



## PERFORMANCE OF THE POLISH INSURANCE SECTOR IN THE SECOND DECADE OF THE 21<sup>ST</sup> CENTURY

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### Abstract

The study analyzes the performance of the Polish insurance sector between 2010 and 2019. The analysis was based on source materials from the Statistical Yearbook published by Statistics Poland (GUS), reports of the Polish Financial Supervision Authority (KNF) and the Polish Chamber of Insurance (PIU). The main indicators describing the performance of the insurance market, including its concentration, number of policies, market structure, competitiveness, consumer behavior, and the financial performance of insurance companies were identified and analyzed.

The strengths and weaknesses of the Polish private insurance market in the last ten years were determined. The main weakness was a considerable decrease in the sale of life insurance (branch I) policies, which was manifested by a steady decrease in gross premium, a continued decline in insurance density and penetration rate, deteriorating financial performance, and a decrease in the number of branch I insurance companies. Considerably better results were reported in the non-life insurance segment (branch II), where gross earned premium continued to improve and increased by around 64% over the analyzed decade. The non-life sector was also characterized by a steady improvement in density (increase of PLN 436), penetration rate (increase of 0.07%) and financial performance (net technical result increased by PLN 4.2 billion, net profit increased by PLN 1.5 billion).

## FUNKCJONOWANIE SEKTORA UBEZPIECZEŃ GOSPODARCZYCH W POLSCE W DRUGIEJ DEKADZIE XXI WIEKU

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### Abstrakt

W opracowaniu przeanalizowano funkcjonowanie polskiego sektora ubezpieczeń gospodarczych w latach 2010-2019. Do analizy wykorzystano materiały źródłowe z Rocznika Statystycznego GUS, opracowań Komisji Nadzoru Finansowego (KNF) oraz Polskiej Izby Ubezpieczeń (PIU). Określono i oceniono wartości podstawowych wskaźników charakteryzujących jego koncentrację, liczebność polis, strukturę, konkurencyjność, zachowania klientów i wyniki finansowe firm na nim funkcjonujących.

Funkcjonowanie ubezpieczeń gospodarczych w Polsce w ostatnim dziesięcioleciu cechowało się pewnymi słabościami i pozytywami. Do słabości tego rynku należy zaliczyć m.in.: duży spadek sprzedaży ubezpieczeń działu I. Świadczą o tym zarówno stały na przestrzeni analizowanych lat spadek przypisu składki, systematycznie pogarszające się rynkowe wskaźniki gęstości oraz penetracji, pogarszające się wyniki finansowe, jak i zmniejszająca się liczba zakładów ubezpieczeń funkcjonujących w tym dziale. Dużo lepsza sytuacja była w dziale II ubezpieczeń, tu wartość składki przypisanej brutto systematycznie się poprawiała i na przestrzeni badanego dziesięciolecia wzrosła o ok. 64%. Dobrą sytuację tego rynku potwierdzają także poprawiające się wskaźniki gęstości (wzrost o 436 zł) i penetracji (wzrost o 0,07 p.p.) oraz wzrastające wyniki finansowe zakładów (wynik techniczny wzrósł o 4,2 mld zł, zysk netto o 1,5 mld zł).

## Introduction

The insurance market was one of the first sectors of the Polish economy to embrace free market principles after the political transformation of 1989. The process of legislative changes in the Polish insurance market were initiated by the Act of 28 July 1990 on insurance activity (Journal of Laws of 1990, No. 59, item 344, as amended). The above act introduced free market principles to the organization and operations of the Polish insurance market, thus enabling insurance companies to compete based on European Union standards. The solutions introduced by the act contributed to a rapid increase in the number of insurance companies and opened a new chapter in the development of the insurance market. Before Poland joined the European Union, a package of four insurance acts had been introduced on 1 January 2004 to further adapt the Polish insurance market to EU standards. The new solvency requirements were introduced by Directive 2009/138/EC of the European Parliament and of the

Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II). The above directive was implemented into Polish law by the Act of 11 September 2015 on insurance and reinsurance activity (Journal of Laws, 2015, item 1844, as amended) which came into force on 1 January 2016. Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (referred to as the Insurance Distribution Directive) was adopted to better protect consumers concluding insurance contracts and to harmonize national provisions on insurance and reinsurance distribution. The provisions of the above directive were implemented into Polish law by the Act of 15 December 2017 on insurance distribution (Journal of Laws, 2017, item 2486) which entered into force on 1 October 2018.

