



IUMI webinar

10 February 2026

“Freight Forwarders’ Liability Insurance: Insights and Perspectives from China, Europe and the U.S.”



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XL Insurance

Marine

Freight Forwarders' Liability Insurance:
Insights and Perspectives from
China, Europe and the U.S.

Christian Dierks / AXA XL | 10 February 2026



Agenda



1. Big Picture

- **The Global Logistics Market**
- **Freight Forwarding Liability (FFL) Insurance: Challenges, Advantages, Essential Requirements**



2. FFL Insurance: Insights & Perspectives from Germany

- **The Market**
- **Insurance Conditions**
- **Liability**



3. FFL Insurance: Insights & Perspectives from China / USA



4. Q&A

Vision
Shift
from
“Marine-Cargo-Only-Approach”

to
more relevance of FFL



1

Big Picture

Global Logistics Market

The Global Logistics Market

Global Turnover
USD 8-10 trillion

Share of Gross Domestic Product
8 – 15 %

Trends

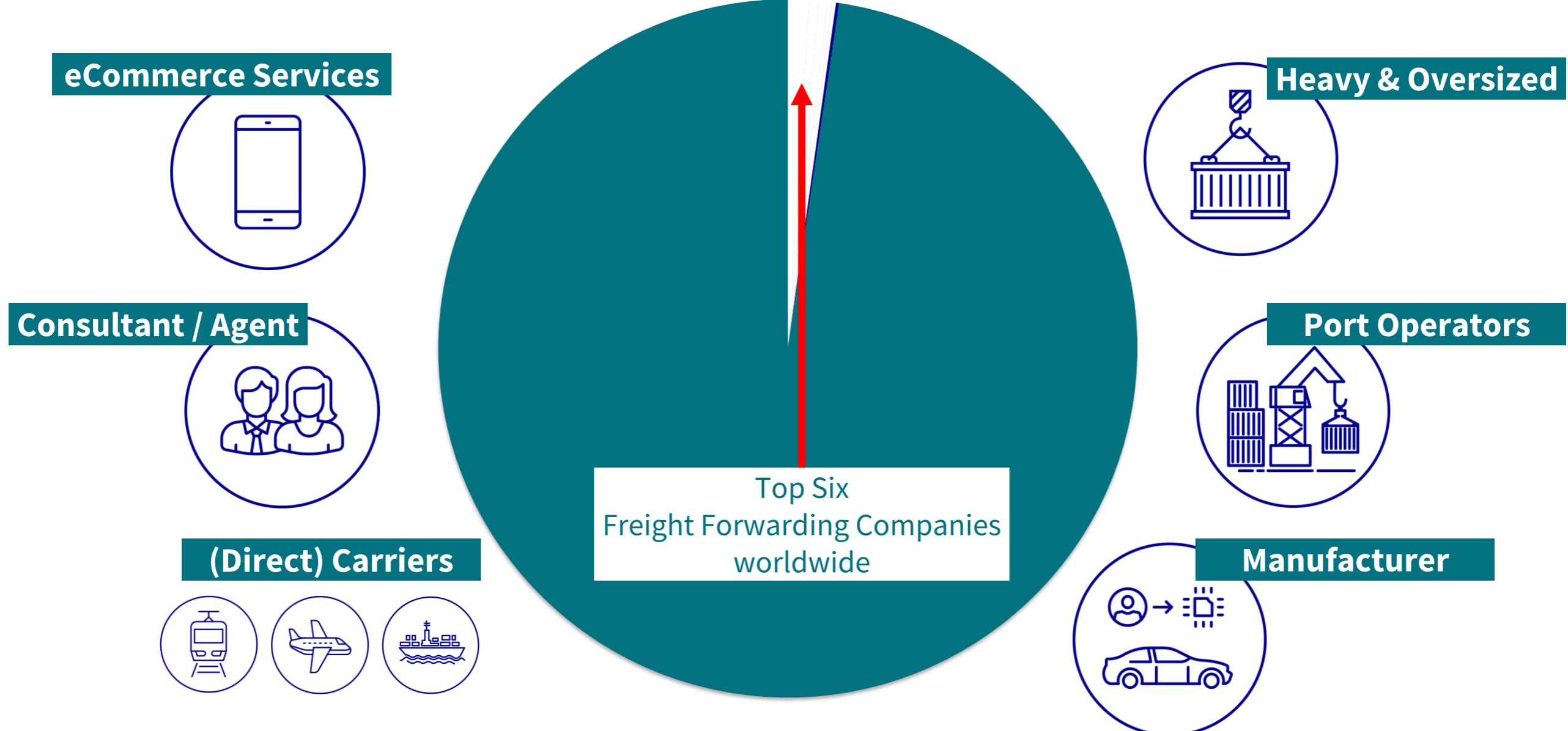
- ✓ **Fast growing**
- ✓ **Consolidation**
- ✓ **eCommerce**
demands fast & flexible solutions

Key Drivers

- # **Globalization**
- # **Outsourcing**
- # **Supply chain Certainty**
- # **Speed: JiT / JiS**



The Global Logistics Market: Highly fragmented



FFL Insurance

Marine Cargo Premium
(IUMI figures, 2024)

USD 22.6 bn

FFL Insurance?

[No data available]



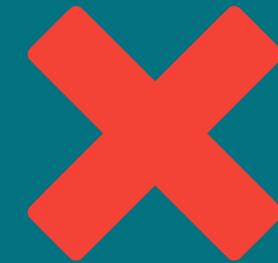
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FFL Insurance?

