

CZU: 368.212:338.47(478)

DOI: <https://doi.org/10.53486/icspm2022.06>

## DYNAMICS OF DEVELOPMENT OF MOTOR RISKS` INSURANCE IN MOLDOVA

**DZIUBETCAIA Tatiana**

ORCID: 0000-0002-9592-3240

Associate Professor, PhD, ASEM, R. Moldova

***Abstract.** Owning and operating a vehicle is associated with great risks, the occurrence of which cannot be foreseen. The result is an increase in road traffic accidents. As a result of this the demand for insurance services increased. The development of this industry is important for the economic conditions of our country, as well as for the protection of citizens against unforeseen situations that may arise any time. The article studies the dynamics of the development of the Moldovan transport risk insurance market.*

***Keywords:** insurance, transport risks, hull, cargo, auto insurance, insurance receipts, insurance payments.*

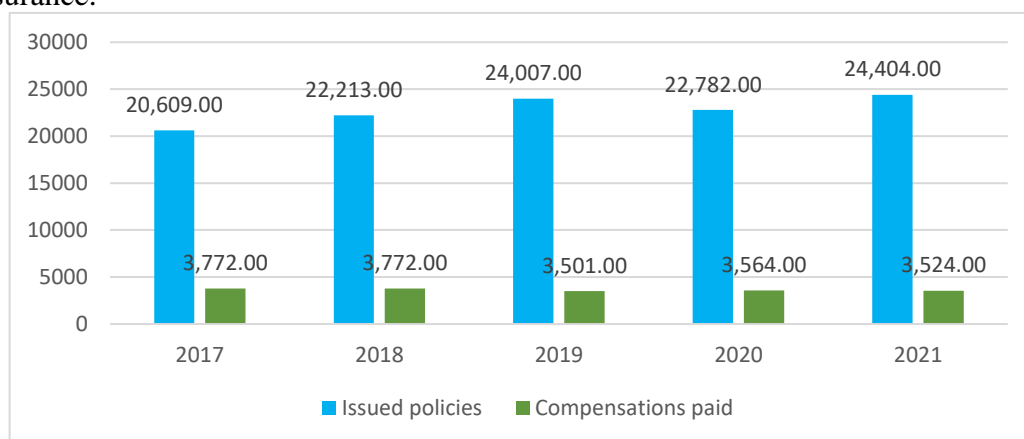
The modern world is characterized by the presence of a huge number of vehicles, which increases the number of traffic accidents, as well as the onset of unforeseen circumstances. Therefore, it is not surprising that vehicle insurance is quite popular in the Republic of Moldova. The reason for the growth in demand for CASCO auto insurance is that the cost of a car is high, as well as banks and microfinance organizations do not issue a loan without registration of this type of insurance.

The insurance market of our country is quite large and offers various conditions for this type of insurance.

In order to conclude an insurance contract, the client must provide the representative of the company with the data of the vehicle, as well as the data of the people who will be allowed to drive the insured vehicle. The contract establishes all the rights and obligations of both parties, as well as

the policyholder undertakes to pay the insurance premium, and the insurer to pay insurance compensation in the event of an accident.

Diagram 1 shows the number of issued insurance policies and paid indemnities for CASCO motor insurance.



**Diagram 1. Evolution of issued insurance policies and the number of paid insurance indemnities, pieces.**

*Source: Report on the main activities of the insurer [www.cnpf.md](http://www.cnpf.md)*

After analyzing this diagram, you can see that in 2021 the number of issued policies amounted to 24,404, which is 1,622 policies or 7.12% more than in the previous period. But the number of refunds paid amounted to 3,524 units, which is 40 refunds or 1.12% less than in the previous period.

Table 1 presents data on received CASCO insurance premiums in the period from 2017 to 2021.