In Poland, insurance activity may also be undertaken by foreign insurance companies in various legal forms<sup>1</sup>.

The operations of insurance and reinsurance companies in the Polish market are supervised by the Polish Financial Supervision Authority (KNF). The Financial Ombudsman oversees the interests of the insured parties, policyholders and beneficiaries. The Polish Chamber of Insurance (PIU) is an organization that represents insurance and reinsurance companies operating in Poland. Insurance organizations and authorities play a very important role in the insurance market by initiating various measures to stimulate the development of the insurance market, controlling market operations, protecting stakeholder interests, and developing and evaluating drafts of legal acts concerning the insurance sector (Witkowska, 2014, p. 222).

Insurance products protect policy holders' property against random events (property insurance), secure the financial interests of policy holders and their family members (life insurance), and provide additional funds during retirement (pension insurance) (Pieńkowska, 2018, p. 522). Insurance contributes to social and economic growth in many ways. Insurance products stabilize the economy by offering protection against losses sustained by policy holders due to unforeseen events. Insurance companies assist their clients in managing their savings and investments in the medium and long term, thus creating capital and counteracting the negative effects of market fluctuations. Rapid changes in living standards and technological progress prompt insurers to introduce innovative products that meet the needs of evolving societies. According to Majewski (2017), the new personal transportation model will radically reduce road traffic and will significantly decrease the sale of motor insurance which is one of the major sources of income for insurance companies (Majewski, 2017, p. 68). Economic growth and

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<sup>1</sup> By establishing a head office in Poland; by establishing a main branch when the company's head office is situated on the territory of a Member State of the European Union or the European Free Trade Agreement (EFTA) – European Economic Area (EEA); by notifying the Polish Financial Supervision Authority (KNF) of the company's intent to undertake insurance activity in Poland based on the freedom to provide services (applies only to insurance companies headquartered on the territory of an EU Member State).

income distribution significantly influence the growth of the insurance sector. Other factors can also affect the insurance market. The search for new and more effective distribution channels plays an important role. Process management solutions are being introduced by insurance companies in Poland to improve operational safety in a highly competitive market (Gašioriewicz & Kruk, 2018, p. 39-51). An improvement in educational standards in the field of finance and insurance is a stimulating factor. National authorities can also cooperate with insurers by introducing tax incentives or compulsory insurance.

The Polish insurance sector is a relatively young market that continues to develop and evolve. Therefore, the insurance market should be regularly monitored to eliminate obstacles to its continued growth.

## **Research Objective and Methods**

The main aim of this study was to analyze and discuss the performance and evolution of the Polish insurance market. The operations of insurance companies in the Polish market were analyzed between 2010 and 2019. The total number of companies operating in the Polish insurance market, including those operating in branches I and II of the market, was determined. The share of foreign and domestic capital in the equity of insurance companies headquartered in Poland was analyzed. The stabilization of the number of insurance companies and the concentration of the Polish insurance market were evaluated by calculating the market share of the largest and the five largest companies in branches I and II. In order to more accurately determine the level of concentration and competition in the insurance industry, the value of the Herfindahl-Hirschman index (HHI) was calculated in 2010 and 2019 for section I and II of insurance.

Market size was determined based on the total gross premium and the gross premium in each branch, and by calculating the following indicators: insurance density (ratio of total gross premium to population) and penetration rate (ratio of total gross premium to the gross domestic product). The insurance penetration rate was compared with the GDP of Poland. Changes in groups of insurance products were analyzed based on the structure of total gross premium in each group in branches I and II. Claims and benefits paid, and the main financial indicators (net technical result and net profit) were analyzed in the examined period in both branches of the Polish insurance market.

The analysis was based on source materials from the Statistical Yearbook published by Statistics Poland (GUS), reports of the Polish Financial Supervision Authority (KNF), the Polish Chamber of Insurance (PIU), as well as research conducted by the Department of Finance of the Faculty of Economic Sciences at the University of Warmia and Mazury in Olsztyn.

The study relied on the comparative method, and the structure and growth rate of the Polish insurance market were evaluated by calculating the relevant indicators. The results were described, as well as presented in tables and figure drawings.

## Results and Discussion

Insurance is an important component of economic infrastructure in a market economy and the financial sector. It plays a vital role in the performance of entire economies by dividing large risks into smaller risks that are insured at a premium adequate to the given type of risk (Samuelson & Nordhaus, 2012, p. 2018).

