

The insurability of risk in Algerian legislation

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Abstract:

Not every risk is insurable. For a risk to be insurable, it must meet certain conditions and criteria that ensure a balance between the interests of the insurance company and the beneficiaries and guarantee the continuity of the insurance system in a fair and equitable manner.

Keywords: Insurance contract, probability, risk, insured, insurer.

Introduction:

The study of the insurability of risks is one of the fundamental topics in the field of risk management and the insurance industry. Not every risk can be the subject of an insurance contract; it must meet a number of criteria and conditions to be considered insurable. The importance of this topic lies in its role as the basis on which insurance companies make their decisions to accept or reject risks, as well as in the pricing of insurance policies in a way that ensures the sustainability of their operations and balances their interests with those of the insured. The aim of this study is to analyse the characteristics and conditions that make a risk insurable, as well as its types, and to examine the criteria used to determine the extent of the risk insured in an insurance contract (section two).

Section One: The Conceptual Framework of Risk in the Insurance Contract

Risk is a fundamental element in the insurance contract, as this contract revolves around the transfer of the burden of risk from the insured to the insurer in exchange for a specified premium. Since the existence of risk is a primary condition for the formation and validity of the insurance contract, it is

essential to define it precisely by outlining its definition and the requirements for its realization (Subsection One), as well as discussing its covered characteristics in the insurance contract (Subsection Two).

Subsection One: Definition of Risk and Its Requirements in the Insurance Contract

Risk is one of the essential pillars of the insurance contract, being the most important element within it; its absence invalidates the contract. The proliferation of insurance across various areas of life has led to the evolution of the concept of risk, making it difficult to define or encompass in a single definition, especially given the multitude of risks and the differing meanings of risk in the context of insurance compared to other fields. Therefore, we will address the definition of risk in the insurance contract (Branch One) and outline its requirements or conditions for validity (Branch Two).

The first branch is the definition of risk:

Algerian law, like other laws, has not defined risk, leading scholars to propose different definitions. Some define it as: “An expected event that does not depend solely on the will of both parties, especially the will of the insured.”¹ Others have described it as: “The occurrence of an event that gives rise to an obligation on the part of the insurer”². Some Arabic scholars have defined it as: “A legitimate event that is likely to occur and does not depend on the will of either party, especially the insured”³. It can also be defined as: “A probable event that poses a threat to the insured and does not depend on the will of either party”⁴.

From the various definitions given, it is clear that there are several elements that must be present in order for a risk to be considered valid, which we will address in the following branch.

Branch Two: Risk requirements (conditions) in the insurance contract:

Risk is a core subject of insurance and the basis of the obligations arising from it. Several conditions must be met in order for it to be eligible for insurance,

¹- Brahimi Fatiha and Krouj Sabine: The Concept of Risk in the Insurance Contract, Master's thesis in Private Law, Business Law specialization, Mohammed Sidik Ben Yahia University, Jijel, 2016, p. 12.

²- Wnadi Soumia and Salehi Lidia: The Specificity of Risk in the Insurance Contract, Master's thesis in Law, Private Law specialization, Mouloud Mammeri University, Tizi Ouzou, 2022, p. 6.

³- Mi'raj Hadidi: Lectures on Algerian Insurance Law. 3rd ed., University Publications Bureau, Algeria, 2008, p. 44.

⁴- Abed Fayed - Abdul Fattah Fayed: Provisions of the Insurance Contract, Dar Al-Kutub Al-Qanuniya, Egypt, 2010, p. 137.

including the probability of the risk, its legitimacy and its independence from the will of both parties.

First: Probability of Risk:

It is established that risk is a probabilistic event upon which insurance is based⁵. The risk may be uncertain, meaning it may or may not happen, such as the occurrence of a fire or theft. It is not in the interest of the insurance company to accept insurance for a risk that is certain to occur, as this would mean the company bears a guaranteed loss, thus defeating the purpose of insurance⁶. A risk may also be certain to occur, but the timing of its occurrence is unspecified, such as death, which only God knows⁷.

In all cases, the risk must be a possible event, i.e. it must not be impossible, as this would render the contract void for impossibility. For example, if the risk materialises before the contract is made, the contract cannot be made, e.g. if the goods are damaged before the contract is signed. This is called “relative impossibility”⁸. On the other hand, absolute impossibility, such as insuring against the fall of a planet, would render the insurance contract void for lack of a valid subject matter⁹.