[No data available]



Challenges of FFL Insurance



- ❖ High / unlimited / strict liability in logistics contracts between the insured and its clients
- ❖ Fire in warehouses
- ❖ High values concentrated on trucks (theft-prone goods with a high value), vessels, in ports, on compounds or in warehouses
- ❖ New services like manufacturing, fixing, checking, IT-services...
- ❖ Changing case law on liability for damage caused by war, natural disasters, confiscation, political risks, especially due to their increasing predictability and likeliness
- ❖ Long-tail line of business (compared to short-tail Marine Cargo)
- ❖ Organized crime, theft, robbery, fake carriers, fraud, embezzlement...

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**IUMI Press Release
3 Feb 2026**

IUMI & TAPA EMEA joint warning on fake carrier fraud and cargo crime risk

An alarming rise in cargo theft and freight fraud across global supply chains is being highlighted by the International Union of Marine Insurance (IUMI) and the Transpor-
t Asset Protection Association (TAPA) EMEA, with incidents escalating across Europe, the Americas and Africa. Latin America and several African nations are experiencing particularly severe and violent attacks.

According to TAPA's intelligence system, nearly 160,000 cargo-related crimes were recorded across 129 countries between 2022 and 2024, with total losses estimated to reach several billions of Euros (see joint statement referenced below for more detail).

While traditional threats such as hijackings and theft remain a problem, both organi-
sations warn that cargo crime is rapidly becoming more sophisticated and digitally enabled.

Thorsten Neumann, President & CEO of TAPA EMEA explained: "Although conven-
tional theft from trucks and warehouses are still prevalent, cargo crime is evolving.
We are seeing criminals using digital tools to conceal their true identities, the crea-
tion of shell companies and legitimate firms being cloned using stolen credentials.
Fake email addresses, look-alike domains and fake insurance certificates are

Advantages of FFL Insurance



- ❖ Non-volatility – stable loss history
- ❖ Highly fragmented logistics market - diversified portfolio for insurers
- ❖ Logistics companies are increasingly well-organized in a highly professional manner and practice excellent risk management & claims handling
- ❖ Internationality and need for a global insurance program generates higher premium income, enabling loss mutualization.

FFL Insurance: Essential requirements

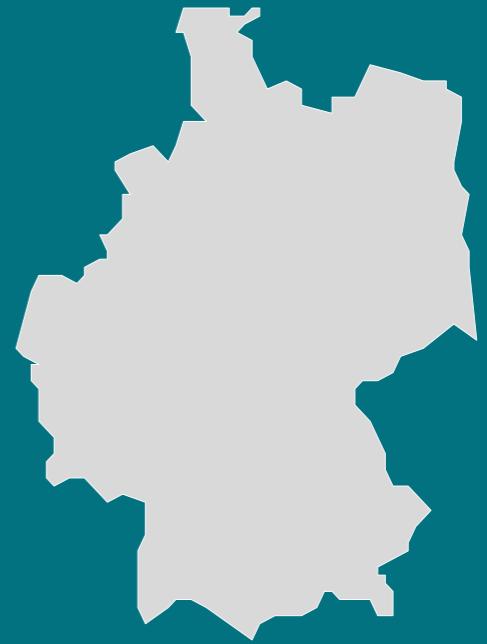
FFL is a very special niche!

- ✓ **Profound knowledge needed**
- ✓ **Enough employees**
- ✓ **You need a lot of patience & endurance – and not a nervous management! - Stay cool** 
- ✓ **Insurers and staff must absolutely be able to handle international business.**
 - ❖ **Language skills**
 - ❖ **a network of partners**
 - ❖ **IT tools**
 - ❖ **...**
- ✓ **Risk Expertise needed: Own Risk Consultants and/or Risk Engineers**

