

Bahrain Industry Report

Insurance Sector

December 2025



Foreword



We are pleased to present our latest Insurance Sector report, designed to provide valuable insights for our clients. Our team regularly publishes sector-focused reports, sharing our perspectives on the Insurance landscape, with a particular emphasis on Bahrain.

The insurance industry in Bahrain plays a pivotal role in supporting the Kingdom's economic stability and sustainable growth. Bahrain offers a comprehensive range of conventional and Takaful (Islamic) insurance products that cater to both individual and corporate needs. The sector benefits from a robust regulatory framework under the Central Bank of Bahrain, which ensures transparency, financial soundness, and adherence to international best practices.

With its strong regulatory oversight and emphasis on innovation and market development, Bahrain provides a dynamic and secure environment for investment in the insurance industry.

We look forward to staying engaged with industry leaders and clients in the region and keeping you informed with relevant insights and sector developments.

20 YEARS IN BAHRAIN
AND BEYOND

Grant Thornton Bahrain



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Overview: Insurance Sector in Bahrain

The insurance sector in Bahrain maintains a stable outlook, supported by a resilient economy and growth potential across both life and non-life segments.

BD 340.5 million

Gross premiums written covering both life and non-life segments are estimated at BD 301.4 million in 2024 and are projected to rise to BD 340.5 million by 2029, reflecting a CAGR of 2.5%.

89%

The non-life segment dominates the market, accounting for ~89% of total premiums during the forecast period (2025–2029), with motor insurance expected to remain the leading business line.

Bahrain is the only GCC market with dedicated regulations governing bancassurance, ensuring consumer protection and mitigating risks of misselling.

Bahrain's first captive insurer was established in 2006 by Tabreed, followed by others such as Alturki Holdings, managed by Braxton Insurance Management since 2020.

The CBB began issuing e-brokerage licenses for price comparison platforms, with UAE-based Souqalmal.com launching Bahrain's first auto insurance comparison service in 2019. Partnering with six local insurers, it continues to expand as digitalization drives more such platforms into the market.



Industry Advantages

Key strengths of the industry include a growing population with high living standards, a sizeable expatriate workforce driving demand for life and health insurance, strong retention ratios among life insurers, and a mature takaful segment with room for further development.

The market also benefits from robust oversight by the Central Bank of Bahrain, which promotes a competitive environment and encourages foreign participation, particularly in reinsurance.

Industry Disadvantages

Increasing regulatory compliance requirements are contributing to market saturation and rising operating costs, intensifying price competition and pressuring the profitability of smaller players.

The sector's reliance on reinsurance for large-scale projects exposes insurers to fluctuations in reinsurance capacity and pricing, which can materially affect earnings.

Regulatory Environment

Central Bank of Bahrain (CBB)



CBB is the regulator for the insurance sector in Bahrain, providing a comprehensive regulatory framework for insurance firms that aligns with International Association of Insurance Supervisors (“IAIS”) core principles.

Bahrain Insurance Association (BIA)

