insurance market on a whistle-stop visit to South Africa recently.



O'Neill points out that although the insurance industry has an incredible depth of knowledge dating back to Lloyd's coffee shop in the 1600s, it has to become far more agile in the way it does business to endure in the digital age.

There also needs to be a shift to more client-centric processes. In other words, designing insurance to meet the specific needs of customers, rather than a one-size-fits-all approach, O'Neill explains.

In terms of cyber security, he says companies need to apply best practices to protect cargo across the whole supply chain. "We need to sell the whole shop and we should have a more efficient product across the whole chain."

Oil and gas in the Africa

O'Neill says his company has a well-spread portfolio in oil and gas underwriting globally, even though the oil sector is under strain as a result of the current glut in supply and low crude prices, which has led to less drilling activity.

He is, however, upbeat about the African market, despite political instability in some of the regions where Allianz does business. He cites Nigeria as an example, explaining that although terrorism threats to pipelines is very real, given that they are difficult to safeguard due to the distance they traverse, this risk is usually placed separately.

"It (terrorism) hasn't had an impact on our interests." This is largely due to good intelligence sources on potential "hot" zones. "Loss is what we do, surprises are what we hate."

"Continents like Africa are the future. It's an exciting time to be expanding our network," he says.

Track record

A chemical engineer by training, O'Neill initially worked in the energy industry prior to moving into the insurance sector where he performed risk engineering reviews for the London insurance market.

While working at Lloyd's, he transitioned into underwriting and later joined Allianz Global as the regional manager for energy in Singapore in 2003. He has been global head of marine and energy since 2014 as well as global head of energy, a role which he has held since 2005.

ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

- #WomensMonth: Prudential's Leshni Dial-Harikaran on the beauty of a perfectly balanced spreadsheet - 10 Aug 2021
- #WomensMonth: MWay's Mlogadi Kekana on the importance of financial independence - 6 Aug 2021
- #WomensMonth: Mamedupi Matsipa's passion for finance charted her career path - 5 Aug 2021
- #WomensMonth: Standard Bank's Simone Cooper asks, "How does your business grow?" - 4 Aug 2021
- #WomensMonth: Twané Wessels, product actuary at Just SA - 2 Aug 2021

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>