


Marine Insurance as a Catalyst for Export Development: Analyzing Algeria's Path to Economic Growth

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Abstract :

This paper examines the impact of marine insurance on the development of Algeria's export sector. It explores the relationship between marine insurance revenues and export growth, particularly for both hydrocarbon and non-hydrocarbon exports. By analyzing data from 2017 to 2022, the study demonstrates how marine insurance supports trade by protecting goods and vessels. It focuses on the Algerian Transport Insurance Company (CAAT) and the evolution of Algeria's marine insurance market. The paper also discusses opportunities for improvement, recommending the adoption of modern technologies like AI and blockchain to enhance risk assessment and claims processing. The findings emphasize the importance of strengthening the maritime insurance sector to support Algeria's economic growth and trade expansion.

Keywords: Marine insurance, Exports, Algeria, Economic Growth, CAAT.

JEL Classification Codes: G22, L91, O16.

التأمين البحري كمحفّز لتنمية الصادرات: تحليل مسار الجزائر نحو النمو الاقتصادي

صور وئام¹ (*)

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ملخص:

تبحث هذه الورقة في تأثير التأمين البحري على تنمية قطاع الصادرات في الجزائر. تستكشف العلاقة بين إيرادات التأمين البحري ونمو الصادرات، خاصة في مجالي الصادرات الهيدروكربونية وغير الهيدروكربونية. من خلال تحليل البيانات من 2017 إلى 2022، يوضح البحث كيف يدعم التأمين البحري التجارة من خلال حماية البضائع والسفن. يركز على الشركة الجزائرية للتأمين وإعادة التأمين (CAAT) وتطور سوق التأمين البحري في الجزائر. كما تناقش الورقة الفرص المتاحة للتحسين، مع التوصية باعتماد تقنيات حديثة مثل الذكاء الاصطناعي وتقنية البلوك تشين لتعزيز تقييم المخاطر ومعالجة المطالبات. وتؤكد النتائج على أهمية تعزيز قطاع التأمين البحري لدعم النمو الاقتصادي في الجزائر وتوسيع نطاق التجارة.

الكلمات المفتاحية: التأمين البحري، الصادرات، الجزائر، النمو الاقتصادي، CAAT

تصنيف JEL : G22 , L91, O16

1. INTRODUCTION

The insurance sector is a fundamental pillar of the global economic system, continually evolving to address contemporary challenges and provide effective solutions for both individuals and businesses. At its core, insurance serves as a mechanism for transferring financial risks from individuals or companies to insurance providers, playing a pivotal role in safeguarding against potential financial losses resulting from unforeseen events. The diversity of insurance offerings includes life, health, automobile, property, and, notably, marine insurance, each tailored to meet the unique risks of different sectors.

Insurance is grounded in principles of cooperation and solidarity, ensuring financial stability and protection. Over recent years, technological advancements have significantly enhanced service delivery across the industry, with new forms of coverage emerging to address evolving risks. This progress underscores the essential nature of insurance in maintaining financial security and fostering economic resilience.

In the context of global trade, maritime insurance plays a crucial role in ensuring the sustainability of the shipping industry and mitigating the numerous risks associated with the transportation of goods across international waters. Given the complex and high-risk nature of maritime trade, marine insurance is indispensable for safeguarding businesses involved in shipping operations.

Algeria, strategically located along North Africa's Mediterranean coast, plays a vital role in global maritime trade, acting as a key connector between Europe and Africa. The country boasts modern seaports that facilitate international trade and shipping, with significant exports in raw materials such as oil and natural gas. These assets further bolster Algeria's position in the global maritime economy.

Marine insurance in Algeria has evolved through various stages, with the legal framework governed by *Ordinance No. 95-07 of January 25, 1995*, which has been amended over time to better align with the country's growing maritime transport and international trade goals. In this regard, the role of marine insurance in supporting Algeria's economic development, particularly in enhancing its export sector, is a critical area of investigation.

This study aims to explore the following research question: *How does marine insurance contribute to enhancing Algeria's export sector?*

By answering this question, the research will uncover the mechanisms through which marine insurance supports the growth of Algeria's exports, focusing on its role in mitigating shipping risks and ensuring the financial security of trade transactions.

To answer this, the study employs a descriptive approach to explain key concepts related to insurance contracts, marine insurance types, and the broader concept of exports. Additionally, an analytical approach is utilized to assess the growth of marine insurance in Algeria, evaluate trends in exports, and analyze the development of maritime transport insurance within CAAT (*Compagnie Algérienne d'Assurance et de Réassurance*). This dual approach provides a comprehensive understanding of the dynamic relationship between marine insurance and Algeria's export sector, shedding light on how the sector supports Algeria's international trade ambitions.

2. Literature Review on Marine Insurance

The insurance contract is a crucial tool in the financial and commercial world, providing financial protection to individuals and businesses against various risks and uncertainties that may arise in their daily lives or professional activities. The types and conditions of insurance vary according to the specific needs and financial reserves of each individual or organization. Understanding these contracts and their terms is essential to ensure adequate financial protection.

