UDK: 696.036.21:638.30:638.34:334.1(497.11):368.044
DOI: 10.5937/TokOsig2104031Z

***Prof. Nebojša Š. Žarković, PhD*[1]**

LIFE INSURANCE IN CIRCUMSTANCES OF COVID 19 PANDEMICS

REVIEW ARTICLE

Abstract

The subject matter of the research in this paper is the impact of the crisis caused by the Covid 19 pandemics on life insurance. The significance of life insurance for the population and economy is emphasized at the beginning. This is followed up by a presentation and analysis of the data on the global decline in the premium volume for these lines during 2020 and the prospects for recovery. Moreover, a due attention has been dedicated to the impact of the Corona virus on insurance claims tendencies. A special chapter concerns two types of life insurance - life insurance and occupational incapacity insurance. The first was dealt with because of its significance and the second because of the great attention it received as the result of the outbreak of the pandemic. A part of this paper covers the consequences of the pandemic crisis in Serbia. The general conclusion is that life insurers in Serbia and globally responded well to the growing challenges and that, in the future, they will face declining investment income and a significant adjustment of the insurance proposal to the new developments.

Key words: *life lines, Covid 19 pandemics, life insurance, occupational incapacity insurance, Serbian life insurance market.*

[1] Full professor at the University Business Academy in Novi Sad.
E-mail: nzarkovic@sbb.rs.
Paper received on: 3 August 2021
Paper accepted on: 19 August 2021

I. Introduction

The new coronavirus is first mentioned in insurance papers at the beginning of 2020. For example, the German magazine "Insurance Activity" in their February issue reports, in a short article on dozens of dead and thousands of infected people in China and locked-down cities, followed up by data on possible damages in air traffic and tourism, as well as reminders of the consequences of previous major infections.[2]

The Covid 19 pandemics caught the world unprepared, as did the state authorities that responded too late. Closed borders, lockdowns, bans on contact with other people and a standstill of social, economic and cultural life around the globe as have never been recorded before. This was an event that occurs once in a hundred or a thousand-year period. Pandemics have occurred before, as have the fears of possible perils, but the events from the end of 2019 and the beginning of 2020 onwards represent something that exceeds all expectations.

The pandemic catastrophe includes the fates of the sick and the dead, but also the huge economic costs arising from the outbreak of the virus. Millions and millions of people live on lower incomes, and businesses, from hotels through craft shops and stores, have interrupted their operations for months. Regardless of the state assistance, many of them are facing a collapse, while many other entrepreneurs felt bankrupt in the devastating circumstances, the most difficult after the Second World War.

From the point of view of insurance as an industry extremely affected by the consequences of the Coronavirus pandemics, numerous questions have been raised and new challenges set. The insurance topics were reluctantly faced by many people. Covid 19 triggered the changes in many mindsets, since many people, perhaps for the first time in their lives, became directly aware of what a peril is and how important it is to insure against it. Consequentially, when safety comes first, the insurance companies are readily observed and questioned, as are the brokers and agents.

The crises provides for an opportunity to an insurance activity to showcase its support to numerous clients since no one, no other field, promises such a safety. Since the topic of this paper comprises life insurance, please note that 1.272.218 life coverages were maintained or effected in 2020. In Serbia, which shows onto many occasions the Insured have placed their trust with Insurers. In Serbia, as well as in other countries, the life insurers have, despite the new circumstances, regularly fulfilled their obligations.

II. Importance of Life Insurance

In addition to its role to protect the economy or indirectly protect the life and property of people, the insurance has another extremely significant developmental

[2] VW-Redaktion, „Neue Lungenkrankheit aus China", *Versicherungswirtschaft*, February 2020, pp. 7.

role. This role arises from the fact that the premiums are paid in advance and that the claims are settled upon an occurrence of insured events. It is well known that exactly the money from the life funds which most often have the long term effects are especially valid for investment into cash markets. The level of funds is affected by the insurance branches and sub-branches that include the source of the risks covered, the scope of reinsurance application, the liabilities of the insurers and the like. This affects the period of maintaining cash in an insurance company and its possible investments on the cash market.

