PACICC

Property and Casualty Insurance Compensation Corporation
Société d'indemnisation en matière d'assurances IARD

2026 UPDATE

When, Where and How Often Insurers Fail

The Global Failed Insurer Catalogue

By

Grant Kelly and Zhe (Judy) Peng

FOURTH EDITION

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PACICC's Vision, Mission and Principles

Vision

To be, and to be recognized as, the authority in Canada supporting the resolution of severely distressed home, auto and commercial insurance companies.

Mission Statement

The mission of the Property and Casualty Insurance Compensation Corporation (PACICC) is to protect eligible policyholders from undue financial loss in the event that a Member Insurer becomes insolvent. We work to minimize the costs of insurer insolvencies and seek to maintain a high level of consumer and business confidence in Canada's property and casualty (P&C) insurance industry through the financial protection that we provide to policyholders.

Principles

- In the unlikely event that an insurance company becomes insolvent, policyholders should be protected from undue financial loss through prompt payment of covered claims
- Financial preparedness is fundamental to PACICC's successful management support of insurance company liquidations, requiring both adequate financial capacity and prudently managed compensation funds
- Good corporate governance, well-informed stakeholders and cost-effective delivery of Member services are foundations for success
- Frequent and open consultations with Members, regulators, liquidators and other stakeholders will strengthen PACICC's performance
- In-depth P&C insurance industry knowledge – based on applied research and analysis – is essential for effective monitoring of insolvency risk

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Acknowledgements

Thank you to PACICC colleagues Alister Campbell, Ian Campbell, Denika Hall and Jeff Stewart, and a former colleague, Olga Kanj, for their background research and other contributions to this paper.

A special thanks to PACICC's colleagues in the International Forum of Insurance Guarantee Schemes (IFIGS) who contributed to the study by sharing their knowledge of insurers that have failed in their own countries.

This report presents the best available information as at May 15, 2026. The authors are solely responsible for all observations made and conclusions drawn in this study, as well as for any errors and/or omissions.

Executive summary

This is the fourth edition of the Global Failed Insurer (GFI) Catalogue. It now encompasses 1,273 insurers known to have failed since 2000 across 98 different countries. While there are almost certainly still some errors of omission and inclusion in this updated version, we feel increasingly confident that this Catalogue is now the world's most comprehensive publicly available database of failed insurers.

While insurance failures are relatively rare in most countries, they still happen. Typically, a country's regulation of the solvency of insurers is not designed to prevent all insurance failures. Why? Because there is no reward in the insurance marketplace without some risk. Consumers can benefit from competition and innovation in a free market. Indeed, fluid entry and exit of firms in an industry can generally be seen as a sign of a well-functioning economic framework.

The Catalogue is intended solely as a database of insurer failures. We are not judging the adequacy of the supervisory frameworks in any of the 98 countries/territories that have experienced failures since 2000. We are simply recording the facts of those failures and seeking to draw lessons to benefit all of those engaged in managing the financial services safety net in their respective jurisdictions.

It is important to note that the failures catalogued here occurred across 98 very different countries, each with its own unique legal and regulatory framework. To establish a common basis for inclusion in, or exclusion from, the database, we have sought to include only companies that left the insurance marketplace as a result of a binding regulatory decision, meaning that the exit was not voluntary. In this paper, the words "failure" and "insolvency" are used interchangeably with the term "involuntary exit."

PACICC acknowledges that there are almost certainly errors of omission and inclusion in this massive research project. We welcome input from practitioners around the world to ensure that future editions are both more comprehensive and more accurate.

We initiated this research project to help answer a key question – do insurers still fail? The substantial number of insurers in our database helps to answer this question with an emphatic "Yes." In fact, our research shows that, on average, 49 insurers around the globe fail each year. Over the sample period, this annual average includes 32 Property and Casualty (P&C) insurers, 14 Life insurers, one Reinsurer, and one Composite insurer (those that offer both Life and P&C insurance products).

While insurer failures are rare, they clearly still happen. Interestingly, many of the jurisdictions with historical or recent failures have experienced sustained periods of calm, lasting perhaps 10 or even 20 years, during which there were no insolvencies at all. But, when insolvencies do occur, they often happen in "clusters," with several insurers failing over a two- to three-year period. Then, in most cases, market stability returns. Even more intriguingly, in some jurisdictions, this cycle of calm followed by clusters repeats itself.

This paper also identifies a significant and alarming gap in global policyholder protection. Some countries, including Canada, have introduced Policyholder Protection Schemes (PPS). Unfortunately, many others have not. This has resulted in significantly less protection for policyholders of failed insurers, particularly outside of North America. Hopefully, the international supervisory community will take note of these findings and make accelerated efforts to close this gap by implementing effective insurance guarantee mechanisms.

Introduction

The Global Failed Insurer Catalogue contains 1,273 P&C and Life insurers and Reinsurers that have failed since 2000. These failures occurred in 98 countries around the globe. Each of these countries is unique, differing in size, population, political oversight, rule of law and the regulatory framework governing their financial services sector. However, the large number of cases identified worldwide suggests that few countries, if any, are immune to the risk of insurer failure.

This paper has four sections:

Section One: How many insurers have failed shows how many failures occurred in each year for each type of insurer. This section also includes a brief discussion of trends in the annual number of insurance company failures since 2000.

Section Two: Where the failures occurred breaks down failures in the Catalogue by continent, country and jurisdiction.

Section Three: How often insurers fail measures the frequency of failures using two different metrics. First, it presents insolvency rates for P&C and Life insurers across Organisation for Economic Co-operation and Development (OECD) nations. The insolvency rate provides a metric for tracking how frequently insolvencies have occurred since 2000 and how often they can be expected to occur in the future. Second, we compare the annual frequency of failures across jurisdictions.

Section Four: Trends in global insurance failures presents three significant trends identified in the Catalogue. First, insurance failures occur in clusters. Second, there are often long gaps between failures. Finally, there is compelling evidence of a concerning protection gap in policyholder protection around the globe, illustrated by how many failures have occurred in jurisdictions without some form of Policyholder Protection Scheme (PPS).

Appendix 1 reviews findings regarding recently identified failures of several Takaful insurers.

Appendix 2 contains a QR code that allows readers to review the full list of failed insurers.

Inclusions and Exclusions

The GFI Catalogue includes insurers that have exited an insurance market due to a decision made by a Regulator or Court. Companies that made their own decision to leave the market – voluntary exits – are not included on this list. The full list of failed insurers appears in Appendix 2.

An involuntary market exit occurs when an Insurance Regulator loses confidence that a company is still viable, or believes that it is behaving unacceptably. To protect policyholders' rights, the Regulator has the authority to force an insurer to exit the market. In this case, the Regulator seeks a Winding-up Order from a Court. Normally, the Winding-up Order replaces the insurer's management with a Court-appointed Liquidator. The Court freezes the assets of the insurer, giving the Liquidator time to assess the financial resources of the company, compared to its liabilities. From this point on, though, from a practical perspective, the liquidation process generally differs between P&C and Life insurers – because of the different term lengths of their in-force policies.

PACICC recognizes that this Catalogue may contain errors. It is possible that:

- There are companies included on the list in error, due to our inability to distinguish differences in legal systems in other countries, reporting errors from unofficial sources, or possible translation issues.
- Some companies have failed between 2000 and 2025 that are not on the list because we have not (yet) acquired information about them.

We welcome all feedback and are committed to making the necessary updates to ensure that the Catalogue is always as accurate and complete as possible.[1] This will be a living document, subject to continual refinement.

The second type of error is more likely to have occurred (for the reasons discussed when examining where failures have happened). We continue to believe that the actual number of failed insurers is likely greater than that presented in this Catalogue.

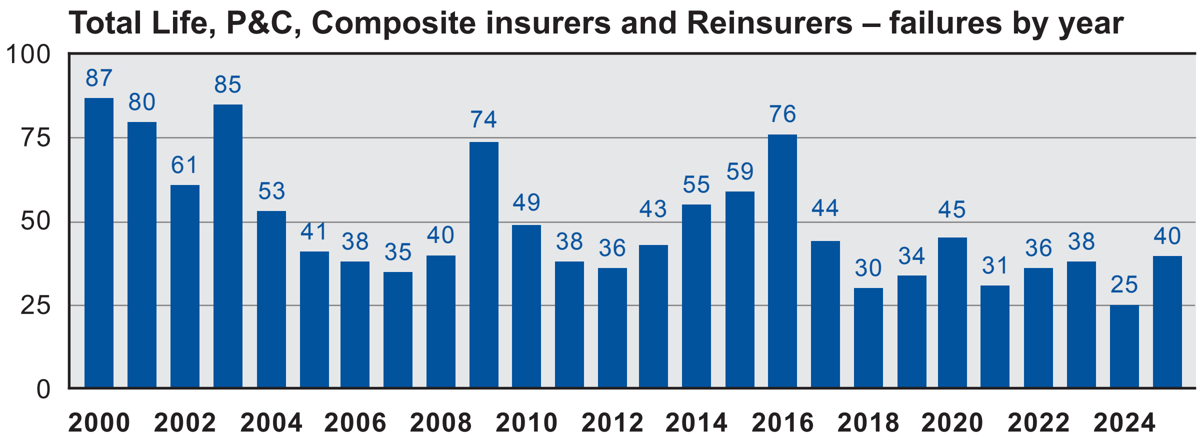
[1] If any reader has a suggestion to enhance the accuracy and completeness of the Global Failed Insurer Catalogue, we ask that you please contact PACICC and the authors of this paper directly.

Section One: How many insurers have failed

Total failures, all insurers, by year

Between 2000 and 2025, we have identified 1,273 insurance company failures across 98 countries. This clearly shows that insurers can and do continue to fail, despite the many improvements in enterprise risk management and solvency regulation in recent years.

Figure 1 – Total number of insurers that failed by year



More than 25 insurers failed somewhere in the world every year between 2000 and 2025, with a low of 25 in 2024, and a record high of 87 in 2000.

Source: PACICC

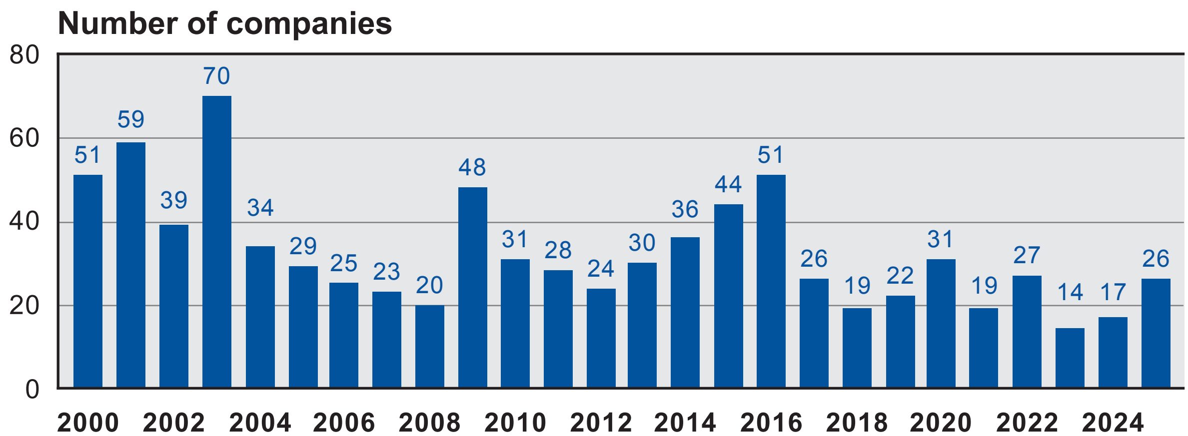
The Catalogue also includes a breakdown of the primary line of business in which each failed insurer operated.