Henry Black, in *Black's Law Dictionary*, defines an insurance contract as: *"A contract whereby one party undertakes to indemnify the other for a specified financial loss due to specific risks. The party agreeing to indemnify is known as the 'insurer,' while the other party is the 'insured.' The agreed consideration is called the 'premium,' the written contract is referred to as the 'policy,' and the events insured against are known as 'risks'"* (Black, H. C., 1990). He further adds that an insurance contract covers any loss, damage, or liability arising from future incidents.

From a legal perspective, the Algerian legislator defines an insurance contract in Article 619 of the Civil Code as: *"A contract whereby the insurer undertakes to pay the insured or the beneficiary designated in the contract a sum of money, an annuity, or any other financial compensation in the event of the occurrence of the incident or risk specified in the contract, in exchange for a premium or any other agreed-upon payment by the insured to the insurer"* (Ordinance 95-07, 1995).

The Algerian insurance legislation categorizes insurance into three main types:

- Land insurance
- Marine insurance
- Air insurance

This classification is based on the mode of transport, whereas personal insurance contracts (such as life insurance) fall outside this categorization and are governed by specific regulations.

Marine insurance plays a fundamental role in the global economic system, stimulating international trade and ensuring the safety of cargo and vessels during maritime transport. The origins of marine insurance date back centuries, as maritime risks have historically posed significant challenges to international trade. Over time, the marine insurance industry has evolved into a sophisticated sector offering a wide range of solutions to cover various types of maritime risks (Gürses, Ö., 2015).

Different scholars and legal experts have provided various definitions of marine insurance, which can be summarized as follows:

- Bahaa B, S. (2009): *Marine insurance is one of the most important branches of the insurance system and the most widespread, as it is directly linked to international trade, making it a quasi-mandatory insurance.*
- Salem R, S. (2015): *This type of insurance provides essential protection for trade, covering goods transported by sea, air, land, or rail. It aims to compensate cargo owners for losses resulting from insured risks during transportation or shipment.*
- Muhammad J, N. (1998): *The term "marine insurance" (historically known as "Marine Insurance") dates back to ancient times and is still used today. It refers to the process of providing financial protection for ships and cargo transported across oceans and seas. This coverage includes potential damages resulting from maritime incidents such as sinking, collisions, fires, civil liability, and the possible loss or damage of goods.*

A marine insurance contract can be defined as: *"An agreement in which the insurer undertakes to compensate the insured for losses arising from transportation risks in exchange for a predetermined insurance premium. This contract establishes legal and contractual obligations benefiting both parties, whereby the insurance company agrees to cover the risks specified in the contract"* (Bennett, H., 2006).

Furthermore, legal scholar Riper defines marine insurance as: *"A contract in which a party, known as the insurer, agrees to indemnify another party, the insured, for damages incurred during a maritime shipment due to specified risks, within the insured amount, in exchange for a premium payment"* (Fletcher, W. A., 1984).

This comprehensive understanding of marine insurance underscores its essential role in facilitating global trade, mitigating financial losses, and ensuring the smooth movement of goods across international waters.

Marine insurance plays a crucial role in mitigating risks associated with maritime transport. Various studies have explored its legal, economic, and strategic dimensions, focusing on different national and international frameworks. The following section presents a review of key studies in this domain.

2.1 Legal and Regulatory Aspects of Marine Insurance

Mukhalifa, K. (2018) examined the concept of "all-risk" marine insurance coverage in Algeria, questioning whether it truly covers all potential losses and damages during a maritime journey. The study analyzed the legal and practical foundations of this insurance clause based on Algerian law and international comparisons. Findings highlighted that while "all-risk" insurance aims to provide full compensation for covered risks, precise policy wording is crucial to prevent disputes. Moreover, the study emphasized the need for updated and well-translated insurance documents to keep pace with industry developments.

Similarly, Novikova, K., et al. (2022) investigated Russian marine insurance laws and their impact on mutual insurance development. The study found that despite Russia's extensive maritime presence, its share of the global marine insurance market remains relatively low. The authors suggested that aligning Russian insurance regulations with global standards could enhance market participation.

Xue, Y., et al. (2022) focused on the design of a government-supported subsidy scheme for Marine Disaster Index Insurance (MDII) in China. Their findings indicated that an optimal subsidy rate should be at least 92.54%, increasing with a higher number of potential policyholders. This study provided theoretical insights into improving disaster insurance mechanisms in China.

2.2 Economic and Developmental Impact of Marine Insurance

Hamdoud, H. and Samir, E. E., (2022) analyzed the impact of marine insurance on maritime transport in Algeria. Their research demonstrated a positive growth trend in marine insurance services between 2018 and 2019, driven by increasing demand. However, the sector experienced a decline in 2020 due to the COVID-19 pandemic and global economic downturns. The study underscored the role of marine insurance in sustaining maritime transport by covering risks and financial losses.