The collected, temporarily free funds are invested into the renewal of production and/or service provision whereby an often individual, proportionally low premium amounts collected form the Insured persons are assigned the feature of large monetary assets. The insurance companies first sell their insurance policies, creating thus the cash funds that represent the current surplus of a number of entities and individuals. Thereupon, the funds collected on cash market are streamlined towards the companies that record a shortage and/or a need for cash. The developmental role of insurance is especially important for the countries that lack capital, like Serbia. At the time of the declining path of economy, as is the case in the circumstances of pandemics, the insurance funds are targeted into cash flows, representing an important factor of recovery not only in the emerging countries but in the developed countries, likewise.[3]

The life insurers fulfil various tasks, including the creation, monitoring and supervision of all cash flows related to obtaining insurance, paying benefits and investing the long-term free funds. Therefore, life insurance, in particular, is extremely closely linked to the banking, i.e. monetary system as a whole. Part of the money collected from life insurance is directed to banks or invested in shares, bonds and similar funds on the cash market. Moreover, all current cash inflows are held in bank accounts, being an important factor in increasing banks' creditworthiness.[4] From the reasons mentioned, it is perfectly clear that the life insurance can be most affected by eventual standstill of a cash and capital market, i.e. the banking system, triggered by the pandemics.

During the last decade of the last century, the world has faced long-term endeavour to increase the significance of life insurance as opposed to non-life insurance. Whereas in 1991, for example the share of life insurance in the premium total amounted to almost 53 percent, nine years later, in 2000, this indicator increased by a dozen of percentage points, exceeding 62 per cents, i.e. three fifths.[5] The growing significance of life insurance in comparison with the eighties and the beginning of

[3] Carol Bennett, *Economics for Insurance*, Witherby, London, 1989, pp. 89.

[4] Nebojša Žarković, Životna osiguranja, „Skonto", Novi Sad, 2011, pp. 18.

[5] Swiss Re, World insurance in 1991, *Sigma*, 4, 1993, pp. 3, 7; Schweizer Rück, Assekuranz Global 2000, *Sigma*, 6, 2001, pp. 29.

nineties of the last century arose from the increasing participation of the population itself in provisions for the old age. The government thus transferred the large part of the burden of such liabilities to the life market.

In the twenty first century, the attained share of life lines was mostly maintained until the large monetary crisis in 2008–2009, when it fell down. In 2020, their share amounted to 44 per cents. It is interesting to point out that the situation in Serbia is different, since the share of life insurance is still very low. In 2020, it reached only 24 per cents that is almost twice lower than the global average. Out of the European countries for which the statistical data have been published, this decline in a share has been recorded only by Romania, Ukraine and Bulgaria.[6]

III. General Impact of Pandemics on Life Insurance

Global life premium in 2020, starting from the consequences of the Corona outbreak, was 4.4 percent lower than in the previous year. The indicator percent is much milder in developing countries (excluding China) and equals 1.0, Serbia included. These trends occurred just after the recovery of life insurance in the international context in recent years. Namely, the premium increased by 2.2 percent in 2019 compared to the previous year, reaching 2,916 billion US dollars, while the annual growth in 2018 was 2.6 percent. Both rates were above a ten-year average premium increase of 1.5 percent.[7]

It is interesting to point out that the estimated 2020 volume of the total world premium decreased by 1.3 percent compared to 2019. From the above mentioned, we conclude that life lines were far more affected by the crisis than non-life lines which even recorded a slight increase.

The expressed decline for premium over the past year resulted from several factors. We first point out the increased unemployment and reduced purchasing power of the people under the new circumstances, the narrowed sales due to the movement restrictions and the reluctance of people to, for example, obtain health certificates during emergencies where such certificates are required for the issuance of insurance policies. Too low interest rates must be mentioned, which almost eliminate the attractiveness of life insurance policies as a savings vehicle. Premium payment interruptions and the deterioration of insurance are additional factors of unfavourable trends.

The recovery of life insurance is predicted for 2021, but it is certain that the 2020 loss cannot be compensated. The estimated growth rate of the global

[6] Swiss Re, World insurance: the recovery gains pace, *Sigma*, 3, 2020, pp. 34.

[7] Swiss Re, Rebuilding better: global economic and insurance market outlook 2021/22, *Sigma*, 7, 2020, pp. 28; Swiss Re, World insurance: the recovery gains pace, *Sigma*, 3, 2021, pp. 34.

premium is around 3 percent, while the above-average increase will be achieved in the emerging part of the world - for the emerging countries without China, an increase of 4.7 percent is expected. The main factor in the recovery will comprise the growing awareness of the necessity of insurance protection, especially risk-life insurance against the risk of death and supplementary health insurance. The second driver will be the expansion of digital insurance[8].