**Table 1. Evolution of CASCO insurance premiums for 2017-2021 (lei)**

Reporting year	Direct insurance premiums	Premiums accepted for reinsurance	Total
2017	289 805 635,00	154 601,00	289 960 236,00
2018	308 946 830,00	43 521,00	308 990 351,00
2019	345 578 573,00	0	345 578 573,00
2020	339 149 223,00	0	339 149 223,00
2021	417 871 055,00	0	417 871 055,00

*Source: Report on the main activities of the insurer [www.cnpf.md](http://www.cnpf.md)*

Analyzing this table, it can be seen that in 2021, insurance premiums received from direct insurance amounted to 417,871,055.00 lei, which is 78,721,823.00 lei or 23.21% more than in the previous year, which indicates an increase number of insured vehicles.

The lowest indicator of insurance premiums received was in 2017 and amounted to 289,960,236.00 lei, of which 289,805,635.00 lei were received from direct insurance, and 154,601.00 lei were premiums accepted for reinsurance. Further, you can see that every year the indicator increased, but in 2020 it decreased, which was negatively affected by economic factors, as well as the pandemic. Thus, we can conclude that this type of insurance is in demand and

**Table 2. Evolution of CASCO insurance claims for 2017-2021 (lei)**

Reporting year	Direct insurance payouts	Compensations accepted for reinsurance	Total
2017	169 346 231,00	0	169 346 231,00
2018	193 691 080,00	484 691,00	194 175 771,00
2019	198 131 820,00	0	198 831 820,00

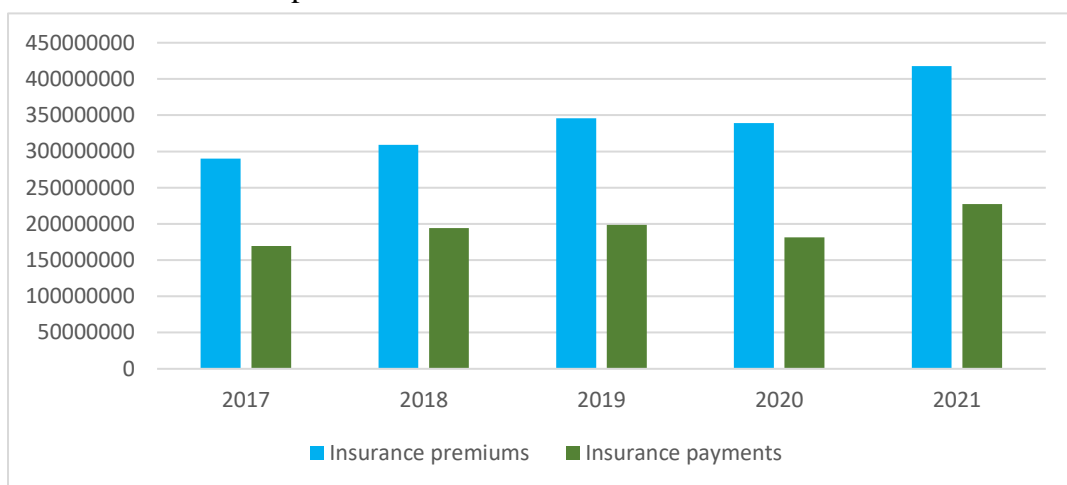
<b>2020</b>	181 209 946,00	0	181 209 946,00
<b>2021</b>	227 482 691,00	0	227 482 961,00

*Source: Report on the main activities of the insurer www.cnpf.md*

Based on the data in Table 2, we can conclude that the highest indicator of CASCO insurance claims was noted in 2021 and amounted to 227,482,961.00 lei, which is 46,273,015.00 lei or 25.54% more than in the previous period. The lowest indicator was registered in 2017 and amounted to 169,346,231.00 lei. Indemnities paid both for direct insurance and for insurance accepted for reinsurance, in the analyzed period, were carried out only in 2018, which amounted to 193,691,080.00 lei for direct insurance and 484,691.00 lei of indemnity accepted for reinsurance.

Thus, it can be noted that the indicators of CASCO insurance premiums in the Republic of Moldova increased every year and this is characterized by the fact that the majority of vehicle owners want to be insured against accidents.

Diagram 2 shows the ratio of data on the receipt of insurance premiums and the payment of CASCO indemnities in the Republic of Moldova for 2017-2021.