There were 59 registered insurance and reinsurance companies in Poland at the end of 2019, including 25 companies in branch I (life insurance) and 34 insurance companies, including one reinsurance company in branch II (other personal insurance and property insurance). Only six companies operated as mutual insurance companies, and the remaining insurers were joint-stock companies. Foreign insurance companies were represented by 529 notified brokers under the freedom to provide business services on a cross-border basis within the EEA.

The number of insurance companies increased rapidly in the first years after the political transformation of 1989, but it stabilized in the last ten years (Fig. 1).

The number of life insurance companies (branch I) continued to decrease steadily in the analyzed period, from 30 in 2010 to 25 in 2019. The number of non-life insurance companies (branch II) decreased from 35 in 2010 to 30 in 2015, and increased to 34 between 2016 and 2019.

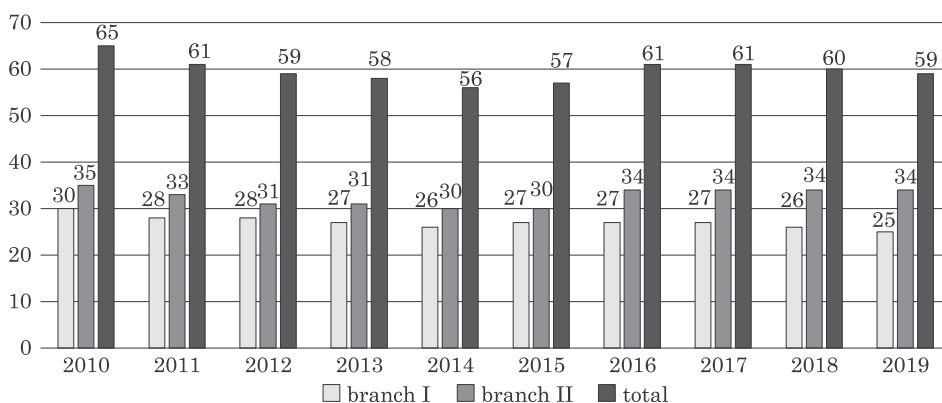


Fig. 1. Number of insurance companies in Poland in 2010-2019

Source: own elaboration based on Statistics Poland (GUS) and Financial Supervision Authority (KNF) data (2011-2020).

The share of foreign capital in insurance company equity decreased in the examined period. In 2009, foreign capital accounted for 84% of the total equity of insurance companies with headquarters in Poland. The share of foreign capital decreased from 77.4% in 2010 to 63.4% in 2019. The corresponding decrease was 71.2% to 59% in the life insurance sector, and 82.9% to 67.1% in the non-life insurance sector (Fig. 2). These changes resulted mainly from the fact that some European insurers (Skandia Życie TU S.A.) exited the Polish insurance sector and new Polish companies (Pocztowe TUW, PKO TU S.A., Polski Gaz TUW, Pocztowe TUnŻ S.A., PKO Życie TU S.A.) entered the market.

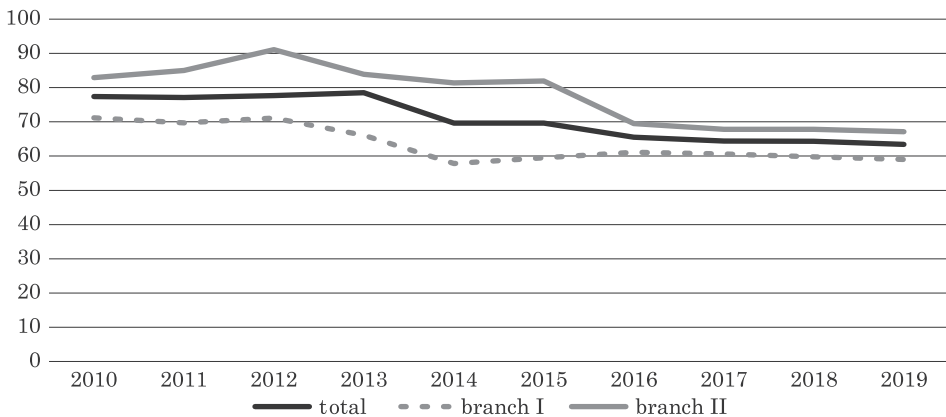


Fig. 2. Share of foreign capital in the equity of insurance companies in Poland (in %)

Source: own elaboration based on Statistics Poland data (Polish Insurance Market, 2012, 2015, 2019)

Similarly to previous years, foreign companies were represented mainly by Austrian, Dutch, French and German investors. The share of Canadian, British, American and Japanese capital in the Polish insurance market did not exceed several percent. Insurers from Luxembourg, Belgium, Ireland, Cyprus and the Virgin Islands (United Kingdom) accounted for less than 1% of foreign capital in the Polish insurance sector.

