# UnipolRe: expertise to make a difference in Europe

*Dublin-based UnipolRe is a new reinsurer which represents the first venture outside Italy for UnipolSai Assicurazioni, one of Italy's biggest insurers. Here, Marc Guy Victor Sordoni, the CEO of UnipolRe, explains what makes the venture unique and why it will add value to the reinsurance landscape in Europe.*

### Why was UnipolRe launched?

UnipolRe represents the first step in a long-term strategy of diversification and growth for UnipolSai Assicurazioni. Our parent company is the biggest non-life insurer in Italy, and one of the largest in Europe. It is a very well capitalised and well run insurer with deep expertise in many lines of business.

Considering the important market position of the parent company, a move into reinsurance was viewed as a natural step and the diversification will ultimately offer our parent beneficial capital relief under Solvency II.

### What sets UnipolRe apart from other reinsurers?

We are unique in two distinct ways that we believe will be of great interest to many insurers in Europe.

First, because of the deep experience and expertise of our parent, which has one of the largest books of third party liability business in Europe, we have access to incredibly sophisticated analytics and data around certain types of business.

We want to work with insurers across Europe on a proportional and a non-proportional basis to help them better manage their liabilities around certain risks. We believe we have expertise and underwriting knowledge that is unmatched by any other reinsurer in certain areas.

Second, because the main driver behind launching UnipolRe is diversification, our return on risk adjusted capital (RORAC) objectives are significantly lower than those of most standalone reinsurers operating in this market. We are seeking a RORAC of single digits. We think this will be of interest to clients in Europe and allow us to compete effectively on many lines of business.

Finally, while UnipolRe is very well capitalised in its own right—a fact reflected in the A- rating we have secured from AM Best—we believe having a company the size of UnipolSai Assicurazioni behind us, with a turnover of almost €17.5 billion and a profit of almost €900 million will also give our clients that extra level of confidence when it comes to our long-term commitment to the market and our financial security.

*Marc Guy Victor Sordoni*

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### What are your initial goals and objectives?

We want to be speaking with small to medium-sized insurance companies in continental Europe. We will initially offer tailored coverage of mainly third party liability risks on a proportional and non-proportional basis. We are interested in looking at motor and general liability business, property, personal accident, theft and life business. We will also consider writing other lines of business on a case-by-case basis.

The key point is that we want to be much more than a capacity provider to our clients. We want to establish long-term partnerships and be a true business partner.

### What is your take on current market conditions in reinsurance?

We are in this for the long term so although rates are soft in many lines at the moment, we are taking a long-term view on the market, what we can offer clients and the diversification it offers our parent company.

Weak pricing is much more of an issue for players that are simply capacity providers yet are seeking a high, double-digit ROE. For reinsurers that become true business partners with their clients and offer added value, rates become less of an issue because you work together to secure the best deal for both parties.

### Will your experience as a buyer help you understand what clients want?

Absolutely. Both myself and a number of other senior staff have spent a large part of our careers working with reinsurers as buyers of reinsurance. I feel this gives us a unique understanding of what buyers want in terms of the level of service and dialogue.

We also have the rich resources of our parent company at our disposal, yet clients can work with us in the knowledge that there is no conflict of interest because on the primary side of the business, our operations remain focused in Italy and there are no plans for that to change at this stage. ■

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