P&C insurer failures, by year

We have identified 843 P&C insurers that failed between 2000 and 2025. At least 14 P&C insurers failed every year over the period under review. On average, 32.4 P&C insurers failed each year. The highest number of failures occurred in 2003, when 70 P&C insurers failed. The lowest number was in 2023, when 14 P&C insurers failed.

It is interesting to note that the average number of P&C insurers that failed is falling. Between 2000 and 2009, an average of 39.8 P&C insurers failed per year. Between 2010 and 2019, this average fell to 31.1. Since 2020, an average of 22.3 P&C insurers failed each year.

Figure 2 – P&C insurer failures



PACICC has identified 843 P&C insurers that failed around the globe between 2000 and 2025. An average of 32.4 P&C insurers failed each year.

Source: PACICC

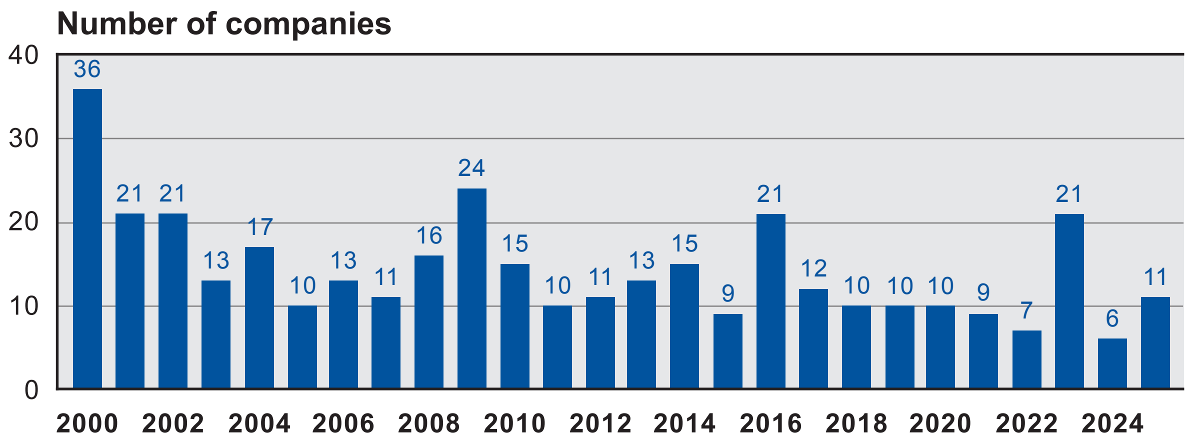
Life insurer failures, by year

Between 2000 and 2025, 372 Life insurance companies failed. Over this period, an average of 14.3 Life insurers failed around the globe each year.

In 2000, 36 Life insurers failed. This is the highest number of Life insurer failures in any single year in the GFI Catalogue. In 2024, just six Life insurers failed. This is the lowest number per year in the Catalogue.

The average number of Life insurers that fail per year is also falling. Between 2000 and 2009, an average of 18.2 Life insurers failed per year. Between 2010 and 2019, this average fell to 12.6. Since 2020, the average has fallen to 10.7 Life insurer failures per year.

Figure 3 – Life insurer failures



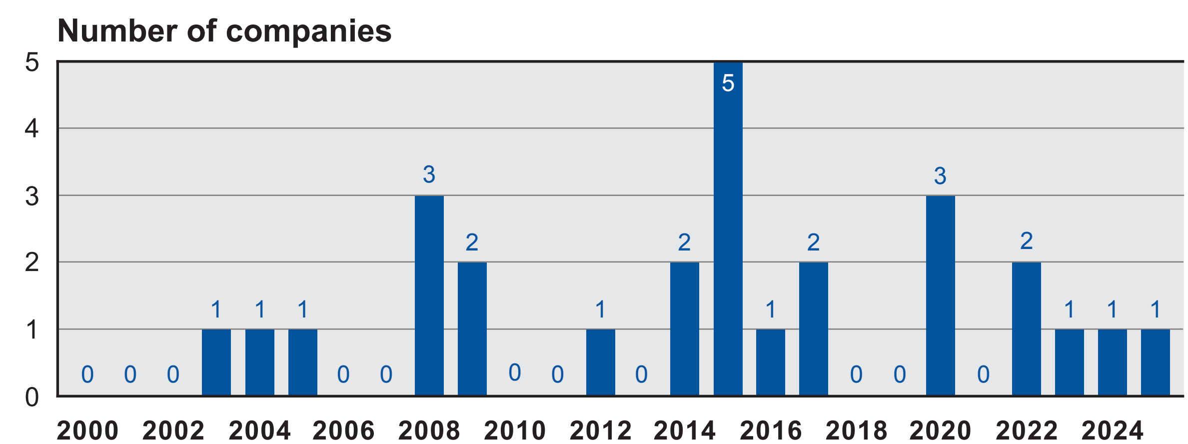
PACICC has identified 372 Life insurers that failed around the globe between 2000 and 2025. An average of 14.3 Life insurers failed each year.

Source: PACICC

Composite insurer failures, by year

Composite insurers offer both Life and P&C insurance products. Not every country allows Composite insurers to operate. We have identified 27 Composite insurers that failed between 2000 and 2025. There are some years with no Composite insurer failures. On average, there was one Composite insurer failure per year over the study period.

Figure 4 – Composite insurer failures



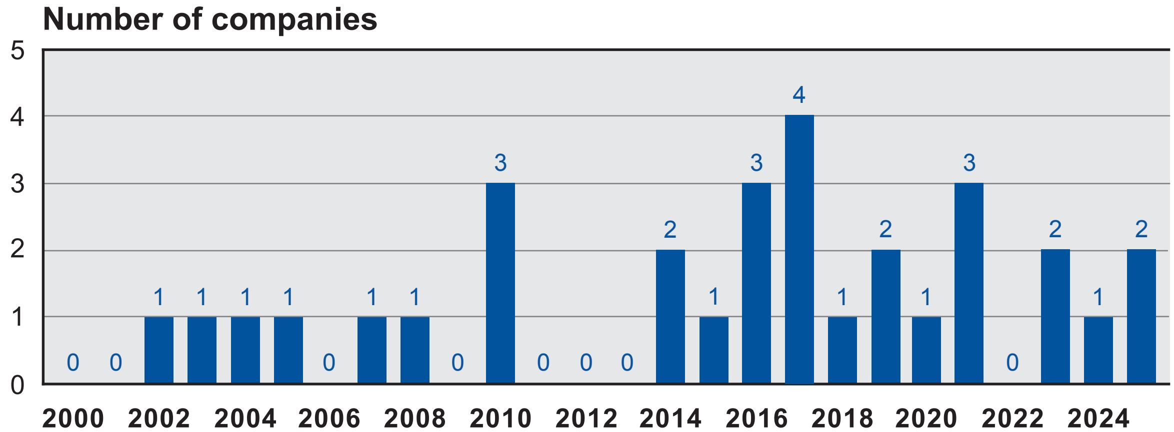
PACICC has identified 27 Composite insurers that failed around the globe between 2000 and 2025. An average of one Composite insurer failed each year.

Source: PACICC

Reinsurer failures, by year

Reinsurers can also fail, although it is certainly a much rarer event. We have identified 31 Reinsurers that failed between 2000 and 2025. This translates to an average of 1.2 Reinsurer failures annually, or six Reinsurers failing every five years.

Figure 5 – Reinsurer failures



PACICC has identified 31 Reinsurers that failed around the globe between 2000 and 2025. An average of 1.2 Reinsurers failed each year.

Source: PACICC

Section Two: Where the failures occurred

At least 1,273 P&C and Life insurers and Reinsurers have failed since 2000. These failures occurred in 98 different countries around the globe. It is important to remember that each of these countries is unique, differing in size, population, political oversight, rule of law and the regulatory framework governing their financial services sector. However, the large sample identified worldwide suggests that few countries, if any, are immune to the risk of insurer failure. Is it still possible for insurers to fail in countries with modern regulatory systems? The Catalogue confirms that the answer to this question is an emphatic *Yes – insurers can fail everywhere that there is a private sector insurance industry!*

Failures, by continent

The only continent that did not experience an insurance company failure since 2000 was Antarctica. PACICC found insurers that failed on each of the other six continents around the globe (see Map 1).

Some 612 global insurance failures – almost half (48.0% of the total) of all failures since 2000 – have occurred in North America. Another 282 insurers (22.2% of the total) failed in Europe. The remaining failures include: 133 insurers (10.5%) in South America; 133 insurers (10.5%) in Asia; 109 insurers in Africa (8.6%); and 4 (0.3%) insurers in Oceania (the results by continent and industry segment are shown in Table 1).

Map 1 – Failures by continent, 2000 to 2025

The ranking of the continents in the number of failures is generally consistent when looking at the failures of both P&C and Life insurers.

Table 1 – Types of failures, by continent

Continent	# of P&C failures	Share of P&C	# of Life failures	Share of Life	# of Composite failures	Share of Composite	# of Reinsurer failures	Share of Reinsurers
Africa	76	9.0%	22	5.9%	7	25.9%	4	12.9%
Asia	88	10.4%	40	10.8%	4	14.8%	1	3.2%
Europe	215	0.4%	51	13.7%	7	25.9%	9	29.0%
Oceania	3	0.5%	0	0.0%	0	0.0%	1	3.2%
North America	382	45.3%	210	56.5%	3	11.1%	16	51.6%
South America	79	9.4%	49	13.2%	6	22.2%	0	0.0%
Totals	**843**	100.0%	**372**	100.0%	**27**	100.0%	**31**	100.0%

Source: PACICC

Table 2 – Failures, by continent, by year

Year	North America	Europe	South America	Asia	Africa	Oceania
2000	50	10	16	5	6	0
2001	39	16	14	8	2	1
2002	36	5	10	9	1	0
2003	35	32	14	3	1	0
2004	28	1	2	8	14	0
2005	21	9	4	4	3	0
2006	27	4	6	1	0	0
2007	15	9	6	3	2	0
2008	19	9	4	1	7	0
2009	29	28	7	8	1	1
2010	26	10	4	0	9	0
2011	27	5	2	1	2	1
2012	19	5	3	6	3	0
2013	24	6	4	3	6	0

Table 2 – Failures, by continent, by year (continued)

Year	North America	Europe	South America	Asia	Africa	Oceania
2014	24	10	6	10	5	0
2015	19	30	3	4	3	0
2016	26	35	3	5	7	0
2017	22	10	4	4	4	0
2018	12	7	0	5	5	1
2019	16	9	4	4	1	0
2020	17	10	5	6	7	0
2021	16	7	1	3	4	0
2022	21	1	0	7	7	0
2023	20	4	2	9	3	0
2024	9	4	3	5	4	0
2025	15	6	6	11	2	0
Total	**612**	**282**	**133**	**133**	**109**	**4**

Source: PACICC

Failures, by country[2]

The GFI Catalogue documents insurer failures in 98 different countries between 2000 and 2025. They are:

Algeria, Andorra, Angola, Argentina, Australia, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belgium, Belize, Bermuda, Bolivia, Botswana, Brazil, British Virgin Islands, Bulgaria, Cambodia, Cameroon, Canada, Cayman Islands, Chile, China (Mainland), China (Hong Kong), Chinese Taipei, Columbia, Curaçao, Cyprus, Czechia, Denmark, Dominican Republic, Ecuador, France, Germany, Ghana, Gibraltar, Greece, Guernsey, Guyana, Hungary, Iceland, India, Indonesia, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Latvia, Lebanon, Liberia, Liechtenstein, Lithuania, Luxembourg, Malawi, Malaysia, Malta, Mexico, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Panama, Paraguay, Philippines, Poland, Peru,

[2] The list includes primarily sovereign countries, with a limited number of affiliated or dependent territories.