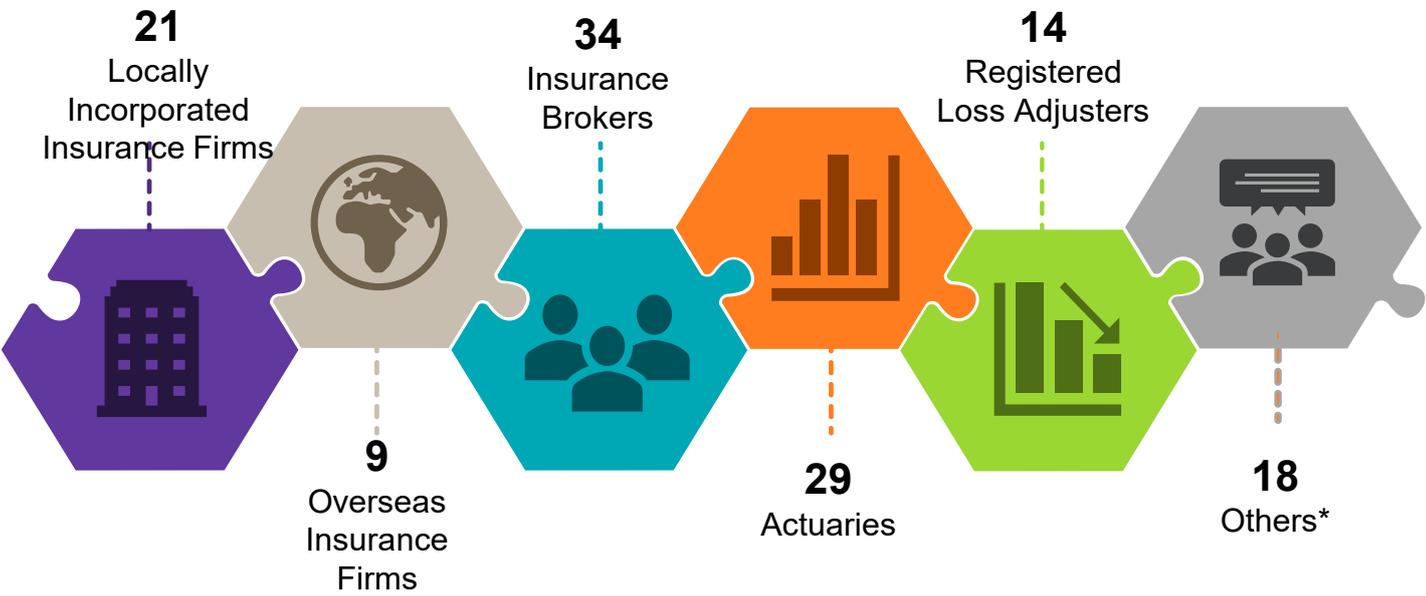


BIA is a professional body that collaborates with the CBB to develop reporting standards, promote insurance awareness, and uphold ethical conduct within the insurance industry.

Sources: BMI, CBB, BIA

Overview: Insurance Sector in Bahrain

Bahrain Insurance Sector Statistics from CBB



*Others include Insurance consultants, Insurance managers, Representative offices, Insurance ancillary services, Insurance Pools & Syndicates and Insurance societies.

Sources: BMI, CBB, BIA



Life Insurance Market

Life Sector Overview

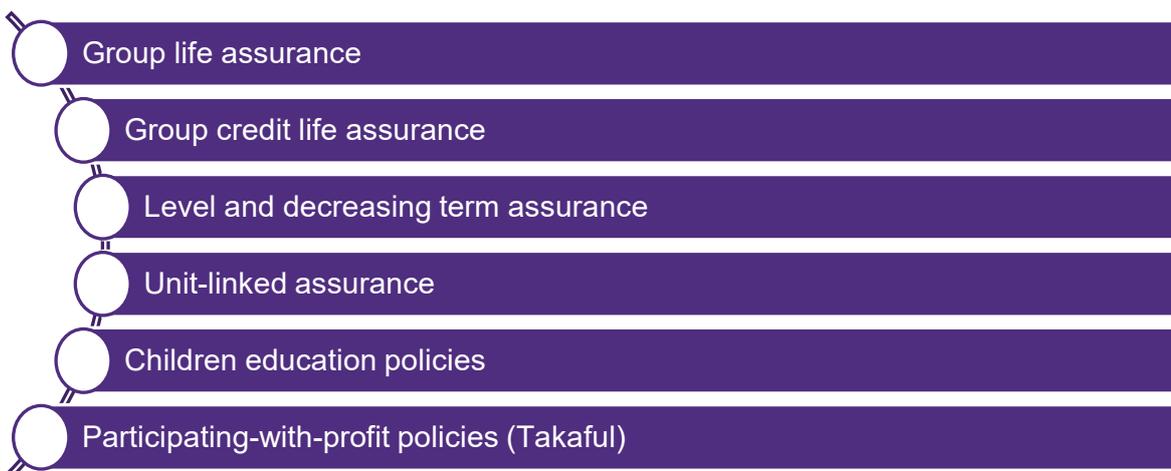
The life insurance segment in Bahrain is forecasted to represent ~11% of the total premiums written in the market for the period 2025-2029.