This is confirmed by article 43 of the Insurance Decree 95-07, which states: “If the insured object is damaged or no longer exposed to risks at the time the contract was concluded, the contract shall be considered null and void and the premiums paid shall be refunded to the insured person in good faith; in the case of bad faith, the insurer shall retain the premiums paid”¹⁰.

Secondly, the legitimacy of the risk:

This condition states that the insurance contract must relate to risks that are not contrary to public order and morality. Insurance cannot be provided for smuggling activities or drug trafficking. The insurance is also void if it relates

⁵- Saif Al-Nasr - Sheik Shawqi: Scientific and Practical Foundations of Insurance, 3rd ed., Cairo, Egypt, 1999, p. 12.

⁶- Same reference, p. 61.

⁷- Al-Anbaki Shihab - Ahmed Jassim: General Principles of Insurance, Dar Al-Fikr Al-Jami'i, Alexandria, Egypt, 2015, p. 129.

⁸- Mohamed Ibrahim Jalal: Insurance: A Comparative Study. Dar Al-Nahda Al-Arabiya, Cairo, Egypt, 1994, p. 136.

⁹- Article 93 of Ordinance No. 75-58, dated September 26, 1975, comprising the Civil Code, amended and supplemented, Official Gazette, No. 78, issued on September 30, 1975.

¹⁰- Article 43 of Ordinance No. 95-07, dated January 25, 1995, concerning the Insurance Law, amended and supplemented by Law No. 13-08, dated September 30, 2013, Official Gazette, No. 68, 2013.

to activities such as the operation of gambling houses, prostitution or any other act contrary to public order and morality¹¹. The law expressly requires that the insured interest be legitimate, as confirmed by Article 621 of the Algerian Civil Code, which states: “The object of insurance is any legitimate economic interest that benefits the person without the occurrence of a specific risk”¹².

Thirdly, the risk must be independent of the will of both parties.

Insurance contracts are based on probability, meaning the insured risk must arise from a chance event. The insured person cannot deliberately cause the risk in order to benefit from insurance coverage, since the insurance contract is based on providing security against a risk that must be outside the insured person’s control. It is crucial that the occurrence of the risk is independent of the will of both parties, particularly that of the insured¹³. The parties must not be involved in causing the disaster or risk¹⁴, as this would eliminate the element of probability and render the contract void.

In insurance contracts, incidents should occur due to external factors. Compensation cannot be claimed for risks caused by the insured, whether intentionally or through fraud. For example, someone who has insured their car against fire and then deliberately sets it on fire is not entitled to the insurance payout, as the risk did not arise by chance. Similarly, a beneficiary would not be entitled to a life insurance payout if they had intentionally caused the death of the insured person, whether by murder or instigation¹⁵. Whether or not a risk is insurable depends on whether the incident could occur without the interference of the will of the insurer or the insured¹⁶.

Subsection Two: Characteristics of the risk covered in the insurance contract:

Risk in an insurance contract takes many forms and types, making it difficult to capture all of them. Some have attempted to classify them into different categories based on individual perspectives. To deal with these types, we can divide them into fixed and variable risks according to the likelihood of the risk

¹¹- Abdel Moneim Al-Badrawi: *Named Contracts: Savings and Insurance*, Dar Al-Nahda Al-Arabiya, Cairo, 1961, p. 203.

¹²- Article 621 of Ordinance No. 95-58, mentioned above.

¹³- Abu Saud Ahmed: *The Insurance Contract Between Theory and Practice: A Comprehensive Analytical Study*. Al-Fikr Al-Jami'i, Alexandria, Egypt, 2009, p. 122.

¹⁴- Mohamed Ibrahim Jalal: Same reference, p. 132.

¹⁵- Abdel Moneim Al-Badrawi: Same reference, p. 202.

¹⁶- Abu Al-Naja Ibrahim: *Insurance in Algerian Law: General Provisions According to the Insurance Law*, Official Gazette, No. 1, 3rd ed., University Publications Bureau, Algeria, 1980, p. 65.

occurring (Branch One) and into certain and uncertain risks according to the certainty of the risk (Branch Two).

Level one: fixed and variable risk

Risks differ in their degree and likelihood of occurrence. If the probability of the risk materialising remains constant over a given period of time, it is a fixed risk. Conversely, if the probability of occurrence varies over time, the risk is considered variable.