**Diagram 2. Evolution of insurance premiums and CASCO indemnities in the Republic of Moldova, lei.**

*Source: Report on the main activities of the insurer www.cnpf.md*

Based on Diagram 2 evolution of insurance premiums and CASCO claims in the Republic of Moldova, it can be seen that 2021 is characterized by the highest indicators of both the receipts of accrued insurance premiums and insurance payments. And in 2020, a decrease was registered, which is characterized by a decrease in insured cars.

CASCO car insurance in the Republic of Moldova is a voluntary type of insurance offered by a large number of insurance companies, as well as insurance intermediaries. Over the course of three years, 4 insurance companies left the insurance market, which include Auto-Siguranta SA, Galas SA, Klassika Asigurari SA, Moldova-Astrovaz SA. The year 2021 is characterized by the highest indicators for received insurance premiums. In 2021, Asterra Grup SA occupies the first place in insurance premiums received, and the amount received was 84,851,077.00 lei. The lowest figure was registered with the insurance company Garantie SA. Insurance companies that did not provide CASCO insurance services during the analyzed period include Auto-Siguranta SA and Klassika Asigurari SA, which subsequently ceased their activities.

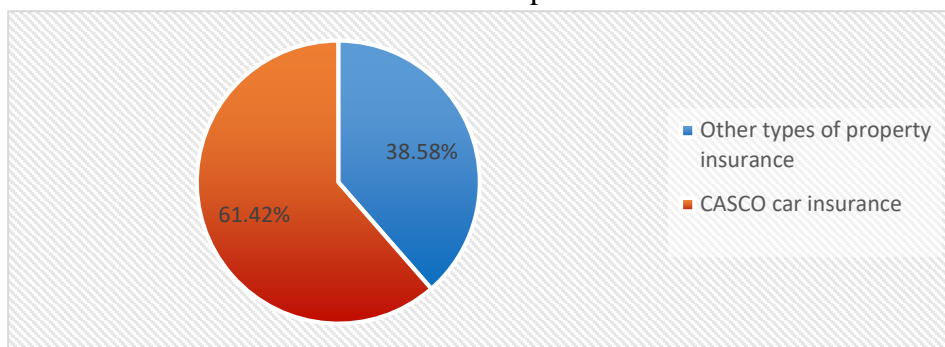
In 2021, Asterra Grup SA had the highest indicator of paid insurance claims for CASCO motor insurance, and the lowest indicator was registered in 2020 and amounted to 56,681.00 lei from Moldova-Astrovaz SA, which subsequently ceased operations.

There are a large number of insurance companies in the country, and therefore, in order to attract customers, in the conditions of market competition, the insurer collects and analyzes the necessary information, and then forms a profitable offer for the insured to interest him.

Chart 2 presents data on insurance companies that received insurance premiums and paid out insurance claims for 2021. Thus, having considered this diagram, we can draw the following

conclusions that the most popular insurance company is Asterra Grup SA, as it has the highest rates, which is a good result and shows that customers trust this insurer more. The lowest rates were registered by Garantie SA and Acord-Grup SA.

Diagram 3 shows in more detail what part of motor vehicle hull insurance is occupied in property insurance on the insurance market in the Republic of Moldova.



**Diagram 3. The share of CASCO auto insurance in property insurance in 2021.**

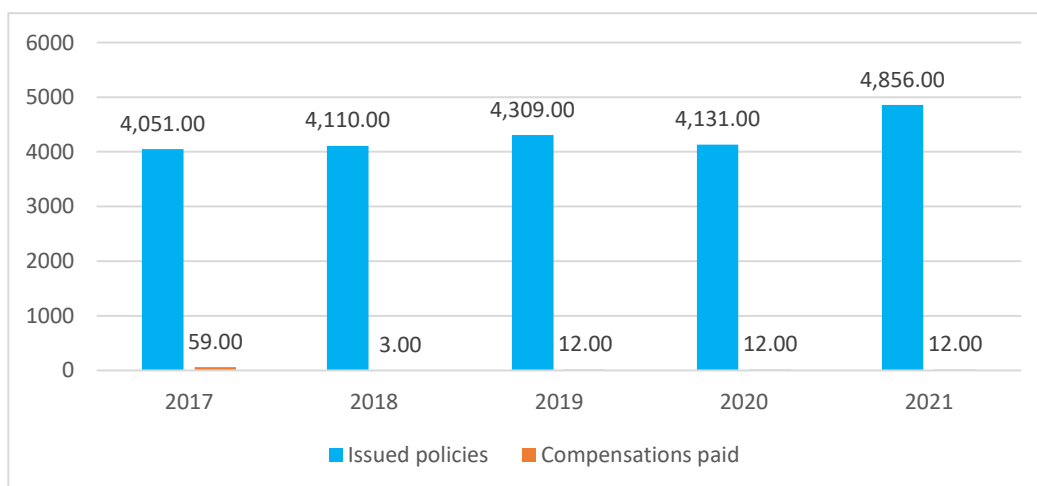
*Source: Report on the main activities of the insurer www.cnpf.md.*

