Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 1866

Reinsurance Risk Management Training Course

REINSURANCE MANAGEMENT
INSURANCE & RISK MANAGEMENT

DURATION
5 Days

DELIVERY
Classroom

Course Overview

This comprehensive training course provides a structured and practical framework for identifying, assessing, managing, and monitoring risks arising from reinsurance activities. It examines how insurance organizations can use effective reinsurance risk management to protect capital, stabilize financial results, strengthen solvency, and support sustainable underwriting growth.

The course addresses the full spectrum of reinsurance-related risks, including counterparty credit risk, concentration risk, programme structure risk, coverage gaps, claims recovery risk, contractual risk, pricing risk, basis risk, catastrophe exposure, accumulation risk, and operational risks associated with reinsurance administration and recoveries.

Participants will explore how to assess the effectiveness of reinsurance arrangements against the organization's risk appetite, capital position, underwriting strategy, and portfolio exposures. The programme emphasizes practical risk assessment techniques, reinsurer evaluation, exposure monitoring, scenario analysis, stress testing, recovery analysis, and early-warning indicators.

The course also focuses on governance and decision-making, enabling participants to establish effective controls, reporting mechanisms, escalation procedures, and performance monitoring frameworks. By the end of the programme, participants will be better equipped to manage reinsurance risks proactively and ensure that reinsurance arrangements deliver the intended level of financial and risk protection.

Objectives

- By the end of this course, participants will be able to:
- Analyze the principles and strategic role of reinsurance risk management.
- Identify major risks arising from reinsurance arrangements and activities.
- Assess reinsurer counterparty credit and financial strength risks.
- Evaluate concentration and accumulation risks within reinsurance programmes.
- Assess coverage gaps, structural weaknesses, and potential protection failures.
- Analyze claims recovery and recoverables risks.
- Evaluate contractual and operational risks associated with reinsurance arrangements.

- Apply risk indicators, exposure limits, scenario analysis, and stress testing.
- Assess the impact of reinsurance risks on capital, solvency, profitability, and liquidity.
- Develop appropriate mitigation strategies for reinsurance-related risks.
- Strengthen governance, monitoring, reporting, and escalation mechanisms.
- Establish a continuous framework for evaluating and improving reinsurance risk management.

Who Should Attend

This course is designed for professionals responsible for reinsurance risk management, reinsurance programme oversight, underwriting, enterprise risk management, portfolio management, actuarial analysis, capital management, and financial risk.

It is particularly relevant for reinsurance managers, risk managers, underwriting managers, portfolio managers, actuaries, risk analysts, insurance finance professionals, solvency specialists, compliance professionals, and professionals responsible for managing reinsurance recoverables and counterparty exposures.

The course is also suitable for senior executives, decision makers, and members of risk, underwriting, and executive committees who need to understand the risks associated with reinsurance programmes and strengthen their ability to make informed decisions regarding risk transfer, capital protection, reinsurer selection, and portfolio resilience.

Learning Outcomes

- Upon completion of this course, participants will be able to:
- Explain the role of reinsurance risk management within the broader insurance risk framework.
- Identify and classify key risks associated with reinsurance arrangements.
- Assess the financial strength and creditworthiness of reinsurers.
- Evaluate counterparty exposure and concentration across reinsurers.
- Analyze reinsurance recoverables and potential recovery risks.
- Identify coverage gaps, exclusions, structural weaknesses, and protection limitations.
- Assess the effectiveness of reinsurance structures against underlying insurance exposures.
- Apply key risk indicators and exposure limits to monitor reinsurance risk.

- Conduct scenario analysis and stress testing for adverse reinsurance events.
- Evaluate the impact of reinsurance risk on capital, solvency, liquidity, and earnings.
- Develop appropriate mitigation, diversification, and risk transfer strategies.
- Establish effective reinsurer monitoring and early-warning mechanisms.
- Strengthen governance and internal controls surrounding reinsurance activities.
- Prepare risk reports that support senior management and Board-level decisions.
- Develop a continuous reinsurance risk monitoring and improvement framework.

