



To Our Esteemed Partners,

As we approach the conclusion of 2024, I want to reflect on the journey Klapton Re has undertaken and share our vision for the path ahead. This year has been one of growth, transformation, and collaboration, which has all been made possible through your trust and partnership.

### **Growth and Transformation**

2024 has been a defining chapter in Klapton Re's story. We have expanded our footprint across diverse geographies, strengthened our portfolio, and deepened our relationships with clients and brokers. These achievements are not merely milestones; they are a testament to the shared aspirations we hold with our partners.

Our transformation is guided by a clear purpose: to build an organisation that is not only a leader in emerging markets but also a hub where talented individuals can thrive. Klapton Re is a place where ambition meets opportunity, where creativity and technical rigour come together to deliver innovative solutions. Our audacious mission, "Africa Underwriting the World," requires a collective commitment to excellence and a belief in the potential of what we can achieve together.

In this transitional period, gross written premium has been replaced by earned premium on the income statement, while unearned premium reserve, deferred acquisition costs, and trade receivables have been supplanted by insurance contract liabilities and reinsurance assets on the statement of financial position. Moreover, the inclusion of actuarial Risk Adjustments, which represent an additional non-financial risk reserve, complements the existing claim reserves in IBNR. The profitability of insurance products was further highlighted by the expensing of Onerous Contracts for loss-making products.

### **Looking Ahead to 2025**

The year ahead is pivotal, and we are focused on building on this year's momentum with bold ambitions:



**Kudzai  
Bingepinge**  
Chief Executive  
Officer

**Client-Centric Solutions:** We remain steadfast in delivering reinsurance solutions tailored to your unique needs, blending innovation and market insight.

**Market Leadership:** Emerging markets remain at the heart of our strategy, as we continue to understand and address their distinct opportunities and challenges.

**Operational Excellence:** By refining our underwriting practices, diversifying our portfolio, and enhancing our risk management, we are positioning ourselves for sustainable profitability and resilience.

**Collaborative Partnerships:** Strengthening our relationships with clients and brokers is central to our purpose. Together, we aim to create meaningful, value-driven engagements.

### **A Journey Defined by Purpose**

"Africa Underwriting the World" is not just a vision; it is our declaration of belief in the power and potential of emerging markets. It reflects a bold ambition to redefine what's possible, to take pride in our roots, and to contribute meaningfully to the global reinsurance landscape.

This journey is about more than business; it's about building a legacy. It is about creating solutions that matter, supporting our clients as they navigate complexities, and fostering an environment where innovation thrives. Together, we are not just participants in this industry; we are shaping its future.

To our esteemed partners, thank you for your trust, collaboration, and belief in Klapton Re. Your unwavering support inspires us to reach higher, deliver better, and remain committed to the values that guide us.

As we step into 2025, let us continue this journey together - driving innovation, building resilience, and creating a future that reflects the strength of our shared vision.

Best wishes,  
Kudzai Bingepinge







Musonda  
Chisanga  
Chief Financial  
Officer

# Klapton Re's 2024 Milestone: Sustained Growth, Innovation, and Profitability

Klapton Re has continued its strong growth in Q4 of 2024 driven by an increase in distribution capability and client relationships as a result of our effective Go to Market Strategy. As of 30 November 2024, the Company's Gross Written Premium broke the ZMW 2.5 billion barrier representing a year-on-year growth of 118% and maintaining its status as the leading reinsurance company in Zambia.

Having navigated the full impact of the implementation of IFRS 17 in the prior year, Klapton Re has advanced to the next phase of its journey, with a sharp focus on sustainable and profitable growth. The Company has built in house actuarial capacity during the year which is integrating advanced data analytics and cutting-edge technology into our underwriting and claims operations. This has led to a higher insurance service result in 2024 backed by Insurance Revenue of ZMW 2billion, significantly up from ZMW 1 billion in 2023. Overall bottom-line profitability growth is reflected by the increase in total equity from ZMW 318M to ZMW 458M.