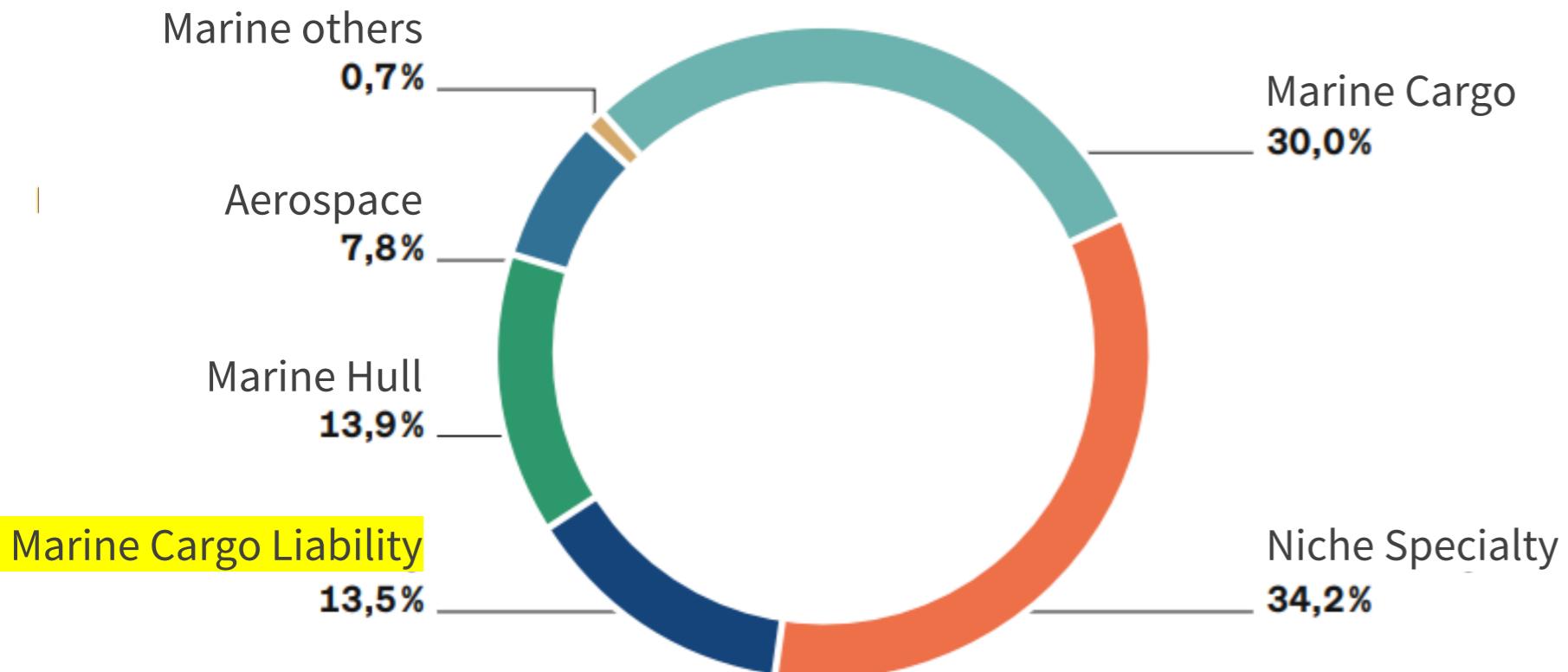


Insights & Perspectives from Europe / Germany

German Market



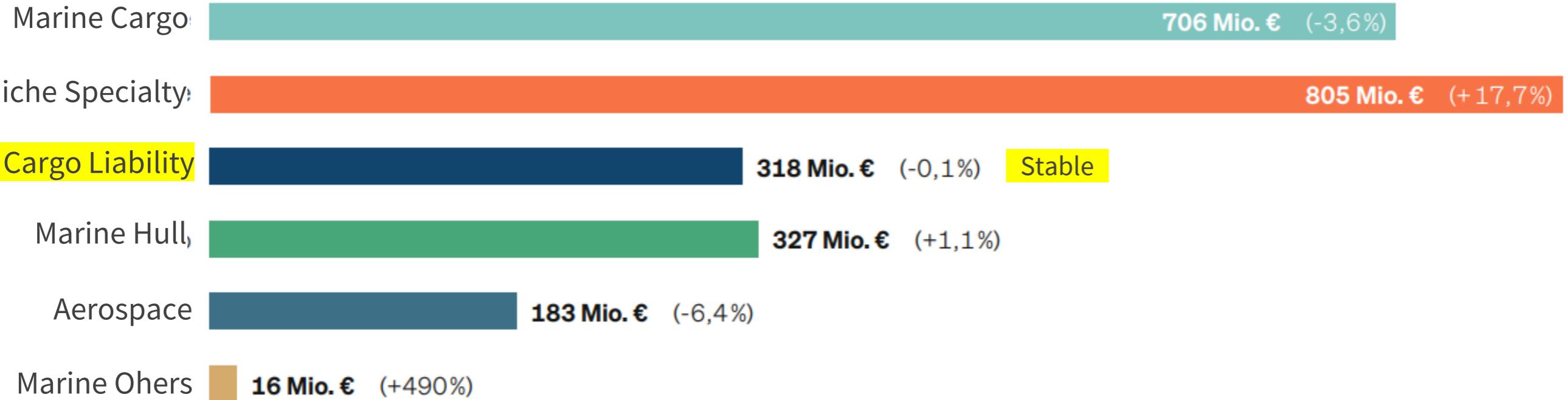
The German FFL Market 2024: 13,5% market share