Romania, Russia, Saudi Arabia, Slovakia, Slovenia, South Africa, South Korea, Spain, Sri Lanka, Suriname, Sweden, Switzerland, Tanzania, Thailand, The Gambia, Togo, Trinidad and Tobago, Türkiye, Turks and Caicos Islands, Uganda, Ukraine, United Arab Emirates, United Kingdom, United States of America, Venezuela, Zambia and Zimbabwe

P&C insurers failed in 83 different countries between 2000 and 2025. They are:

Andorra, Angola, Argentina, Australia, Azerbaijan, Bangladesh, Barbados, Belgium, Belize, Bermuda, Bolivia, Botswana, Brazil, British Virgin Islands, Bulgaria, Cambodia, Cameroon, Canada, Cayman Islands, China (Mainland), China (Hong Kong), Chinese Taipei, Columbia, Cyprus, Denmark, Dominican Republic, Ecuador, France, Germany, Ghana, Gibraltar, Greece, Guernsey, Iceland, Indonesia, Ireland, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Latvia, Lebanon, Liechtenstein, Lithuania, Luxembourg, Malawi, Malaysia, Malta, Mexico, Netherlands, New Zealand, Nigeria, Pakistan, Panama, Paraguay, Philippines, Poland, Peru, Romania, Russia, Saudi Arabia, Slovenia, South Africa, South Korea, Spain, Sri Lanka, Tanzania, Thailand, The Gambia, Togo, Trinidad and Tobago, Türkiye, Uganda, Ukraine, United Arab Emirates, United Kingdom, United States of America, Venezuela, Zambia and Zimbabwe

Life insurers failed in 55 different countries between 2000 and 2025. They are:

Argentina, Bahamas, Barbados, Belgium, Belize, Bermuda, Bolivia, Botswana, Brazil, British Virgin Islands, Canada, Cayman Islands, Chile, China (Mainland), China (Hong Kong), Chinese Taipei, Columbia, Cyprus, Czechia, France, Germany, Ghana, Gibraltar, Greece, Guyana, India, Indonesia, Ireland, Italy, Japan, Liberia, Liechtenstein, Luxembourg, Malta, Mexico, Netherlands, Nigeria, Norway, Panama, Philippines, Peru, Romania, Russia, Slovakia, South Korea, Spain, Suriname, Switzerland, Trinidad and Tobago, Turks and Caicos Islands, Uganda, United Arab Emirates, United States of America, Zambia and Zimbabwe

Map 2 shows the number of failures in each country. Table 2 lists the same information in a table. There were 19 countries that reported 10 or more failures. These countries accounted for 80.6 percent of all known insurance company failures. The United States of America (USA) reported, by far, the most insurance company failures – totalling 41.0 percent of all failures within the GFI Catalogue. There are 10 times more insurance failures in the USA than in any other country, except Russia.

Map 2 – Map of failures, by country, 2000 to 2025

Table 3 – Total insurer failures, by country

Rank	Country	Total # of Failures	Rank	Country	Total # of Failures
1.	**United States of America**	522	**8.**	**Spain**	25
2.	**Russia**	117	**9.**	**Zimbabwe**	21
3.	**Brazil**	51	**10.**	**Bermuda**	21
4.	**Argentina**	48	**11.**	**United Kingdom**	20
5.	**Philippines**	38	**12.**	**Indonesia**	15
6.	**Mexico**	35	**13.**	**Thailand**	12
7.	**Nigeria**	34	**14.**	**Gibraltar**	12

Table 3 – Total insurer failures, by country (continued)

Rank Country	Total # of Failures	Rank Country	Total # of Failures
15. China (Mainland)	12	40. Germany	5
16. Romania	11	41. France	5
17. Greece	11	43. United Arab Emirates	4
18. Azerbaijan	11	43. Ukraine	4
19. Trinidad and Tobago	10	44. Malta	4
20. Netherlands	9	45. Denmark	4
21. Kenya	9	46. Barbados	4
22. Angola	9	47. Zambia	3
23. Cayman Islands	8	48. Switzerland	3
24. South Korea	7	49. Luxembourg	3
25. Jordan	7	50. Ecuador	3
26. Japan	7	51. Cyprus	3
27. Italy	7	52. Columbia	3
28. Ghana	7	53. Bulgaria	3
29. China (Hong Kong)	7	54. Belgium	3
30. Canada	7	55. Türkiye	2
31. Botswana	7	56. Slovakia	2
32. Pakistan	6	57. New Zealand	2
33. Chinese Taipei	6	58. Liechtenstein	2
34. Uganda	5	59. Latvia	2
35. South Africa	5	60. Jamaica	2
36. Peru	5	61. India	2
37. Paraguay	5	62. Gambia, The	2
38. Panama	5	63. Chile	2
39. Ireland	5	64. Cameroon	2

Table 3 – Total insurer failures, by country (continued)

Rank Country	Total # of Failures	Rank Country	Total # of Failures
65. British Virgin Islands	2	82. Malaysia	1
66. Bolivia	2	83. Malawi	1
67. Belize	2	84. Lithuania	1
68. Bahrain	2	85. Liberia	1
69. Bahamas	2	86. Lebanon	1
70. Australia	2	87. Kazakhstan	1
71. Venezuela	1	88. Iceland	1
72. Turks and Caicos	1	89. Hungary	1
73. Togo	1	90. Guyana	1
74. Tanzania	1	91. Guernsey	1
75. Sweden	1	92. Dominican Republic	1
76. Suriname	1	93. Czechia	1
77. Sri Lanka	1	94. Curaçao	1
78. Slovenia	1	95. Cambodia	1
79. Saudi Arabia	1	96. Bangladesh	1
80. Poland	1	97. Andorra	1
81. Norway	1	98. Algeria	1

Since 2000, 843 P&C insurers have failed in 83 different countries. The United States of America reported 336 P&C failures, which accounts for 39.9 percent of all P&C failures in the Catalogue.

Table 4 – P&C insurer failures, by country

Rank	Country	# of P&C Failures
1.	United States of America	336
2.	Russia	107
3.	Argentina	38
4.	Philippines	30
5.	Nigeria	23
6.	United Kingdom	20
7.	Brazil	19
8.	Mexico	18
9.	Zimbabwe	14
10.	Thailand	12
11.	Azerbaijan	11
12.	Gibraltar	11
13.	Bermuda	10
14.	Trinidad and Tobago	9
15.	Kenya	8
16.	Romania	8
17.	Greece	7
18.	Indonesia	7
19.	Spain	7
20.	Angola	6
21.	Canada	6
22.	China (Hong Kong)	6
23.	Jordan	6
24.	Pakistan	6
25.	Botswana	5
26.	Paraguay	5
27.	South Africa	5
28.	Cayman Islands	4
29.	China (Mainland)	4
30.	Denmark	4
31.	Germany	4
32.	Netherlands	4
33.	Uganda	4
34.	Ukraine	4
35.	Bulgaria	3
36.	France	3
37.	Ireland	3
38.	South Korea	3
39.	Malta	3
40.	Peru	3
41.	United Arab Emirates	3
42.	Australia	2
43.	Barbados	2
44.	Cameroon	2
45.	Chinese Taipei	2
46.	Cyprus	2
47.	Ecuador	2
48.	Gambia, The	2
49.	Ghana	2
50.	Italy	2
51.	Jamaica	2

Table 4 – P&C insurer failures, by country (continued)

Rank Country	Total # of Failures	Rank Country	Total # of Failures
52. Latvia	2	68. Lebanon	1
53. Türkiye	2	69. Liechtenstein	1
54. Algeria	1	70. Lithuania	1
55. Andorra	1	71. Luxembourg	1
56. Bangladesh	1	72. Malawi	1
57. Belgium	1	73. Malaysia	1
58. Belize	1	74. New Zealand	1
59. Bolivia	1	75. Panama	1
60. British Virgin Islands	1	76. Poland	1
61. Cambodia	1	77. Saudi Arabia	1
62. Columbia	1	78. Slovenia	1
63. Dominican Republic	1	79. Sri Lanka	1
64. Guernsey	1	80. Tanzania	1
65. Iceland	1	81. Togo	1
66. Japan	1	82. Venezuela	1
67. Kazakhstan	1	83. Zambia	1

Some 372 Life insurers have failed in 55 different countries since 2000. The USA reported 53.1 percent of all Life failures in the Catalogue

Table 5 – Life insurer failures, by country

Rank Country	Total # of Failures	Rank Country	Total # of Failures
1. United States of America	181	4. Mexico	16
2. Brazil	29	5. Argentina	9
3. Spain	18	6. Indonesia	8

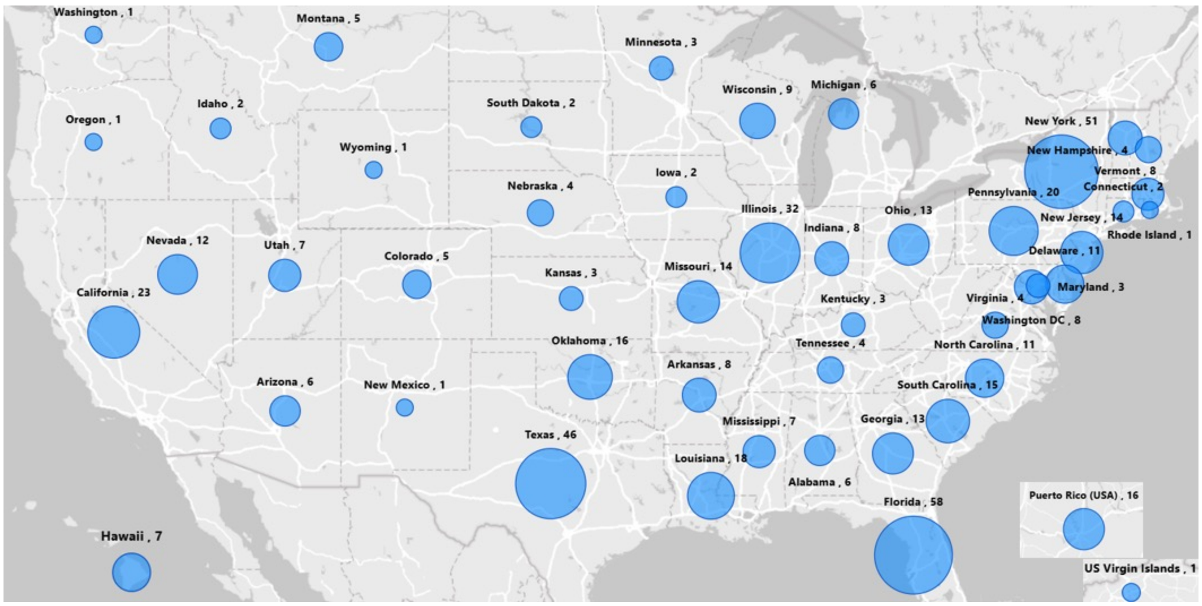
Table 5 – Life insurer failures, by country (continued)