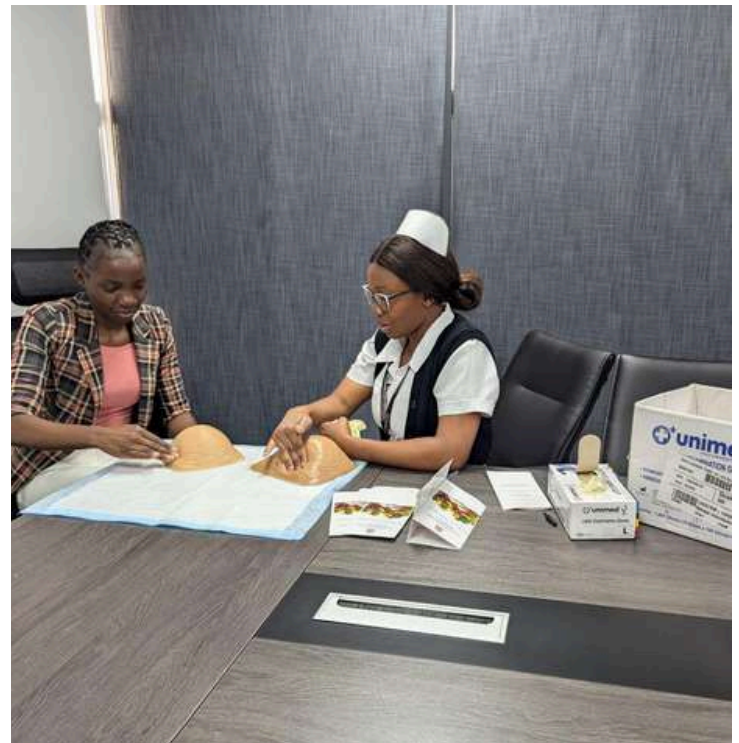
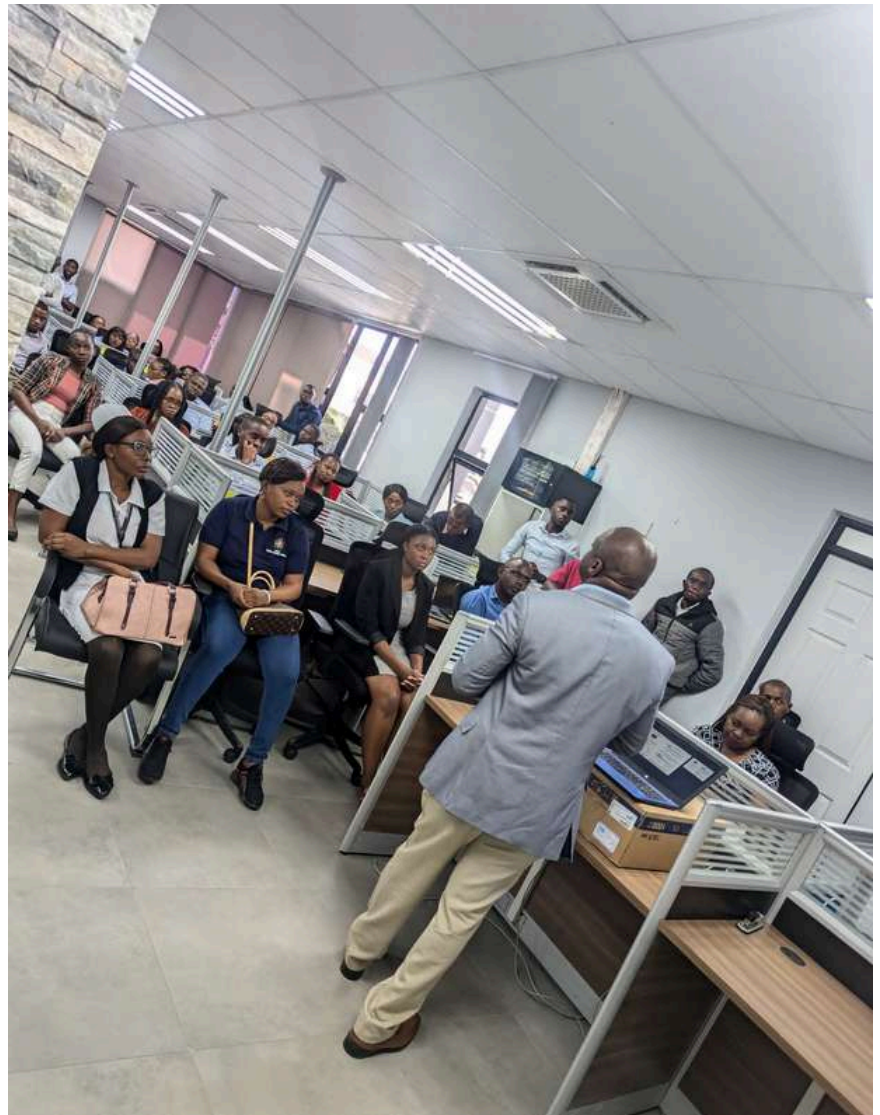
Owing to our geographical premium diversification, being in over 80 countries, the Company has smoothly navigated the local economic challenges arising from the depreciation of the Kwacha and the impact of El Nino during the period due to a significant portion of premium collections being foreign currency denominated. This has enabled the Company to maintain an upward trajectory in its cash and investments portfolio to ZMW 1.1 billion and at the same time double its claims paid in comparison to prior year to over ZMW 350 million . As an outlook to 2025, Klapton Re aims to: build on the impressive profitability growth achieved in 2024; enhance its capital base; and integrate ESG into our operations





## Klapton Re's Cancer Awareness

At Klapton Re, we recognize that health and well-being are integral to both personal and professional life. In October, we were privileged to host a representative from the Ministry of Health's Cancer Diseases Hospital for an informative session on cancer awareness and screening. The discussion highlighted the critical role of early detection, routine check-ups, and maintaining health awareness. Through initiatives like this, we remain dedicated to promoting a healthier community by encouraging education and proactive health care.





## Klapton Re Hosts Agri-Training

Klapton Re hosted an insightful Agriculture Reinsurance Training, exploring how reinsurance can help protect agribusinesses from unpredictable risks. From climate volatility to market challenges, our innovative reinsurance solutions are designed to provide the security needed for sustainable growth.