Due to the social welfare benefits available to local households and free state healthcare for indigenous citizens, life insurance market is largely driven by demand from expatriates.

Rising disposable income and increase in expatriate workers are expected to drive growth in Bahrain's life insurance segment. This can further be supported by improved distribution strategies, including bancassurance.

The conventional insurance products have been more dominant in life insurance segment, presenting a growth opportunity for family takaful providers.

Life Insurance Sub-Segments



Sources: BMI, Corporate websites



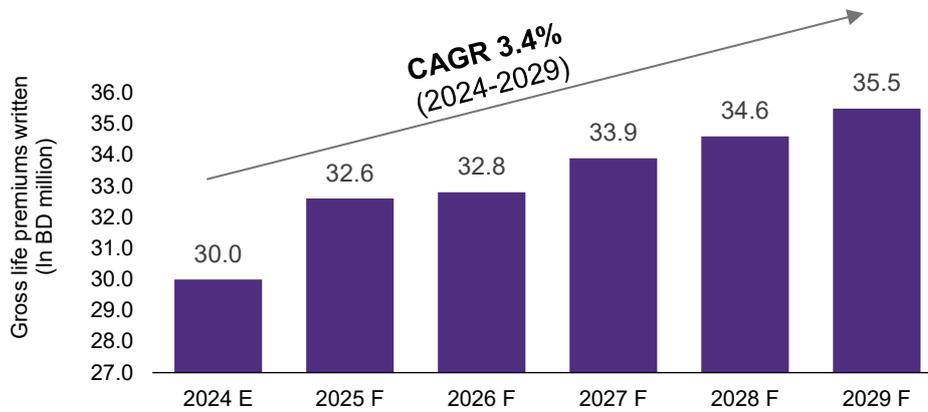
Competitive Landscape – Major International Life insurance players in Bahrain

Particulars	Life Insurance Corporation of India 	Zurich International Life 	MetLife Alico 
Product Offerings	<ul style="list-style-type: none"> ✓ Term life insurance ✓ Unit-linked and endowment plans ✓ Pension schemes ✓ Health and child education insurance 	<ul style="list-style-type: none"> ✓ Term life assurance ✓ Critical illness coverage ✓ Structured savings plans ✓ Group employee benefits for businesses, including life, disability, and income protection. 	<ul style="list-style-type: none"> ✓ Term life insurance ✓ Health, and accident insurance ✓ Savings products for individuals and corporations, including group medical coverage, individual protection plans, and retirement solutions.

Life Insurance Market

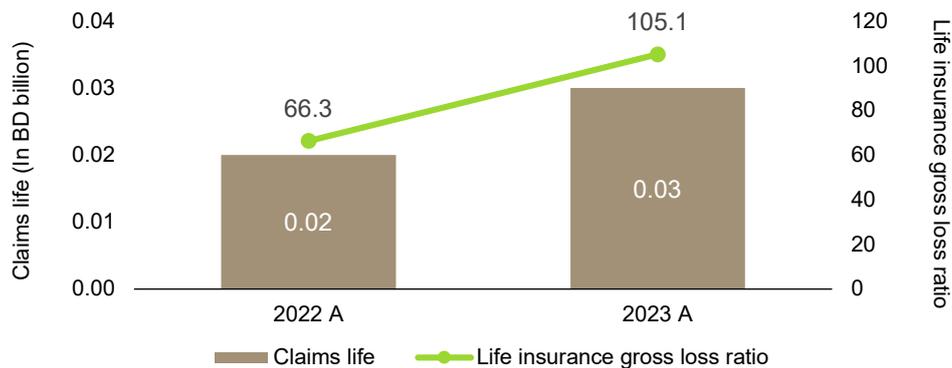
01

Gross life premiums written are estimated at BD 30.0 million in 2024 and are projected to rise to BD 35.5 million by 2029, reflecting a CAGR of 3.4%.