After analyzing this diagram, it can be seen that CASCO auto insurance in property insurance occupies 61.42%, and other types of property insurance only 38.58%. This means that this type of insurance is quite popular in our country, as there is a great demand for it. Indeed, in property insurance, it occupies the largest share.

The development of the global trade market has also led to an increase in demand for CARGO insurance. This is due to the fact that when transporting cargo to different countries and depending on the type of transport, unforeseen situations may occur, as a result of which it may be damaged or destroyed. On the example of the insurance company "Asterra Grup" SA, let's consider in more detail the conditions of insurance in the insurance market in the Republic of Moldova.

In the Republic of Moldova, insurance companies offer cargo carriers to insure it, as various unpleasant events may occur during transportation, as a result of which the cargo may be damaged or destroyed, as a result of which the company will incur losses. To avoid such situations, this type of insurance provides financial protection against losses.

Diagram 4 shows data on the number of issued insurance policies, as well as the number of paid insurance claims for 2017-2021.



**Diagram 4. Evolution of issued insurance policies and the number of paid insurance indemnities, pieces.**

*Source: Report on the main activities of the insurer www.cnpf.md*

Looking at this chart, you can see that in 2021, 4,856 insurance contracts were registered, which is 725 policies or 17.55% more than in the previous period. The largest number of issued cargo insurance policies was issued in the analyzed period. It can be seen that over the past three years, the number of indemnities paid was the same and amounted to 12 pieces. The highest

indicator was noticed in 2017 and amounted to 59 paid insurance claims. In 2018, the smallest indicator of paid insurance indemnities was registered, which was equal to 3.

For more detailed information on the received insurance premiums in the insurance market of the Republic of Moldova, consider Table 3.

**Table 3. Evolution of CARGO insurance premiums for 2017-2021 (lei)**

<b>Reporting year</b>	<b>Direct insurance premiums</b>	<b>Premiums accepted for reinsurance</b>	<b>Total</b>
<b>2017</b>	10 464 718,00	0	10 464 718,00
<b>2018</b>	10 928 028,00	0	10 928 028,00
<b>2019</b>	10 012 269,00	0	10 012 269,00
<b>2020</b>	9 642 917,00	0	9 642 917,00
<b>2021</b>	10 775 396,00	0	10 775 396,00

*Source: Report on the main activities of the insurer www.cnpf.md*

After analyzing this table, you can see that for this type of insurance, only direct insurance was received. In 2021, insurance premiums received amounted to 10,775,396.00 lei, which is 1,132,479.00 lei or 11.74% more than in the previous period. Looking at the table, you can see that 2020 is characterized by the lowest indicators that were registered in the analyzed period and amounted to 9,642,917.00 lei, and the largest receipts were noticed in 2018, which amounted to 10,928,028.00 lei. An important point is that over the past five years, the received insurance premiums for CARGO insurance fluctuate almost at the same level and indicate that the demand for this type of insurance does not fall, but does not rise either.

In table 4, you can consider in more detail the data of CARGO reimbursements paid in the period from 2017 to 2021.