Rank	Country	Total # of Failures	Rank	Country	Total # of Failures
7.	Nigeria	8	32.	Belize	1
8.	China (Mainland)	7	33.	Bolivia	1
9.	Philippines	7	34.	British Virgin Islands	1
10.	Japan	6	35.	Canada	1
11.	Russia	6	36.	Cayman Islands	1
12.	Ghana	5	37.	China (Hong Kong)	1
13.	Bermuda	4	38.	Cyprus	1
14.	Chinese Taipei	4	39.	Czechia	1
15.	South Korea	4	40.	Germany	1
16.	Netherlands	4	41.	Gibraltar	1
17.	Greece	3	42.	Guyana	1
18.	Italy	3	43.	Ireland	1
19.	Zimbabwe	3	44.	Liberia	1
20.	Bahamas	2	45.	Liechtenstein	1
21.	Barbados	2	46.	Malta	1
22.	Botswana	2	47.	Norway	1
23.	Chile	2	48.	Panama	1
24.	Columbia	2	49.	Romania	1
25.	France	2	50.	Suriname	1
26.	India	2	51.	Switzerland	1
27.	Luxembourg	2	52.	Trinidad and Tobago	1
28.	Peru	2	53.	Turks and Caicos	1
29.	Slovakia	2	54.	Uganda	1
30.	Zambia	2	55.	United Arab Emirates	1
31.	Belgium	1			

Failures, by jurisdiction

The insurance marketplace in the United States of America is not uniform. Each State and Territory is legally its own insurance jurisdiction. For the remainder of this document, the term "jurisdiction" will be used when the US States are presented separately. In Map 3, we show a heat map of US failures by jurisdiction.

Map 3 – Total failures in individual US States/Territories, 2000 to 2025



Tables 6, 7 and 8 present the number of failures when treating each US State as a separate jurisdiction. This increases the total number of jurisdictions reporting insurance failures to 146.

Overall, this means that there are four different US States in the top-10 list of most insurer failures (Florida, New York, Texas and Illinois). The State of Florida is the jurisdiction with the second most insurer failures since 2000 – the State's 58 total failures represent 4.6 percent of the Catalogue's known failures. Ten of the 20 jurisdictions generating the most failures are individual US States.

Table 6 – Total insurer failures, by jurisdiction

Rank	Jurisdiction	Total # of Failures	Rank	Jurisdiction	Total # of Failures
1.	Russia	117	26.	Thailand	112
2.	Florida, USA	58	27.	Nevada, USA	12
3.	New York, USA	51	28.	Gibraltar	12
4.	Brazil	51	29.	China (Mainland)	12
5.	Argentina	48	30.	Romania	11
6.	Texas, USA	46	31.	North Carolina, USA	11
7.	Philippines	38	32.	Greece	11
8.	Mexico	35	33.	Delaware, USA	11
9.	Nigeria	34	34.	Azerbaijan	11
10.	Illinois, USA	32	35.	Trinidad and Tobago	10
11.	Spain	25	36.	Wisconsin, USA	9
12.	California, USA	23	37.	Netherlands	9
13.	Zimbabwe	21	38.	Kenya	9
14.	Bermuda	21	39.	Angola	9
15.	United Kingdom	20	40.	Vermont, USA	8
16.	Pennsylvania, USA	20	41.	Indiana, USA	8
17.	Louisiana, USA	18	42.	District of Columbia, USA	8
18.	Puerto Rico, USA	16	43.	Cayman Islands	8
19.	Oklahoma, USA	16	44.	Arkansas, USA	8
20.	South Carolina, USA	15	45.	Utah, USA	7
21.	Indonesia	15	46.	Mississippi, USA	7
22.	New Jersey, USA	14	47.	Massachusetts, USA	7
23.	Missouri, USA	14	48.	South Korea	7
24.	Ohio, USA	13	49.	Jordan	7
25.	Georgia, USA	13	50.	Japan	7

Table 6 – Total insurer failures, by jurisdiction (continued)

Rank Jurisdiction	Total # of Failures	Rank Jurisdiction	Total # of Failures
51. Italy	7	76. New Hampshire, USA	4
52. Hawaii, USA	7	77. Nebraska, USA	4
53. Ghana	7	78. Malta	4
54. China (Hong Kong)	7	79. Denmark	4
55. Canada	7	80. Barbados	4
56. Botswana	7	81. Zambia	3
57. Pakistan	6	82. Switzerland	3
58. Michigan, USA	6	83. Minnesota, USA	3
59. Chinese Taipei	6	84. Maryland, USA	3
60. Arizona, USA	6	85. Luxembourg	3
61. Alabama, USA	6	86. Kentucky, USA	3
62. Uganda	5	87. Kansas, USA	3
63. South Africa	5	88. Ecuador	3
64. Peru	5	89. Cyprus	3
65. Paraguay	5	90. Columbia	3
66. Panama	5	91. Bulgaria	3
67. Montana, USA	5	92. Belgium	3
68. Ireland	5	93. Türkiye	2
69. Germany	5	94. South Dakota, USA	2
70. France	5	95. Slovakia	2
71. Colorado, USA	5	96. New Zealand	2
72. Virginia, USA	4	97. Liechtenstein	2
73. United Arab Emirates	4	98. Latvia	2
74. Ukraine	4	99. Jamaica	2
75. Tennessee, USA	4	100. Iowa, USA	2

Table 6 – Total insurer failures, by jurisdiction (continued)

Rank	Jurisdiction	Total # of Failures
101.	India	2
102.	Idaho, USA	2
103.	Gambia, The	2
104.	Connecticut, USA	2
105.	Chile	2
106.	Cameroon	2
107.	British Virgin Islands	2
108.	Bolivia	2
109.	Belize	2
110.	Bahrain	2
111.	Bahamas	2
112.	Australia	2
113.	Wyoming, USA	1
114.	Washington, USA	1
115.	Virgin Islands, USA	1
116.	Venezuela	1
117.	Turks and Caicos	1
118.	Togo	1
119.	Tanzania	1
120.	Sweden	1
121.	Suriname	1
122.	Sri Lanka	1
123.	Slovenia	1
124.	Saudi Arabia	1
125.	Rhode Island, USA	1
126.	Poland	1
127.	Oregon, USA	1
128.	Norway	1
129.	New Mexico, USA	1
130.	Malaysia	1
131.	Malawi	1
132.	Lithuania	1
133.	Liberia	1
134.	Lebanon	1
135.	Kazakhstan	1
136.	Iceland	1
137.	Hungary	1
138.	Guyana	1
139.	Guernsey	1
140.	Dominican Republic	1
141.	Czechia	1
142.	Curaçao	1
143.	Cambodia	1
144.	Bangladesh	1
145.	Andorra	1
146.	Algeria	1

There were 843 P&C insurers that failed in 128 separate jurisdictions between 2000 and 2025. Russia (with 107 P&C failures) reported the highest number of P&C failures, which is followed by the US State of Florida (with 47 failures).

Table 7 – P&C insurer failures, by jurisdiction

Rank	Jurisdiction	Total # of Failures	Rank	Jurisdiction	Total # of Failures
1.	Russia	107	24.	Louisiana, USA	9
2.	Florida, USA	47	25.	Nevada, USA	9
3.	Argentina	38	26.	Kenya	8
4.	Philippines	30	27.	Romania	8
5.	New York, USA	29	28.	Georgia, USA	8
6.	Texas, USA	26	29.	Missouri, USA	8
7.	Illinois, USA	25	30.	Ohio, USA	8
8.	Nigeria	23	31.	Vermont, USA	8
9.	California, USA	21	32.	Greece	7
10.	United Kingdom	20	33.	Indonesia	7
11.	Brazil	19	34.	Spain	7
12.	Mexico	18	35.	Puerto Rico, USA	7
13.	Zimbabwe	14	36.	Angola	6
14.	Pennsylvania, USA	13	37.	Canada	6
15.	Thailand	12	38.	China (Hong Kong)	6
16.	New Jersey, USA	12	39.	Jordan	6
17.	Azerbaijan	11	40.	Pakistan	6
18.	Gibraltar	11	41.	District of Columbia, USA	6
19.	Oklahoma, USA	11	42.	Hawaii, USA	6
20.	South Carolina, USA	11	43.	Massachusetts, USA	6
21.	Bermuda	10	44.	Botswana	5
22.	Trinidad and Tobago	9	45.	Paraguay	5
23.	Delaware, USA	9			

Table 7 – P&C insurer failures, by jurisdiction (continued)

Rank Jurisdiction	Total # of Failures	Rank Jurisdiction	Total # of Failures
46. South Africa	5	71. Australia	2
47. Cayman Islands	4	72. Barbados	2
48. China (Mainland)	4	73. Cameroon	2
49. Denmark	4	74. Chinese Taipei	2
50. Germany	4	75. Cyprus	2
51. Netherlands	4	76. Ecuador	2
52. Uganda	4	77. Gambia, The	2
53. Ukraine	4	78. Ghana	2
54. Indiana, USA	4	79. Italy	2
55. Nebraska, USA	4	80. Jamaica	2
56. Utah, USA	4	81. Latvia	2
57. Wisconsin, USA	4	82. Türkiye	2
58. Bulgaria	3	83. Alabama, USA	2
59. France	3	84. Arkansas, USA	2
60. Ireland	3	85. Maryland, USA	2
61. South Korea	3	86. Minnesota, USA	2
62. Malta	3	87. Mississippi, USA	2
63. Peru	3	88. New Hampshire, USA	2
64. United Arab Emirates	3	89. South Dakota, USA	2
65. Arizona, USA	3	90. Algeria	1
66. Kansas, USA	3	91. Andorra	1
67. Montana, USA	3	92. Bangladesh	1
68. North Carolina, USA	3	93. Belgium	1
69. Tennessee, USA	3	94. Belize	1
70. Virginia, USA	3	95. Bolivia	1

Table 7 – P&C insurer failures, by jurisdiction (continued)

Rank	Jurisdiction	Total # of Failures	Rank	Jurisdiction	Total # of Failures
96.	British Virgin Islands	1	113.	Saudi Arabia	1
97.	Cambodia	1	114.	Slovenia	1
98.	Columbia	1	115.	Sri Lanka	1
99.	Dominican Republic	1	116.	Tanzania	1
100.	Guernsey	1	117.	Togo	1
101.	Iceland	1	118.	Venezuela	1
102.	Japan	1	119.	Zambia	1
103.	Kazakhstan	1	120.	Colorado, USA	1
104.	Lebanon	1	121.	Connecticut, USA	1
105.	Liechtenstein	1	122.	Idaho, USA	1
106.	Lithuania	1	123.	Iowa, USA	1
107.	Luxembourg	1	124.	Kentucky, USA	1
108.	Malawi	1	125.	Michigan, USA	1
109.	Malaysia	1	126.	Oregon, USA	1
110.	New Zealand	1	127.	Virgin Islands, USA	1
111.	Panama	1	128.	Washington, USA	1
112.	Poland	1			

There were 372 Life insurers that failed in 95 separate jurisdictions between 2000 and 2025. Brazil was the jurisdiction that reported the most Life insurer failures.