2,353
Billion Euro

Source: GDV

The German FFL Market 2024: € 318m GWP



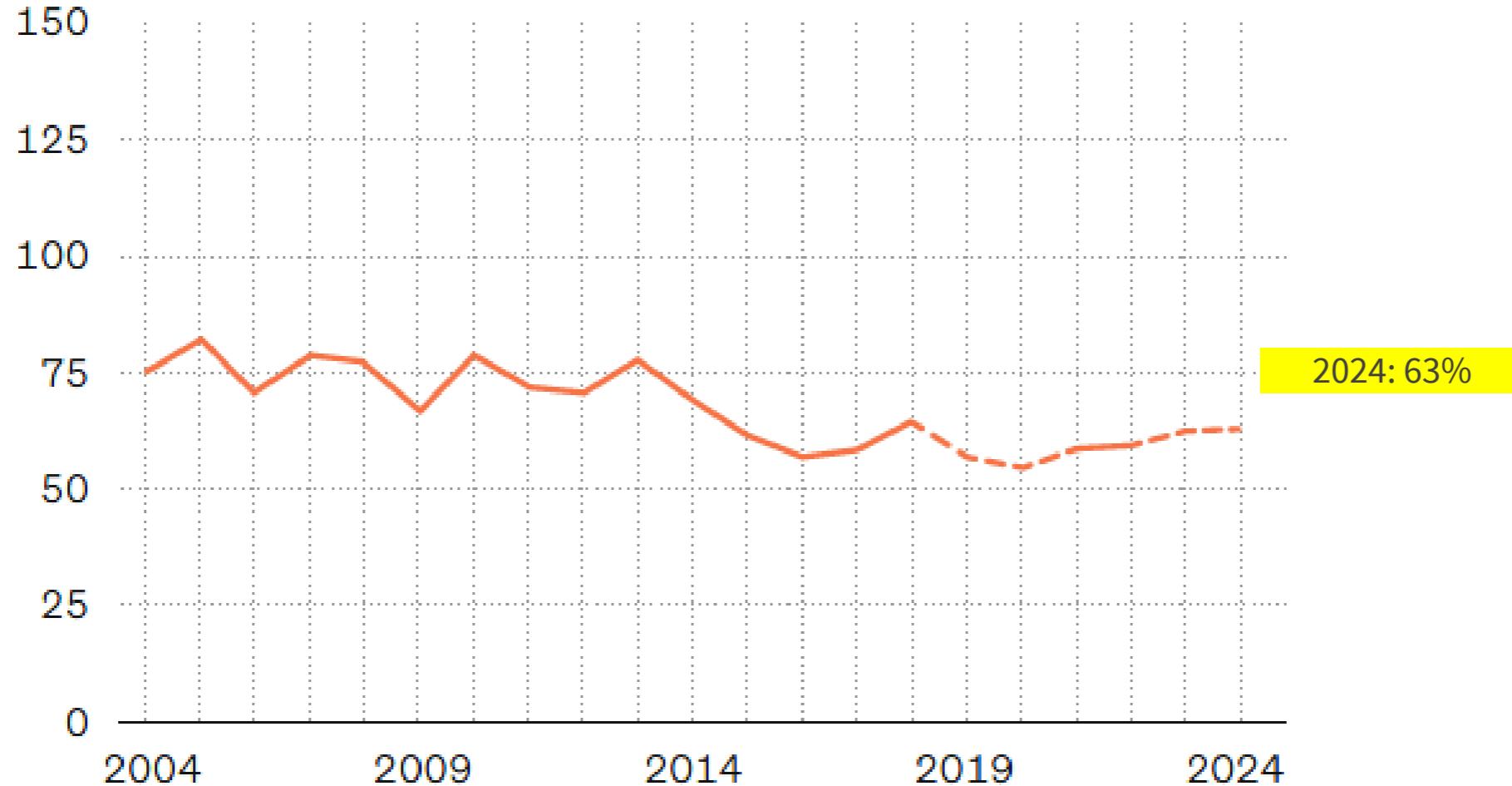
Source: GDV

The German FFL Market 2024: Split to categories



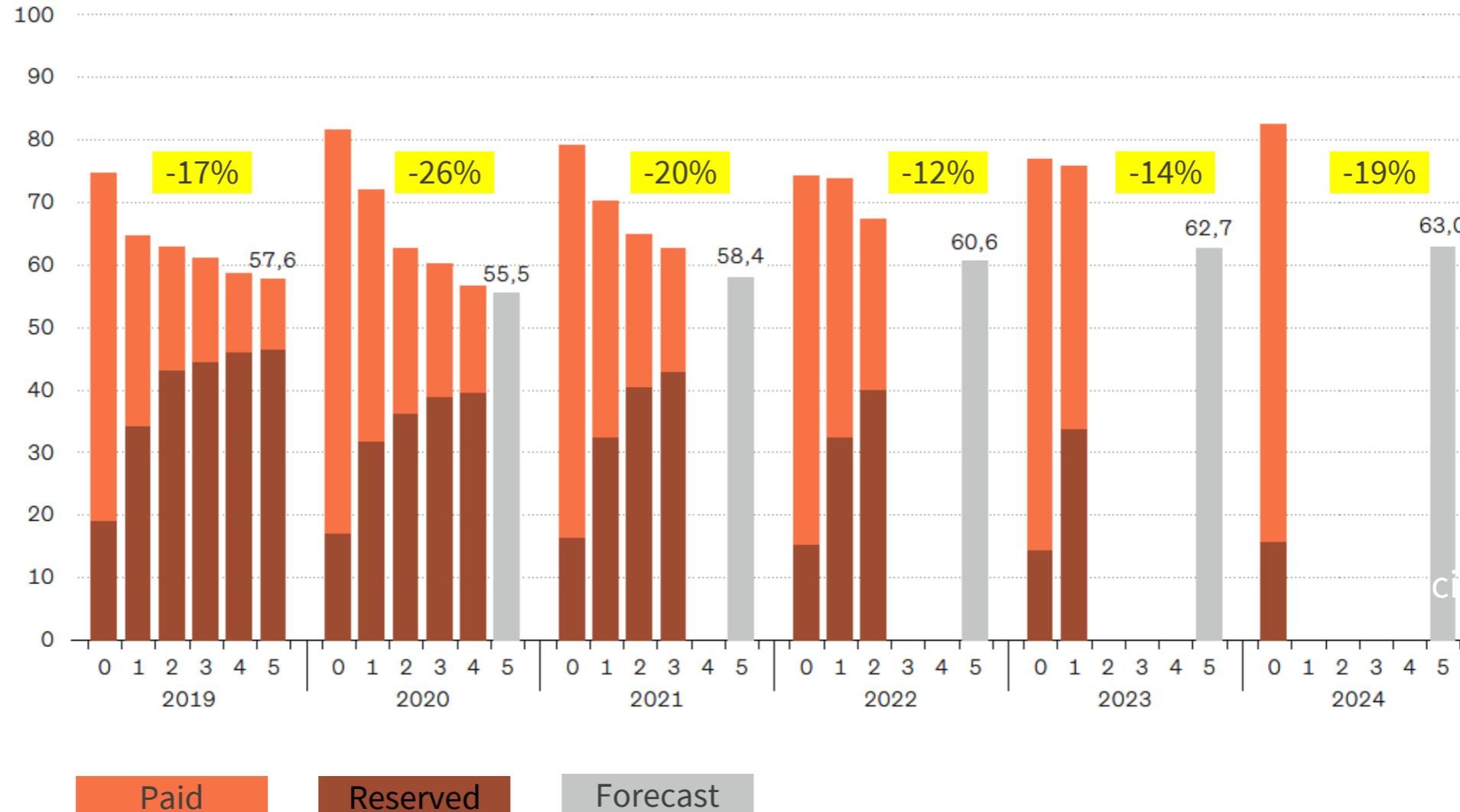
Source: GDV

The German FFL Market 2024: Loss Ratio non-volatile



Source: GDV

The German FFL Market 2024: Long-tail business



Source: GDV

Insurance Conditions

FFL Insurance: Scope

Freight Forwarder



Warehouse Operator



Exhibition Contractor



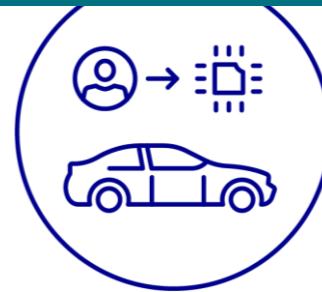
Road Carrier



Customs Agent



Logistics Provider



NVOCC



Parcel Service



Towing & Removal



FFL Insurance: Delineation from General Liability Insurance



Rule of thumb: Does the activity serve to fulfil one's own transport and/or storage contract?