When it comes to life insurance benefits in circumstances of the Covid 19, it is estimated that insurers will successfully deal with them. The only disassociation form such a statement would be a potentially huge number of deaths. What are the reasons for bright assessments? Primarily, as regards the insurance policy, the pandemics is excluded from coverage. In addition, the impact of the corona on mortality in life insurance has been reduced for two reasons:

- age of life – the deaths from coronavirus mostly affect the elderly population with lower general resilience to illness. On the other hand, life insurance is usually contracted by people aged from 30 to 65 years;
- frequency of falling ill – the mortality rates are higher amongst people of all ages suffering from chronic diseases (such as heart disease, high blood pressure, diabetes, respiratory diseases). On the other hand, clients for life policies are, as a rule, healthier than average.

An interesting question to be answered by the time that lies ahead of us is whether the consequences of the Covid 19 will affect the improvement and expansion of insurance protection against increased mortality. Monetary protection against the peril, especially against the peril of death, is at the heart of life insurance. However, the market has always focused on savings policies, with a small part of pure risk insurance, i.e. the only the protection against death. Since the outbreak of the global financial crisis in 2008 and onwards, too long a period of extremely low interest rates has had a negative effect on the sales of savings services, and life insurers have begun to turn to risk life insurance.

Such tendencies brought about a decline in the premium for the insurance policies with the savings element. Global market data indicate that the share of such premium dropped from 86 percent in 2008 to 81 percent in 2019. The Serbian market data reveal a similar trend. During the same period, the share of endowment premiums, as the most important sub-type of life insurance in Serbia, decreased from 59 to 41 percent, only to reach 43 percent in 2020.[9]

For those who are not quite familiar with life insurance, we point out that the endowment assurance is a form of insurance that provides for the payment of the

[8] Global insurance markets set to rebound with China leading recovery, says Swiss Re Institute, *https://www.swissre.com/media/news-releases/nr-20201111-sigma-7-2020.html*, Zurich, 11 November 2020, accessed on 23. 1. 2021.

[9] Author's own estimate on the basis of data of the National Bankof Serbia, at *www.nbs.rs.*

sum insured after the expiration of the contractual period of insurance or earlier, in case of death of the insured person before the expiry of such period. Therefore, this insurance represents a combination of risk-life assurance and assurance payable in case of survival. In many countries, and as we noticed in Serbia as well, the largest number of concluded life insurance policies is based on this pattern, occurring in a large number of sub-forms. Endowment assurance is the most expensive, but also the most appropriate form of life insurance because it connects the needs of family members as the most common insurance beneficiaries in the event of an early death of the policyholder and the insured person's own needs in case he survives the agreed insurance period. It was given the name endowment due to the nature of the insurer's obligation, which exists either in the case of survival experience or in the case of death. The insurance period is usually contracted for ten to thirty years. Endowment assurance includes a significant savings factor, allowing the Insurer to invest a part of the premium in the money market and thus increase the fund.

One of the consequences of the pandemic is the increased mortality of the population, which is talked about in various places and in the public. From our point of view, it is a well-known actuarial term from the field of pure life insurance, i.e. life insurance in general. This is an indicator of deviation above the average, expected, statistically determined mortality rate for the insured persons calculated based on the mortality table. Increased mortality can occur due to the increased deaths for various reasons: the emergence of a new disease - the latest example is, of course, the Covid 19, the realization of a devastating risk or an unfavourable choice of risk in the insurer's set of coverages. The consequence of increased mortality is a loss due to mortality.

If we wish to investigate the impact of a pandemic on increased mortality, we will compare the number of deaths in 2020 with the average from previous years, taking into account the cause of death. In many countries, the pandemics has caused an increase in mortality. Again, in some countries, declining economic activity, along with measures to restrict movement, such as a decline in the use of motor vehicles and fewer casualties from traffic accidents, have contributed to the fact that the death toll from Covid 19 did not increase the overall mortality. When we talk about deaths from corona, we are well aware that, along with the elderly population, it also affects the working population. For example, in the United States, where most people have succumbed to the virus, more than one fifth of deaths were aged between 25 and 64 years.[10]

Despite the fact that risk life insurance is gradually expanding, most households are still without protection from the premature death of their providers. This, together with the reduction of income due to the decline in economic affairs, will

[10] Swiss Re (2020), pp. 30.

in the short term reduce the financial resistance of families to increased mortality. In the long run, one of the pandemic consequences will certainly be the growing sale of risk life insurance policies, with included supplementary voluntary health insurance. This will reduce the monetary susceptibility of households to adverse events that will inevitably reappear in the future.