Table 8 – Life insurer failures, by jurisdiction

Rank	Jurisdiction	Total # of Failures	Rank	Jurisdiction	Total # of Failures
1.	Brazil	29	4.	Spain	18
2.	New York, USA	22	5.	Mexico	16
3.	Texas, USA	20	6.	Florida, USA	11

Table 8 – Life insurer failures, by jurisdiction (continued)

Rank Jurisdiction	Total # of Failures	Rank Jurisdiction	Total # of Failures
7. Argentina	9	32. Colorado, USA	4
8. Louisiana, USA	9	33. Indiana, USA	4
9. Puerto Rico, USA	9	34. South Carolina, USA	4
10. Indonesia	8	35. Wisconsin, USA	4
11. Nigeria	8	36. Greece	3
12. North Carolina, USA	8	37. Italy	3
13. China (Mainland)	7	38. Zimbabwe	3
14. Philippines	7	39. Arizona, USA	3
15. Illinois, USA	7	40. Nevada, USA	3
16. Japan	6	41. Utah, USA	3
17. Russia	6	42. Bahamas	2
18. Arkansas, USA	6	43. Barbados	2
19. Missouri, USA	6	44. Botswana	2
20. Ghana	5	45. Chile	2
21. Georgia, USA	5	46. Columbia	2
22. Michigan, USA	5	47. France	2
23. Mississippi, USA	5	48. India	2
24. Ohio, USA	5	49. Luxembourg	2
25. Oklahoma, USA	5	50. Peru	2
26. Pennsylvania, USA	5	51. Slovakia	2
27. Bermuda	4	52. Zambia	2
28. Chinese Taipei	4	53. California, USA	2
29. South Korea	4	54. District of Columbia, USA	2
30. Netherlands	4	55. Kentucky, USA	2
31. Alabama, USA	4	56. Montana, USA	2

Table 8 – Life insurer failures, by jurisdiction (continued)

Rank Jurisdiction	Total # of Failures
57. New Hampshire, USA	2
58. New Jersey, USA	2
59. Belgium	1
60. Belize	1
61. Bolivia	1
62. British Virgin Islands	1
63. Canada	1
64. Cayman Islands	1
65. China (Hong Kong)	1
66. Cyprus	1
67. Czechia	1
68. Germany	1
69. Gibraltar	1
70. Guyana	1
71. Ireland	1
72. Liberia	1
73. Liechtenstein	1
74. Malta	1
75. Norway	1
76. Panama	1
77. Romania	1
78. Suriname	1
79. Switzerland	1
80. Trinidad and Tobago	1
81. Turks and Caicos	1
82. Uganda	1
83. United Arab Emirates	1
84. Connecticut, USA	1
85. Hawaii, USA	1
86. Idaho, USA	1
87. Iowa, USA	1
88. Maryland, USA	1
89. Massachusetts, USA	1
90. Minnesota, USA	1
91. New Mexico, USA	1
92. Rhode Island, USA	1
93. Tennessee, USA	1
94. Virginia, USA	1
95. Wyoming, USA	1

Section Three: How often insurers fail

This paper presents two approaches to measuring how often insurers fail:

1. Estimating the insolvency rate for insurers in OECD countries
2. Measuring the frequency of failures by jurisdiction

Estimating the insolvency rate for insurers

The Government of Canada's Superintendent of Bankruptcy calculates annual insolvency rates for many industries. The business insolvency rate is defined as the number of business insolvencies per thousand businesses. The Superintendent's report focuses on movements up or down in these insolvency ratios over time. An increasing insolvency ratio means that the businesses in that industry are facing tough economic conditions. A declining insolvency ratio means that the pressures on these businesses are lessening. It is generally expected that the insolvency ratio for any industry would stay within a low, stable range.

This paper uses a similar concept to create an annual insolvency rate for insurers, using data from 38 countries in the OECD Insurance database.[3] A total of 31 of the 38 countries in the OECD Insurance database have experienced the failure of an insurance company from 2000 to 2024 (the most recent year available). As a denominator for this calculation, we use the total number of companies in each jurisdiction provided in the OECD Insurance Statistics Yearbook.

We have calculated these rates for the total number of insurers (Life and P&C insurers combined), for P&C insurers and for Life insurers.[4]

The definition of the Insurance Insolvency Rate

$$\text{Insurance Insolvency Rate} = \frac{\text{Number of insurance failures in OECD countries in the year from the GFI Catalogue)}}{\text{Total number of insurers in all OECD countries in the year}}$$

[3] The 38 OECD countries are: Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, Türkiye, the United Kingdom and the United States of America.

[4] A small number of jurisdictions allow Composite insurers that sell both Life and P&C insurance in the same entity. When calculating the separate insolvency ratios for P&C and Life insurers, Composite insurers are added to both ratios. For clarity, the insolvency ratio for P&C insurers = (# of P&C failures plus # of Composite failures)/(# of P&C insurers plus # of Composite insurers).

The average annual insolvency rates over the 25-year period (from 2000 to 2024[5]) are shown in Table 9:

Table 9 – Insurance industry insolvency rate for OECD countries (2000–2024)

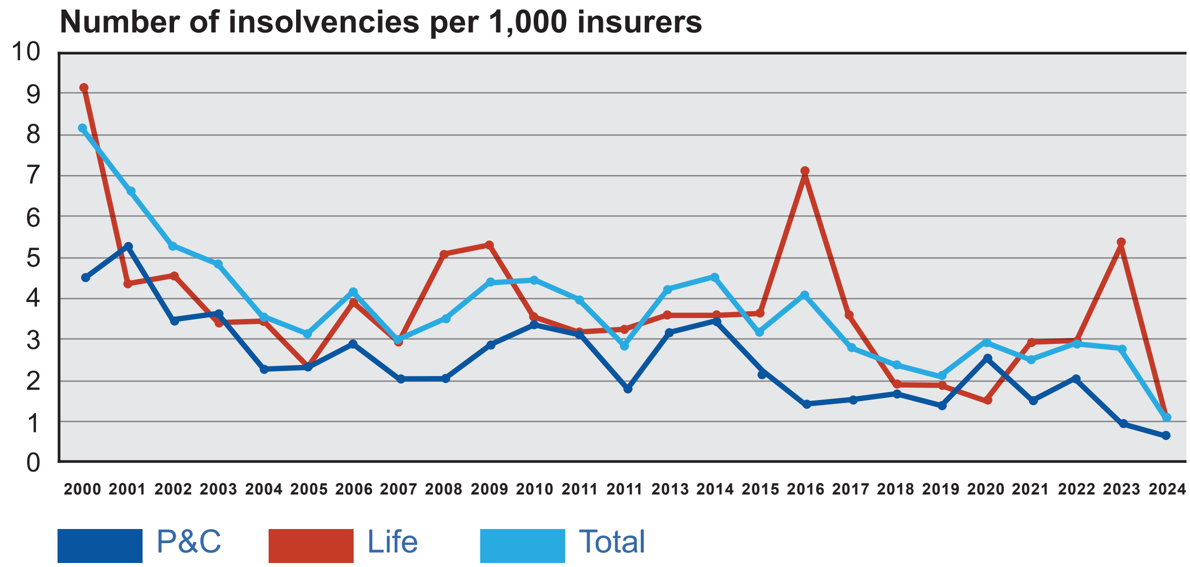
	Total	P&C	Life
Average (2000 to 2024 for 38 OECD countries)	3.72 insolvencies per 1,000 insurers	2.47 insolvencies per 1,000 P&C insurers	3.71 insolvencies per 1,000 Life insurers

Source: PACICC

Table 9 shows that, across the 38 OECD nations, it would be normal for 3.72 (P&C and Life) insurers to fail for every 1,000 insurance companies, each year. Thus, since there were approximately 7,000 insurance companies in the OECD in 2024, a "normal" number of insolvencies would be approximately 26 per year.

The insolvency rates are different for the Life and P&C insurance industries. The rate of insolvency was higher for Life insurers between 2000 to 2024. The most likely

Figure 6 – Insurer insolvency rates across OECD countries varied annually



Source: PACICC

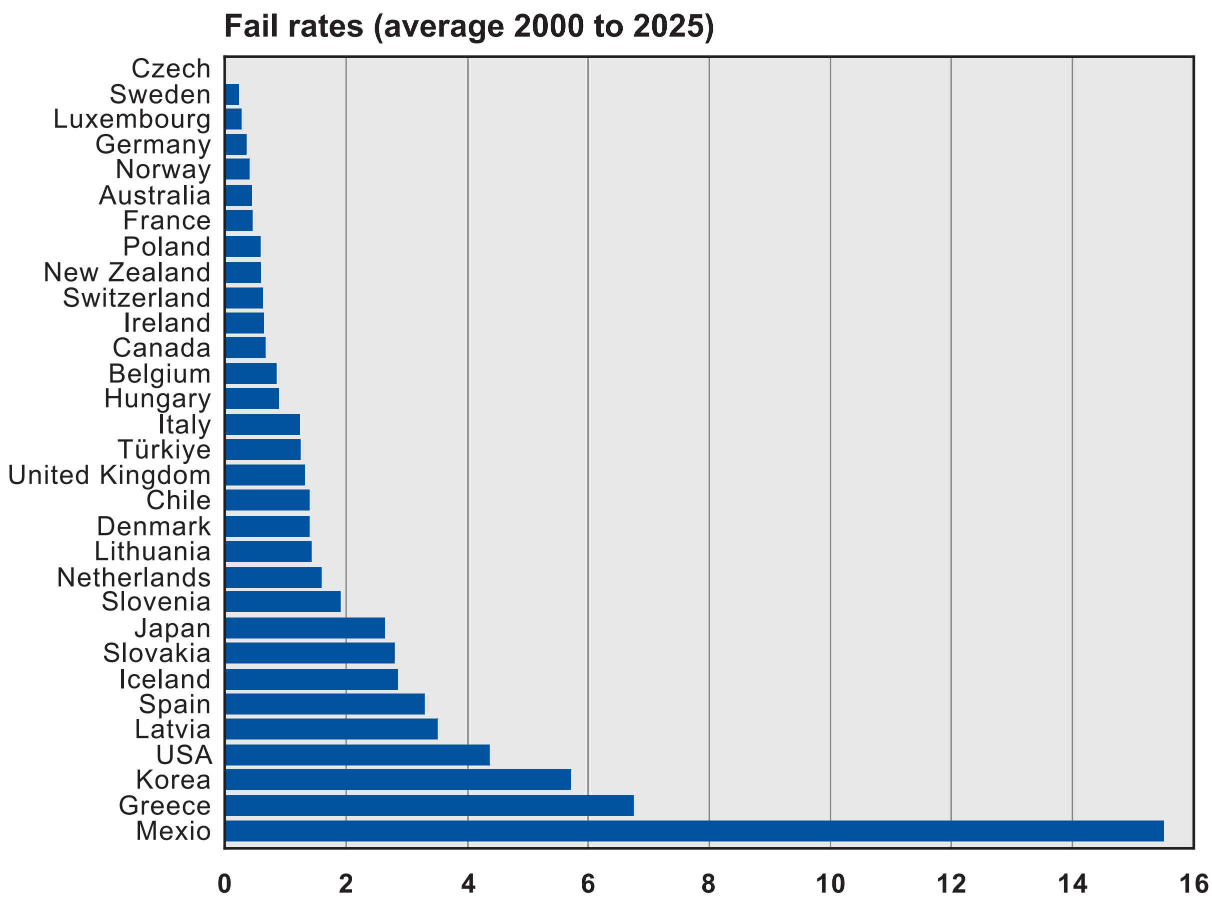
[5] The OECD statistics are downloaded from the OECD website (https://www.oecd.org); 2024 is the latest available year for the OECD data. Missing values were filled by interpolation or statistics from third-party databases.

explanation for the higher rate is that Life insurance is a more concentrated industry and there are fewer Life insurers competing in these markets. Across the 38 OECD countries, there are three to four active P&C insurers for every active Life insurer.

