



# IUMI Annual Conference 2022

## Cargo Committee Meeting

### Sunday, 18 September 2022

Minutes of the Meeting

#### Participants

##### TC Cargo Committee

Isabelle Therrien, Falvey Cargo, Canada, Chairperson

Mike Brews, Horizon Underwriting Managers (Pty) Ltd; Vice Chairperson

Mikaela Tamm, Insurance Sweden, Secretary, Sweden

Paul Ashworth, Sompo International, United Kingdom

John Barnwell, AIG, USA

Niklas Bengtsson, HDI Global Specialty SE, Sweden/Nordic

Magdalena Cruz, MAPFRE Insurance Company, Spain

Richard Golder, Tokio Marine HCC, United Kingdom

Matthias Kirchner, AXA XL, Germany

Nicole Pousson, AIG, France

Tom Shinya, Tokio Marine & Nichido Fire Insurance Co., Ltd. Japan

##### Observers

Observer: Add Michael Csorba, Nominating committee

Eric De Smet, Policy Forum Liaison

Kosuke Hashimoto, Executive Committee Liaison

Diego Calderon, ALSUM, STARR Companies

##### Guests

Alex Mican, Director Specialty Lines Prod. Dev. Verisk, USA

##### Excused

Shirley Hung, AXA XL, Hong Kong

Hosny Mishrif, Delta Insurance Company, Egypt

Sibesh Sen, HDFC Ergo General Insurance Company Limited, India

Qing (David) Shang, Huatai P&C Insurance Company Ltd, China

Massimo Spinetta, Generali Global Corporate & Commercial, Italy

Vyankatesh Tak, Oman Insurance, United Arab Emirates

### 1) Welcome

#### Attendance & Introduction of Agenda

*Isabelle Therrien*

Isabelle Therrien welcomed the committee members, observers and guests and opened the meeting with a round table presentation of the present cargo committee members. Isabelle emphasized the benefits to meet in person again here in Chicago.

Isabelle welcomed Mike Brews as new Vice Chair after Matthew O Sulliwan stepped down and left the Cargo Committee.

Isabelle advised that the meeting documentation had been sent out by email to the members of the Cargo Committee in due time before the meeting.

Isabelle explained the Policy Statement and Compliance Guideline in order for the Cargo Committee to understand the importance of these rules and regulations and that it is of outmost importance that the Cargo Committee follows the same. It was agreed that the attending members of the Cargo Committee where to read and follow the Policy Statement and the Compliance Guidelines.

### 2) Election of Cargo Committee

*Isabelle Therrien*

Isabelle Therrien informed on matters related to reappointments in order to prolong nominations since the Chairman cannot make shorter terms in order to strive to have 1/3 of the Cargo Committee members up for re-election and reappointment each year.

Isabelle Therrien emphasised the importance of finding talents within the members organizations or associations that can contribute to the IUMI work. She reminded everyone that the committee strives to have global representation with a balance between gender, diversity and experience.

For further guidance: <https://iumi.com/about/articles-of-association>.

#### Contact information

Isabelle Therrien requested members to send the amendments relating to the contact list to Mikaela.tamm@insurancesweden.se

### 3) Chairpersons' presentation

*Isabelle Therrien*

The International Union of Marine Insurance (IUMI) reports an increase in the 2021 cargo insurance premium base (from 2020) of 8% to USD 18.9 billion alongside an improvement in overall loss ratios. Isabelle Therrien noted that “the cargo market has shown growth in 2021 partly due to a rise in the volume of cargo shipped globally combined with the pricing corrective measure still prevalent in that underwriting year. The much-needed correction has yielded favourable underwriting performance. However, the industry is still facing headwinds as the global supply chain remains volatile and is still dealing with the aftershock of the pandemic while now adding inflationary pressures to the mix.”



Cargo premiums increased in most markets, with China leading the growth in 2021. China now accounts for 14% of the cargo market, with the UK (Lloyd's of London and the International Underwriting Association) having a 12.2% market share. With 2021 claims starting at a low level due to subdued activity in 2020, loss ratios continue to improve in all markets.