First: Fixed risk:

A risk is considered fixed if it remains stable throughout the insurance period, which is usually specified in the contract and typically lasts one year. During this period¹⁷, the probability of its occurrence remains constant. However, this is relative, as the risk may change over time, affecting the likelihood of its occurrence¹⁸.

For instance, the likelihood of a fire is greater in summer than in winter, while car accidents are more prevalent in winter than in summer or other seasons. Nevertheless, these are still classified as fixed risks because they remain relatively stable throughout the year¹⁹.

Second: variable risk

A risk is deemed variable when the likelihood of it occurring fluctuates over time, either increasing or decreasing²⁰. The likelihood of the risk materialising generally increases over time. This can be observed in life insurance, where the probability of death increases as the policyholder ages. Conversely, in the case of life insurance for survival, where the insured receives the insurance amount if they are still alive after a specified period²¹, the risk is viewed as a positive event. Here, the risk decreases over time: the closer the insured person gets to the end of the specified period, the lower the probability of the risk occurring, thus making it a variable risk that decreases over time.

Branch Two: Certain Risk and Uncertain Risk

¹⁷- Brahimi Fatiha and Krouj Sabrine: Same reference, p. 19.

¹⁸- Abu Al-Naja Ibrahim: Same reference, p. 75-76.

¹⁹- Mohamed Ibrahim Jalal: Same reference, p. 254.

²⁰- Ahmed Sharaf Al-Din: Risks of the Insurance Contract: A Study in Comparative Law and Jurisprudence, 3rd ed., Judge's Club Press, 1995, p. 136. See also: Mi'raj Jadidi: Same reference, p. 48.

²¹- Abu Al-Naja Ibrahim: Same reference, p. 76-77.

Risks differ according to the location of the risk, depending on whether that location is specified at the time of the insurance contract.

First: Certain risk

A risk is considered certain if the probability of it occurring in a particular location is specified at the time the insurance contract is entered into between the insurer and the insuree²². For example, insuring the life of a specific individual or insuring a business premises or home against fire. If the risk materialises, it will affect a specific and identifiable item, such as the home²³.

Second: Uncertain risk

Uncertain risk differs from certain risk in that the probability relates to a non-specific location at the time the contract is entered into. This type of risk relates to scenarios that cannot be precisely defined or anticipated at the time the contract is entered into, but are nevertheless possible²⁴. These risks exist in theory but are not defined by time or manner of occurrence, although they can be specified at the time the risk materialises. This is particularly evident in the case of liability insurance for car accidents, where the location of the risk is not specified at the time of the contract, but must be identifiable at the time of the incident, as required by Algerian law²⁵.

Section Two: The Scope of the Insured Risk in the Insurance Contract

This section addresses insurable and mandatory risks (Subsection One), as well as risks that are excluded from insurance (Subsection Two).

Subsection One: Risk in the Insurance Contract Between Insurability and Mandatoriness

The Algerian legislator has defined the insurable risks, which are based on individuals' wills as they have complete freedom to choose whether to insure them. However, due to their significance and the potential harm they can cause, the legislator has made insurance mandatory for certain risks (Branch Two).

²²- Qasim Mohammed Hassan: Lectures on the Insurance Contract, University House for Printing and Publishing, Beirut, Lebanon, 1999, p. 133.

²³- Sayyid Mohammed Taqi Al-Hakim Abdul Hadi: The Insurance Contract: Its Reality and Legitimacy, A Comparative Study. Al-Halabi Legal Publications, Beirut, Lebanon, 2005, p. 133.

²⁴- Al-Sanhouri Abdul Razak Ahmed: The Mediator in Explaining the New Law: Contracts of Uncertainty and Insurance Contracts, Vol. 7, Part 2, Al-Halabi Legal Publications, Beirut, Lebanon, 2000, p. 1232.

²⁵- Mi'raj Jadidi: Same reference, p. 49.

Branch One: Insurable Risk

Any risk that threatens an individual's financial or physical integrity is considered insurable²⁶. This is affirmed by Article 621 of the Algerian Civil Code, which states: 'The subject of insurance is any legitimate economic interest of a person in the absence of risk.'²⁷ This is further confirmed by Article 29 of the Insurance Law, which states: 'Any person with a direct or indirect interest in safeguarding property or preventing risk may insure it.'²⁸ Insurance may apply to land (First) or air (Second) domains.

First: Property insurance

Property insurance covers risks to people and property on land²⁹. It includes two types of insurance: property insurance and personal insurance.