The decrease in the number of insurance companies in the last decade stalled the deconcentration of the life insurance segment in Poland. The value of the Herfindahl-Hirschman Index (HHI) in 2010 was 1,290, and in 2019 – 1,900. It is assumed that an HHI above 1,800 indicates an overly concentrated market. The combined market share of the five largest life insurers, expressed by the total gross premium, reached 66.2% in 2010 and 66.4% in 2019 (*Report on the insurance market for Q4*, 2019). The leading life insurance companies were: PZU ŻYCIE SA, TUnŻ EUROPA SA, TUnŻ WARTA SA, ING TUnŻ SA and NORDEA Polska TUnŻ SA. PZU ŻYCIE SA was the unquestioned leader with a market share of 40.3% that has continued to increase in recent years.

On the other hand, no risk of market concentration in section II of insurance was noticed. The value of the Herfindahl-Hirschman index (HHI) in 2010 was 1,511, and in 2019 – 1,470.

The combined market share of the five largest insurance companies in the non-life sector, expressed by the total gross premium, reached 69.1% at the end of 2019, marking an increase of 3.6 percentage points from 2010. The largest branch II insurers were: PZU SA, STU ERGO HESTIA SA, TUiR WARTA SA, TUiR ALLIANZ POLSKA and AXA UBEZPIECZENIA TUiR SA. PZU SA had a 30.6% share of the non-life segment. The leading market status of these insurers can be attributed mainly to a highly recognizable brand and a broad network of insurance agents.

The premiums collected in virtue of different product groups in each market branch were also analyzed and compared. At the end of 2019, life insurance (group 1) was the predominant group of products in the direct insurance sector, accounting for around 37% of total gross premium (Fig. 3). Life insurance was followed by group 3 products (unit-linked life insurance and indexed universal life insurance) which represented 32.1% of total gross premium, and group 5 products (accident and disability insurance) which accounted for 29.7% of total gross premium. A very low share of marriage and birth insurance (group 2, 0.5%) and annuity insurance (group 4, 0.7%) is characteristic of the Polish insurance market. The proportions of these insurance products remained low but stable in the analyzed period.

Compulsory motor third-party liability insurance (group 10) and motor casco insurance (group 3) were the dominant categories in the sector of other personal insurance and property insurance (Fig. 6). The share of motor insurance products in the non-life sector was determined at 56.2% in 2010 and 55.5% in 2019 (Fig. 6).

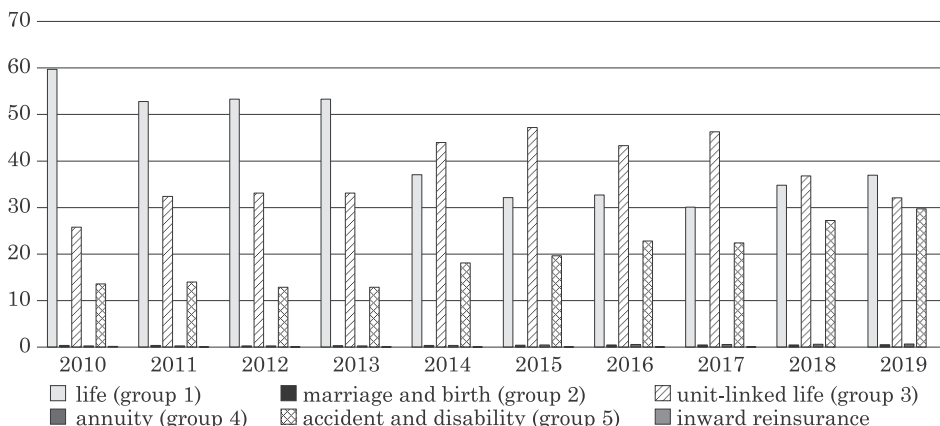


Fig. 3. Structure of gross premium in branch I (in %)

Source: own elaboration based on GUS and KNF data (2011-2019).