Klapton Re is here to support with tailored reinsurance programs that safeguard the agricultural industry.





## Klapton Re Attended the 28th AIO African Reinsurance Forum



# The 28th AIO African Reinsurance Forum in Cairo

The KlaptonRe team had the fantastic opportunity to connect with our industry leaders and explore how we can collaborate to drive innovation in this sector. We look forward to engaging with industry professionals and sharing insights to help shape the future of our industry.

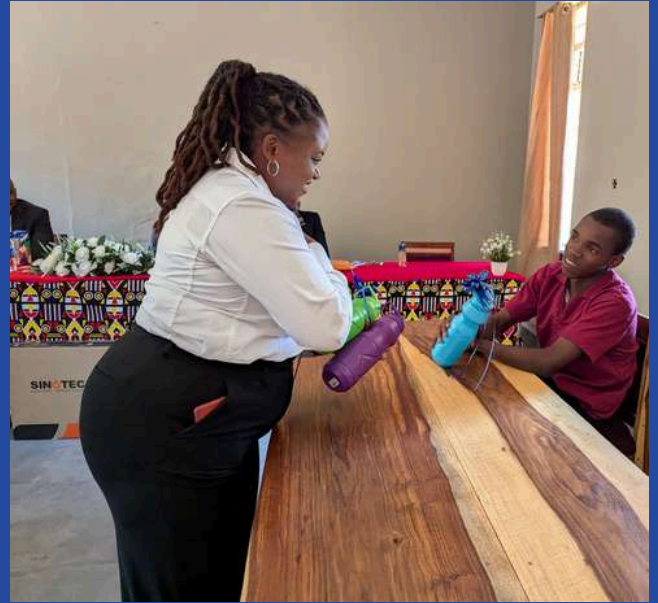




## Klapton Re CSR Project

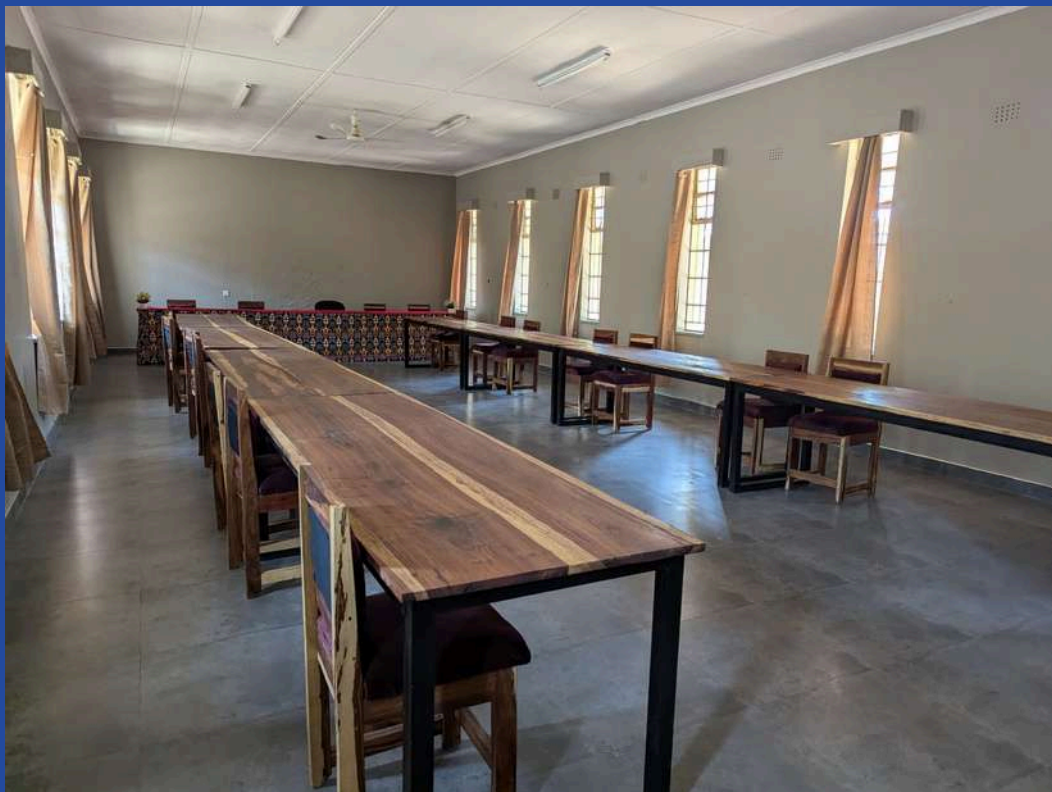
KlaptonRe dedicated itself in refurbishing the dining hall for the special needs unit at Kabulonga Boys School has truly made a lasting impact.

At KlaptonRe, we believe in giving back to the communities we serve, and this project is a testament to that commitment. Together, we've made a difference that will be felt for years to come.





# Klapton Re CSR Project





## Klapton Re 's presence at the IAZ 2024 Conference

Klapton Re was excited to participate in the IAZ 2024 Conference. We engaged in meaningful conversations, explored innovation, and shared insights on building resilience in a changing world.