1. Property insurance:

The general principle is that anything that threatens a person's financial interests can be insured. In the case of property insurance³⁰, the risk insured relates to the insured's property or that of others, as long as the insured has an interest in it, not just in their person³¹.

Property insurance can cover items or assets in the event of loss or damage due to fire or other causes, such as livestock contracting an infectious disease that leads to their death³². It can also include liability insurance to protect the insured against claims from others for damages caused by mistakes made by the insured that result in harm and therefore liability³³.

2. Personal Insurance:

Unlike property insurance, personal insurance is focused on the insured individual rather than their property³⁴. It pertains to life insurance, death insurance, social insurance, and others.

²⁶- Mi'raj Jadidi: Same reference, p. 47.

²⁷- Article 621 of the Civil Code, mentioned above.

²⁸- Article 29 of the Insurance Law, mentioned above.

²⁹- Hamida Jamila: Concise Guide to the Insurance Contract: A Study in Light of the New Algerian Insurance Legislation, Dar Al-Khalduniya, Algeria, 2011, p. 133.

³⁰- Article 29 of Ordinance No. 95-07, concerning insurance, same reference.

³¹- Said Muqaddim: Insurance and Civil Liability, Kalik Publishing, Algeria, 2008, p. 45.

³²- Same reference, p. 46.

³³- Kamal Rziq - Marrakech Mohammed Amin: The Reality of the Insurance Sector, 7th International Conference on the Insurance Industry: Practical Reality and Development Prospects - Experiences of Countries, University of Chlef, p. 5.

³⁴- Article 65 of Ordinance 95-07, amended and supplemented, mentioned above.

Second: Air Insurance:

Air insurance covers risks associated with air transport³⁵, whether affecting aircraft or the goods they carry during flights, which we will detail as follows:

1. Insurance on Aircraft:

This type of insurance encompasses all components of the aircraft, including the necessary equipment for its use³⁶. It covers all physical damages to the aircraft's body according to the conditions stipulated in the contract³⁷, as well as financial losses arising from an air accident, including repair costs, assessment, and even transportation to a safe location³⁸.

2. Insurance on Cargo:

This type of insurance covers the risks that goods may face during air transport. It aims to protect the owner of the goods from financial losses due to damage, loss, delays during air shipping, or shortages in weight or quantity³⁹. The insurance document specifies for the carrier and the insurer the risks that arise from an air accident, including future risks that are compensable in a clear manner⁴⁰.

Book Two: Compulsory Risks:

The Algerian legislator has organised in the insurance law, under the second book entitled "Mandatory Insurances", certain risks that require insurance in the land, maritime and air domains, which we will deal with as follows:

First: Compulsory land insurance:

In this type of insurance, we find the mandatory nature of civil liability insurance, as well as the mandatory nature of natural catastrophe insurance, which allows each affected party to receive full compensation.

1. Compulsory civil liability insurance:

This type of insurance aims to protect the insured from being held liable by

³⁵- Article 151 of Ordinance 95-07, mentioned above.

³⁶- Mi'raj Jadidi: Introduction to Algerian Insurance Law Studies, 6th ed., University Publications Bureau, Algeria, 2010, p. 177.

³⁷- Article 153 of Ordinance 95-07, mentioned above.

³⁸- Article 154 of the same ordinance, mentioned above.

³⁹- Mi'raj Jadidi: Lectures on Algerian Insurance Law, same reference, p. 182.

⁴⁰- Ben Warath Mohammed: Lessons in Algerian Insurance Law, 6th ed., University Publications Bureau, Algeria, 2010, p. 232.

others if the insured risk materialises⁴¹. The risks covered by compulsory civil liability insurance include those relating⁴² to motor vehicles and construction activities⁴³.

2. Compulsory insurance against natural catastrophes:

According to Article 41 of the Insurance Law, insurance against natural disasters is not compulsory, but it is possible to take out full or partial insurance against losses caused by disasters such as floods and earthquakes against an additional premium⁴⁴. However, the legislator has exempted certain cases and made insurance compulsory, requiring the insured to take out an insurance policy against the risks of natural disasters, while exempting the State from this requirement as it assumes responsibility for its own property.