The second major group of non-life insurance products were two basic types of property insurance: insurance against property damage caused by natural disasters (group 8) and insurance against other damage or loss of property (group 9). The combined market share of these product groups reached 18.3% in 2010 and 17% in 2019. The share of group 8 and 9 products continues to decrease in the non-life insurance portfolio because small and medium-sized enterprises and some industries (such as agriculture and fisheries) rarely insure their operations. The property and assets of many Polish companies are also underinsured. The third major group of non-life insurance products are accident insurance (group 1) and disability insurance (group 2) whose combined market share was estimated at 7.1% in 2010 and 6.4% in 2019. The share of accident and disability insurance is several times lower in the Polish market compared to the European insurance market. The share of general third-party liability insurance (group 13) in the Polish market was determined at 5.5% in 2010 and 5.6% in 2019, and it was also significantly lower in comparison with Western Europe.

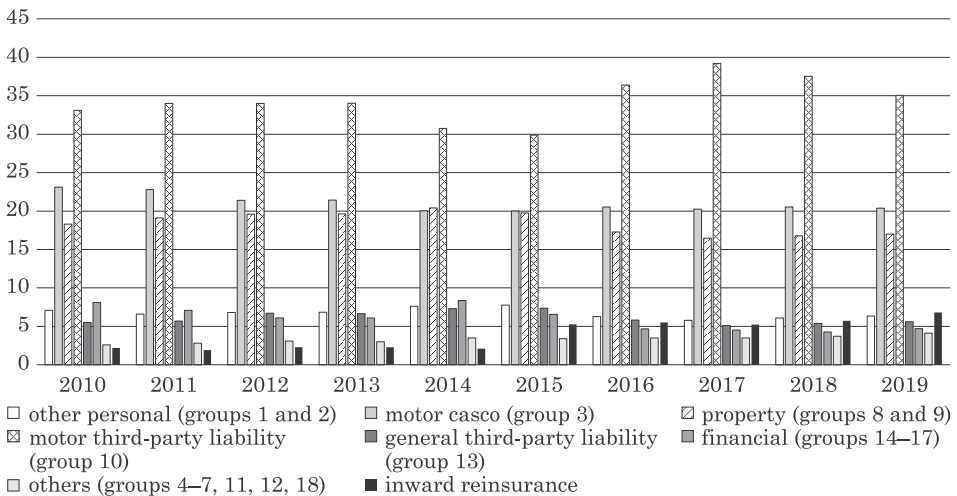
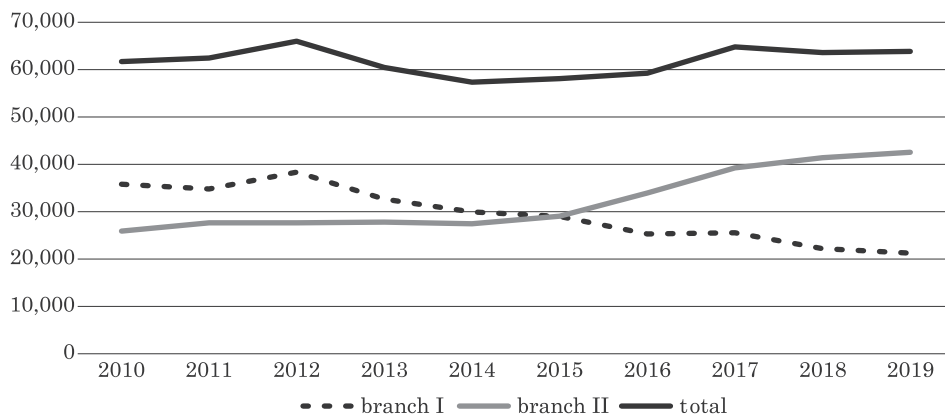


Fig. 4. Structure of gross premium in branch II (in %)

Source: own elaboration based on GUS and KNF data (2011-2019).

Under an insurance contract, the insurer undertakes, upon the occurrence of an insured event, to pay an agreed amount of compensation in return for a premium paid by the policyholder. The amount of the collected premium defines the economic value of insurance services, which is represented by the payments made by insurance companies and consumers in virtue of insurance cover. The value of the insurance premium is one of the key determinants for evaluating the performance and growth of every insurance company as well as the entire insurance market. The total gross premium for the analyzed period is presented in Figure 5.





\*) values in PLN million are expressed in terms of real values for 2019 adjusted for inflation based on the inflation rate published by Statistics Poland

Fig. 5. Total gross premium in the Polish market (in PLN million)

Source: own elaboration based on GUS and KNF data (2011-2019).