# How Farmers can Minimise Tobacco Losses After a Hail Storm



**Dean Simuchimba -  
Agriculture Underwriter**

## INTRODUCTION

Tobacco is one of the most traded cash crops on the African continent. It accounts for over US\$2billion dollars in annual trade in the Common Market for Eastern and Southern Africa (COMESA) region. However, Tobacco production like other crops is faced with numerous production risks with the major one being hail. Hail damage accounts for more than 40 percent of Tobacco field losses. Hail risks have been exacerbated by climate change resulting in hail storms with greater intensity and frequency.

As reinsurers and agriculture risk specialists, our first call is to recommend that farmers take up Tobacco hail insurance cover as there is no way of avoiding hail storms especially for farmers in hail prone belts. This however only solves part of the problem. The other part is the action or measures that farmers take to minimise losses after hail damage. This is important because the measures taken help to determine the extent to which the crop recovers and the value that would be derived.

This article briefly highlights some of the key management aspects that farmers should undertake in order to minimise losses and enhance the value of the Tobacco crop after a hail storm. A post hail loss assessment is essential in determining what steps to undertake in order to minimise the losses. A well managed post hail damaged crop has a high chance of recovering, however a number of factors as explained below are instrumental in determining the recovery process.

The recovery of the crop largely depends on the extent of damage, while the extent of damage is influenced by the severity of the storm, the size of the hail stones and the stage of the crop growth. The crop damage is usually characterised by breaking of stems, puncturing of leaves or complete damage of the entire plant. Below we illustrate some of the management practices that need to be undertaken depending on the extent of damage.

## MANAGEMENT FOLLOWING COMPLETE PLANT DAMAGE

In the event of complete plant damage, the timing of the hail strike becomes critical. If the hail damage happens within 3 weeks of planting, the farmer can still replant and recover. However, if there is no nursery to fall back on, the young plants still stand a chance to recover even if the buds are damaged. The farmer is advised to allow the plants to continue growing, then identify aggressively growing suckers that are tendered while the rest of the suckers are manually removed.

If the damage occurs deep in the season from about 8 weeks onwards, replanting is not an option as the crop would not have enough time to recover. In addition the crop becomes vulnerable to other risk factors like viral diseases such as Bushytop. Yields are also seriously compromised as more leaves are damaged when hail strikes in advanced growth stages.

## MANAGEMENT FOLLOWING COMPLETE DAMAGE OF LEAVES BUT INTACT BUD

Where the leaves are completely damaged but the bud remains intact and its in the early stages of plant growth, its recommended to strip off all the remaining leaves and give room for suckers to grow. On the other hand if the damage happens deep in the season, then options become limited to allowing the suckers to grow from the cut stalks.





### MANAGEMENT FOLLOWING DAMAGE OF LEAVES JUST PRIOR TO OR AFTER TOPPING

If the hail strikes just before topping (removal of the flower bud), it is recommended to cut the top part of the plant up to below the damaged leaves in a process referred to as ratooning. It is also required that additional basal fertilizer be added to boost the crop. A ratooned crops recovery largely depends on the time of the season that the hail had struck and also whether or not a suckercide was applied prior to hail damage. A suckercide is applied to prevent growth of suckers so that all the energy is redirected to the leaves. Crops ratooned in the early growth stages produce good quality leaves and still maintain high yields while those ratooned late eg after 8 weeks have reduced yields. Where ratooning happens after topping and a suckercide had been applied, the yields are usually very low. This is because there would be no growth of suckers to support new leaf growth.

### MANAGEMENT OF DISEASES FOLLOWING HAIL STRIKE

Plants damaged after a hail storm strike usually become susceptible to disease attacks such as Angular Leaf Spot which is a bacterial disease. It is therefore imperative that curative measures are taken to prevent outbreaks of diseases by applying plant immune boosting agents like Acibenzolar-s-methyl.

### CONCLUSION

While insurance protects farmers from financial loss in the event of a hail strike, this does not take away the farmers responsibility to implement measures that help to minimise losses following hail damage as this is a policy requirement. It is also worth noting that insurers should take keen interest in the measures taken to minimise losses as this significantly influences the final adjustment payout.

As KlaptionRe, our expert knowledge of the crop coupled with our exposure to managing Tobacco insurance portfolios spanning different markets has placed us in a vantage position to offer expert insights on a broad range of Tobacco risks that are beneficial for both farmers and cedants.





## INTERESTING SOUTH AFRICAN NFO (FORMERLY OMBUDSMAN MATTER)



**Danny Joffe - Board Non  
Executive Director**

Often, when one thinks that after dealing with a complicated claim, the next one based on a similar principle becomes easier, the smallest changes to the facts can make a big difference in how a claim is resolved.

I will explain what I mean by way of a recent example.

### NAVIGATING POLICY AMBIGUITIES

The issue of the insured driver speeding in a motor vehicle always poses interesting arguments, especially when the policy does not have a specific speeding clause.

The example I want to discuss involves a clause stating that the driver of the insured vehicle should not expose the vehicle to unnecessary risks, such as bush or dune bashing. This clause specifically addresses the driver not taking actions likely to cause damage to the vehicle, which goes beyond a standard lack of due care clause. However, it does not extend to a clause that explicitly excludes losses if the driver of the insured vehicle is speeding.