Course Outline

DAY 01

Fundamentals of Reinsurance Risk Management

- Strategic role of reinsurance in insurance risk management.
- Relationship between reinsurance, capital protection, solvency, and underwriting capacity.
- Reinsurance risk management principles and lifecycle.
- Identification and classification of reinsurance risks.
- Counterparty, concentration, structural, contractual, operational, and financial risks.
- Reinsurance programme exposure and risk mapping.
- Risk ownership and accountability.
- Linking reinsurance risks with enterprise risk management.
- Risk appetite and tolerance for reinsurance exposures.
- Developing a reinsurance risk register.

PRACTICAL APPLICATION

Build a comprehensive reinsurance risk map for an insurance organization.

DAY 02

Counterparty, Credit & Concentration Risk

- Reinsurer counterparty risk and its financial implications.
- Assessing reinsurer financial strength and credit quality.

DAY 02 — CONTINUED

- Counterparty exposure measurement and monitoring.
- Reinsurance recoverables and credit exposure.
- Concentration risk across reinsurers, markets, and jurisdictions.
- Accumulation risk and correlated exposures.
- Diversification of the reinsurance panel.
- Counterparty limits and risk thresholds.
- Early-warning indicators for deteriorating reinsurer quality.
- Reinsurer default scenarios and recovery considerations.

PRACTICAL APPLICATION

Evaluate a reinsurance panel and identify counterparty and concentration risk.

DAY 03

Programme, Contractual & Claims Recovery Risk

- Assessing reinsurance programme structure and effectiveness.
- Identifying coverage gaps and protection limitations.
- Retentions, limits, layers, attachment points, and exhaustion points.
- Contractual risks and interpretation of reinsurance terms.
- Exclusions, conditions, warranties, and coverage restrictions.
- Claims notification and recovery processes.
- Managing reinsurance recoverables and outstanding balances.
- Disputes, delays, and recovery uncertainty.
- Operational risks in reinsurance administration.
- Controls for reducing claims recovery and contractual risks.

PRACTICAL APPLICATION

Review a reinsurance arrangement and identify potential structural, contractual, and recovery risks.

DAY 04

Reinsurance Risk Measurement, Stress Testing & Mitigation

- Measuring reinsurance risk exposure and effectiveness.
- Key risk indicators and performance indicators.
- Scenario analysis for reinsurance risk.
- Stress testing counterparty and recovery exposures.
- Catastrophe and accumulation scenarios.
- Assessing the impact of reinsurer failure or delayed recovery.
- Impact of reinsurance risk on capital and solvency.
- Liquidity implications of delayed recoveries.
- Risk mitigation, diversification, and alternative protection strategies.
- Developing contingency plans for major reinsurance events.

PRACTICAL APPLICATION

Conduct a reinsurance stress test and develop a risk mitigation plan.

DAY 05

Governance, Monitoring & Strategic Reinsurance Risk Management

- Reinsurance risk governance and accountability.
- Roles of the Board, executive management, risk, underwriting, actuarial, and finance functions.
- Establishing reinsurance risk limits and escalation procedures.
- Monitoring reinsurer performance and financial condition.
- Continuous monitoring of recoverables and exposures.
- Reinsurance risk reporting for senior management.
- Integrating reinsurance risk into capital and solvency management.
- Evaluating programme effectiveness and risk-adjusted performance.
- Developing a reinsurance risk dashboard and early-warning framework.
- Continuous improvement of reinsurance risk management practices.

DAY 05 — CONTINUED

> **FINAL WORKSHOP**
> Develop an integrated reinsurance risk management framework covering risk identification, counterparty assessment, concentration analysis, programme effectiveness, recoverables, stress testing, mitigation, governance, reporting, and continuous monitoring.

Register or Request More Information

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