In branch I, the total gross premium increased from PLN 35.8 billion in 2010 to PLN 38.3 billion in 2012, and continued to decrease steadily in the following years to reach PLN 21.3 billion in 2019. The total gross premium decreased by 41% between 2010 and 2019. There are many reasons for the dwindling popularity of life insurance in the Polish market. The insurance sector was affected by the economic downturn of 2008 (Rokicki, 2018, p. 194). Misselling also played a role, and some companies sold products that were not adapted to the clients' needs and financial capabilities and were generally superfluous. Abusive practices involved mainly tie-in sales of financial instruments such as loans, debit cards and saving accounts that involve the purchase of various types of insurance (Cichorska, 2018, p. 18). An opposite trend was observed in the non-life sector, where total gross premium grew steadily from PLN 25.9 billion in 2010 to PLN 42.6 billion in 2019, marking an increase of 64% in the analyzed period. The total gross premium decreased from 58.3% in 2010 to 33.3% in 2019 in branch I and increased from 41.7% in 2010 to 66.4% in branch II. Such a steep increase in the non-life insurance sector can be attributed to socioeconomic changes in the past decade. The GDP increased steadily in each year of the analyzed period (Fig. 6), which testifies to Poland's rapid economic growth and an increase in incomes. Growing levels of affluence significantly increased the demand for cars, apartments, homes, household appliances and other goods. The increase in wealth was naturally accompanied by the growth of the property insurance sector, as demonstrated by the global increase in total gross premium in branch II of the Polish insurance market.

The key insurance market indicators are penetration, density and concentration (Sangowski, 2002, p. 196). The penetration rate demonstrates how

the insurance sector relates to the entire national economy, and it is calculated as the ratio of total gross premium to the GDP. The higher the penetration rate, the higher the public awareness about the importance of insurance cover. Insurance density points to the maturity of the insurance market, and it is expressed by the ratio of total gross premium to the population of a country. In this case, higher density is also related to higher knowledge and awareness of insurance products, as well as (indirectly) to greater wealth. The average indicator for the European Union countries in 2017 amounted to EUR 2,254, including EUR 1,336 for life insurance, and EUR 918 for non-life insurance (*Polski rynek ubezpieczeniowy*, 2018). In Poland, average insurance spending per capita was determined at PLN 1602 in 2010 and PLN 1663 in 2019, marking a nominal increase of PLN 61 in the examined period (Tab. 1).

Table 1

## Insurance market indicators in Poland

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total gross premium per capita										
Branch I	929	903	995	848	778	755	658	664	578	554
Branch II	673	717	718	722	713	756	884	1,022	1,078	1,109
Total	1,602	1,620	1,713	1,570	1,491	1,511	1,542	1,686	1,656	1,663
Total gross premium to GDP (penetration rate) (in %)										
Branch I	2.47	2.22	2.36	1.98	1.75	1.61	1.36	1.28	1.05	0.93
Branch II	1.79	1.77	1.70	1.69	1.60	1.61	1.82	1.97	1.95	1.86
Total	4.27	3.99	4.06	3.67	3.35	3.22	3.18	3.26	3.00	2.79

Source: own elaboration based on Statistics Poland data (Polish Insurance Market, 2012, 2015, 2019).

Gross premium per capita decreased steadily in branch I. Life insurance spending decreased by around 40% in the analyzed period. The reverse was noted in the segment of other personal insurance and property insurance (branch II), where total gross premium increased by around 65% in the analyzed period and reached PLN 1663 per capita in 2019. The levels of the penetration index (gross written premium as a percentage of the country's GDP) look worse. The average indicator for the European Union countries in 2017 was 7.5%, of which 4.4% was for life insurance and 3.1% for non-life insurance (*Polski rynek ubezpieczeniowy*, 2018). A systematic decrease in this indicator from 4.27% in 2010 to 2.79% in 2019 proves a slower pace of insurance development than the gross domestic product in Poland. Even less satisfactory results were noted in the life insurance sector where the penetration rate decreased from 2.47% in 2010 to 0.93% in 2019. In the non-life sector, following a minor drop in the first years of the analyzed period, the penetration rate continued to increase and reached 1.86% in 2019.

The insurance penetration rate and the GDP growth rate in the examined decade are presented in Figure 6. The insurance penetration rate exceeded GDP growth only in the non-life sector in 2016 (13%) and 2017 (8.3%). The penetration rate was below the GDP growth rate in all analyzed years in the life sector and in eight years of the studied period in the non-life sector, which confirms the observation that the development of the Polish insurance market lagged behind Poland's economic growth.

