

# Massive cost of violent protests

**RIISING:** INSURER SETTLED R1 BILLION CLAIMS IN 7 YEARS

➤ **The bulk of claims received were from commercial businesses –insurance expert.**

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**I**ncreasing insurance claims due to violent service delivery protests have contributed to an estimated R1 billion in losses over the past nine months, according to the state-owned special risks insurer Sasria.

Sasria provides risk cover to individuals and businesses that own assets in South Africa.

Between 2012 and 2019, Sasria received more than 20 000 claims with a notable increase in the recent past, particularly between 2017 and 2019.

Insurance operation executive manager, Fareedah Benjamin,

said: “During the first five months of the 2018-19 financial year, Sasria received over 2 000 new claims registered, totalling an estimated value of R1 billion.”

She said the bulk of the claims received were from commercial businesses, predominantly from South Africa’s industrial and commercial hubs including the Western Cape, Gauteng, and the Eastern Cape.

Benjamin said 2019 would be a challenging year because “only certain incidents are reported in the news. Until you see the extent of the claims, you don’t realise these events are happening with more frequency and the extent of the damage is increasing.”

She added that by enabling businesses to restore their liquidity or operations quickly and efficiently after experiencing loss or damage due to special risk events, Sasria had played a great role in preventing job losses, maintaining livelihoods, restoring pride

and dignity and facilitating economic stability.

“Whether it is a labour strike, a student protest or a community demonstrating against poor service delivery, there is always potential for damage to property and assets. Everyone is at risk,” said Benjamin.

“It is important to note that these incidents are not isolated to one province or one town. They are happening across South Africa, and the momentum is increasing.”

In its yearly report from last year, the risks insurer showed that service delivery protests accounted for 76.6% of claims in the year to end-March.

The number of claims increased by 32.4% and there was also an increase in severity.

The value of claims, however, decreased, with gross insurance claims amounting to R663 million, 13.5% below the year before. –gcinan@citizen.co.za