If we focus on the profitability of life insurance, it is inevitable to return to the mentioned interest rates, which have been extremely low over a long period, and hinder the insurance companies' operations during the Covid 19. Their adverse effect is most pronounced in Europe. In search of higher returns, life insurers have increased their investments in real estate, in second-rate bonds of businesses as well as in the acquisition of majority ownership of companies in order to reorganize them in the years to come in order to bring higher profits, i.e. sell the business or their shares on the stock exchange.

IV. Impact on Some Life Lines

The rest of the paper will be dedicated to the most important form of life insurance, pure life insurance, as well as insurance against occupational incapacity, much talked about in the professional and scientific public immediately following the outbreak of the pandemic.

1. Life Insurance

One of the first pandemic consequences in the life insurance market was the increased number of claims for repurchase of coverage from insurers, as a regular entitlement of policyholders prior to insured occurrence, or the increasingly growing sales of their policies on the monetary market. Regardless of the fact that this means loss, people whose incomes have fallen sharply, such as restaurant owners, hoteliers, hairdressers, florists, driving instructors, have massively terminated their policies prematurely, i.e. offered them for sale. In some markets, the demand for such jobs has even tripled.[11]

However, the policy sales affected not only the insured. Some large European insurance companies, such as "Allianz" or "Generali" have sold parts of their life insurance sets to the amount of several billion euros. It is money that they obviously did not need urgently, but it meant more to them as help due to changed market developments.[12]

[11] VW-Redaktion, Boom auf dem Zweitmarkt: Lebensversicherungskunden wollen ihre Verträge loswerden, *https://versicherungswirtschaft-heute.de/maerkte-und-vertrieb/2020-06-03/boom-auf-dem-zweitmarkt-lebensversicherungskunden-losen-vertrage-auf/*, accessed on 3. 6. 2020.

[12] Maximilian Volz, „Gekommen, um zu kaufen", *Der Vermittler*, July 2020, pp. 4.

For several years, it has been considered that guaranteed liabilities and high interest rates have, in fact, become a thing of the past and that traditional life insurance is increasingly withdrawn, as the amount of the insured's share in the insurer's profit continues to fall. The coronavirus appeared, on the top. The pandemic crisis will prolong the continuance of low interest rates in the medium to long term. Their current amounts, which are not far above zero in Europe, are expected to remain at the same level. Let us note that in Serbia, the charged, i.e. technical interest rate, as the annual amount of interest used for the calculation of the premium, is significantly higher and ranges up to two percent.

Due to such trends, some of the leading life insurers in the Western European markets have announced further reductions in guaranteed sums insured. Discussions about the future prospects and survival of life insurance have been even initiated in the media, encouraged by consumer protection associations.[13] The best times for life insurers have undoubtedly ended. In order for a business to come to life, it must be laid on a new foundation, adapting both services and sale.[14]

Innovations come first when the businesses are offered almost inexhaustible opportunities. A rise in demand for simple and open services that focus on saving capital for old age is pending. The Insurers have vast experience in fundraising and investing. Recent developments make insurers oriented towards capital market aimed services, such as unit-linked life insurance.

Moreover, in addition to risk-life insurance, insurers should focus on policies that protect the insured against the risk of occupational incapacity, disability and policies that protect the basic physical and life capabilities of persons who cannot afford insurance against occupational capacity, inconsideration of their work or years of life.

In terms of sale, an appropriate explanation of proposal is decisive. It implies a preliminary examination of needs, which is more important than ever in the sale of insurance solutions, especially in life insurance. Gone are the days when the agents and brokers were motivated to sell only mixed products due to high commissions. Such a sale pattern is not sustainable in the long run because in many cases it does not meet the needs of the clients.[15]

The pandemic has changed communication between people on an unprecedented scale. Some life insurers, intermediaries and agents included, slowly switched

[13] Christoph Bohn, „Die Lebensversicherung wird sich vor allem im Bereich der Digitalisierung weiterentwickeln", *Versicherungswirtschaft*, Februar 2021, str. 10.