Isimoya, O. A., and Akindipe, O. E. (2022) examined marine and aviation insurance markets in Nigeria, comparing gross premium income with claims settlement between 2011 and 2021. Despite challenges in the Nigerian insurance sector, claim settlements remained stable, highlighting the importance of regulatory efforts and industry collaboration.

Kajwang, B. (2022) conducted a literature review on the role of marine insurance in maritime trade growth. The study found that marine insurance extends beyond cargo coverage to include liability protection for various maritime transport modes. It emphasized the need for policy interventions to enhance the operational environment for marine insurers.

2.3 Strategic Importance of Marine Insurance in Maritime Trade

Bin Dukhan, R. (2021) explored marine insurance contracts as a strategic tool for supporting maritime transport. The study concluded that insurance and transport are interdependent; effective insurance coverage is essential for ensuring seamless maritime operations and global trade integration. The findings also highlighted the necessity of developing marine insurance frameworks to enhance international trade competitiveness.

Aarab, K. (2017) discussed marine insurance as a risk management mechanism, stressing its distinct legal characteristics. The study advocated for clearer legislative frameworks in Algeria to establish well-defined regulations for marine insurance.

Profit, A. (2016) examined the evolution of the duty of information in marine insurance within the French legal system. The study traced the expansion of information disclosure requirements in contract law, particularly in marine insurance, to reduce uncertainties and improve contractual fairness.

The reviewed studies highlight the multifaceted nature of marine insurance, encompassing legal, economic, and strategic dimensions. While regulatory frameworks vary across countries, a common theme is the necessity for precise contractual terms, updated legislation, and industry awareness to enhance insurance effectiveness. The economic significance of marine insurance is evident in its role in stabilizing maritime trade and mitigating financial risks. Additionally, strategic policy development remains crucial for integrating marine insurance with global trade mechanisms.

3. The Impact of Marine Insurance on the Development of Algeria's Exports

After outlining key concepts related to marine insurance, this section examines the relationship between these two variables: marine insurance and Algeria's export performance. This analysis is based on statistical data regarding the evolution of marine insurance revenues in Algeria and the growth and development of Algerian exports, focusing on how marine insurance plays a pivotal role in supporting export activities, ensuring business sustainability, and mitigating shipping risks.

3.1 Link Between Marine Insurance and Exports

The connection between marine insurance and exports is critical in understanding the broader picture of Algeria's trade activities. Marine insurance offers protection for goods and vessels during shipping, which is especially important in international trade. As Algeria aims to increase its exports, particularly in non-hydrocarbon sectors, the need for reliable insurance solutions becomes more pressing. Insurance provides

exporters with the confidence to engage in international trade, knowing their goods and assets are protected from potential risks such as ship damage, loss of cargo, piracy, and other unforeseen challenges.

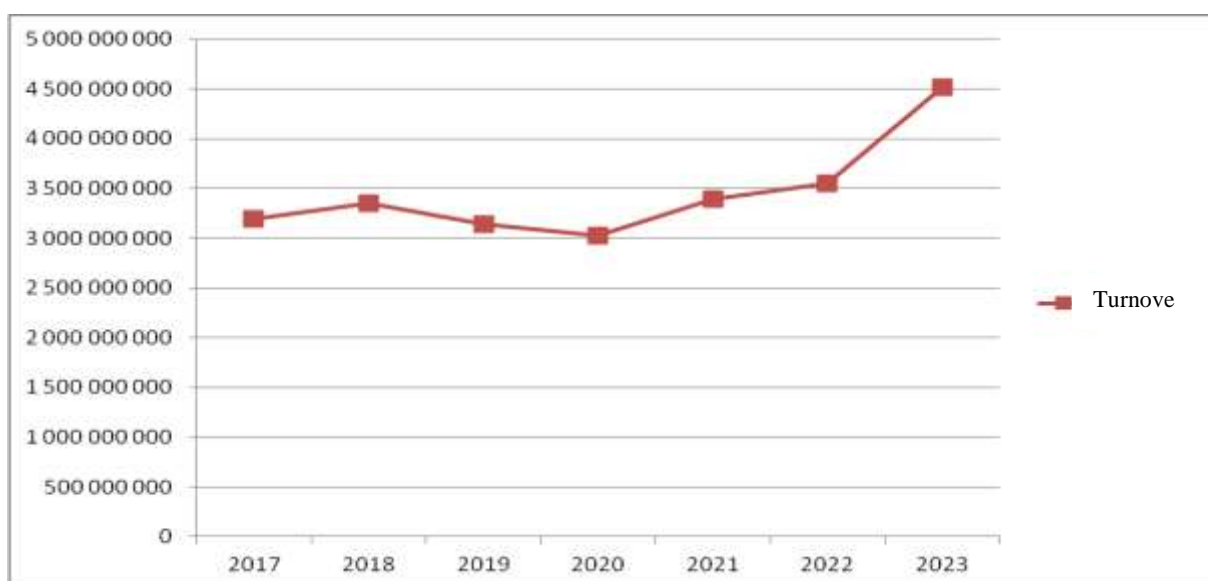
The next sections will explore how the growth of marine insurance directly supports the development of Algeria's export sector by providing risk management solutions that encourage more trade and higher export volumes. The rise in marine insurance revenues is often a reflection of increased maritime trade activity, as companies expand their export operations and seek comprehensive coverage for their goods.