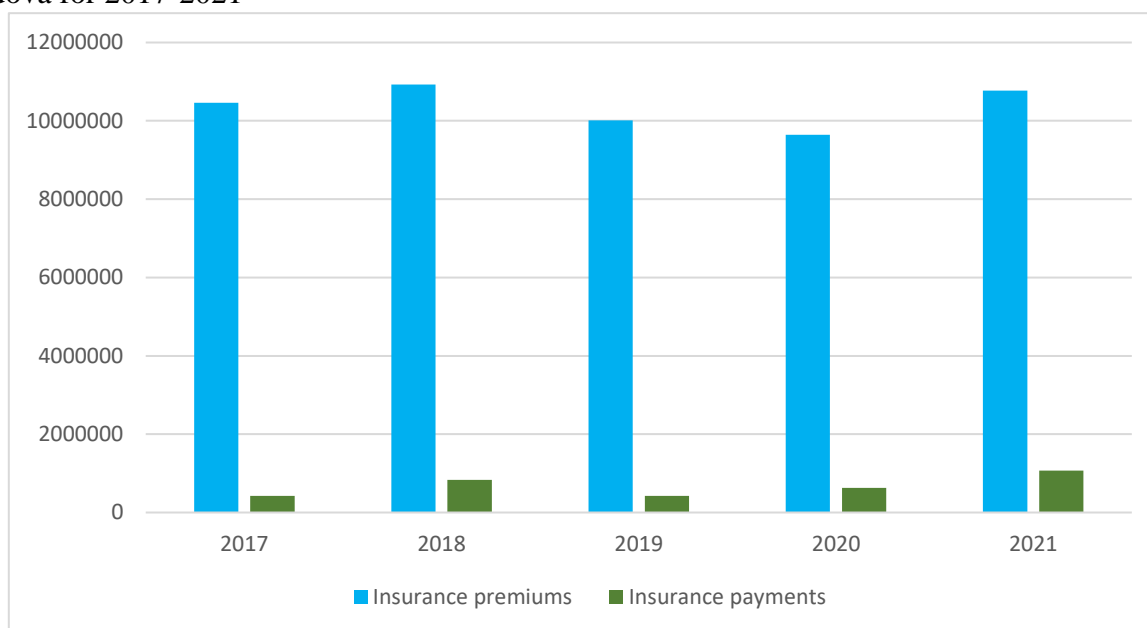
**Table 4. Evolution of CARGO insurance claims for 2017-2021 (lei)**

<b>Reporting year</b>	<b>Direct insurance payouts</b>	<b>Compensations accepted for reinsurance</b>	<b>Total</b>
<b>2017</b>	426 745,00	0	426 745,00
<b>2018</b>	832 981,00	0	832 981,00
<b>2019</b>	427 270,00	0	427 270,00
<b>2020</b>	629 881,00	0	629 881,00
<b>2021</b>	1 068 386,00	0	1 068 386,00

*Source: Report on the main activities of the insurer www.cnpf.md*

Based on the data in Table 4 Evolution of CARGO insurance claims for 2017-2021, we can conclude that in 2021 the highest figure is 1,068,386.00 lei, which is 438,505.00 lei or 69.62% more than in previous period, which is not a good result, as the number of insured events increased. The lowest indicator for paid insurance indemnities was noted in 2017 and amounted to 426,745.00 lei.

For a more illustrative example, let's consider Diagram 5 Evolution of CARGO insurance premiums and indemnities in the Republic of Moldova, where we will consider in detail the ratio of insurance premiums received and indemnities paid in the insurance market of the Republic of Moldova for 2017-2021



**Diagram 5. Evolution of insurance premiums and CARGO indemnities in the Republic of Moldova, lei.**

*Source: Report on the main activities of the insurer [www.cnpf.md](http://www.cnpf.md)*

After analyzing this diagram, you can see that the highest indicator for insurance premiums received was in 2018, and the lowest was noticed in 2020. The highest indicator of insurance claims was registered in 2021.

Thanks to the development of international trade, CARGO insurance has become very popular and has become one of the important points in trade agreements. A person doing business wants to think through all the steps, and so to avoid loss in case of an unforeseen situation.