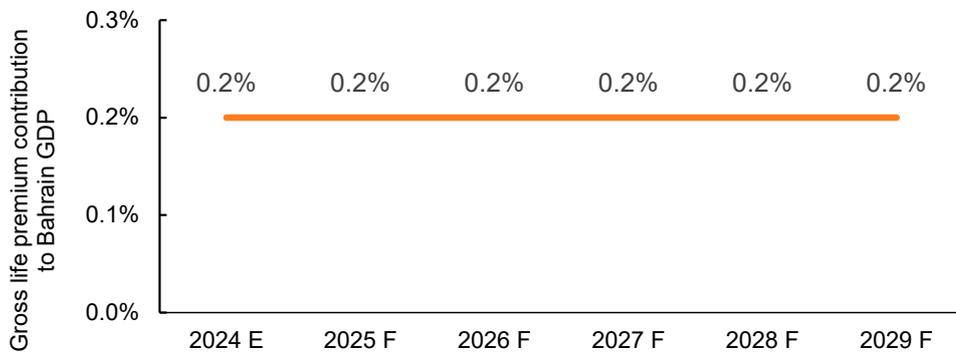
02

While monetary claims remained stable at BD 0.02 billion in 2022 and BD 0.03 billion in 2023, the increase in the loss ratio from 66.3 to 105.1 highlights underlying operational challenges.

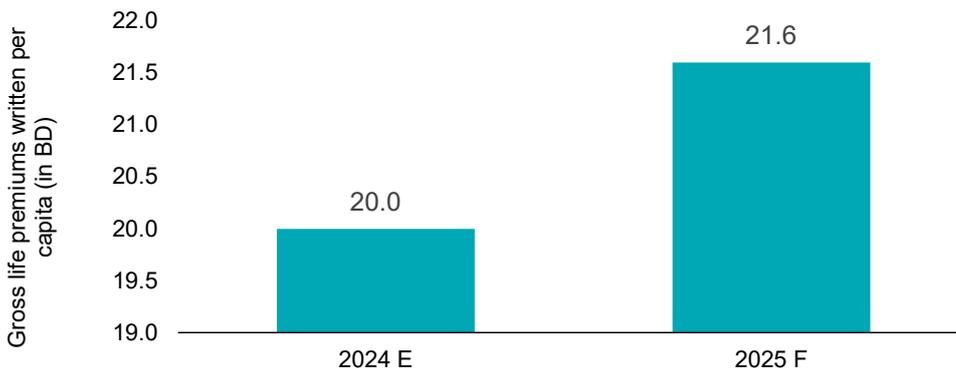




03 The life insurance sector's contribution to Bahrain's GDP is projected to remain stable at 0.2% over the forecast period (2025-2029), reflecting its steady role in national economy.



04 Gross life premiums written per capita is forecasted to increase from BD 20.0 in 2024 to BD 21.6 in 2025.



A= Actual | E = Estimated | F = Forecasted

Sources: BMI

Non-Life Insurance Market



Overview



The non-life insurance sector in Bahrain is forecasted to represent ~89% of total premiums written in the market for the period 2025-2029.



Technological innovation and digitalization are features of Bahrain's non-life market, with the central bank recently approving a new business-to-business centralized platform to handle payments, claims and customers' documents.



The sector is highly competitive with both local and international players actively operating.



Government's move to implement mandatory health insurance is expected to drive growth in this segment.

Non-Life Insurance Sub-segments

Bahrain's non-life sector is expected to be dominated by health, motor and property insurance, that are expected to account for ~79% of total non-life premiums for the period 2025-2029.

Health insurance, the largest segment of Bahrain's non-life insurance market, is projected to grow at a CAGR of 2.0% from 2024-2029. Increased employment rates, demographic trends and increased healthcare expenses are key drivers of this growth.

Motor insurance is expected to increase at a CAGR of 1.9% from 2024-2029. The key demand driver is the increase in vehicle fleet.

As consumer awareness increases and economic diversification progresses, other smaller insurance lines are expected to gradually expand their share in the market.