3.2 The Evolution of Marine Insurance Production in the Algerian Insurance Market

From 1973 to 1989, the Algerian government implemented specialization policies in the insurance market. The Algerian Insurance and Reinsurance Company (CAAR) was assigned to manage industrial risks and marine insurance. However, in 1982, marine insurance activities were withdrawn from CAAR and transferred to the Algerian Transport Insurance Company (CAAT) to manage this specific type of risk.

In 1989, the specialization of insurance companies was abandoned. Over the years, several laws and decrees (in 1995, 2006, and 2021) have regulated the insurance sector. Since then, multiple public companies specializing in marine transport insurance have emerged in Algeria (Atlas Magazine, 2023).

Fig (1): The Evolution of Marine Insurance Revenue for Algerian Insurance Companies (2017-2023) (Unit: Algerian Dinar (DZD))



Source: Compiled by the author based on available data.

The figure represents the marine transport insurance revenues for various Algerian insurance companies (both public and private) from 2017 to 2023. A gradual change in revenue values over these years is observed and analyzed as follows:

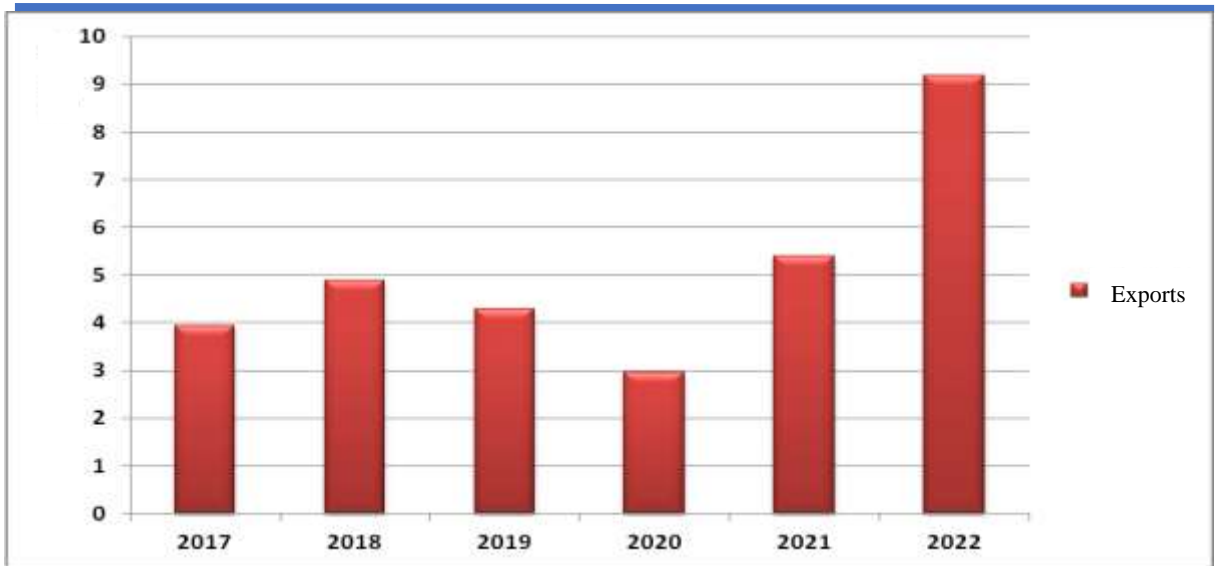
- **2017-2018:** An increase of 4.4% was recorded, reflecting strong performance in the Algerian marine insurance sector. This growth suggests an expansion in maritime trade and an improvement in insurance services.
- **2018-2019 & 2019-2020:** A decline of 7.2% and 4.4%, respectively, was observed. This downward trend indicates a continued contraction of the marine insurance sector, largely due to global economic challenges, particularly the COVID-19 pandemic, which severely impacted the sector. The pandemic led to a reduction in maritime trade volume and overall economic slowdown. However, despite the crisis, demand for insurance increased, driven by changing maritime conditions such as delayed or lost shipments and new precautionary measures.
- **2020-2021 & 2021-2022:** A recovery began, with growth rates of 3.0% and 4.7%, respectively, indicating a return to positive momentum in the sector.
- **2023:** Marine insurance revenue surged by 26.3%, marking a significant and sustained growth trend. This substantial increase reflects the stability and strength of the marine insurance sector in Algeria, driven by enhanced value-added services, business expansion, and overall sector development.

This steady growth signals a positive outlook for Algeria's marine insurance industry, reinforcing its role in supporting international trade and export development.