Yes: FFL

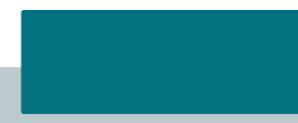
Shipping

Storing

Loading / Unloading

Packaging (for own contract)

Labelling (for own contract)



No: GL



Fixing, Mounting & Assembly

Checking for functionality

4PL (consulting)

Packaging (other purposes)

Labelling (other purposes)

Customs Agent (without having the transportation contract)

FFL Insurance: Insured Legal Liability

- ✓ National Law
 - China: Regulations on the Transportation of Goods (运输货物的规定)
 - Germany: Commercial Code
 - USA: Carmack Amendment (49 U.S.C. § 14706)
- ✓ International Conventions (such as CMR, Hague-Visby-Rules etc.)
- ✓ Common Terms & Conditions, e.g., from Freight Forwarding Associations

<ul style="list-style-type: none">• Austria: AÖSp• Belgium: ABEV• China: CFLP	<ul style="list-style-type: none">• Germany: ADSp• Netherlands: Fenex• Nordics: NASB	<ul style="list-style-type: none">• United Kingdom: BIFA• USA: none
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FFL Insurance: Insured Contractual Liability?

- **Not insured:**

Liability arising from Individual Logistics Contracts

Going beyond legal liability, exceeding it

(unless the Insurer approved coverage on a case-by-case basis)

- Be aware!

It is a business opportunity for freight forwarders if they accept high or even unlimited liability. However, it cannot be automatic that the FFL insurer will cover this. It is also not correct that “all freight forwarders do this” and “no one has to pay extra premiums for it” (customer feedback). Covering risk costs money. Better still, the freight forwarding industry should consider whether it is right for shippers to transfer their risk to them. Market power, consolidation, and consistent management help.

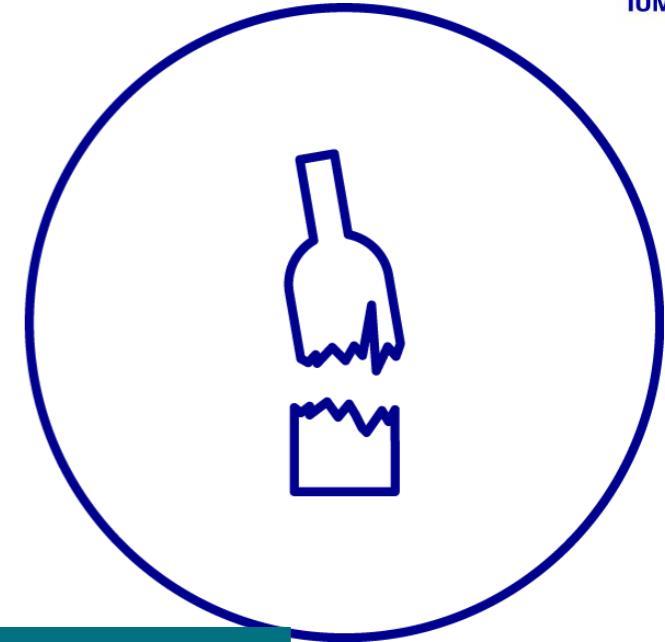
- Solution:

Pre-defined and levelled system for the coverage of ‘Enhanced Liability’



Loss & damage to Goods

- physical damage or total destruction
- (total) loss



Examples transportation

- truck accident
- fire
- falling during (un)loading
- burglary, theft, robbery, misappropriation, fraud, fake carrier

Examples warehouse

- fire (71%)
- shelf collapse
- crash with a forklift
- burglary, theft, robbery, misappropriation, fraud

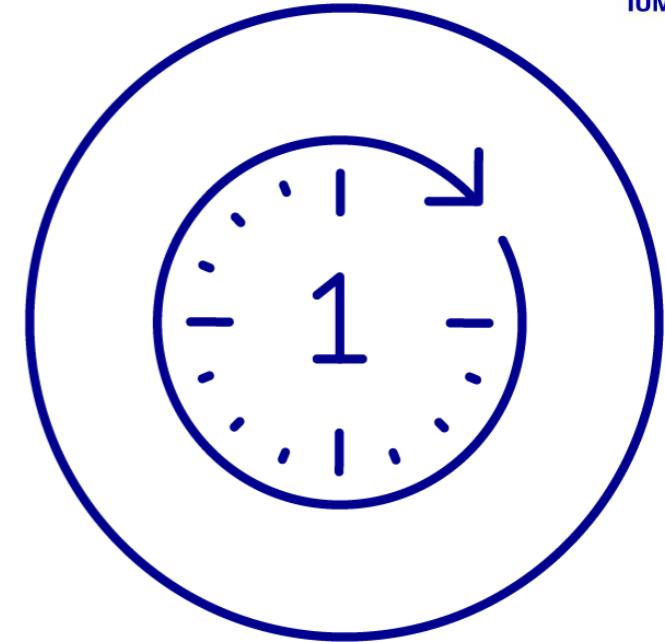
FFL Insurance: Insured Delay

Delay

- Exceeding the agreed or usual shipping time...
- ...which results in a financial loss.