Second, compulsory insurance in the maritime sector:

Article 193 of the Insurance Code stipulates that every shipping company must take out an insurance policy with an Algerian insurance company to cover its civil liability towards persons and goods transported. The insurer also guarantees compensation for any damage suffered by the insured in the event of a claim by a third party in the event of the insured vessel colliding with another vessel or any other object, whether stationary, moving or floating, with the exception of damage caused to individuals⁴⁵.

Thirdly, compulsory air insurance:

Air accidents can cause personal injury, which has led the legislator to make insurance in this field compulsory⁴⁶. Any aircraft registered in Algeria must therefore be insured by an Algerian insurance company against any damage it may cause. In addition, every air carrier is required to take out insurance with an authorised Algerian insurance company to cover its civil liability towards

⁴¹- Jidili Nawal: Mandatory Insurance for Professional Civil Liability and the Ten-Year Guarantee in Algerian Legislation, paper presented at the 11th National Conference on Legislative Policy for Insurance Contracts in Algeria in Light of Emerging Risks and Limited Protection, organized by the Sovereignty and Globalization Laboratory, Yahia Fares University, Médéa, December 17, 2013, p. 240.

⁴²- Ja'alab Ibrahim: The Obligation of Insurance Companies to Compensate Victims of Traffic Accidents: A Study Between the Intervention of the Algerian Legislator and Judicial Jurisprudence, Communication in Human and Social Sciences, No. 32, University of Annaba, 2012, p. 117.

⁴³- Article 175 of Ordinance 95-07, mentioned above.

⁴⁴- Article 41 of the same ordinance, mentioned above.

⁴⁵- Article 132 of Ordinance 95-07, mentioned above.

⁴⁶- Article 195 of the same ordinance.

persons and goods transported on behalf of others⁴⁷. The same applies to aircraft operators, who are liable for damage caused by the flight of the aircraft or by detached parts that may fall on persons or property on land.

Subsection Two: Excluded Risks from Insurance

As discussed previously, in addition to insurable and mandatory risks, insurance companies cannot cover certain risks due to the severity of the damage they cause, the cost of compensation, or because they violate public order. These risks have been excluded from the scope of insurance either by legal provisions (Branch One) or by mutual agreement of the parties (Branch Two).

Branch One: Risks Excluded by Legal Provisions

The legislator's exclusion of certain risks restricts contractors' freedom to renew guaranteed risks, either absolutely or relatively.

First: Absolute exclusion of risk

This type of exclusion includes risks that the insurer cannot guarantee or agree to cover. Examples of such risks are given below:

1. Cases excluded under Article 12 of the Insurance Law.

The insurer is obliged to compensate for damage resulting from:

- Emergency situations.
- unintentional errors by the insured.
- Individuals for whom the insured person is legally liable under Articles 134 to 136 of the Civil Code, regardless of the nature or severity of the error.
- Items and animals for which the insured is liable under Articles 138 to 140 of the Civil Code. Any damage resulting from causes outside of these cases is not covered and the insurer is not liable for any losses or damages resulting from intentional misconduct by the insured, which are excluded from the policy.

2. Absolute exclusion of certain risks in maritime insurance:

⁴⁷- Article 196 of the same ordinance.
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The following risks are completely excluded from maritime insurance:

- Intentional errors by the insured.⁴⁸
- The captain's fraud⁴⁹.
- Material damage and loss⁵⁰.
- Losses resulting from radiation.

3. Absolute exclusion of certain risks in mandatory insurance:

This type of exclusion applies in two cases:

A. Mandatory insurance for vehicles:

This occurs if the insured person intentionally causes damage, or if the driver of the vehicle that caused the damage was not of the required age at the time of the accident. This does not apply in cases of theft, violence or unauthorised use of the vehicle⁵¹.

- Mandatory insurance against natural disaster risks: According to Article 10 of Ordinance 03-12, the following are excluded from coverage in mandatory insurance against natural disaster risks:

- Damage to unharvested agricultural crops, plants, land and livestock outside buildings, which are subject to special provisions.

Damages to air and sea vehicles and transported goods⁵².

Second: relative exclusion of risk

In addition to the absolute exclusion of certain risks from the scope of insurance, the legislator has also excluded other risks in a relative manner. This allows the parties to agree otherwise in the case of land, maritime or mandatory civil liability insurance.

1. Relative exclusion in land insurance:

⁴⁸- Article 102/01 of Ordinance 95-07, mentioned above.

⁴⁹- Article 126 of the same ordinance.

⁵⁰- Article 101-02 of the same ordinance.