3.3 The Impact of Marine Insurance on the Development of Exports in Algeria

After analyzing the evolution of marine insurance revenues generated by insurance companies in Algeria, we now turn to the overall export performance (both hydrocarbon and non-hydrocarbon exports). This analysis aims to examine the relationship between marine insurance and exports, exploring how insurance influences and contributes to the development of exports and maritime trade in Algeria.

Fig (2): Evolution of Algerian Exports (2017-2022)



Source: Compiled by the author based on available data.

From the graphical representation, several key observations can be made:

Fluctuations in export volume: Over the years, Algerian exports have experienced significant fluctuations, with periods of both growth and decline.

Strong growth in recent years: Despite these fluctuations, there has been a notable increase in exports, particularly in 2021 and 2022, where exports saw a significant rise.

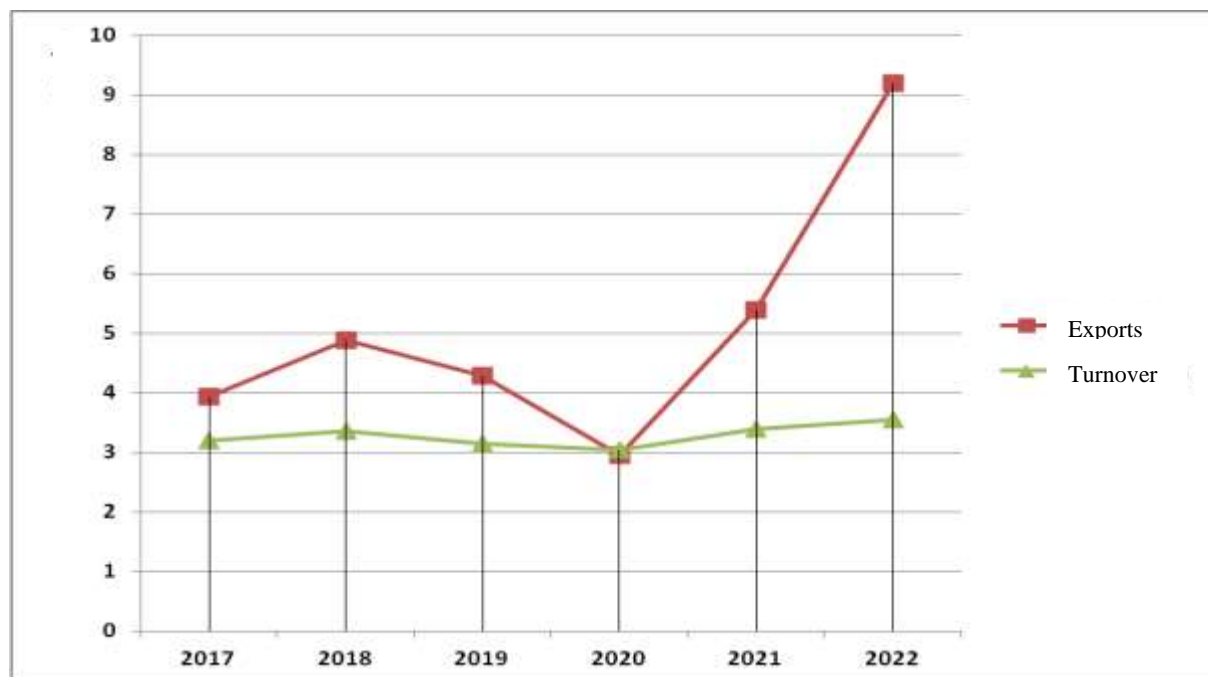
For the first time, Algeria managed to increase its non-hydrocarbon exports from \$1.7 billion in 2019 to \$5 billion in 2021, and further to \$7 billion in 2022. This growth was driven by the new economic policies adopted by the government, which focus on efficient resource utilization to achieve sustainable development.

Additionally, the Algerian Export Credit Insurance Company (CAGEX) increased its capital in early 2024, raising its value from DZD 3 billion (\$22.2 million) to DZD 10 billion (\$73.9 million). Through this initiative, the credit insurance company aims to address economic risks in Algeria and continue supporting Algerian exporters.

Furthermore, recent financial and customs export laws have introduced facilitations to boost non-hydrocarbon exports. The government has also increased financial support for exporters, opening new avenues within the Special Fund for Export Promotion to further stimulate non-hydrocarbon export activities (Atlas Magazine, 2024).

3.4 The Relationship Between Marine Insurance and Export Volume

Fig (3): The Relationship Between Marine Insurance Revenues and Export Growth in Algeria (2017-2022)



Source: Author's elaborated.