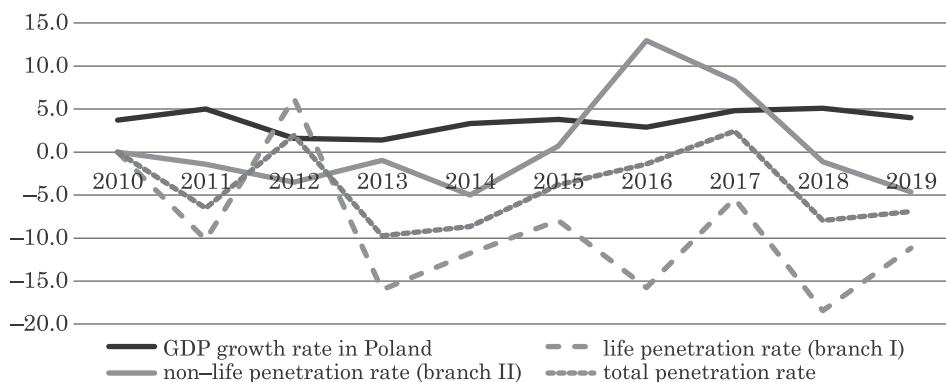


Fig. 6. Insurance penetration rate and GDP growth rate in Poland (chained volume series, previous year = 100%)

Source: own elaboration based on Statistics Poland and KNF data (2011-2020).

Pursuant to the provisions of Article 805, paragraph 1 of the Polish Civil Code, the insurer undertakes, upon the occurrence of an insured event, to pay an agreed amount of compensation in return for a premium paid by the policyholder. The total claims paid by insurance companies in 2019 amounted to PLN 40.87 billion (Fig. 7). In the life sector, gross claim payments decreased from around PLN 25.76 billion in 2010 to PLN 18.57 billion in 2019, i.e. by 38%. The main reason for this decrease was a dramatic drop in gross premium (from PLN 31.8 billion in 2010 to PLN 21.3 billion in 2019). In contrast, total claims paid in the non-life segment increased by 137% in the analyzed period, from PLN 16.3 billion in 2010 to PLN 22.3 billion in 2019. The total loss ratio (ratio of gross claims paid to total gross premium) was determined at 68.1% in 2010 and 64% in 2019. In the analyzed period, the loss ratio significantly increased in the life sector (from 72% in 2010 to 87.3% in 2019), whereas a significant improvement was noted in the non-life sector (from 62.7% in 2010 to 52.4% in 2019), with considerable differences between product groups.

The profitability and financial performance of life insurance companies in Poland decreased in the analyzed period (Fig. 8).

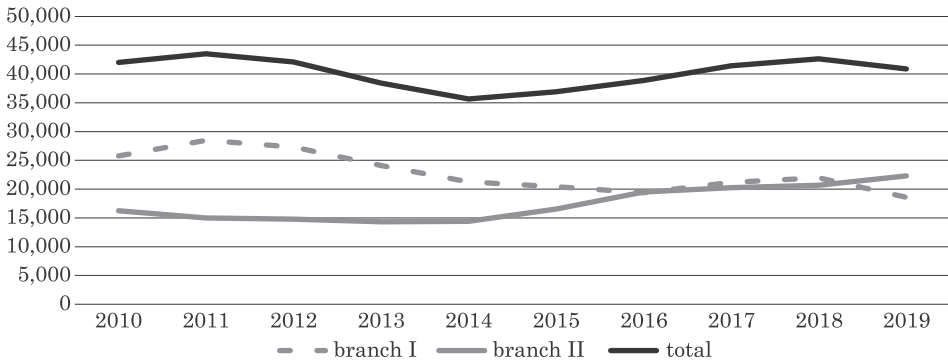


Fig. 7. Gross claims paid (in PLN million)

Source: own elaboration based on Statistics Poland and KNF data (2011-2020).