Examples

- waiting costs
- interim storage
- production stoppage,
business interruption
- ...or which triggers the presumption of total loss after a certain number of days (7 air / 20 or 30 road / 45 or 60 sea).



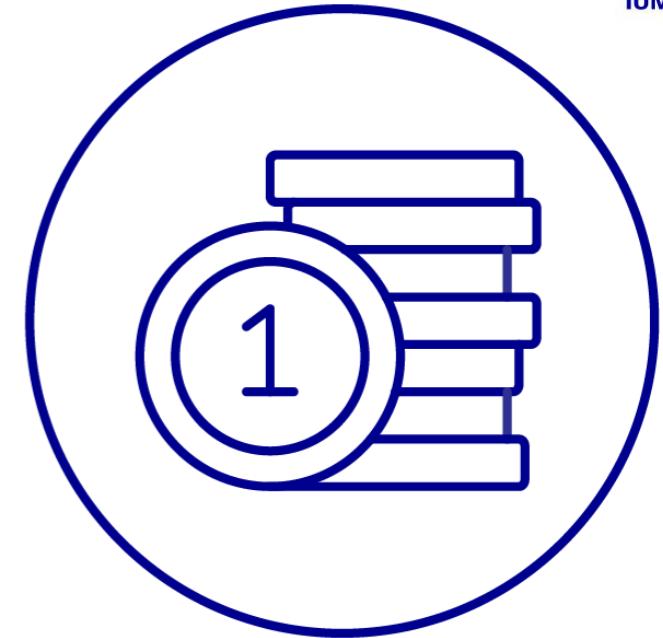
FFL Insurance: Insured (Direct) Consequential Loss

(Direct) Consequential loss

- Financial loss ...
- ...that is solely and directly the consequence of the damage to or loss of the goods or the delay

Examples

- mixing damaged with undamaged goods
- salvage costs
- contamination from leaking goods



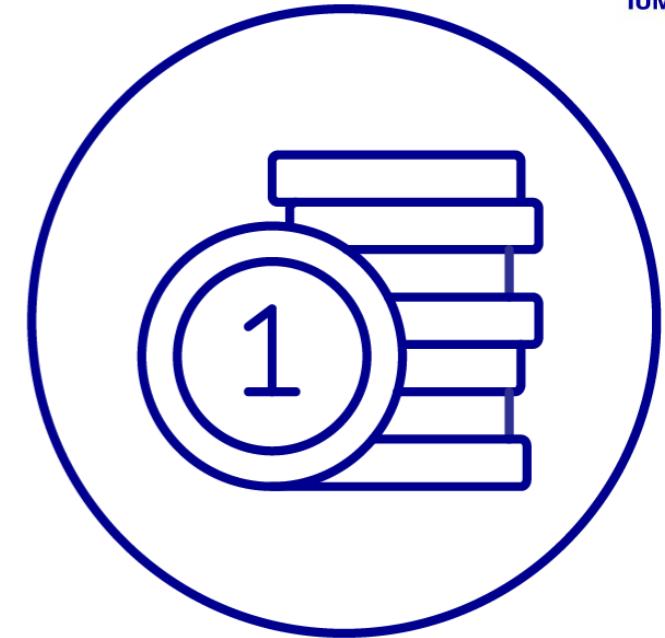
FFL Insurance: Insured (Indirect) Consequential Loss

(Indirect) consequential loss

- Financial loss ...
- ...that is not the consequence of the damage to or loss of the goods or the delay.

Examples

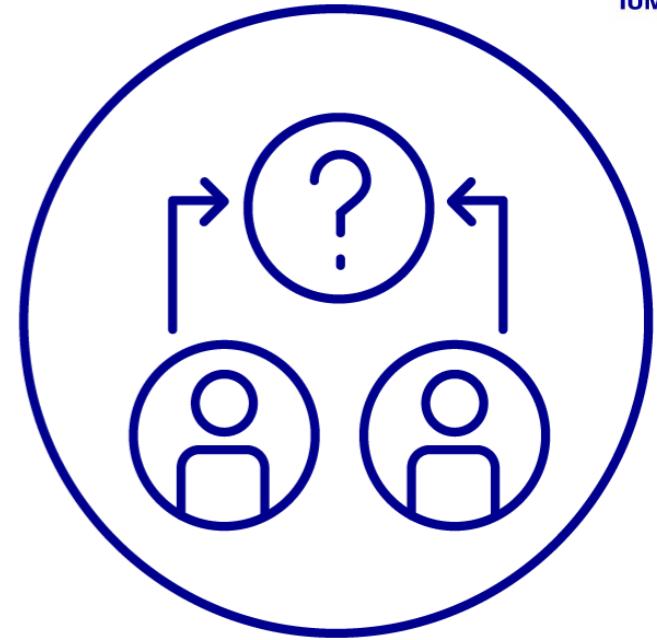
- Loss of business, profit, contract, production, reputation, goodwill
- extra costs such as due to misdirection
- Business interruption, line stoppage, liquidated damages (USD x / minute)



FFL Insurance: Insured Errors & Omissions

What is Errors & Omissions (E&O)?