The graphical curve, illustrating the evolution of exports and marine insurance revenues in Algeria, highlights the following key trends:

- **2017 to 2018:**
 - Exports increased by 24.30%, while
 - Marine insurance revenues grew by 4.4%.
 - This suggests the crucial role of marine insurance in protecting goods and vessels during shipping.
- **2019:**
 - Exports declined by 12.2%,
 - Marine insurance revenues also dropped by 7.2%.
 - This could be attributed to negative economic conditions that impacted exports and maritime activity.
- **2020:**
 - Exports fell by 31.02%,
 - Marine insurance revenues also dropped by 4.4%.
 - This decline coincided with the global economic slowdown caused by the COVID-19 pandemic, which severely affected global trade and maritime transport.
- **2021:**
 - Exports rebounded significantly, growing by 82.9%,
 - Marine insurance revenues also increased by 3.0%.
 - This confirms a strong interdependence between both variables.

- **2022:**
 - Exports rose by 70.52%,
 - Marine insurance revenues increased by 4.7%.
 - This demonstrates the continued role of marine insurance in securing goods and vessels amid growing commercial activity.

Based on this analysis, we can conclude that there is a positive correlation between export volume and marine insurance revenues. As trade activity grows, the demand for marine insurance services increases, ensuring protection for goods and vessels during transport. Conversely, advancements in marine transport insurance technologies facilitate cross-border trade expansion and contribute to the growth of global commerce.

4. CAAT: The Marine Insurance Provider in Algeria

4.1 Background and Evolution

The Compagnie Algérienne d'Assurance et de Réassurance (CAAT) was established in April 1985 under Decree No. 85-82 to provide transport-related insurance in a state-controlled market. It began operations in January 1986. Economic reforms in the late 1980s transformed CAAT into a public economic enterprise (EPE/SPA), allowing it to expand its insurance services. In July 2011, following the separation of property and personal insurance under Law No. 06-04 (2006), CAAT became a property insurance provider, transferring its personal insurance portfolio to its subsidiary, TALA Assurance, in which it holds a 55% stake.

4.2. Marine Insurance at CAAT

CAAT offers comprehensive marine insurance coverage, ensuring protection for cargo and vessels throughout the transportation process.

Marine Liability Insurance : This insurance covers the liability of maritime transport operators under international regulations for damages or losses related to cargo entrusted to them. In the event of vessel seizure due to covered risks, CAAT intervenes within contractual limits.

Marine Insurance Coverage Types : CAAT provides various types of marine insurance, including:

- **Total Loss Insurance:** Covers total loss, general damages, special damages, third-party liabilities, abandonment, assistance, and rescue costs.

- FAP.SAUF Insurance: Covers total loss, general damages, third-party liabilities, abandonment, and specific damages (collision, grounding, fire, impact with fixed or floating objects).
- FAP Absolutement Insurance: Covers total loss, general damages, third-party liabilities, abandonment, assistance, and rescue costs.
- Absolute Damage Insurance (FA Absolutement): Covers total loss, third-party liabilities, abandonment, assistance, and rescue costs.
- Total Loss and General Damage Insurance: Covers total loss and general damages.
- Total Loss and Abandonment Insurance: Covers total loss and abandonment.

Cargo Insurance: "Marine Transport Possibility Insurance" : Given the numerous risks affecting cargo during transit, CAAT provides comprehensive coverage for:

1. Risks Covered:
 - Material damages, weight loss, or quantity loss during transport.
 - Damages occurring during loading and unloading operations.
2. Marine Insurance Policy Types:
 - Voyage Policy: Covers specific shipments during a defined journey, suitable for isolated cargo.
 - Floating Subscription Policy: Covers multiple shipments over a specified period, automatically insuring goods transported by the same sender, making it ideal for import-export companies.
 - Supply Policy: Covers a specific market segment for general cargo over an indefinite period, beneficial for contracts involving multiple shipments.
 - Third-Party Shipper Policy: Designed for shipping companies and freight intermediaries to insure goods entrusted by their clients.

Key Features of CAAT's Marine Insurance :

- Unified Coverage: Ensures protection across all transport modes, even if maritime transport is not the primary means.
- Continuous Coverage: Guarantees insurance throughout the entire transportation process, regardless of duration or location.

Through its comprehensive marine insurance services, CAAT plays a pivotal role in enhancing Algeria's trade security and supporting its economic growth.

Table (1) : Development of CAAT Company's Production in the Transport Insurance Branch Between 2021 – 2022

Branch	2022 Performance	2021 Performance	Development
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Transport	2,209,976 DZD (100%)	1,976,508 DZD (100%)	+12%
Aviation	251,660 DZD (11%)	264,214 DZD (13%)	-5%
Maritime	1,725,729 DZD (78%)	1,436,817 DZD (73%)	+20%
Land	226,185 DZD (10%)	261,160 DZD (13%)	-13%
Railway	6,402 DZD (1%)	14,317 DZD (1%)	-55%