Figure 6 indicates that there was also greater year-to-year variability in the Life insurance insolvency rate, compared to the rate for P&C insurers over this period. This suggests that the trend of insolvency clusters, driven by overall market conditions and discussed in more detail in Section 4, may be more significant for Life insurers.

Insolvency rates vary significantly across OECD countries (as shown in Figure 7). The US reported the most failures, but they also have the most insurance companies active in their country. This is why three other OECD jurisdictions have higher insolvency rates, despite having fewer total failures.

Figure 7 – Insolvency rates, across OECD countires



Source: PACICC

Frequency of failures by jurisdiction

The Catalogue currently spans 26 years. An alternative way to assess how often insurers fail is to examine the number of years, out of the past 26, in which each jurisdiction reported at least one insurer failure, thereby producing a frequency-of-failure metric. Using this measure, it is clear that the frequency of insurer failures varies dramatically across the 146 jurisdictions in our sample. We summarize this variation by grouping jurisdictions into four "Tiers."

Tier 1: Failures are an expected part of the market: 12 jurisdictions with at least one failure occurring in more than 50% of Catalogue years (Number in bracket is the number of years since 2000 with at least one failure)

New York, USA (23); Florida, USA (22); Brazil (20); Philippines (20); Argentina (18); Texas, USA (16); Mexico (16); Illinois, USA (14); Pennsylvania, USA (14); Bermuda (13); Russia (13); and Spain (13)

Tier 1 comprises the 12 jurisdictions where policyholders should expect, based on experience since 2000, that one or more insurers operating in their jurisdiction will fail every year. The experience of policyholders in the US States of Florida and New York, for example, suggests that an insurer in their State regularly becomes insolvent. These jurisdictions have reported an insolvency in 21 of the past 26 years (or 84% of the sample period). At least one insurer failed in the Philippines in 19 of the past 26 years. In Argentina and Mexico, at least one insurer failed in 16 of the past 26 years.

Tier 2: Failures are not unexpected: 23 Jurisdictions with one failure occurring between 25% to 49% of Catalogue years (Number in bracket is the number of years since 2000 with at least one failure)

Georgia, USA (12); Missouri, USA (12); Oklahoma, USA (12); South Carolina, USA (11); California, USA (10); Nigeria (10); Romania (10); Louisiana, USA (9); New Jersey, USA (9); Nevada, USA (9); Kenya (9); Thailand (9); Puerto Rico, USA (8); Vermont, USA (8); Gibraltar (8); United Kingdom (8); Delaware, USA (7); Indiana, USA (7); Ohio, USA (7); Wisconsin, USA (7); Cayman Islands (7); China (Mainland) (7); and Indonesia (7)

In 23 other jurisdictions, an insurer has failed every two to four years since 2000. In these jurisdictions, failures are not unexpected. For example, in the US State of Georgia, at least one insurer has failed in 12 of the past 26 years.

Tier 3: Failures are rare: 75 Jurisdictions with one failure occurring between 5% to 24% of Catalogue years

Arkansas, USA (6); District of Columbia, USA (6); Hawaii, USA (6); Massachusetts, USA (6); Michigan, USA (6); Mississippi, USA (6); North Carolina, USA (6); Utah, USA (6); Azerbaijan (6); Italy (6); Netherlands (6); Zimbabwe (6); Alabama, USA (5); Colorado, USA (5); Botswana (5); Canada (5); Germany (5); Greece (5); Jordan (5); South Africa (5); South Korea (5); Trinidad and Tobago (5); Arizona, USA (4); Montana, USA (4); Nebraska, USA (4); Virginia, USA (4); Angola (4); China (Hong Kong) (4); Chinese Taipei (4); France (4); Ghana (4); Ireland (4); Pakistan (4); Uganda (4); Kansas, USA (3); Maryland, USA (3); Minnesota, USA (3); New Hampshire, USA (3); Belgium (3); Bulgaria (3); Columbia (3); Cyprus (3); Denmark (3); Japan (3); Luxembourg (3); Malta (3); Panama (3); Peru (3); Switzerland (3); Ukraine (3); Connecticut, USA (2); Iowa, USA (2); Idaho, USA (2); Kentucky, USA (2); South Dakota, USA (2); Tennessee, USA (2); Australia (2); Bahrain (2); Barbados (2); Belize (2); Bolivia (2); British Virgin Islands (2); Cameroon (2); Chile (2); Ecuador (2); India (2); Jamaica (2); Latvia (2); Liechtenstein (2); New Zealand (2); Paraguay (2); Slovakia (2); Türkiye (2); United Arab Emirates (2); and Zambia (2)

Tier 3 includes a total of 75 jurisdictions which reported one or more failures, but only every two to five years since 2000. In these jurisdictions, the failure of an insurance company is a rare event. For example, Canadian policyholders have experienced a failed insurer in five of the past 26 years, but it has been 13 years since the last Life insurer failed in Canada and 22 years since the last P&C insurer failure.

Finally, in Tier 4, there are 36 jurisdictions that reported just one year with the failure of an insurer, since 2000. In these jurisdictions, failures are very rare events. All of these jurisdictions reported just one failure since 2000.

Tier 4: 36 Jurisdictions with failure occurring in just one year over the past 26 years

New Mexico, USA; Oregon, USA; Rhode Island, USA; U.S. Virgin Islands, USA; Washington, USA; Wyoming, USA; Algeria; Andorra; Bahamas; Bangladesh; Cambodia; Curaçao; Czechia; Dominican Republic; Guernsey; Guyana; Hungary; Iceland; Kazakhstan; Lebanon; Liberia; Lithuania; Malawi; Malaysia; Norway; Poland; Saudi Arabia; Slovenia; Sri Lanka; Suriname; Sweden; Tanzania; The Gambia; Togo; Turks and Caicos Islands; and Venezuela

Section Four: Trends in Global Insurer Failures

There are three significant trends evident in this Catalogue of failed insurers.

1. Insurers fail in clusters

Once an insurer fails in a given jurisdiction, additional failures often follow quickly. More than half (67.6 percent) of all insurer failures worldwide occur as part of "clusters," which we define as three or more failures within three years. Specifically, 66.4 percent of all P&C failures and 60.2 percent of all Life failures occurred in a cluster.

We identified 118 failure clusters in 59 jurisdictions since 2000, including 70 clusters in 38 non-US countries and 48 clusters in 21 US States. This international pattern is consistent with Canada's own experience of insurance company failures. Historically, 35 P&C and Life insurers failed in Canada in three distinct clusters between 1981 and 2003, although the Canadian cluster periods lasted slightly longer.

One possible explanation for the clustering of failures is that difficult market conditions – such as changes in the judicial climate or unexpected movements in interest rates – affect all companies competing in the market. Most insurers, of course, manage these pressures successfully. However, insurers with weaker balance sheets often cannot withstand these conditions and therefore become insolvent. In this sense, insurers with weaker balance sheets fail separately, but often not alone.

Using the definition outlined above, the following jurisdictions reported a cluster of insurer failures – some more than once – in the GFI Catalogue:

Table 10 – Jurisdictions that reported a cluster of insurer failures

Jurisdiction	Number of Failures in the Cluster
Angola	6 failures between 2020 and 2021
	3 failures between 2023 and 2024
Argentina	27 failures between 2000 and 2004
	5 failures between 2005 and 2009
	7 failures between 2013 and 2017
	8 failures between 2023 and 2025
Azerbaijan	6 failures between 2014 and 2016
Barbados	3 failures in 2010

Table 10 – Jurisdictions that reported a cluster of insurer failures (continued)

Jurisdiction	Number of Failures in the Cluster
Bermuda	3 failures between 2007 and 2009
	10 failures between 2019 and 2023
	4 failures between 2024 and 2025
Botswana	4 failures between 2022 and 2023
Brazil	17 failures between 2000 and 2004
	15 failures between 2005 and 2009
	10 failures between 2010 and 2014
	4 failures between 2015 and 2017
	4 failures in 2019
Canada	6 failures between 2000 and 2003
Cayman Island	3 failures between 2021 and 2022
China (Mainland)	10 failures between 2019 and 2024
China (Hong Kong)	3 failures in 2001
China (Taiwan)	3 failures between 2014 and 2016
Cyprus	3 failures between 2018 and 2020
Ghana	4 failures between 2017 and 2018
Gibraltar	6 failures between 2018 and 2021
Greece	7 failures between 2009 and 2011
Indonesia	6 failures in 2002
	3 failures in 2023
Ireland	3 failures between 2020 and 2021
Italy	5 failures between 2008 and 2011
Japan	6 failures between 2000 and 2001
Jordan	5 failures between 2022 and 2025
South Korea	5 failures between 2001 and 2004

Table 10 – Jurisdictions that reported a cluster of insurer failures (continued)

Jurisdiction	Number of Failures in the Cluster
Mexico	13 failures between 2000 and 2004
	15 failures between 2014 and 2017
Netherlands	6 failures between 2006 and 2008
Nigeria	6 failures between 2000 and 2001
	14 failures in 2004
	7 failures in 2008
	4 failures between 2020 and 2022
Pakistan	3 failures in 2012
	3 failures between 2017 and 2019
Panama	3 failures in 2017
Paraguay	4 failures in 2003
Philippines	11 failures between 2000 and 2004
	5 failures between 2005 and 2007
	3 failures between 2011 and 2012
	9 failures between 2014 and 2018
	8 failures between 2022 and 2025
Romania	3 failures between 2015 and 2017
	3 failures between 2020 and 2023
Russia	4 failures in 2001
	29 failures in 2003
	4 failures in 2005
	17 failures in 2009
	59 failures between 2013 and 2017

Table 10 – Jurisdictions that reported a cluster of insurer failures (continued)