- Insured is the liability from a breach of professional duty
- by reason of a negligent act, error or omission, e.g.,
 - failure to comply with an instruction or to give an information, and/or
 - faulty arrangement, and/or
 - clerical error or clerical omission, and/or
 - provision of incorrect advice or information



FFL Insurance: Exclusions

Natural catastrophes

Intervention by authorities such as confiscation, deprivation, nationalization

Market exclusions such as

- cyber & blackout claims
- communicable disease
- five-powers-war-clause
- sanctions exclusion clause

Political risks such as War & warlike, unrest, strike, terror, use of weapons, nuclear energy

Shipments to, from, through and/or within certain countries

Certain goods such as

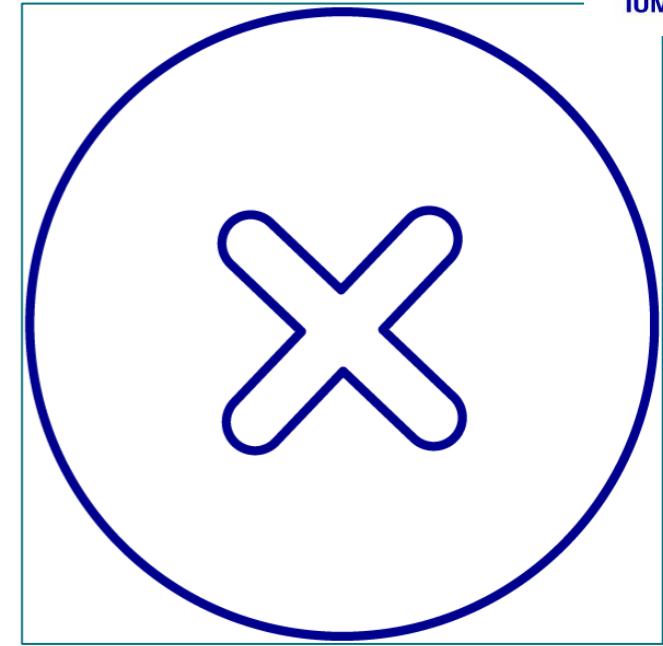
- Living animals and plants
 - Work of art
- Precious stones / metals
 - Cash, coins, pearls, securities, documents
 - Military goods and/or weapons

Uncommon contractual agreements such as

- Penalties, fines
- Punitive damages
- Declared value

Certain services such as

- Direct Air-, Sea-Carrier, shipping companies
 - Heavy-lift and oversized goods
 - Towing and salvage truck



Vision
Global FFL Wording (like ICC)



Liability in Germany

Germany	Transport (all conveyances (Road, Rail, Air, Inland Water))	
Source	art. 407 - 450 Commercial Code ('HGB')	
Principle	liability regardless of negligence or fault	
Scope	a) damage to/loss of goods b) delay c) pure financial losses (only when negligence or fault)	
Limits	a) 8,33 SDR**/kg (ca. € 9-10 / kg) b) 3 times the freight amount c) three time the damage/loss amount	
Inapplicability of Limits	Caused by wilful misconduct or frivolous and under awareness that a claim will most likely happen	
Exclusions	inevitability***, packaging, nature of goods, inherent vice... consequential losses	
Time for complaints	a) externally visible damage/loss: at delivery not externally visible damage/loss: 7 days after delivery b) 21 days after (planned) delivery (extinction of entitlement!) c) some pure financial losses: no limitation	
Limitation of Time	1 year 3 years in case of qualified negligence (art. 435 HGB) in all cases: suspension of limitation by written complaint	
International (cross-border) transports	Road: CMR Rail: CIM Air: Warsaw & Montreal Convention Inland Water ('brown water'): CMNI Sea ('blue water'): art. 476 - 905 Commercial Code ('HGB') / Hague-Visby-Rules	

Status: 01.01.2026
non-binding information only!
see disclaimer

- * "International Transports" means crossborder from or to the home country
- ** SDR = Special Drawing rights (daily fixed price by the International Monetary Fund)
<http://www.tis-gdv.de/tis/bedingungen/szr/szr.htm>
- *** inevitability is not likely to be accepted by German courts

Germany	Warehouse Operation
Source	art. 467 - 475h Commercial Code ('HGB') additionally: Civil Code ('BGB')
Principle	assumed liability for negligence and intention with exculpability
Scope	a) damage to / loss of goods (HGB) b) all other: BGB
Limits	unlimited
Inapplicability of Limits	
Exclusions	exculpation & inevitability
Time for complaints	no limitation
Limitation of Time	1 year 3 years in case of qualified negligence (art. 435) in all cases: suspension of limitation by written complaint

Status: 01.01.2026
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Vision Global Liability Database



An aerial photograph of a port terminal. On the left, a large ship is docked, its deck and superstructure covered in a dense stack of shipping containers in various colors. Several orange and yellow gantry cranes are positioned along the ship's side, some with their booms extended. In the background, more shipping containers are stacked on the port's land area, and several smaller vehicles, including trucks and tractors, are visible. The water of the harbor is a vibrant turquoise color.

Let's talk

An aerial photograph of a large container ship sailing on the ocean. The ship is oriented vertically in the frame, with its superstructure and deck visible. The side of the ship is covered in a dense stack of shipping containers. A white wake is visible behind the ship, indicating its movement. The ocean water is a deep turquoise color.