[14] Slobodan Jovanović, "Impact of covid-19 pandemic on the insurance industry", *Tokovi osiguranja*, 1, 2021, pp. 59

[15] VW-Redaktion, Simon-Kucher zur LV-Branche: "Das bestehende Vertriebsmodell ist allerdings auf Dauer nicht nachhaltig", *https://versicherungswirtschaft-heute.de/maerkte-und-vertrieb/2020-11-26/simon-kucher-zur-lv-branche-das-bestehende-vertriebsmodell-ist-allerdings-auf-dauer-nicht-nachhaltig/*, accessed on 26. 11. 2020.

to remote work in the field of proposals and contract management, even before the outbreak. The effects of the crisis will, to a certain extent, remain even after it shall have been overcome. On the other hand, since life insurance is explicitly directed to the immediate word of mount, the brokers and agents will return to this way of work in order to nurture the connections and keep the insured. However, they will now certainly notice that some tasks can be fulfilled faster and more successfully via remote meetings and other enumerated routes, leaving more time for personal advice to the clients.

Ultimately, by combining the new services, tailor-made customer service and the pleasant purchase experience of an insurance policy, the insurance companies can add new life into life insurance business.

2. Insurance against Occupational Incapacity

It has been only a month or two since the outbreak of the coronavirus pandemic, and in professional circles abroad, the question has already been asked whether this virus will make the insurance against occupational incapacity the most required service in 2020. What this type of protection actually means and how it is implemented?

It is an independent form of life insurance that covers premature inability to perform a certain occupation because of illness, exhaustion, weakness or loss of the insured's mental or physical strength. The degree of loss is determined in percentages according to the scale of incapacity determining the lower threshold of the Insurer's liability. When concluding this insurance, it is necessary to determine the upper age of its operation, for example, up to sixty-five years, after which the payment of compensation shall cease. The importance of private occupational incapacity insurance in some countries stems from the exclusion of the state from providing such protection. If the coverage is to be fully effective, it must provide a sufficiently high monthly compensation and exclude the insurer's right to instruct the insured to do another job.[16]

People are revealed their vulnerability on a daily basis through newspapers, television and the Internet. Covid 19 raised the awareness of the population about the importance of health and work capacity and encouraged them to re-evaluate the existing types of protection. Numerous insurance companies are well aware of this and are preparing to take a new starting position in terms of insurance against occupational incapacity to following the end of the corona crisis.

However, the companies need to keep in mind that many citizens will still prefer to insure their own dog rather than work capacity, as a recent study has well

[16] Nebojša Žarković, *Pojmovnik osiguranja*, „Skonto", Novi Sad, 2013, str. 309.

shown. Moreover, the will to conclude an occupational insurance policy is the weakest among the young people.

How to respond to challenges? Some companies offer this line of insurance to students, to adjust it later without a health examination, to their growing needs. Appearing on the insurer's website and social networks also leads to fulfilling the aimed goal. Important is the role of parents to prepare their children for this topic, with the reproach that they do not keep open issues in sight in most cases.[17]

The views of experts and insurers are undoubtedly correct. Early conclusion of insurance against occupational incapacity offers a number of advantages. The only question is why parents would insure their children when they themselves, as the mentioned research clearly showed, do not see the need for that. Let's hope that the pandemic will have an impact on their behaviour.

It is quite understandable that the question now arises as to whether the Corona is also covered by insurance against occupational incapacity. It indicates the fears of the clients and their awareness of the need for insurance protection against the monetary consequences of loss of working capacity. It seems that the Insured imagine that the insurance in question covers a list of diseases against which they are protected, and therefore no new disease after the conclusion of the contract would be covered.

It seems that even in countries where the insurance against the occupational capacity is already well known; it is yet not fully understood. Due to the spread of Covid 19, the need to clarify key details has grown. The profession and science are defending themselves against the attack that this insurance is too general and difficult to understand, so it should allegedly be defined more clearly. It is just the opposite. Uncertainty is the strength of insurance against occupational incapacity.[18]

The pandemic certainly showed that the Covid 19 is a new disease and we are immediately insured against it, because under this coverage every disease (and not only named diseases) can lead to an insured event, as well as bodily injury, i.e. loss of strength disproportionately compared to the age of the insured. According to one explanation, protection against Covid 19 is initiated when the insured person is incapable of doing his job for more than half a capacity during the period of more than six months, compared to his performance when he was healthy.