Jurisdiction	Number of Failures in the Cluster
Spain	9 failures between 2000 and 2002
	5 failures between 2004 and 2007
	5 failures between 2009 and 2010
	5 failures between 2012 and 2014
Thailand	6 failures between 2013 and 2018
	5 failures between 2021 and 2024
Trinidad and Tobago	4 failures in 2003
	4 failures between 2007 and 2008
Ukraine	3 failures between 2019 and 2020
United Arab Emirates	3 failures in 2025
United Kingdom	12 failures between 2000 and 2001
	6 failures between 2007 and 2010
Zimbabwe	8 failures in 2010
	13 failures between 2012 and 2016
Arkansas, USA	4 failures between 2009 and 2010
California, USA	16 failures between 2000 and 2003
Delaware, USA	4 failures between 2013 and 2014
District of Columbia, USA	3 failures between 2012 and 2013
Florida, USA	12 failures between 2000 and 2004
	18 failures between 2005 and 2010
	15 failures between 2011 and 2014
	7 failures between 2017 and 2021
	6 failures between 2022 and 2023
Georgia, USA	5 failures between 2008 and 2011

Table 10 – Jurisdictions that reported a cluster of insurer failures (continued)

Jurisdiction	Number of Failures in the Cluster
Illinois, USA	16 failures between 2000 and 2004
	3 failures in 2011
	8 failures between 2013 and 2017
	3 failures in 2020
Louisiana, USA	9 failures between 2000 and 2004
	5 failures in 2022
Mississippi, USA	3 failures between 2000 and 2001
Missouri, USA	4 failures between 2002 and 2004
	3 failures between 2006 and 2008
	3 failures between 2015 and 2017
Nevada, USA	6 failures between 2012 and 2014
New Jersey, USA	7 failures between 2007 and 2009
New York, USA	7 failures between 2000 and 2002
	8 failures between 2005 and 2009
	15 failures between 2010 and 2014
	10 failures between 2015 and 2019
	9 failures between 2020 and 2023
North Carolina, USA	4 failures between 2004 and 2005
	6 failures between 2022 and 2024
Ohio, USA	8 failures between 2000 and 2002
Oklahoma, USA	7 failures between 2002 and 2006
	3 failures between 2009 and 2010
	3 failures between 2013 and 2014
Pennsylvania, USA	9 failures between 2000 and 2004
	7 failures between 2014 and 2018

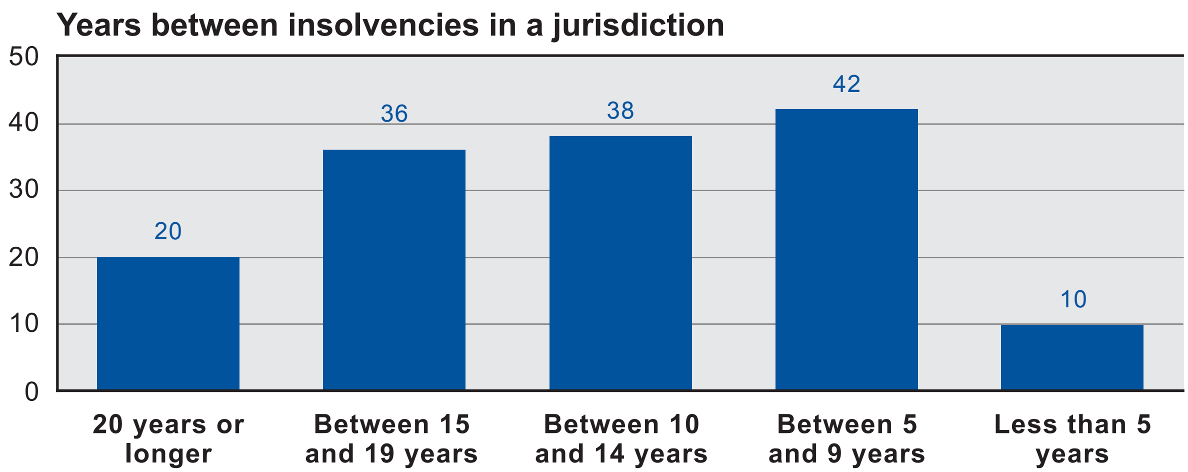
Table 10 – Jurisdictions that reported a cluster of insurer failures (continued)

Jurisdiction	Number of Failures in the Cluster
Puerto Rico, USA	7 failures between 2007 and 2009
	3 failures between 2011 and 2012
	4 failures between 2018 and 2019
South Carolina, USA	4 failures between 2005 and 2006
	3 failures in 2009
	3 failures between 2012 and 2014
Tennessee, USA	4 failures between 2003 and 2004
Texas, USA	3 failures in 2000
	11 failures between 2002 and 2003
	11 failures between 2005 and 2006
	5 failures between 2008 and 2010
	4 failures in 2013
	7 failures between 2018 and 2021
Total of all Clusters	**860 failures in 118 clusters**
Share of total failures that are part of a Cluster	**67.6%**

2. Long periods of calm between failures are normal for most jurisdictions

Of the 146 jurisdictions with reported failures in the GFI Catalogue, 136 reported a period of five consecutive years of zero failures; these include 92 non-US countries and 44 US States. A total of 20 jurisdictions reported a 20-year gap between insolvencies; these include 13 non-US countries and 7 US States. The Catalogue allows us to see that many jurisdictions had long periods between insurer failures. Even within the United States, several State-level jurisdictions experienced long periods of calm between failures. Figure 7 shows the duration of these periods of calm for jurisdictions with gaps between failures.

Figure 8 – Most jurisdictions have long periods with zero insurer failures



Source: PACICC

This is consistent with the Canadian experience. It has been 13 years since the last Life insurer failed in Canada (Union of Canada Life was liquidated in 2012) and 22 years since the last P&C insurer failed in Canada (Home Insurance Company (Canada branch) was liquidated in 2003).

International experience shows that insurance failures are still occurring – everywhere – and those jurisdictions enjoying a period of calm would be well served to use that time to prepare for their next cluster of failures.

Table 11 – Jurisdictions with the longest periods of calm

Rank	Jurisdiction	Years since last failure	Rank	Jurisdiction	Years since last failure
1.	Czechia	25	26.	Algeria	18
2.	Poland	25	27.	Cyprus	18
3.	Tanzania	25	28.	Peru	18
4.	Rhode Island, USA	25	29.	Zambia	18
5.	Guernsey	24	30.	Chile	17
6.	Curaçao	23	31.	Ecuador	17
7.	Sweden	23	32.	Japan	17
8.	Dominican Republic	22	33.	Kazakhstan	17
9.	Saudi Arabia	22	34.	Lebanon	17
10.	Slovenia	22	35.	Liberia	17
11.	Oregon, USA	22	36.	Norway	17
12.	Cambodia	21	37.	New Hampshire, USA	17
13.	USA, Tennessee	21	38.	Australia	16
14.	New Mexico, USA	21	39.	Bahamas	16
15.	Angola	20	40.	Guyana	16
16.	Jamaica	20	41.	Liechtenstein	16
17.	Lithuania	20	42.	Malaysia	16
18.	Nebraska, USA	20	43.	Sri Lanka	16
19.	Virgin Islands, USA	20	44.	Suriname	16
20.	Washington, USA	20	45.	Turks and Caicos	16
21.	Andorra	19	46.	Idaho, USA	16
22.	Bolivia	19	47.	Wyoming, USA	16
23.	India	19	48.	Bahrain	15
24.	Togo	19	49.	Bangladesh	15
25.	Kansas, USA	19	50.	Denmark	15

Table 11 – Jurisdictions with the longest periods of calm (continued)

Rank	Jurisdiction	Years since last failure
51.	The Gambia	15
52.	Hungary	15
53.	Panama	15
54.	Slovakia	15
55.	Venezuela	15
56.	Kentucky, USA	15
57.	Barbados	14
58.	Iceland	14
59.	Jordan	14
60.	Malawi	14
61.	Paraguay	14
62.	United Arab Emirates	14
63.	Minnesota, USA	14
64.	Bulgaria	13
65.	Cameroon	13
66.	Canada	13
67.	China (Mainland)	13
68.	Columbia	13
69.	Ghana	13
70.	Switzerland	13
71.	Türkiye	13
72.	Connecticut, USA	13
73.	Maryland, USA	13
74.	British Virgin Islands	12
75.	Luxembourg	12

Rank	Jurisdiction	Years since last failure
76.	Pakistan	12
77.	Ukraine	12
78.	Arkansas, USA	12
79.	South Dakota, USA	12
80.	Greece	11
81.	Latvia	11
82.	Malta	11
83.	New Zealand	11
84.	Trinidad and Tobago	11
85.	Iowa, USA	11
86.	Virginia, USA	11
87.	Belize	10
88.	China (Hong Kong)	10
89.	Ireland	10
90.	South Africa	10
91.	Spain	10
92.	Zimbabwe	10
93.	Colorado, USA	10
94.	Deleware, USA	10
95.	Chinese Taipei	9
96.	France	9
97.	Germany	9
98.	Gibraltar	9
99.	Indonesia	9
100.	Arizona, USA	9

Table 11 – Jurisdictions with the longest periods of calm (continued)

Rank	Jurisdiction	Years since last failure
101.	District of Columbia ,USA	9
102.	Mississippi, USA	9
103.	Vermont, USA	9
104.	Hawaii, USA	9
105.	Montana, USA	9
106.	Azerbaijan	8
107.	Belgium	8
108.	Italy	8
109.	Kenya	8
110.	South Korea	8
111.	Uganda	8
112.	Ohio, USA	8
113.	Oklahoma, USA	8
114.	Nevada, USA	8
115.	North Carolina, USA	8
116.	Botswana	7
117.	Netherlands	7
118.	Thailand	7
119.	Georgia, USA	7
120.	Massachusetts, USA	7
121.	New Jersey, USA	7
122.	Pennsylvania, USA	7
123.	South Carolina, USA	7

Rank	Jurisdiction	Years since last failure
124.	Utah, USA	7
125.	Cayman Islands	6
126.	Nigeria	6
127.	United Kingdom	6
128.	Indiana, USA	6
129.	Puerto Rico, USA	6
130.	Bermuda	5
131.	Brazil	5
132.	Louisiana, USA	5
133.	Wisconsin, USA	5
134.	Alabama, USA	5
135.	Missouri, USA	5
136.	Michigan, USA	5
137.	California, USA	4
138.	Argentina	3
139.	Mexico	3
140.	Philippines	3
141.	Romania	3
142.	Russia	3
143.	Illinois, USA	3
144.	Florida, USA	2
145.	New York, USA	2
146.	Texas, USA	2

94 jurisdictions in our Catalogue have not reported an insurer failure in more than a decade. Policyholders in these jurisdictions are unlikely to remember the last insurance failure. Long periods between failures are clearly beneficial for policyholders and for the system overall. However, extended periods of calm can create other risks. Because more than a decade has passed since a Canadian insurer failed and was ordered into liquidation, many insurance regulators, bankruptcy professionals, and legal experts have never had to manage the complexities of liquidating an insurer. The institutional knowledge and expertise of these professionals must be passed on to the next generation so that the system can continue to protect policyholders when the next failures inevitably occur.

3. Evidence of a protection gap in global policyholder protection

When insurers fail, policyholders and other contract creditors with outstanding claims are at significant risk of loss. Some jurisdictions have created mechanisms (PPS/IGS) to protect such claimants. Many others have not yet done so.[6] Unfortunately, in many cases a PPS/IGS is only established after a failure or cluster of failures.