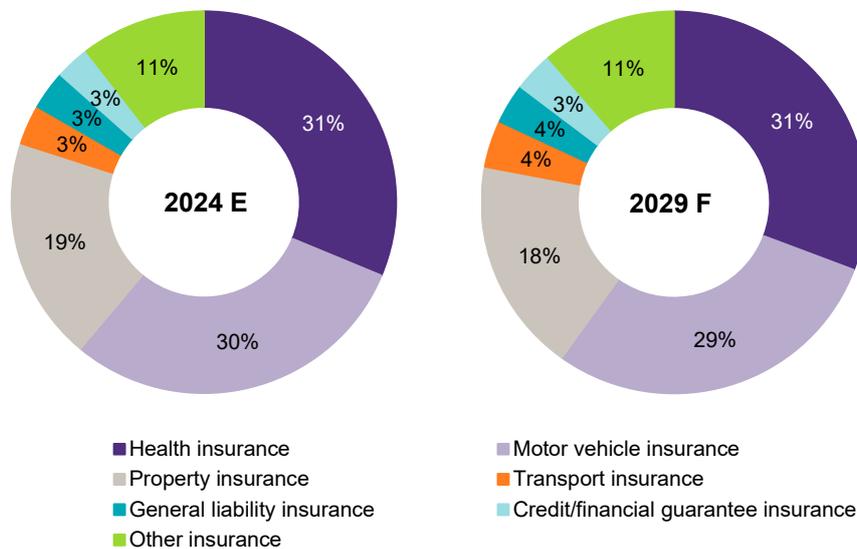
Sources: BMI, Global data, Solidarity interim report



Recent Developments in Non-Life Insurance Segment

- 01.** In January 2025, MoH confirmed that all private sector employers in Bahrain would be required to provide mandatory health insurance for all employees.
- 02.** In March 2024, the erstwhile Bahrain Kuwait Insurance Company (BKIC), a member of the regional insurance conglomerate Gulf Insurance Group (GIG), developed distance-based motor insurance.
- 03.** In June 2025, Solidarity Group acquired 100% ownership of Bahrain National Insurance (BNI) and Bahrain National Life Assurance (BNL) from Bahrain National Holding (BNH) for BD 75 million.
- 04.** On April 2024, the United Nations Environment Program introduced the new platform Forum for Insurance Transition to Net Zero, leading to a push toward ESG standards and net-zero goals for Bahrain.

