

## Common definitions and notes

### General

- a) Life and Non-life categories follow the definitions used in national law. However, the premiums for accident and sickness insurance underwritten by Life companies should be included in Non-life figures.
- b) Up until 2008, the insurance business is broken down between life and non-life business. As of 2009, the insurance business is broken down between the business of pure life, pure non-life and composite undertakings and composite undertakings' business is further broken down between life and non-life business. Some countries do not allow for insurance undertakings to be active in both life and non-life insurance business and therefore composite insurance undertakings do not exist in these countries. In other countries (e.g., Austria, Belgium, Hungary, Italy, Mexico, Portugal, Spain) however, the share of employment in composite insurance undertakings accounts for more than half of the whole domestic insurance sector. Therefore, to have comparable data across years for life business data (respectively non-life), one has to sum up the life (respectively non-life) business of pure life (respectively non-life) undertakings and the life (respectively non-life) business of composite undertakings as of 2009.
- c) Figures provided for the number of companies and for insurance premiums should include all insurance companies licensed or authorised in the reporting country, including professional reinsurers, whether or not these are controlled, but excluding any statutory system of social security administered by the State.
- d) *Domestic companies* means those companies incorporated under national law, together with those companies in the reporting country which are unincorporated, but excluding the branches and agencies of foreign companies.
- e) *Foreign-controlled companies* means those domestic companies controlled by foreign interests, such "control" being defined according to national law (see the definition of Foreign-controlled companies in Notes by country). The data of *Foreign-controlled companies* are part of those of *Domestic companies*.
- f) *Foreign companies* means companies incorporated outside the reporting country.

### Part I

- a) Figures for the life (respectively non-life) business include the pure life (respectively non-life) undertakings and the life (respectively non-life) business of composite undertakings for all the tables in Part I, except for the balance sheet and income of insurance undertakings (Tables 2 and 3) and their portfolio allocation (Tables 5 and 6) where the composite sector is excluded, as the split between life and non-life components is not always available.

- b) In Tables 7, 10, 13, 16, 21 and 24, the total (life and non-life) may not be equal to the sum of the life and non-life figures if the split for the composite sector is not provided. In this case, no assumption is made about each branch of the composite sector (life and non-life) and the composite part is not included. However, in the total, the aggregate for composites is included.
- c) The figures for the three zones ("European Union", "NAFTA", and "OECD") displayed at the bottom of some tables are calculated for the countries for which information is available.

### **Portfolio allocation, direct insurance**

- a) These data include only outstanding investment by all direct insurance companies in the reporting country; investments by reinsurance companies are not included.
- b) Investment data exclude assets linked to unit-linked products sold to policyholders.
- c) The evaluation method for investment is defined by each country.

## **Part II**

- a) "*Gross premiums*" are total premiums written, excluding any premium taxes or other charges, but before deduction of commission or reinsurance outwards. It is acknowledged that the inclusion of reinsurance will mean that there is some element of double-counting in the figures provided.

"*Gross premiums*" are the sum of "premiums of direct business" and "premiums of reinsurance accepted".

- b) *Premiums ceded* include all premiums (reinsurance and retrocessions) ceded.
- c) Normally "*Net written premiums*" should equal total "*Gross premiums*" less "*Premiums ceded*". If there are special problems in the reporting country which prevent this relationship an appropriate compensatory element should be then included under "*Premiums ceded*".

### **1.1 Insurance business written in the reporting country**

- a) *Insurance business written in the reporting country* should include all business written in the reporting country, whether in respect of domestic or foreign (world-wide) risks, and analysed according to the guidelines in "General" above.

#### **1.1.2 Insurance business, by type of risk, gross premiums**

- a) This part shows and breaks down gross premiums written by type of risk: domestic and foreign risks.

#### **1.1.3 Life insurance payments, by class, gross premiums**

- a) This part shows and breaks down gross premiums written by type of contracts: unit-linked, annuities and other life insurance contracts.

#### **1.1.4 Non-life insurance payments, by class, gross premiums**

- a) This part shows gross premiums written by classes of non-life insurance for the business written in the reporting country and breaks down figures shown for the non-life premiums.

- b) For the precise definitions used for the classification, see Annex B: Definitions of classes of non-life insurance.
- c) The line “Treaty Reinsurance” is used by countries having difficulty in breaking down “Reinsurance Accepted” by classes.

### **1.2 Gross claims payments**

- a) “Gross claims payments”, covering all gross payments on claims made during the financial year, are to be used in the calculation of gross claims incurred.

### **1.3 Commissions**

- a) This part shows the total of commissions and breaks down commissions for direct business and those for reinsurance accepted.

### **1.4 Gross operating expenses**

- a) “Gross operating expenses” should normally mean the sum of acquisition costs, change in deferred acquisition costs and administrative expenses.

### **1.5 Insurance business written abroad by branches, gross premiums**

- a) *Business written abroad* should include all business written outside the reporting country (in both OECD and non-OECD countries) by subsidiaries, branches and agencies established abroad of domestic companies.

## **2. Number of companies and employees**

- a) *Composite*: Company which deals with both life and non-life business.
- b) *Insurance companies*: Staff (full-time or part-time) employed in the insurance industry.
- c) *Intermediaries*: Number of persons (brokers or agents and their staffs), excluding intermediaries who may sell insurance but are not directly involved in the insurance industry (e.g. bank managers, solicitors, garage owners) or those included under b) above.



**From:**  
**Insurance Statistics Yearbook 2011**

**Access the complete publication at:**  
[https://doi.org/10.1787/ins\\_stats-2011-en](https://doi.org/10.1787/ins_stats-2011-en)

**Please cite this chapter as:**

OECD (2012), "Common definitions and notes", in *Insurance Statistics Yearbook 2011*, OECD Publishing, Paris.

DOI: [https://doi.org/10.1787/ins\\_stats-2011-4-en](https://doi.org/10.1787/ins_stats-2011-4-en)

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).