

Reinsurance, Innovation, and Risk: Critical Questions for the Global Market

The industry is moving from a reactive model—responding to losses—to a proactive model of preventing them



Fateh Beckdache, Chairman and CEO of AROPE Insurance in Lebanon

Chairman and CEO of AROPE Insurance in Lebanon, a position he has held for many years, contributing significantly to the local and regional insurance industry. He is also the Chairman of AROPE Egypt Properties and AROPE Egypt Life, and General Manager of Arope Solutions in UAE. He previously held various other roles, including Vice President of the Association of Insurance Companies in Lebanon (ACAL) and a board member of the National Insurance Board (NIB). Strategic Shifts and Global Challenges The industry is moving from a reactive model—responding to losses—to a proactive model of preventing them. How beneficial

will this shift be for insurers and reinsurers?

For nearly seven decades, the Rendez-Vous de Septembre has united insurers, reinsurers, and brokers in Monte Carlo to shape the industry's direction ahead of renewals. The 2025 edition underscored the sector's adaptability, with conversations spanning cyber growth, capital optimization, AI-driven claims, and the evolving geopolitical landscape. The following questions capture the most critical themes raised during the event.

BL: What are your perspectives on the current reinsurance market in the region, particularly regarding the evolution of terms

and conditions? Is it accurate to describe this as a measured softening rather than a full pricing reversal?

Fateh Beckdache: The regional reinsurance market has eased somewhat compared to the sharp hardening of the last few years. I would describe this as a measured softening rather than a full pricing reversal.

Capacity is coming back selectively, and we've seen some slight moderation on rates for non-loss-affected portfolios. That said, terms and conditions remain stricter than they were before 2020, and reinsurers are still disciplined on retentions, exposures, and profitability.

In essence, the market is finding a healthier balance, more open to negotiation, but without sliding back into the aggressive price-cutting we experienced in earlier soft cycles.

BL: Will the January 2026 renewals be shaped more by capital abundance and product innovation?

Fateh Beckdache: I believe the January 2026 renewals will reflect both capital abundance and product innovation.

We are seeing more capacity entering the market, from both traditional reinsurers and alternative sources, which is easing pressure on pricing.

At the same time, innovation is becoming a key differentiator whether through AI solutions, or ESG-linked products.

Reinsurers remain focused on sustainable terms and underwriting discipline. Overall, renewals should strike a balance: competitive on capacity while increasingly shaped by innovative solutions.

BL: Should insurance and reinsurance companies optimize their capital stack and align it more closely with their strategic objectives?

Fateh Beckdache: Optimizing the capital stack and aligning it with strategic objectives is essential for both insurance and reinsurance companies.

Capital should be deployed in a way that balances resilience and growth. In addition, with today's environmental risks and competitive pricings, capital optimization should be a strategic lever to strengthen com-

petitiveness and seize new opportunities.

BL: How has the cyber insurance market transformed from virtually non-existent 15 years ago into a \$16 billion sector today?
Fateh Beckdache: Cyber insurance market grew remarkably, from an emerging specialty to a mainstream line of business.

As digital transformation accelerated, and with it the rise of ransomware, data breaches, and regulatory requirements, demand from corporates grew exponentially.

Insurers responded by building expertise, developing underwriting models, and partnering with reinsurers to manage volatility.

BL: How important is it to launch a dedicated Tech Errors & Omissions (E&O) underwriting practice?

Fateh Beckdache: I think having a dedicated Tech E&O practice has become very important. Technology now runs through almost every business, and when things go wrong, whether it's a software failure or a service outage the financial and reputational damage can be huge.

Clients are asking for clearer, more tailored protection, and you can't really meet that demand without people who truly understand the risks.

With technology expanding and evolving, launching a dedicated Tech Errors & Omissions (E&O) underwriting practice is becoming a strategic necessity for insurers and reinsurers who want to stay relevant in a tech-driven economy. It enables better understanding of risks, product innovation and market positioning.

BL: Do you agree that artificial intelligence is set to profoundly impact claims handling? In what ways?

Fateh Beckdache: Yes, AI will have a big impact on claims handling.

We're already seeing automation in routine tasks like document review and fraud checks. This speeds up simple claims and frees people to handle the complex ones. AI also improves accuracy by spotting patterns in large data sets. In the end, it should help deliver faster settlements and a better overall claims experience for clients

BL: How can organizations accelerate digital transformation and unlock new growth opportunities?

Fateh Beckdache: In my opinion, digital transformation is not just about technology, it's about mindset.

Organizations need to invest in systems but also in training people to use them effectively. Partnering with insurtechs can speed up innovation and open new channels.

Data analytics and AI should be used to better understand customer needs and design products around them. Most importantly, leadership has to set the tone in making digital part of the culture so growth opportunities naturally follow.

BL: What insurance products are most urgently needed to address the risks of emerging industries?

Fateh Beckdache: The most urgently needed insurance products for emerging industries are those that address the risks shaping today's economy. This includes specialized coverage for cyberattacks, AI and autonomous technologies, climate and natural disaster exposures, and supply chain disruptions.

BL: How will climate-related litigation and liability exposures reshape reinsurance strategies in the coming decade?

Fateh Beckdache: We're already seeing how climate litigation is changing the game for reinsurers. Over the next decade, strategies will shift through tighter underwriting, smarter modeling, new product design, and stricter contract wordings.

Many will also reduce exposure to high-carbon assets. The pressure from lawsuits on corporates and insurers means reinsurers can't just be passive backers anymore, they have to actively manage climate liability.

BL: To what extent can alternative capital (e.g., catastrophe bonds, ILS) complement traditional reinsurance in narrowing the global protection gap?

Fateh Beckdache: Alternative capital, like catastrophe bonds and ILS, can play a bigger role in narrowing the protection gap. It brings new investors and extra capacity at a time when climate risks are rising. These tools also diversify risk beyond traditional reinsurers, helping make coverage more accessible. They won't replace reinsurance, but used alongside it, they strengthen

resilience and extend protection to more regions.

BL: What are the latest developments at Arope Insurance?

Fateh Beckdache: Arope is steadily reinforcing its position as a leading provider of innovative insurance solutions.

On the digital front, we launched an e-commerce platform that allows clients to purchase policies online. In addition to a dedicated client space for clients to conveniently access and manage their portfolio.

We have also introduced two pioneering products: Medical Continuum-Link, which ensures continuity of medical coverage for Lebanese expatriates returning home, and Motor Mileage, a comprehensive motor insurance policy based on pay-per-kilometer usage.

And speaking of sustainability, we began adopting ESG standards in 2023, becoming one of the first 100 companies in Lebanon to do so, and we have been officially certified by the Ministry of Environment for reporting our carbon footprint emissions.

In UAE, Arope Solutions plays a role in driving digital transformation through the Doozy platform, where we launched "Pay As You Go" motor insurance product.

In Egypt, Arope Property & Casualty Insurance and Arope Life Insurance continue to achieve steady and sustainable growth, offering comprehensive and flexible products and services that meet customers' aspirations.

We continue to strengthen our presence in Syria through Arope Syria, by expanding our range of services in line with the recent developments.

We look upon the future with confidence and optimism, driven by our determination to deliver added value to our customers and to achieve further success both locally and regionally.



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