Composition of non-life insurance segment

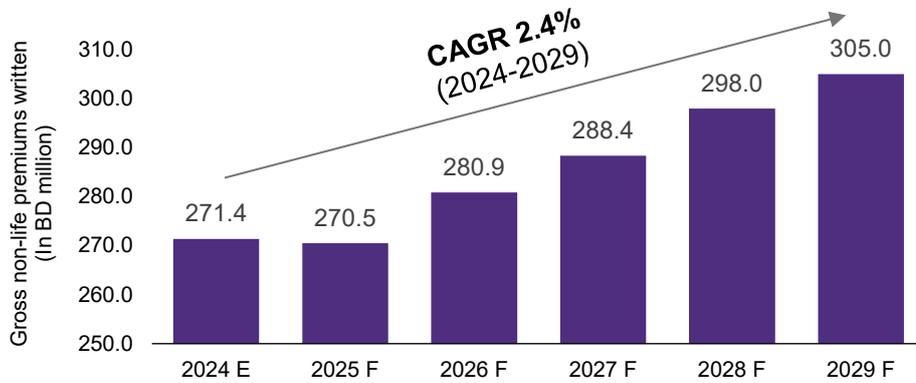


Sources: BMI, Global data, Solidarity interim report

Non-Life Insurance Market

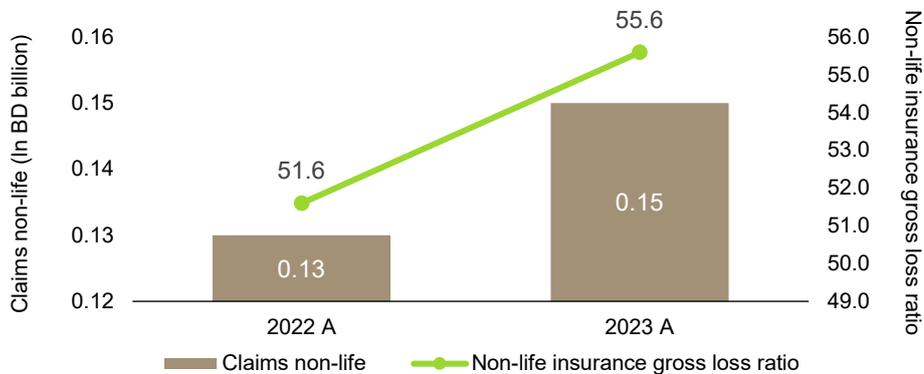
01

Gross non-life premiums written are estimated at BD 271.4 million in 2024 and are projected to rise to BD 305.0 million by 2029, reflecting a CAGR of 2.4%.



02

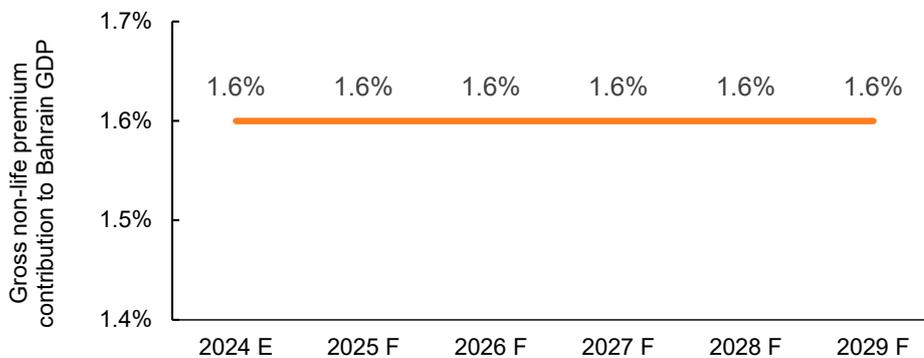
Claims cost for non-life sector rose from BD 0.13 billion in 2022 to BD 0.15 billion in 2023, with the gross loss ratio increasing from 51.6 to 55.6 respectively.





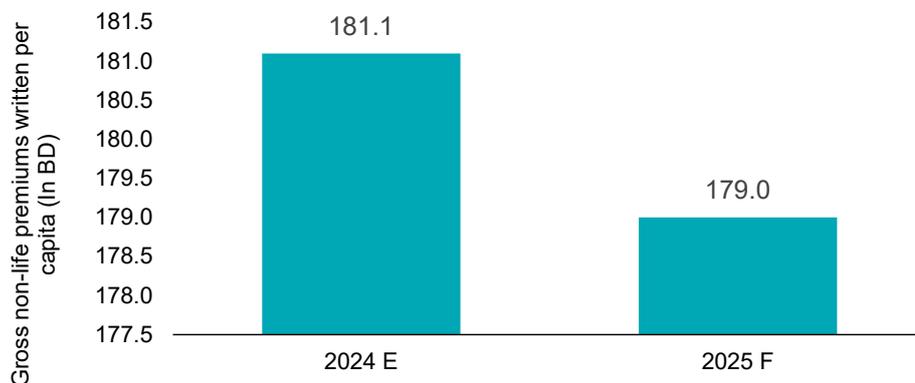
03

Gross non-life premiums are projected to remain stable at around 1.6% of GDP over the forecast period (2025-2029), reflecting the sector's consistent contribution to the economy.



04

Gross non-life premium written per capita is forecasted to fall from BD 181.1 in 2024 to BD 179.0 in 2025, reflecting a slight dip in individual insurance penetration.



