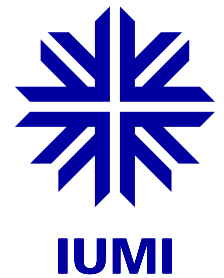


IUMI remains a steady force amongst the “chaos” currently confronting marine insurance, says Richard Turner.



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“Confronting the chaos for a sustainable future” is the common theme being debated at this year’s IUMI (International Union of Marine Insurance) conference in Toronto, Canada this week. IUMI President, Richard Turner, opened the world’s largest and most influential gathering of marine underwriters by attempting to understand whether today’s market was truly characterised by “chaos”.



He began by identifying the current painful period of adjustment that most insurers were facing:

“For many years, supply has outstripped demand and a sustained period of unprofitability has resulted in a reduction of capacity. Coupled with this is the worrying trend of “commoditizing” our products and transferring individual policies into bundled facilities. A sad corollary is the loss of expertise jettisoned in the short-term pursuit of reducing costs.”

Turner went on to say:

“We must maintain pace with a changing world. Some of our clauses were written decades ago and well before the modern digital age. We need to re-think the coverage we offer and how we react to claims situations. We also need to utilise all the digital tools within our grasp to enhance the way we assess and price risk. Technology will drive a recalibration of the skill-sets required for more effective underwriting.”

“At a macro level, we are concerned by increasing protectionism and political instability. We are also seeing structural changes to the maritime and transportation sector, particularly in relation to the continued rapid growth in Asia – both in terms of a demand for raw materials and an upsurge in manufacturing. And, of course, ships and ports continue to grow in size and accumulate higher levels of values and associated risk.”

Although there are many factors that are contributing to the current climate of “chaos”, Turner explained how IUMI would continue to support marine underwriters during these challenging times.

He outlined IUMI’s five core priorities for the future:

Membership: IUMI membership was growing and becoming more reflective of the global market. The introduction of the Asia Hub, the appointment of Ambassadors for Asia and an Ambassador for Africa was at the forefront of this change. The Latin American Association of Marine Underwriters had recently become an affiliate member and Myanmar and Russia had become associate members.

Education: Under our aim of providing technical marine insurance skills, we have built and launched two educational training courses covering cargo and hull underwriting. Its ongoing webinar programme continues to attract a growing audiences from around the world.

Data & digitisation: This includes collecting, collating and sharing high quality statistical data and, from this year, focusing the output in a new Statistics Report that will be published shortly after the Toronto conference. It also involves helping members prepare for a world in which the art and science of underwriting evolves into a different phase where there is more focus on data and digitisation.

Advocacy: Acting as the voice of marine insurance, representing members’ interests and working closely with other industry organisations. This is mainly undertaken by the Policy Forum which addresses issues as diverse as arctic sailings, containership fires, autonomous vessels and cyber risk.

Communications: Utilising multimedia to engage with members and the industry to increase our profile and the profile of our members.

Turner added to these core priorities:

“We also need to focus on environmental and social matters and we plan to canvass opinion from our membership later in the year. Our aim is to understand the position and attitude we should hold towards these emerging issues and events and ensure we are representing the industry in the best possible way.”

He concluded:

“Throughout the centuries, marine insurance has always found a way to adapt, regardless of the challenges and chaos it might have faced at the time. Cycles have come and gone, but as an industry, we’ve consistently found ways to reinvent ourselves. Through invention and innovation, I am confident we will find a sustainable way through the current challenges. Marine insurance underpins global trade and will remain a valuable enabler of business wherever it is conducted.”

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Notes to editors:

The International Union of Marine Insurance (IUMI) represents 43 national and marine market insurance and reinsurance associations. Operating at the forefront of marine risk, it gives a unified voice to the global marine insurance market through effective representation and lobbying activities. As a forum for the exchange of ideas and best practice, IUMI works to raise standards across the industry and provides opportunities for education and the collection and publication of industry statistics. IUMI is headquartered in Hamburg and traces its roots back to 1874.

More information can be found at www.iumi.com