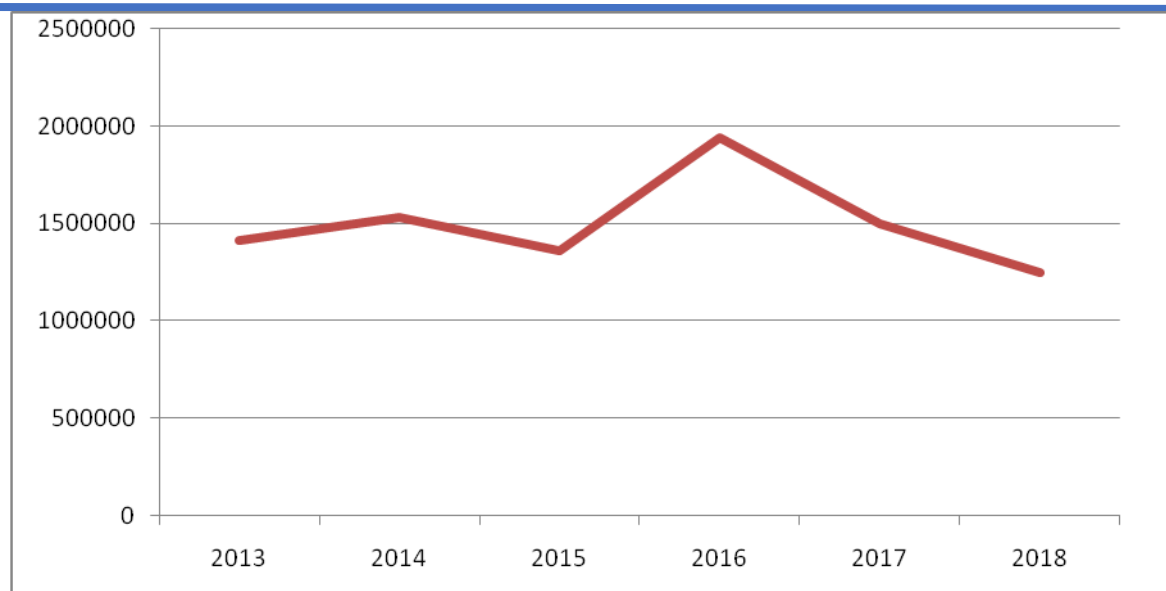
Source: CAAT Annual Report for 2022

Analysis Based on the Table:

- **Maritime Transport Branch:**
 - A 20% increase in value from 2021 to 2022.
 - A 5% increase in structure, indicating a rise in comprehensive insurance for maritime transport risks.
- **Aviation Transport Branch:**
 - A 5% decrease in value from 2021 to 2022.
 - A 2% decrease in structure.
- **Land Transport Branch:**
 - A 13% decrease in value from 2021 to 2022.
 - A 23% increase in structure, indicating a rise in insurance for land transport risks.
- **Railway Transport Branch:**
 - A significant decrease in value by 55% from 2021 to 2022.
 - Structure remained stable at 1%.

While revenue decreased for aviation, land, and railway transport branches, the company's financial structure underwent various changes, with increases in some branches and stability in others. This suggests different strategies taken by the company to manage risks and improve operational efficiency.

Fig (5): Development of Maritime Insurance in CAAT from 2013-2018 (in millions of DZD)



Source: Author's elaborated.

The production in CAAT's maritime transport insurance has shown fluctuations during the period from 2013 to 2018. Notably, there was a significant increase in production in 2016, reaching 1,940,290 DZD, indicating a strong growth period for the company. On the other hand, production declined in 2015 and 2018, with values not exceeding 1.4 million DZD and 1.2 million DZD, respectively, suggesting challenges or negative factors affecting the maritime transport branch during those periods.

Pre-2020 vs Post-2020 Comparison:

- **Before 2020:**
 - Maritime insurance production fluctuated notably, with an increase from 2013 to 2016, followed by a sharp drop in 2018. However, production for the transport insurance sector as a whole increased in 2019, with premiums rising by 22% compared to 2018, largely due to contracts related to ship, aircraft, and other vehicle insurances. Maritime transport remained relatively stable in the other years (2014, 2015, 2017).
- **After 2020:**
 - In 2020, premiums for transport insurance fell by 24% compared to the previous year due to reduced imports and freight transport caused by the pandemic. However, as mentioned earlier, the maritime transport branch saw a notable increase in production between 2021 and 2022, driven by factors like the global recovery from the COVID-19 pandemic, increased demand for insurance due to changes in supply chains, and transportation routes.

The claims analysis reveals several key trends in the maritime, land, and aviation branches of CAAT between 2021 and 2022. First, the table shows a decrease in reported claims across these branches, with a total decline of 321 in net figures.

Additionally, reinsured claims have decreased by 32% for these branches during the same period. Compensations paid out also saw a reduction of 24.68%. However, the table highlights an increase in claims payable by 45% for these branches. In summary, while reported, reinsured, and compensated claims have decreased, there has been a notable rise in claims payable between 2021 and 2022.

4.3 CAAT's Strategic Role in Supporting Algeria's Export Growth

In addition to its comprehensive marine insurance offerings, CAAT plays a pivotal strategic role in Algeria's broader export development agenda. As Algeria seeks to diversify its economy beyond hydrocarbons, the growth of non-hydrocarbon exports has become a key policy objective. Marine insurance, as provided by CAAT, is a critical enabler of this growth, particularly in terms of mitigating the risks associated with international trade.