A= Actual | E = Estimated | F = Forecasted

Sources: BMI

Non-Life Insurance Market

Competitive Landscape – Non-life insurance players in Bahrain

Particulars	GIG Bahrain 	Solidarity Bahrain* 	GIG Takaful International 
Product Offerings	<ul style="list-style-type: none"> ✓ Motor insurance ✓ Travel insurance ✓ Home insurance ✓ Life and medical insurance ✓ Marine insurance 	<ul style="list-style-type: none"> ✓ Motor insurance ✓ Travel insurance ✓ Home insurance ✓ Medical insurance ✓ Savings and protection plans 	<ul style="list-style-type: none"> ✓ Motor Insurance ✓ Travel Insurance ✓ Baitak Insurance ✓ Family Takaful

Sources: BMI, Corporate websites



Competitive Landscape – Non-life insurance players in Bahrain

Particulars	Saudi National Ins Co. (SNIC)	Arab Insurance Group (ARIG)	Gulf Union Insurance
			 <small>شركة اتحاد الخليج للتأمين وإعادة التأمين ش.م.ب. (م) GULF UNION INSURANCE & REINSURANCE CO. 1977</small>
Product Offerings	<ul style="list-style-type: none"> ✓ Motor insurance ✓ Home insurance ✓ Medical insurance ✓ Travel insurance ✓ Savings protection for individuals, as well as corporate, engineering, and miscellaneous coverage for businesses. 	<p>Non-life Reinsurance:</p> <ul style="list-style-type: none"> ✓ Property and engineering insurance ✓ Marine insurance ✓ Accident insurance <p>Life Reinsurance</p> <ul style="list-style-type: none"> ✓ Short-term and long-term life policies 	<ul style="list-style-type: none"> ✓ Motor insurance ✓ Travel insurance ✓ Home insurance ✓ Life and medical insurance ✓ Marine and engineering insurance ✓ Liability and causality insurance

*Note: Bahrain National Insurance (BNI) held a 15.4% market share in 2023, prior to its acquisition by Solidarity Bahrain in 2025.

Sources: BMI, Corporate websites

Growth Drivers and Challenges of the Healthcare Sector in Bahrain

Growth drivers



Population and Demographics:

An expanding population with high living standards provides a stable demand base for life and non-life products such as health and property, contributing to overall sector resilience amid economic expansion.



Expatriate Workforce:

A large expatriate population of over 50% often seek savings and protection solutions to build financial security before returning home or relocating, driving consistent premium growth in life insurance products and non-life especially health insurance.



Regulatory Support:

The insurance market is supported by a strong regulatory regime and is welcoming to foreign entrants, especially in the reinsurance segment, with the CBB's framework promoting stability, innovation, and international participation, which enhances market development and attracts global expertise to bolster local operations.



Infrastructure and Economic Growth:

Growth in construction, infrastructure, and heavy industry is expected to support demand for property and other non-life insurance lines for coverage against risks like property damage and liability.



Health Insurance Mandates:

Demand for health insurance is expected to rise following the implementation of mandatory employee health insurance in January 2025, covering expatriates and Bahraini nationals, thereby driving market penetration and premium growth in the health segment.



Challenges



High Competition in Non-Life:

High levels of non-life competition, especially among motor insurance providers, results in downward price pressures and low profitability making it difficult for insurers to maintain margins while vying for share in the market.



Reinsurance Dependence:

The sector's high dependence on reinsurance for large-scale projects creates vulnerabilities, with variations in reinsurance capacity and costs having a considerable impact on profitability.



Regulatory Pressures:

Despite the positives, increased regulatory requirements are driving operational expenses, creating pricing pressures that threaten viability, particularly for smaller businesses, despite the supportive regulatory regime fostering foreign entry and innovation.



Small Indigenous Population:

A small indigenous population is a limiting factor on long-term growth in demand for life insurance products, as Bahrain nationals benefit from substantial social security provisions that reduce their perceived need for private coverage, constraining the sector's expansion potential beyond expatriate-driven segments.