In our example, the clause was the former type, while the driver was traveling at a speed exceeding 40 kilometres above the limit. The insured argued that they believed they were about to be hijacked and, therefore, were not acting recklessly.

### A tough onus to discharge

The courts have previously decided that in cases involving the lack of due care clause or the requirement for the policyholder to take reasonable precautions to prevent loss, insurers must prove that the driver was reckless and knowingly accepted the risk of potential loss by driving at a reckless speed. It's a tough onus to discharge.

With the second clause I mentioned, which states that the driver exposes the vehicle to risk, this clause may still require an element of recklessness to be proven. If the driver reasonably believed they were about to be hijacked, a court might understand the reason for their speeding.

In the case of a straightforward speeding exclusion, the only things the insurer would need to prove are that the driver was speeding, the extent of the speeding, and that the excessive speed was material to the loss - that is, it caused the loss.

In our example, there are two different aspects to consider. First, has the insurer reasonably proven the speed of the driver of the insured vehicle, and does this speed indeed expose the vehicle to risk? This is an untested proposition; however, it may be accepted that driving the vehicle over 40 kilometres per hour on the highway at night, for example, would expose the vehicle to risk. This is one of those matters where the facts of each case will be important.

Secondly, can it be said that the driver had a reason to act as they did (such as fearing an imminent hijacking), and would this provide a basis to defend their position? Insurers will argue that any action exposing the vehicle to risk is excluded, but reasonableness will always play a role in cases concerning negligence and will need to be debated.

### Technology and driving accountability

As technology improves and vehicles become more advanced it is easier to prove the actual speed the driver was going at. Recklessness remains an issue, but the driver would need to provide a reasonable probable reason for their speeding, the NFO will not

simply accept any basis, specifically where the version supplied by the insured changes, depending on the insurer's response. More insurers are becoming concerned with excessive speeding by their clients and wordings are being amended accordingly. I expect these matters to grow with the NFO and our courts. Public policy also demands that insurers as good corporate citizens, not reward drivers for behaviour that causes more accidents and injuries on our roads but at all times, the policy wording will need to be strong enough to allow for the insurer's arguments.





# How Global Trends Are Influencing Zambia's Financial Markets



**Charisa Mulenga -  
Treasury Officer**

Zambia's financial landscape continues to reflect the effects of global economic conditions, particularly through commodity prices, interest rates, and geopolitical developments.

## 1. Commodity Prices:

Copper, Zambia's primary export, has experienced fluctuating prices, currently averaging around \$9,109 per metric ton. Global demand remains volatile due to concerns over China's economic slowdown and fears of a recession in key markets. However, the global shift towards renewable energy offers long-term opportunities for increased copper demand, vital for Zambia's export revenues.

## 2. Interest Rates:

The Bank of Zambia has maintained the policy rate at 14% to address inflation, which remains above the target range at 15.7% as of October 2024. This is influenced by global interest rate hikes, particularly from the U.S. Federal Reserve, which have increased borrowing costs and exerted downward pressure on the Kwacha.

## 3. Geopolitical Dynamics:

Global conflicts and energy transitions are shaping trade and investment flows. Higher oil prices, resulting from geopolitical tensions, have increased production and transportation costs locally, further affecting inflation and consumer purchasing power.

## Strategic Recommendations:

- **Diversify Export Markets:** Explore partnerships with economies driving the energy transition to stabilize demand for Zambia's copper.
  - **Adopt Currency Hedging:** Protect against Kwacha depreciation due to global interest rate pressures.
  - **Leverage Renewable Energy Investments:** Position Zambia as a leader in green initiatives, reducing dependency on global fossil fuel prices.
- Adapting to these global trends will enhance resilience and growth in Zambia's financial markets, fostering economic stability in a rapidly changing global economy.





# UNDERSTANDING TREATY UNDERWRITING IN REINSURANCE



**Manondo Chaponda - Treaty Underwriting Manager**

Treaty underwriting is the cornerstone of modern reinsurance, enabling insurers and reinsurers to manage risks collectively while fostering financial stability. By establishing a predefined agreement, insurers can efficiently transfer portfolios of risk to reinsurers without requiring the cumbersome evaluation of individual policies.

## Key Benefits of Treaty Underwriting

### Consistency in Risk Management

Treaty arrangements provide a structured approach to risk transfer. Once the terms are set, reinsurers automatically assume responsibility for the agreed-upon portfolio. This predictability strengthens the insurer's ability to plan for the future while ensuring the reinsurer has clarity on their exposure.

### Operational Efficiency

Treaty underwriting eliminates the need for case-by-case assessments, reducing administrative burdens. This streamlined process not only saves time but also allows both insurers and reinsurers to focus on strategic growth, underwriting profitability, and market positioning.

### Reliable Risk Sharing

By creating a stable framework for managing risks, treaty agreements enhance operational resilience. Whether in periods of natural disasters or economic uncertainty, treaty underwriting ensures that claims responsibilities are clearly defined, minimizing disputes and ensuring prompt payouts.