A PPS should be seen as a "last resort" mechanism to provide protections to policyholders in the event of an insurer's failure. Effective supervision and recovery and resolution frameworks can reduce the probability and impact of an insurer failure and promote policyholder protection, but they cannot eliminate the possibility of an insurer failure.[7]

When an insurer is failing and has inadequate capacity to fulfil its obligations to its policyholders, a PPS can provide protection for the policyholders by ensuring that premiums paid for insurance coverage are refunded and/or by ensuring that claims are settled and benefits are paid during the liquidation process.

[6] The International Association of Insurance Supervisors (IAIS) refers to such mechanisms as Policyholder Protection Schemes (PPS) or Insurance Guarantee Schemes (IGS). The terms can be used interchangeably.

[7] https://www.iais.org/uploads/2023/12/Issues-Paper-on-roles-and-functioning-of-policyholder-protection-schemes-PPSs.pdf.

Table 12 – Jurisdictions with a PPS/IGS

PPS	Name of Institution	Industry	Date Established
Members of the International Forum of Insurance Guarantee Schemes (IFIGS)			
Australia	Australian Prudential Regulation Authority	Non-Life	2008
Azerbaijan	Compulsory Insurance Bureau of Azerbaijan	Non-life	2011
Canada	Assuris	Life	1990
Canada	Property and Casualty Insurance Compensation Corporation	Non-Life	1989
Denmark	The Danish Guarantee Fund for Non-life Insurers	Life & Non-Life	2003
Ecuador	Deposit Insurance, Liquidity Fund and Private Insurance Fund Corporation	Life & Non-Life	2008
France	Fonds de Garantie des Assurances de Personnes	Life	1999
France	Fonds de Garantie des Assurances Obligatoires	Non-Life	1951
Germany	Protektor Lebensversicherungs AG	Life	2002
Germany	Medicator AG	Non-Life	2009
Greece	Private Life Insurance Guarantee Fund	Life	2010
Ireland	Central Bank of Ireland	Non-Life	1964
Isle of Man	Life Assurance (Compensation of Policyholders) Regulations/Financial Services Authority	Life	1991
Jordan	Fund for Compensation of Insureds & Beneficiaries of Insurance Contracts	Life and Non-Life	2025
Kazakhstan	Insurance Payments Guarantee Fund	Life & Non-Life	1999
Kenya	Policyholders Compensation Fund	Life & Non-Life	2004
South Korea	Korea Deposit Insurance Corporation	Life & Non-Life	1996
Malaysia	Malaysia Deposit Insurance Corporation	Life & Non-Life	2005

Table 12 – Jurisdictions with a PPS/IGS (continued)

PPS	Name of Institution	Industry	Date Established
Members of the International Forum of Insurance Guarantee Schemes (IFIGS)			
Norway	The Norwegian Non-life Insurance Guarantee Scheme	Non-Life	1989
Poland	Insurance Guarantee Fund	Non-Life	2003
Romania	Fondul de Garantare a Asiguratilor	Life & Non-Life	1995
Singapore	Singapore Deposit Insurance Corporation Limited	Life & Non-Life	2006
Spain	Consorcio de Compensación de Seguros	Life & Non-Life	1984
Taiwan	Taiwan Insurance Guaranty Fund	Life & Non-Life	2009
Thailand	Thai Life Insurance Fund	Life	1992
Thailand	Thai General Insurance Fund	Non-Life	1992
Türkiye	Güvence Hesabı	Non-Life	1983
Uzbekistan	Fund of Guaranteeing Insurance Payments (formerly The Compulsory Vehicle Liability Insurance Guarantee Fund)	Non-Life	2008
United Kingdom	Financial Services Compensation Scheme	Life & Non-Life	2001
United States of America	National Organization of Life & Health Guaranty Associations (each State has its own Fund)	Life	1989
United States of America	National Conference of Insurance Guaranty Funds (each State has its own Fund)	Non-Life	1989

Table 12 – Jurisdictions with a PPS/IGS (continued)

PPS	Name of Institution	Industry	Date Established
Associate IFIGS Members			
Indonesia	Policy Guarantee Programme (Program Penjaminan Polis)	Life & Non-Life	2027 (pending)
Ukraine	Ukraine Deposit Guarantee Fund	Life	Legislation pending
Russia	Deposit Insurance Agency	Life	2000
Other Non-IFIGS Member PPS			
China (Mainland)	China Insurance Security Fund Co	Life & Non-Life	2008
Japan	Non-Life Insurance Policyholders Protection Corporation of Japan	Non-Life	1998

Overall, 671 of the 1,273 insurer failures in the Catalogue occurred in a jurisdiction with a PPS for the type of insurer that failed (i.e. the PPS covered P&C insurance, and a P&C insurer failed). It is very good news that policyholders benefited from the protection provided by a PPS in 52.7 percent of all failures since 2000.

However, our study reveals large gaps in policyholder protection across continents. Policyholders involved in 86.6 percent of failures in North America benefited from the additional layer of protection provided by a PPS. In contrast, policyholders were protected by a PPS in only 34.0 percent of European failures, and in just 5.5 percent of failures in Africa

Table 13 – Percentage of failures protected by a PPS, by continent

	Number of failures in jurisdictions with a PPS	Percent of total failures on continent
Total	**671**	
Africa	6	5.5%
Asia	36	27.1%
Europe	96	34.0%
Oceania	1	25.0%
North America	529	86.6%
South America	3	2.2%
P&C Pure	**438**	
Africa	6	7.9%
Asia	22	25.0%
Europe	65	30.2%
Oceania	1	33.3%
North America	342	89.5%
South America	2	2.5%
Life Pure	**224**	
Africa	0	0.0%
Asia	13	32.5%
Europe	29	56.9%
Oceania	N/A	N/A
North America	182	86.7%
South America	N/A	N/A

Since 2000, the majority of policyholders outside of North America were NOT protected by a PPS when their insurance company failed. This is evidence of a significant protection gap in global policyholder protection.

Key Takeaways

1. Insurers can still fail despite significant improvements in risk management and solvency regulation. PACICC has identified 1,273 insurance company failures around the world between 2000 and 2025
2. Insurers failed in 98 different countries and 146 different jurisdictions over this period
3. There were 843 P&C insurer failures in 83 different countries between 2000 and 2025. An average of 32.4 P&C insurers failed each year
4. There were 372 Life insurer failures in 55 different countries between 2000 and 2025. An average of 14.3 Life insurers failed each year
5. It is normal for individual jurisdictions to have long periods with no insurer insolvencies. We have identified 41 jurisdictions that reported insurer insolvencies, but with at least a 10-year gap between them
6. More than half (67.6 percent) of all insurer failures around the world occur as part of "clusters" – defined as three or more failures within three years
7. Since 2000, the majority of policyholders outside of North America were NOT protected by a PPS when their insurance company failed. This is evidence of a significant protection gap in global policyholder protection
8. We recognize that this Catalogue may be imperfect and encourage those with suggestions for improvements (additions, deletions, clarifications) to contact the authors of this study directly. Edits will be fully reflected in the next update edition of this paper, in 2027.

Appendix I : Takaful Insurers

After the publication of our Third Edition of this Catalogue, we were asked whether or not there was evidence that takaful insurers could fail. For this most recent Update, we have done some extra work to try to answer this question.

The word "takaful" is derived from the Arabic word "kafala," which means "to mutually guarantee."[8] The principles underlying takafuls are: (1) Taawun, mutual assistance, (2) Tabarru, gift or donation; and (3) Asaaviyya, tribal solidarity.

In some jurisdictions, conventional insurance is not acceptable from a Shariah point of view. This is because conventional insurance has the following elements:

- A contract of indemnity, which is a bilateral contract between the policyholder and an insurer. In contrast, an insurance policy under a takaful is a unilateral contract that aims to help each party;
- An element of uncertainty, as it is not certain if the insured event is going to happen, and if so, when;
- An element of "gambling" as insurance is a zero-sum game. In contrast, in the case of takaful, if no claim is made, your contribution will be returned to you; and
- An element of interest, where the funds an insurer collects, can be invested in interest-bearing instruments.

A takaful operator performs administrative duties, such as handling claims, managing contributions, making investment decisions on behalf of the participants (i.e., investing a portion of the takaful funds), and distributing the surplus (if any) among the participants. An independent sharia board is appointed to oversee the takaful operator to ensure that all operations are done in a sharia-compliant manner. Similar to a conventional insurer, a takaful provides two lines of products: general takaful, similar to short-term non-life policies, and family takaful, similar to long-term life and health policies.

A takaful usually divides the funds into a Participant Special Account (PSA) account and a Participant Account (PA) account. The funds in the PSA account are used to pay for the claims, while funds in the PA account are used to make sharia-compliant investments. Any surplus, after deducting the costs and expenses, will go to the surplus account.

[8] For a comprehensive review, see https://www.soa.org/globalassets/assets/files/resources/research-report/2024/takaful-alternative-approach.pdf.

Depending on the arrangement between the takaful operator and the participants, a takaful may adopt one of the following structures:

- **Wakala** (agency model): The operator serves as an agent of the participants and charges a fixed fee regardless of whether the takaful runs a surplus or loss. The funds in the surplus will be shared among the participants.
- **Waqf** (endowment model): The funds in the surplus account will be accumulated to the takaful.
- **Mudarabah** (profit-sharing model): there is a mudarabah contract between the participant and the fund and another mudarabah contract between the fund and the takaful operator. The fee charged by the takaful operator also depends on the profit/loss on the surplus account.
- **Hybrid** (a combination of the four).

Takaful Failures

In this update, we have identified three takaful failures:

- Ceylinco Takaful Limited, nonlife insurer, operated in Sri Lanka and failed in 2009
- Albarakah Takaful Insurance Company, operated in Jordan and failed in 2014
- YAS Takaful PJSC, operated in United Arab Emirates and failed in 2025.

Further scrutiny confirms that, similar to many conventional insurer failures, operational issues are the main cause.

Ceylinco Takaful Limited (Sri Lanka)

On August 5, 2009, the Insurance Board of Sri Lanka (IBSL) suspended the registration of Ceylinco Takaful for general insurance for three weeks. This was due to the takaful's inability to fulfil its claims obligations.

Al Barakah Takaful Insurance Company (Jordan)

On January 8, 2014, the Insurance Commission of Jordan placed Al Baraka Takaful Insurance Company in liquidation. A year earlier, Al Barakah was forced to suspend operations due to its inability to fulfil claims obligations. The compulsory liquidation took effect after a proposal to restructure the takaful was rejected.

YAS Takaful PJSC (United Arab Emirates)

On August 18, 2025, the Central Bank of the UAE (CBUAE) suspended the insurance licence of YAS Takaful PJSC. This decision, triggered by compliance issues, banned YAS Takaful from taking on new business, effectively placing the insurer into run-off.

While our Catalogue only includes the three takaful insurers failures identified so far, the short answer to the question we received is “Yes.” We will continue to investigate this issue further in future editions to learn more about this important segment of the global insurance marketplace.

Appendix 2: The List of Failed Insurers

The full list of insurers can be downloaded at pacicc.ca or by scanning here:

Property and Casualty Insurance Compensation Corporation
80 Richmond Street West
Suite 607
Toronto, Ontario M5H 2A4
Phone (416) 364-8677
www.pacicc.ca