Thus, based on the analysis of indicators of this type of insurance, it can be seen that every year insurance premiums have increased, that this type of insurance in the Republic of Moldova is becoming quite popular. After all, most entrepreneurs prefer to be insured against various accidents.

**Table 5. Evolution of received CARGO insurance premiums (lei)**

Company name/year	2019	2020	2021
<b>Acord-Grup SA</b>	730 770,00	468 190,00	565 373,00
<b>Asterra Grup SA</b>	1 695 075,00	2 136 528,00	2 712 865,00
<b>Donaris VIG SA</b>	2 632 309,00	3 730 467,00	3 265 270,00
<b>Garantie SA</b>	43 284,00	10 112,00	12 438,00
<b>General Asigurari SA</b>	802 375,00	1 174 697,00	1 370 116,00
<b>Intact Asigurari Generale SA</b>	29 548,00	153 686,00	481 263,00
<b>Klassika Asigurari SA</b>	1 127 031,00	0	-
<b>Moldasig SA</b>	1 385 366,00	698 095,00	1 014 963,00
<b>Moldcargo SA</b>	527 106,00	580 055,00	712 195,00
<b>Transelit SA</b>	1 039 405,00	691 088,00	640 914,00
<b>Total</b>	10 012 269,00	9 642 917,00	10 775 396,00

*Source: Report on the main activities of the insurer [www.cnpf.md](http://www.cnpf.md)*

Based on the data in Table 5, it can be seen that in the reporting year, the highest indicator was registered by Donaris VIG SA and amounted to 3,265,270.00 lei, which is 465,197.00 lei or 12.47% less than in the previous period. Despite the fact that the premiums received have

decreased, it can be seen that this company is the leader during the analyzed period. The second place in terms of the volume of insurance premiums received is occupied by the insurance company Asterra Grup SA and in 2021 its indicator was equal to 2,712,865.00 lei, which is 576,337.00 lei or 26.98% more than in the previous period. You can also notice a significant increase in the performance of the young strass company Intact Asigurari Generale SA. Garantie SA had the lowest indicator of premiums received in the reporting year and amounted to 12,438.00 lei, which is 2,326.00 lei or 23.00% more than in the previous year.

In table 6. we will consider the evolution of the paid CARGO reimbursements.

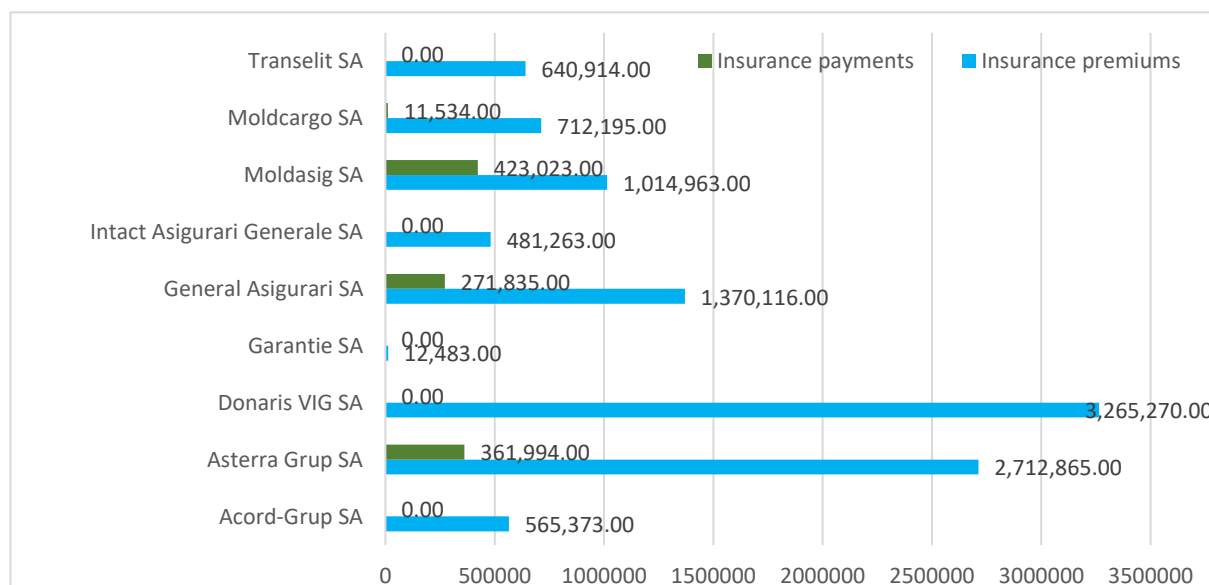
**Table 6. Evolution of paid out CARGO insurance indemnities (lei)**