## Types of Treaty Reinsurance

### Proportional Treaties

In proportional arrangements, the reinsurer agrees to share a fixed percentage of premiums and claims. For example, in a 70/30 quota share treaty, the reinsurer would receive 30% of the premiums and pay 30% of claims. This type of treaty is ideal for portfolios with stable, predictable loss ratios.

### Non-Proportional Treaties

Non-proportional treaties, such as excess of loss (XoL) agreements, activate when claims exceed a predefined threshold. This approach is particularly effective for protecting insurers against catastrophic losses, as the reinsurer only intervenes in high-severity events.

### Strategic Importance in the Industry

Treaty underwriting plays a pivotal role in the reinsurance ecosystem. For insurers, it offers the capacity to underwrite larger volumes of business while maintaining financial stability. Reinsurers, in turn, benefit from predictable revenue streams and diversified risk exposures.

From a macroeconomic perspective, treaty agreements contribute to market stability by ensuring that major risks—such as those posed by climate change, pandemics, or geopolitical disruptions—are shared equitably across the industry.

### A Collaborative Commitment

At its core, treaty underwriting is more than just a contractual arrangement—it's a partnership. Reinsurers and insurers work hand in hand to ensure that risks are managed effectively, enabling growth and resilience in an increasingly complex risk environment.

With three decades of experience in treaty underwriting, the value of these arrangements becomes increasingly clear: they are not just tools for managing risk but essential pillars of the global insurance and reinsurance markets.





# The Importance of Collaboration Between Underwriting and Claims in (Re)Insurance by the Claims Department

In (re)insurance, underwriters make promises, and claims teams fulfill them. Both roles are crucial, but they often operate in silos, leading to inefficiencies. Strengthening collaboration between these teams is vital to improving risk management, customer satisfaction, and operational efficiency in a fast-evolving insurance landscape.

Underwriters assess and price risks, setting the foundation for policies. Claims handlers, in turn, manage claims to ensure policy terms are honoured. A lack of understanding between these roles can create friction. For instance, complex policy wording might lead to claims disputes, delaying settlements and frustrating customers. By working together, these teams can ensure policies are clear and practical, reducing disputes and improving outcomes.

Claims teams hold valuable insights into trends, like a rise in claims for certain sectors. Sharing this data helps underwriters refine pricing and coverage strategies. For example, frequent machinery breakdown claims might prompt stricter underwriting criteria or tailored maintenance endorsements, reducing future losses.

## Streamlining Claims Processing And Driving Innovation Together

Collaboration ensures smoother claims processes. For instance, clear communication between teams can align claims procedures with the intent of underwriting terms. This reduces settlement delays, bolsters customer trust, and strengthens the (re)insurer's reputation.

Technology adoption benefits from combined expertise. Artificial intelligence can enhance underwriting risk models while helping claims teams detect fraud. For example, shared input on predictive analytics tools ensures better alignment with real-world needs, maximizing efficiency across both functions.

Analysing historical data serves as a valuable benchmark for evaluating performance and guiding decision-making across both functions. For example, the Underwriting team can leverage claims data to assess performance across various business types, classes, and regions. These insights help identify which types of business to prioritize and which to scale back, thereby enhancing risk management and profitability.

## Conclusion

Collaboration between underwriters and claims handlers transforms inefficiencies into opportunities. By fostering open communication, sharing insights, and aligning goals, insurers can create more effective policies, resolve claims efficiently, and build lasting trust with clients. When promise makers and keepers work hand-in-hand, the result is a stronger, more resilient industry.





## Quarterly Movers and Shakers: Spotlight on Key Personnel Changes!



### **Chongo Nkalamo Assumes Head of Risk Insights & Actuarial**

We're excited to announce that Chongo Nkalamo joined Klaption Re as Head of Risk Insights & Actuarial, on November 1, 2024. Chongo's deep expertise in risk management, actuarial science, and data analytics will play a pivotal role in enhancing our ability to drive sustainable, long-term growth and position us for success in an evolving reinsurance landscape.

In this role, Chongo leads the development of our pricing, reserving, capacity management, and capital modelling capabilities. These areas are critical to ensuring that Klaption Re continues to make informed, data-driven decisions that optimize portfolio performance and risk assessment. Additionally, he will oversee the company's risk insights strategy, equipping us with the foresight needed to anticipate market shifts and steer our portfolio effectively through the reinsurance cycle.

Chongo joins us from Prudential Africa, working in the Zambian Office, where he successfully led the Actuarial and Data Analytics function, driving IFRS17 implementation across multiple markets and developing advanced predictive analytics models. His track record of translating technical data into actionable business strategies will be a huge asset as we continue to strengthen our risk management and portfolio steering frameworks.



### **Klaption Re Welcomes Isheanesu Wadaya as Head of Strategic Market Development**

We are excited to announce the appointment of Isheanesu Wadaya as Klaption Re's new Head of Strategic Market Development. Reporting directly to our Deputy CEO, Isheanesu will be responsible for overseeing the P&L generated from our origination hubs and driving market development across our underwriting and delegated authority channels.

With over a decade of reinsurance experience, Isheanesu most recently held the position of Cluster Head for Middle East & Africa at Santam Re, where he was instrumental in strengthening market relationships and delivering business growth. His deep expertise in underwriting and market strategy will be pivotal as we refine our focus across the EMEA region.