4.3.1 Enhancing Export Security

Marine insurance by CAAT provides a safety net for Algerian exporters, ensuring that goods are protected from potential damages, theft, or losses during transportation. This is crucial for fostering trust and confidence among international buyers and partners. By guaranteeing compensation for damages and losses, CAAT supports exporters in managing the uncertainties of cross-border trade.

4.3.2 Facilitating Access to New Markets

By offering tailored marine insurance products, CAAT helps Algerian exporters enter new international markets with greater confidence. As the demand for Algerian products increases, the need for reliable insurance solutions grows as well. CAAT's coverage options, such as voyage policies and floating subscription policies, are especially beneficial for businesses looking to engage in regular and large-scale international trade. These solutions make Algerian exports more competitive on the global stage.

4.3.3 Aligning with National Export Strategies

CAAT's role is aligned with Algeria's national strategy for promoting non-hydrocarbon exports. The company's growth, particularly in the maritime transport insurance sector, reflects broader trends in Algeria's export performance, especially in non-hydrocarbon goods. CAAT's enhanced capabilities in the marine insurance sector, with a notable increase in maritime insurance production between 2021 and 2022, demonstrate the company's commitment to supporting the country's diversification efforts. By managing the risks associated with international shipping, CAAT contributes directly to the overall stability and growth of the Algerian export economy.

4.3.4 Mitigating Risks in Global Supply Chains

The global supply chain has faced significant disruptions in recent years, notably due to the COVID-19 pandemic, which affected both global trade volumes and shipping schedules. CAAT's responsive and flexible marine insurance products have been instrumental in helping Algerian exporters manage these disruptions. The increase in marine insurance revenues post-2020, despite challenges in global trade, is a testament to CAAT's ability to adapt to changing market conditions and provide essential services to Algeria's export sector.

CAAT not only offers essential insurance coverage but also actively contributes to the growth and resilience of Algeria's export sector, aligning with national economic goals and fostering international trade opportunities.

5. CONCLUSION

In conclusion, this research has explored the vital role of maritime insurance in stimulating international trade and ensuring the safety of goods and vessels during maritime transport. The Algerian Transport Insurance Company (CAAT) has experienced a notable increase in production within the maritime insurance sector, despite the challenges posed by the COVID-19 pandemic. The company successfully adapted to these challenges by implementing appropriate measures, and the demand for insurance grew due to changes in supply chains and transportation resulting from the pandemic. This led to an increase in referral rates and issued premiums, which contributed to the sector's prosperity and continued growth.

Additionally, the Algerian government's new economic policy, aimed at achieving sustainable development, has led to a significant rise in exports, particularly non-hydrocarbon exports, which reached 7 billion dollars in 2022. Algerian insurance companies have been working to support local exporters, with the government offering more incentives to boost non-hydrocarbon exports. Furthermore, companies in the transport sector are increasingly relying on national reinsurers to meet their reinsurance needs, reflecting a shift towards local solutions.

The research also reveals a reciprocal relationship between the growth of exports and the increase in maritime insurance turnover, emphasizing the positive impact of maritime insurance in overcoming economic challenges and adjusting to shifting global conditions. This highlights the continued importance of maritime insurance in protecting maritime assets and supporting global trade, underscoring its essential role in the broader economic landscape.

6. Recommendations

Given the significant role of maritime insurance in promoting exports and boosting economic growth in Algeria, it is essential to enhance awareness of its importance among exporters by conducting targeted workshops and seminars. These programs should focus on educating exporters about maximizing the benefits of marine insurance, with partnerships involving local export associations and government agencies. Collaborations between public and private sectors should be fostered to create tailored maritime risk management solutions, and joint ventures with international reinsurance companies can help enhance Algeria's competitiveness.

Moreover, engaging with regulatory authorities to review and update maritime insurance laws and policies will ensure compliance with international standards. Active participation in forums and conferences will foster knowledge exchange and promote the adoption of global best practices. Efforts to modernize Algeria's maritime infrastructure, through both public and private investments, will reduce risks and improve insurance performance. Leveraging modern technologies like artificial intelligence (AI) and blockchain can significantly improve the accuracy of risk assessments, claims processing, and fraud prevention in maritime insurance. AI can analyze large datasets to predict risks more accurately, while blockchain can ensure transparent and efficient claims handling.

Furthermore, developing data-driven platforms will allow exporters and logistics providers to better monitor and mitigate shipping risks. Digital tools, such as mobile applications and online portals, should be promoted to simplify the process of purchasing and managing policies, offering real-time tracking and claims filing.

Lastly, supporting innovation in the maritime insurance industry through the establishment of hubs or incubators will encourage the development of flexible and cost-effective insurance products that meet the evolving needs of exporters. These measures will improve Algeria's maritime insurance sector, fostering economic growth and enhancing Algeria's position in global trade.

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