Company name/year	2019	2020	2021
<b>Asterra Grup SA</b>	57 582,00	180 830,00	361 994,00
<b>Donaris VIG SA</b>	63 163,00	387 206,00	0
<b>General Asigurari SA</b>	228 407,00	0	271 835,00
<b>Moldasig SA</b>	77 848,00	0	423 023,00
<b>Moldcargo SA</b>	0	61 862,00	11 534,00
<b>Total</b>	427 270,00	629 881,00	1 068 386,00

*Source: Report on the main activities of the insurer www.cnpf.md*

After analyzing this table, it can be seen that 2021 is characterized by the highest indicator in the analyzed period and amounted to 1,068,3886.00 lei. Of which, the largest share of paid insurance claims is assumed by Moldasig SA and its indicator is 423,023.00, which was zero in 2019. For Donaris VIG SA, the amount of compensation paid in the reporting period was 0, while for Moldcargo SA, the indicator was 11,534.00, which is 50,328.00 lei less than in the previous period and this is the lowest indicator. Asterra Grup SA ranks second in terms of the amount of compensation paid, and its indicator in the reporting year was 361,835.00 lei.

The ratio of received insurance premiums and paid indemnities for each company in the



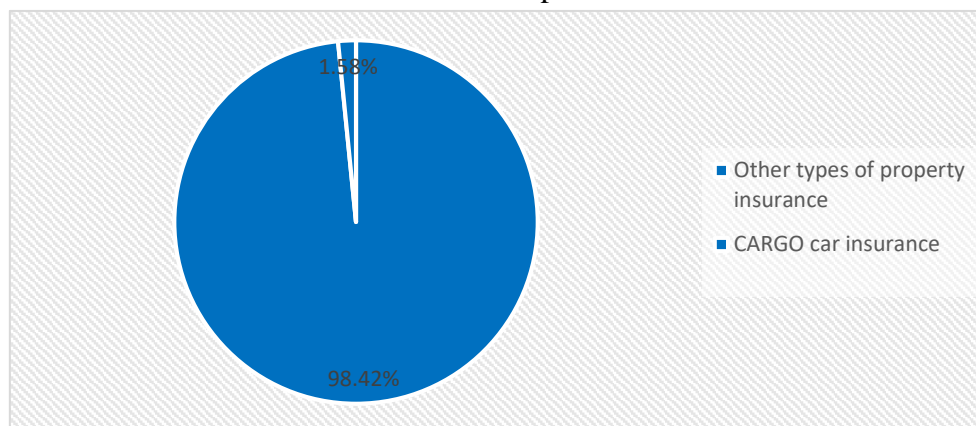
insurance market of the Republic of Moldova will be considered in more detail in Diagram 6.

**Diagram 6. Analysis of received insurance premiums and paid insurance claims by CARGO in the insurance market of the Republic of Moldova for 2021**

*Source: Report on the main activities of the insurer www.cnpf.md*

Based on this diagram, it can be concluded that Donaris VIG SA is the leader in terms of premiums received for CARGO insurance in 2021, since its indicator is the highest, and the volume of claims is zero. You can also notice that the companies that did not pay out insurance claims include Transelit SA, Acord-Grup SA, Intact Asigurari Generale SA, Garantie SA.

In Diagram 7, we will consider in detail what part of CARGO cargo insurance is occupied in property insurance in the insurance market in the Republic of Moldova.



**Diagram 7. The share of CARGO cargo insurance in property insurance in 2021.**

*Source: Report on the main activities of the insurer [www.cnpf.md](http://www.cnpf.md)*

Analyzing diagram 7, it can be seen that CARGO cargo insurance occupies only 1.58% in property insurance. The resulting figure indicates that this type of insurance is not in great demand and its share is still quite small as compared to other types of property insurance.