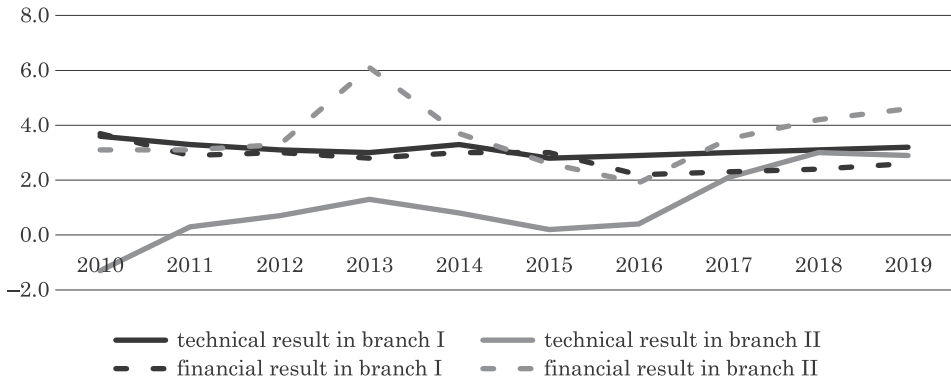


Fig. 8. Financial performance of the Polish insurance market (in PLN billion)

Source: own elaboration based on Statistics Poland and KNF data (2011-2020).

The technical result and the net profit decreased in the life sector in the analyzed period. The technical result was highest at PLN 3.6 billion in 2010, and it declined steadily in the following years to reach around PLN 2.9 billion in 2019. Net profit also decreased from PLN 3.7 billion in 2010 to PLN 2.6 billion in 2019. In contrast, the financial performance of the non-life sector improved considerably in the examined decade. The technical result had a negative value of -PLN 1.3 billion in 2010, and it continued to increase in successive years to reach PLN 3 billion in 2018 and PLN 2.9 billion in 2019. Net profit increased considerably from PLN 3.1 billion in 2010 to PLN 4.6 billion in 2019.

## Summary

This article analyzed the performance of insurance companies operating in the Polish market between 2010 and 2019.

The number of insurance companies in the Polish market decreased from 65 in 2010 to 59 in 2019. The leading insurer in the life sector was PZU Życie S.A. which controlled 40.3% of the market. PZU S.A. was the largest insurer in the non-life sector with a market share of 30.6%. The value of the Herfindahl-Hirschman index (HHI) in 2019 was 1,900 in section I of insurance, which indicates too high a concentration of this market.

The share of foreign capital in the equity of insurance companies decreased from 77.4% in 2010 to 63.4% in 2019.

Life insurance sales declined in the analyzed period. The total gross premium in the life sector decreased from PLN 35.8 billion in 2010 to PLN 21.3 billion in 2019. In contrast, the non-life sector expanded at a steady rate in the examined decade, and total gross premium increased from PLN 25.9 billion in 2010 to PLN 42.6 billion in 2019. A decrease in the insurance penetration rate indicates that the Polish insurance market grew at a slower rate than the Polish economy. The ratio of total gross premium to the GDP decreased from 4.27% in 2010 to 2.79% in 2019. The drop in the insurance penetration rate was particularly pronounced in the life sector where this parameter decreased from 2.47% in 2010 to 0.93% in 2019. In the non-life segment, a minor increase in insurance penetration was noted, from 1.79% in 2010 to 1.86% in 2019. Average insurance spending per capita increased from PLN 1,602 in 2010 to PLN 1,663 in 2019. In the life insurance market, average spending per capita decreased significantly from PLN 929 in 2010 to PLN 554 in 2019. In contrast, average spending per capita nearly doubled in the non-life sector, from PLN 673 in 2010 to PLN 1,109 in 2019. In the structure of the insurance market of section I, group 1 insurance had the highest share (approx. 37%). In the structure of products, the offer in the group of annuity and dowry insurance is too small, and there is a stagnation and a decline in customer interest in group 3 insurance. On a positive note, the share of accident and disability insurance (group 5) nearly doubled in the analyzed decade. In the non-life sector, motor insurance remained the dominant category of products, with a combined 55.5% market share in 2019. The sale of property insurance (groups 8 and 9) and personal insurance (groups 1 and 2) products was stabilized in the evaluated period. The share of financial insurance decreased, whereas inward reinsurance increased, which points to an increase in the stability of Polish insurance companies.

The total loss ratio reached 64% in 2019. Insurance companies posted positive financial results for 2019. In the life insurance segment, total net profit continued to decrease in the analyzed period, from around PLN 3.7 billion in 2010 to PLN 2.6 billion in 2019. In contrast, total net profit increased in the non-life segment, from around PLN 3.1 billion in 2010 to PLN 4.6 billion in 2019.

The involvement of domestic capital in the equity of both life and non-life insurance companies increased in the analyzed period, which is a positive phenomenon.

The Polish insurance market still has a high growth potential. The insurance industry has the future ability to introduce new products, increase the number of customers, and establish closer relations with banks and the capital market.

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