

Only Sasria provides cover for damage related to unrest, protests

In today's uncertain times, insurance against damage from events such as civil unrest, protests, labour action or acts of terrorism is essential. This kind of cover is not automatically included in standard building, contents, vehicle and all-risks insurance policies. It is an optional add-on offered by Sasria, a state-owned entity that provides insurance for so-called "special events" not covered by retail providers.

Under the government's Treating Customers Fairly regulatory guidelines, insurance brokers are obliged to advise their customers – whether businesses or individuals – that retail insurance products do not automatically include Sasria cover, and to offer it as an optional extra.

You can benefit from Sasria cover only if you have a retail insurance policy, because Sasria does not provide insurance directly to consumers.

"Insurance against special events is a vital aspect of any short-term insurance policy," Keith Fick, Sasria's executive for insurance operations, says. "Sasria has seen a 54-percent increase in claims related to events such as protests and strikes in the past year alone, as well as a 25-percent increase in the severity of these claims.

"We received 1 211 claims for the six-month period to the end of September 31, 2015. These originated from events such as service delivery protests, xenophobic attacks, the actions of disgruntled commuters and taxi industry violence. Damage related to the recent student protests is yet to be assessed, but it already amounts to millions."

Sasria's mandate is to provide cover against such events and, particularly for businesses, this extends to more than just movable and immovable assets.

"Businesses should have two kinds of special events cover," Fick says. "They obviously need to cover their assets, such as buildings, machinery and vehicles, but they also need to make sure they're covered for the interruption of trade should this occur as a result of political or labour-related events."

He points out, however, that Sasria does not provide cover for staff who may be injured in a special event. This eventuality needs to be provided for in the company's regular short-term insurance policy, which would also cover damage to or loss of movable property that may take place under normal circumstances.

"For both individuals and businesses, it is especially important that any assets that are being financed be covered by Sasria," Fick says. "It's a double blow if one not only loses the asset, but also has to pay back whatever portion of the financing may still be outstanding."

Pricing for standard Sasria cover is handled through the retail insurers. – *Staff Reporter*