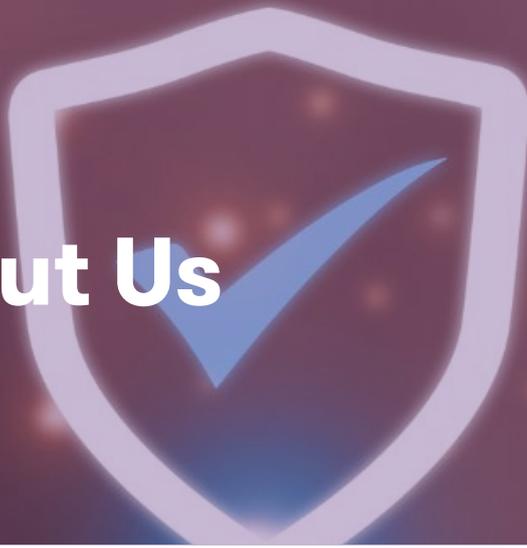
Global Economic Risks:

Heightened geopolitical tensions may lead to global economic ructions, amplifying volatility in Bahrain's economy through knock-on effects like inflationary pressures and supply chain disruptions, which could hinder insurance demand and investment returns for the sector.

Glossary

General terms

~	Approximately
%	Percentage
&	And
ARIG	Arab Insurance Group
BD	Bahraini Dinars
BIA	Bahrain Insurance Association
BKIC	Bahrain Kuwait Insurance Company
BMI	Business Monitor International
BNH	Bahrain National Holding
BNI	Bahrain National Insurance
BNL	Bahrain National Life Assurance
CAGR	Compounded Annual Growth Rate
CBB	Central Bank of Bahrain
Co	Company
ESG	Environmental, Social and Governance
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GIG	Gulf Insurance Group
IAIS	International Association of Insurance Supervisors
LIC	Life Insurance Corporation of India
MENA	Middle East and North Africa
MoH	Ministry of Health
N/A	Not Available
SNIC	Saudi National Ins Co
UAE	United Arab Emirates



About Us

Our Global Network

A global network of professionals providing audit, tax and advisory services in 150 markets. Whether your business has domestic or international aspirations, Grant Thornton can help you to unlock your potential for growth wherever and whenever needed.

Global Quick Facts



\$8.5 billion
in global revenue



80,000+
professionals



150
markets worldwide

Our Global Clients Include

91% of **Forbes 100**
71% of **FORTUNE** Global 500

75% of **S&P** Europe 350
78% of **FTSE 100**

Who We Are - Grant Thornton Bahrain



160+
Employees



7
Directors and Senior Managers



12
Partners



8
Nationalities



50%
Expert Bahraini Workforce



40%
Professional positions held by women

2,000+ Clients Across the Following Industries



Aviation



Education



Energy



Finance



FMCG



Healthcare



Hospitality & Tourism



Manufacturing



Real Estate

Our Services

Audit and Assurance

- Financial statement audits
- Financial statement compilations
- Financial statement reviews
- Agreed-upon-procedures
- Statutory certification for government levy and import duty exemptions
- Implementation and reporting on controls
- Readiness assessment for SoX
- IFRS Advisory

Technology Advisory

- Technology advisory and strategy
- Technology adoption
- Technology effectiveness review
- Information protection and Cyber security
- Asset management
- Policies and procedures
- ISO 27001, ISO 22301 and PCI
- DSS Certification Program
- Knowledge development
- IT Governance and management
- Project management

Corporate Compliance and Regulatory Services

- Company formation with MOICT and obtaining CBB Licenses
- Legal document preparation and services thereafter
- Secretarial services for board meetings
- Trademark and Intellectual property registration
- Liquidation of MOICT and CBB licensees
- Regulatory advisory for CBB licensing, IPO and rights issue

Risk Advisory

- Internal audit
- Governance
- Business process improvement
- Forensic investigations
- Data analytics
- Quality assurance review
- Regulatory compliance
- Policies and procedures

Business Process Solutions

- Business process outsourcing (BPO)
- Global compliance and reporting solutions (GCRS)
- Shared services
- Bookkeeping and Financial Accounting
- Payroll and personnel administration
- Human Resources Solutions

Transaction Advisory

- M&A Advisory
- Capital markets
- Valuations
- Debt advisory
- Due diligence
- Business planning
- Feasibility studies

Tax Advisory

- Impact assessment
- VAT compliance
- Preparation and submission of returns
- VAT Technology advisory
- Country by Country Reporting
- Base Erosion Profit Shifting
- Economic Substance Requirement
- Transfer Pricing
- Proposed Taxes



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**Our
team is
ready to
support
you.**



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