⁵¹- Article 3 of Decree 80-34, concerning mandatory insurance for vehicles and regulating compensation for damages.

⁵²- Article 10 of Ordinance 03-12, dated August 26, 2003, concerning mandatory insurance for natural disasters and compensating victims, Official Gazette, No. 52, dated August 27, 2003.

This is outlined in Articles 35 and 39 of the Insurance Law and includes:

- The existence of inherent defects in the insured item.
- Risks associated with foreign wars.

2. Relative exclusion in maritime insurance:

This is addressed in Article 103 of the Insurance Law and includes:

- Damages resulting from inherent defects in the insured item.
- Risks of war.

3. Relative exclusion in mandatory civil liability insurance:

According to Article 4 of Executive Decree No. 80-34 concerning mandatory insurance for vehicles and the compensation system for damages, this includes:

- Damages occurring during races and competitions governed by legal and regulatory provisions related to competition licences.
- Damages caused by the insured vehicle when transporting flammable or explosive materials.
- Damage affecting buildings, objects or animals.

Branch Two: Risks Excluded by Agreement of the Parties

The Algerian legislator has granted both the insurer and the insured the freedom to agree on excluding certain risks from insurance. In this case, the insurer is only liable for the risks agreed upon. However, this freedom is not absolute; it is subject to certain conditions that must be met, which we will outline below, along with the Algerian legislator's stance on this exclusion.

First: Conditions for Agreement Exclusion

For the agreement of the parties in an insurance contract to exclude certain risks from coverage to be valid, several conditions must be met:

1. Non-Contravention of Legal Provisions:

Any agreement that excludes risks defined by mandatory legal provisions is

void⁵³, as these are imposed by imperative rules aimed at setting certain limits on the freedom of the parties to determine the insurance coverage between them. For example, in the case of fire, the parties cannot agree to exclude coverage for damages directly resulting from fire, as this violates the law.

2. Clarity and Specificity of Exclusion:

The parties' intention to exclude certain risks from coverage must be clear, without ambiguity or vagueness. This exclusion may also be implicit as long as it is clear⁵⁴. It can be included in the insurance document, whether in the general or specific conditions⁵⁵. Additionally, the scope of the exclusion must be specified so that the insured is aware of the cases excluded from insurance coverage⁵⁶.

3. Written Exclusion:

The insurance document must include the exclusion cases within its general or specific conditions, or in an annex to the document or in the temporary coverage memorandum⁵⁷.

Second: The Algerian Legislator's Stance on Agreement Exclusion

The Algerian legislator, similar to comparative legislations (such as French law), allows for agreement exclusion in an insurance contract, provided it is clearly written, unambiguous, and does not contravene public order. If there is any ambiguity in interpretation, it is resolved in favor of the insured rather than the insurer.

In this regard, Article 622 of the Civil Code indirectly permits exclusions of certain risks from the scope of insurance⁵⁸. Similarly, Article 154 of the Insurance Law indirectly allows for exclusions of certain risks from insurance coverage by including the phrase 'unless there is a contrary agreement⁵⁹' in the article concerning insurance for aircraft bodies.

⁵³- Mansour Mohammed Hosni: Principles of Insurance Contracts, University House for Printing and Publishing, Beirut, Lebanon, p. 62.

⁵⁴- Jalal Mohammed Ibrahim: Same reference, p. 239.

⁵⁵- Abu A'rabi Ghazi: The Validity of the Agreement to Exclude Certain Risks from the Scope of Insurance: A Study in Jordanian and Comparative Legislation, Studies in Legislative and Legal Sciences, Vol. 35, No. 1, Jordan, 2008.

⁵⁶- Abu A'rabi Ghazi: Same reference, p. 137.

⁵⁷- Mansour Mohammed Hosni: Same reference, p. 64.

⁵⁸- Article 622 of Ordinance 75-58, concerning the Civil Code.

⁵⁹- Article 154 of Ordinance 95-07, mentioned above.

Conclusion:

The above discussion makes it clear that the insurance process is not just a simple contract between two parties. Rather, it is a precise operation governed by scientific and objective criteria that ensure the sustainability of the insurance sector and protect the interests of all parties involved.

Understanding the nature of risk and its insurability enables individuals and institutions to make informed and well-considered insurance decisions, while also enhancing the resilience of insurance companies in times of crisis.

Therefore, it is crucial to promote educational awareness in society and encourage specialised research in risk management.

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