Based on the study, we found out that in 2021 the vehicle insurance market has grown quite a lot compared to the previous period. In the analyzed period, the number of issued policies increased by auto insurance, which increased by 7.12% compared to the same period of 2020. In the case of compensations, an increase was also noticed and the indicator amounted to 227,482,961.00 lei, which is 25.54% more.

In the field of cargo insurance, the number of registered policies in the reporting year increased by 17.55%, but the number of indemnities paid out did not change over the course of three years and amounted to only 12 pieces. Insurance premiums rose by 11.74% and claims increased by 69.62%, which is not a very good result for the company and indicates a decrease in profits.

In our study of the vehicle insurance market in the Republic of Moldova, we found that in the reporting year, Asterra Grup SA, which registered the highest figures, occupied the leading position in voluntary CASCO auto insurance, both in terms of premiums received and indemnities paid. In the field of aircraft insurance, Acord-Grup SA holds the leading position and is the only company that has registered indemnities paid out in 2021. With regard to CARGO insurance, the largest indicator of received premiums was registered with Donaris VIG SA, and no reimbursements were registered with this company in the reporting year.

With the development of the transport insurance market in the Republic of Moldova, there appeared problems that hindered its normal functioning. The main problems are the economic condition of the country and the purchasing power of citizens, the predominance of compulsory insurance, and the pandemic has also negatively affected. One of the acute problems is the lack of awareness and incompetence of citizens in the field of insurance. Thus, in order to solve these problems, it is necessary to improve the presentation of information for customers, as well as the development of new types of insurance and affordable rates.

#### **BIBLIOGRAPHY**

1. Legea „Cu privire la asigurări”; nr.407-XVI от 21.12.2006. Monitorul Oficial nr47-49 art213 din 06.04.2007.
2. АЛИЕВ Б.Х., МАХДИЕВА Ю.М. *Учебник: Основы страхования*. Москва: ЮНИТИ-ДАНА, 2015. 503 с, ISBN 978-5-238-02490-5
3. АРХИПОВ А.П., АДОНИН А.С. *Страховое дело: Учебно-методический комплекс*. Москва: Изд. Центр ЕАОИ, 2008. 424 стр. ISBN 978-5-375-00043-6
4. АРХИПОВ А.П., ГОМЕЛЛЬ В.Б., ТУЛЕНТ Д.С. *Страхование. Современный курс: Учебник*. Москва: Финансы и статистика, 2014. 448 с. ISBN 978-5-279-03333-1



5. ЕРМАСОВ С.В., ЕРМАСОВА Н.Б. *Страхование: учебник для бакалавров.* – 5-е изд., перераб. и доп. Москва: ЮРАЙТ, 2014. 791 стр. ISBN 978-5-9916-3305-5
6. КАЯЧЕВА В.Л., ЧЕРНЫХ М.Н., КАЯЧЕВ Г.Ф. *Страхование: Учебное пособие.* Красноярск: Сиб. федер. ун-т, 2020. 148 с. ISBN 978-5-7638-4285-2
7. КНЯЗЕВА Е.Г., БОЙТУШ О.А., РАЗУМОВСКАЯ Е.А., ЮЗВОВИЧ Л.И., АХВЛЕДИАНИ Ю.Т. *Страхование: учебник; под. Общ.ред. Князевой Е.Г.* Екатеринбург: Изд-во Урал, ун-та, 2019. 241 с. ISBN 978-5-7996-2770-6
8. СКАМАЙ Л.Г. *Страхование: Учебник и практикум для прикладного бакалавриата.* 4-е изд. Перераб. и доп. Москва: Юрайт, 2019. 322 с. ISBN 978-5-534-09293-6
9. ЩЕРБАКОВ В.А., КОСТЯЕВА Е.В. *Страхование: учебное пособие.* Москва: КНОРУС, 2007. 312 стр. ISBN 5-85971-454-8.
10. Official website of the National Commission for Financial Markets: [www.cnpf.md](http://www.cnpf.md)