Isabelle noted that companies are redesigning and diversifying their supply chains with concepts such as near-shoring, reshoring and friendly-shoring gaining in traction. These developments have the potential to change risk profiles in cargo insurers' portfolios.

Isabelle concluded in conclusion: "The pandemic has shown that factors such as stability and reliability when it comes to supply chains, are key to product availability. Our assureds are now also looking at different logistics, transportation and insurance solutions to manage this constantly evolving risk."

Attachment no. 1

#### 4) Overview of US Market *John Barnwell*

John Barnwell gave a report on the cargo market in the US.

#### 5) Guest Speaker *Alex Mican*

Insight into Cargo Losses

Attachment no. 2

#### 5) Technical Presentations *Isabelle Therrien & Mike Brews*

Isabelle Therrien & Mike Brews informed on the planning and implementation on the IUMI given theme "*Adapting to a world in transition*"

The Cargo Committee workshop layout:

**Workshop "Cargo" Tuesday, 20 September 2022, 14.20 -17.20, 180'**

**Chairperson's Report & Introduction, 15'**

Isabelle Therrien, Chair, Falvey Cargo Underwriting, CAN-Toronto,

**IPP Presentation, 10'**

Insight into Cargo Losses

Alex Mican, Director Specialty Lines Prod. Dev., PCS Verisk, USA New Jersey



**Seafarer Wellness, 25'**

Maurizio Borgatti

**The cost of General Average: New normal? 20'**

Nick Coleman, Senior Claims Executive, Gard AS, NOR-Bergen

**State of the Global Supply Chain, 25'**

Barry Conlon, CEO, Overhaul

**Panel Discussion, 30'**

**Car Carriers – Do you have a sinking feeling?**

Moderator: John Barnwell, Cargo Product Lead, AIG

- Gareth Burton, VP Technology American Bureau of Shipping (ABS)
- Tobias Sigurdsson, Head of Cargo and Specie for HDI Global Specialty (Nordic Market)
- Ronald Kargl, Chief Underwriting Officer International Markets, Munich Re,

**Panel discussion and Q&A, 10'**

**Conclusion and take aways, 05'**

Isabelle Therrien

**7) Panel Discussions**

Isabelle Therrien

Isabelle informed about the panel debate and how questions would be handled in accordance with the IUMI Secretariat's instructions.

No polling questions was to be prepared for this conference.

**7) Country Reports**

Isabelle Therrien, All

Isabelle Therrien led the round the table presentations of the Country Report, which had been distributed to the Cargo Committee by email on beforehand.

Isabelle reminded of the importance of including source references when producing the respective Country Report as the report will be posted on IUMI's website in the password-protected area. The Round table presentation was limited in time, so the discussion was held concise. Attachment 3



#### 8) Other business

Isabelle Therrien, All

Update on PhD “The impacts of climate change on marine cargo insurance”  
Francois (Frans) du Plessis is a Senior Marine Underwriter for the Nordics at AIG in Stockholm. He is currently pursuing his PhD in Logistics Management at Stellenbosch University, South Africa. The IUMI Cargo Committee supports Francois’ research. Frans aims to share the research results through papers published in academic journals and to share the findings within our IUMI community

#### IUMI Spring Meeting March 2023 in Hamburg

Isabelle briefly informed about the spring conference March 5-7 in Hamburg; further information will be sent out by the IUMI secretariat.

#### IUMI Eye Contribution

The members of the Cargo Committee were encouraged to contribute with articles to the IUMI Eye.

#### Contributor from the committee to the Cargo Master Class

Isabelle briefly informed on the unique qualification programme that has been designed by cargo insurance specialists to offer an exclusive opportunity to deep dive into key concepts of this class of business. Isabelle recognized the work from Cargo committee members Massimo Spinetta and Sibesh Sen on building the content of these modules and encouraged committee members to promote this class within their respective organizations. The full content of the class can be found on the IUMI website, and the announcement will be made during this conference. Isabelle will be one of the course lecturers.

Next meeting Hamburg 2023

Sunday, 5th March 09:30 – 12:30

Monday, 6th March 09:30 – 12:30