In this role, Isheanesu will be a critical link between market development and our Underwriting leadership team. His wealth of underwriting knowledge will ensure our teams are equipped with the insights and intelligence needed to innovate and differentiate Klaption Re in this competitive landscape. This strategic alignment will sharpen our competitive edge and advance our growth ambitions in our chosen markets.



## Quarterly Movers and Shakers: Spotlight on Key Personnel Changes!



### Welcome Our New Data, Analytics, and Technology Lead: Daniel Mhango

We are excited to announce that Daniel Mhango has joined Klaption Re as our new Data, Analytics, and Technology Lead. With a strong background in Actuarial Science and extensive experience in data management, Python automation, software development, systems management, and database optimization, Daniel is uniquely positioned to bring a multidisciplinary perspective to his role.

Daniel's actuarial expertise spans General Insurance Reserving and IFRS 9 Credit Modelling, including the development of automated, tailored solutions that enable businesses to efficiently run these computations. This combination of technical proficiency and actuarial insight allows him to bridge the gap between data, technology, and business operations, driving impactful improvements across departments.

In his new role, Daniel will focus on building a comprehensive data and analytics framework to enhance portfolio management, risk assessment, and operational efficiency. His ability to integrate insurance, actuarial, and technological knowledge will be key in optimizing systems and delivering actionable insights that align with Klaption Re's strategic objectives.

Please join us in extending a warm welcome and best wishes for his success in this exciting role!



### Klaption Re Appoints Dumisani Dhlamini as Head of Claims

Klaption Re is pleased to announce the appointment of Dumisani Dhlamini as the new Head of Claims. With an impressive 40 years of experience in managing large and complex claims, Mr. Dhlamini is a highly respected figure in the African insurance and reinsurance industries.

Having previously served at Africa Re, Mr. Dhlamini is renowned for his proactive client engagement, strategic insight, and commitment to knowledge sharing within the sector. His reputation as a subject matter expert stems from his ability to handle high-stakes claims with precision and guide successful outcomes in some of the most challenging environments across the continent.

In his new role, Mr. Dhlamini will lead Klaption Re's claims department, driving operational excellence and ensuring that clients receive the highest standards of service. His extensive experience will be pivotal in advancing Klaption Re's claims management capabilities and reinforcing its leadership position in the reinsurance market.



## Quarterly Movers and Shakers: Spotlight on Key Personnel Changes!



**We are pleased to announce that Manondo Chononda has joined Klaption Re as Treaty Underwriting Manager**

Manondo brings extensive expertise in both insurance and reinsurance underwriting, with a strong foundation in technical reinsurance accounting, risk analysis, and client relationship management. His academic credentials include a Bachelor of Arts degree in Economics from Zambia Catholic University, and he is currently advancing towards achieving his Chartered Insurance Institute (CII) professional qualifications.

With his wealth of experience and commitment to excellence, Manondo is poised to make significant contributions to the success and growth of Klaption Re.





# ZAMBIA'S 2024 INFLATION MOVEMENT AND IT'S IMPACT ON THE ECONOMY



**Aaron Machaliwa - Assistant Accountant**

High inflation undermines purchasing power, erodes savings, and dampens economic growth by reducing investments and private consumption. It also undermines macroeconomic stability and affects both short and long term economic growth.

What, then, is inflation? Inflation is an economic concept that refers to a gradual increase in the prices of goods and services across an economy over time.

Zambia experienced prolonged episodes of high inflation prior to the mid-1990s. Inflation was less than 1% in 1964 but rose rapidly thereafter and exceeded 180% by 1993. The key drivers of inflation during this period were excessive money supply growth induced by fiscal deficit financing, pass-through from the sharp depreciation of the Kwacha and supply shocks (Mwenda, 1997; Mwansa, 1998; Pamu and Simuchile, 2004; Mutoti, 2006) (Inflation Dynamics in Zambia; Jonathan M. Chipili, Research paper 484)

Zambia has grappled with high inflation, posing challenges to maintaining it within the 6-8 percent target band.