Insurance against occupational incapacity is therefore good, precisely because the notion of incapacity is open and subject to interpretation. In case of an insured occurrence, knowledge of current case law is often required, but it would

[17] Maximilian Volz, Macht Corona die BU zum Produkt des Jahres?, *https://versicherungswirtschaft-heute.de/schlaglicht/2020-05-13/macht-corona-die-bu-zum-produkt-des-jahres/*, accessed on 13. 5. 2020.

[18] Philip Wenzel, Was wir von Corona für die BU-Versicherung lernen können, *https://versicherungswirtschaft-heute.de/maerkte-und-vertrieb/2020-05-18/was-wir-von-corona-fuer-die-bu-versicherung-lernen-koennen/*, accessed on 18. 5. 2020.

probably be less favourable for the client if the notion of this protection were precisely defined, without the width and possibility of interpretation.

The increased need for explanation brings about the challenges for insurance sellers, i.e. client advisors. Nevertheless, it is also an opportunity for the insured to prove themselves as experts, because the coronavirus helps them in two ways. The first, the virus showed everyone how easily vulnerable we are. It is unlikely that anyone will seriously question the possibility that he himself will become incapable for his occupation. The second, the acceptance of distance counselling has increased significantly. In particular, the agent, i.e. the broker saves time and costs that he can invest to make even better progress in this area and become a kind of expert in insurance against the occupational incapacity.

V. Situation in Serbia

In what way has the Corona crisis affected life insurance in Serbia? In order to answer that question, data on the trends of insurance premiums and fees in Serbia for 2019 and 2020 were first observed. The amounts are disclosed quarterly, in order to get an insight into the trends during the pandemics, while the first three months were excluded from consideration. This means that the data for the nine-month period, April-December, were examined. Due to the time proximity between 2019 and 2020 and the insignificant impact of price and the exchange rate fluctuations, the current dinar amounts were listed and directly compared. Moreover, the data on premium and indemnities of the first six months of 2021 and 2020 were considered.

Table 1. Life Premium and Indemnities in Serbia

in RSD billion

	IV–XII 2019.	IV–XII 2020.	I–VI 2020.	I–VI 2021.
Insurance Premium	19,4	19,9	12,1	13,1
Insurance Indemnities	10,0	10,8	6,1	8,6

Source: Data of the National Bank of Serbia, *www.nbs.rs*.

From Table 1, we note that the amount of life insurance premiums in Serbia during the first nine months of the pandemic crisis even increased, by close to three percent compared to the same period last year. During the first half of 2021, the growth rate increased by as much as 8 per cent compared to the first half of 2020. It is obvious that life branches, observed at the level of the entire insurance market in Serbia, have remained more than stable.

As is well known, the insurance business has another side in addition to premiums, and that is fees. During the first nine months of 2020, a higher volume of life insurance benefits was recorded than in the same period of 2019, with a growth rate of nine percent. In the last researched period, there is an increase of as much as 41 percent. According to the insurance companies, the coronavirus pandemics significantly inspired such tendencies.

VI. Conclusion

When the coronavirus pandemics broke out, few accounted with the severe consequences it would cause. Despite all the adversities, the Covid 19 disease in humans did not cause a devastating effect in terms of mortality, as was the case with other serious diseases in some earlier times. By way of contrast, the question of further developments remains completely open - on the one hand, vaccines are being developed and administered, on the other hand, new strains of the virus are emerging.

The unfavourable consequences of the pandemics were especially evident in the field of life insurance as a predominantly long-term business, with a significant decline in the volume of premiums. However, it is up to the insurance business to be an important factor in the sustainability and security of society and the economy, even in times of numerous mysteries and dangers, starting from the task it takes on. In the environment when the whole world is facing the consequences caused by the corona virus pandemic, the role of life insurance in providing protection to citizens, i.e. the insured persons, as well as ensuring the continuity of insurance services, is gaining on importance.

Experiences so far, both in Serbia and globally, indicate that life insurers have coped very well in the new conditions. Insurance premiums in Serbia have even slightly increased compared to the period before the outbreak of the pandemic. On the other hand, the position of insurance companies is adversely affected by reduced investment income. Insurers face challenges to mitigate the effects of the Covid 19, paying due consideration to the cost cutting.

The pandemics was a general test of ability that shook the very pillars of the global economy and society. Re-establishing resilience to shocks will require more funds, international cooperation and stronger social cohesion. It is up to life insurance to increasingly rely on modern technology and digitize all parts of the business, maintaining a balance between new solutions that come and parts of old solutions that are preserved.

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