### Year-on-Year Inflation – (November 2024 at 16.5 Percent)

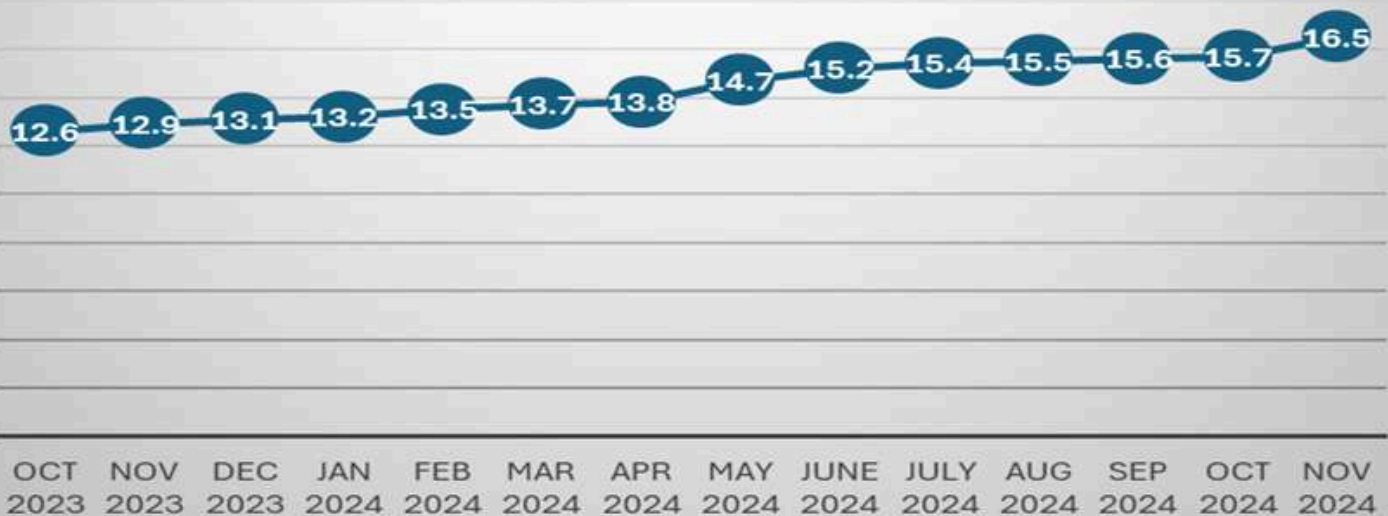
Annual inflation for November 2024 increased to 16.5 percent from 15.7 percent recorded in October, 2024. This means that on average, prices of goods and services increased by 16.5 percent in November 2024 in comparison to 12.9% in November 2023. This development was mainly attributed to price movements of food items.

The impact of the El nino which has exacerbated the countries climatic weather conditions leading to drought. A prolonged drought has weakened the domestic currency and caused food shortages, forcing Zambia to import food and electricity at a high cost.

### EFFECTS ON THE ECONOMY

- **Reduced purchasing power:** High inflation reduces the value of money, making it harder for consumers to afford goods and services.
  - **Eroded savings:** Inflation can erode the value of savings over time.
  - **Slowed economic growth:** Inflation can reduce investments and private consumption, which can slow economic growth.
  - **Weakened currency:** Inflation can weaken the local currency, which can make it more expensive to import goods and services.
  - **Increased prices:** Inflation can cause prices to rise, especially for food.
- At its November 11-12, 2024 meeting, the bank of Zambia through its monetary police committee decided to increase the Monetary police rate by 50 basis points to 14 percent from 13.5 percent.

## Movement in inflation rates



**Figure 1: Annual Inflation Rate, October 2023 – November 2024 (%) - "Zambia Statistics Agency"**



## Our Products and Services



### Agriculture Reinsurance.

We offer various protection coverage for material damage loss to crops and livestock from perils such as disease, flood, fire, drought, storm, hail and wind, to name a few.

### Aviation Reinsurance

We offer Aviation Hull, War and P&I, Aviation Cargo material damage cover and Liability risks protection for aeroplanes or helicopters for private and business purposes



### Engineering Reinsurance

Klaption Re offers a wide range of engineering-related products, such as plant all risks, contractors all risks, single projects / annual projects, erection all risks, machinery breakdown, heavy equipment all risks and electronic equipment.

### Fire Reinsurance

We work hand in hand with our clients to provide products and policies that meet their needs. Our fire protection includes business interruption and consequential loss of profits



### Marine Reinsurance

we offer a wide range of products that protect against damage to the ship and cargo at sea or inland waterways in transit. In addition, we have extended cover risks that other reinsurers may be reluctant to cover, such as oil spillage and pollution



## Our Products and Services



### Motor Reinsurance.

Our policies are designed to relieve you of the financial burden you would sustain if you were involved in a road or car accident. Our products have a wide coverage from third party liabilities to damages to own vehicles arising from risks such as fire, theft, property damage etc. we cover both private and commercial vehicles.

### Surety Bonds Reinsurance

We offer a wide range of solutions and capacity for your regular guarantees, such as advance payment, performance, removal in transit, maintenance, retention, security, bid/tender bonds, and contract guarantees



### Health & Medical Reinsurance

Health insurance is an agreement in which an insurance company agrees to pay for some or all of the insured's medical expenses in exchange for a monthly premium payment.

### Credit Life Reinsurance

Credit life insurance is generally a type of life insurance that may help repay a loan if the insured should die before the loan is fully repaid under the terms set out in the account agreement. This is optional coverage. When purchased, the cost of the policy may be added to the principal amount of the loan



### Group Life Reinsurance

A group life insurance policy provides life cover protection to multiple individuals under single or master contract policy. The insurance company does not have to go through the tedious process of filling out applications or conduct medical tests for each applicant.

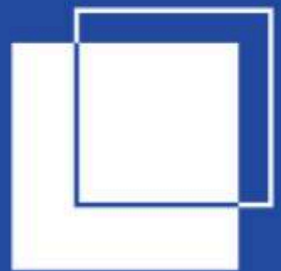
### Funeral Reinsurance

Funeral insurance is a financial cover for a family to pay for funeral costs or other end-of-life expenses after you pass away. It can also cover major setbacks like a terminal illness or accidental serious injury.





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