Marine

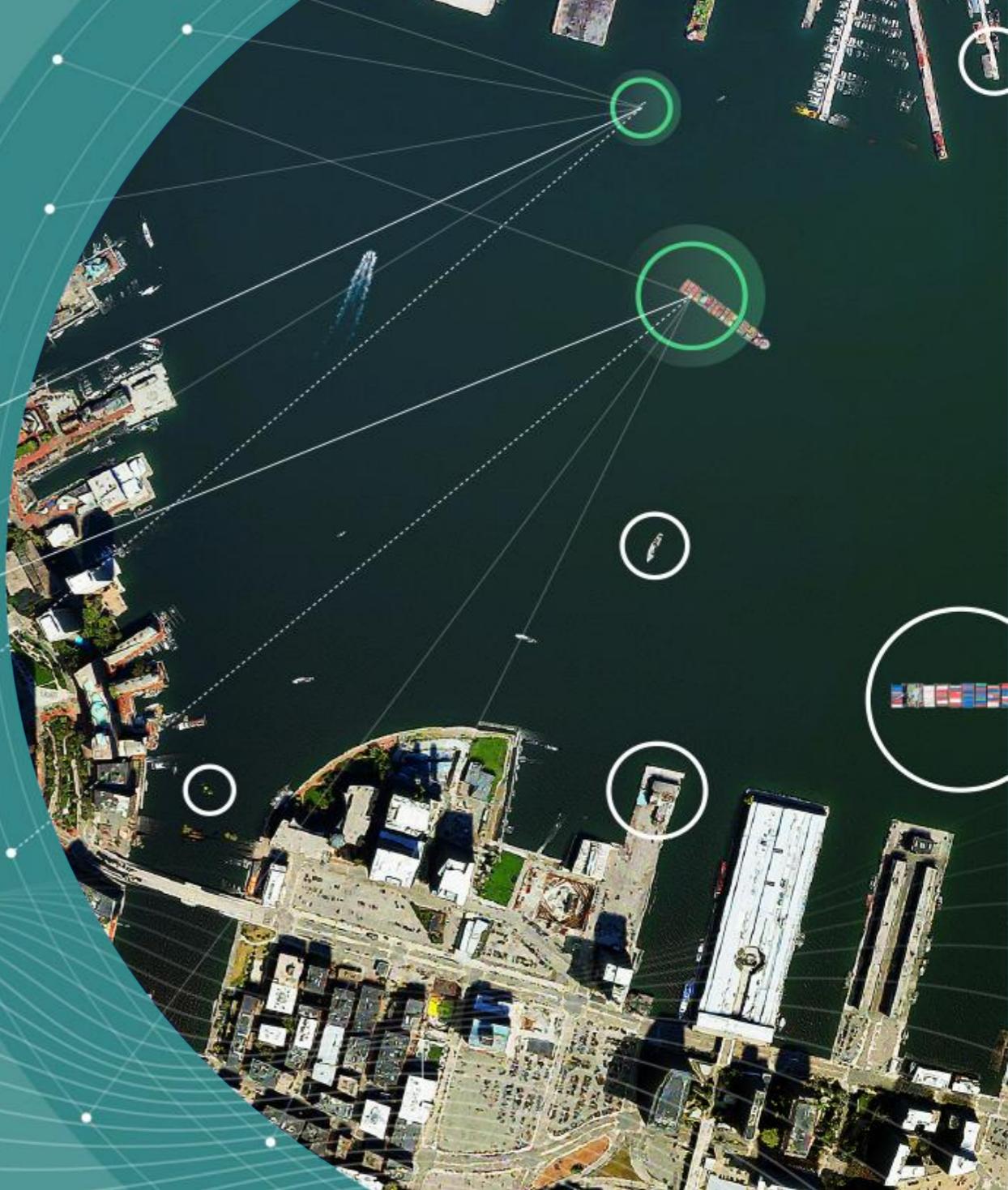


Logistics liability insurance in China

Max Liu

Munich Reinsurance Company Beijing Branch

10 Feb 2026



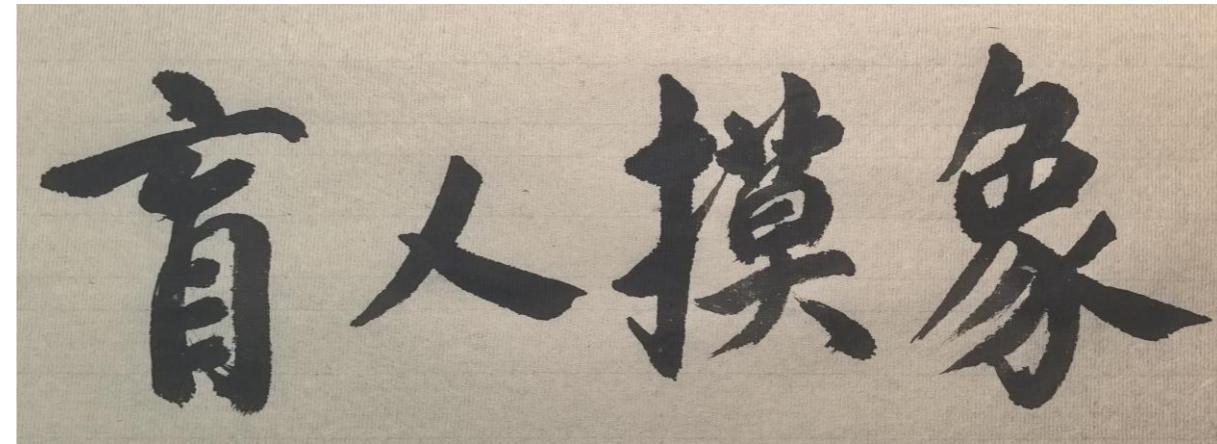
Four blind men “see” the elephant for the first time, they tried to describe it:

Blind men A: it is like a pillar (touched leg)

Blind men B: It is like a fan (touched ear)

Blind men C: it is like a wall (touched body)

Blind men D: it is like a whip (touched tail)



Calligraphy by Wang Huang

Literally means “Blind people perceive elephant via touching”



Disclaimer: no statistics breakdown to logistics liability insurance in China

Overview of logistic liability in China

Image: suratoho / Getty images

Main Coverage in China

Image: sbinkski / Getty images

Moving Forward

Image: Zephyr18 / Getty images



Domestic

(estimated premium USD200mio to 400mio)

- Inland truck logistic liability – Hauliers
- Inland water way logistic

Majority of domestic cargo insurance are bought by Hauliers



International

(very hard to estimate, much smaller)

- Freight forwarders – Agents
- International logistic operators – can be carrier

Tendency of
“value added service” to
shipper

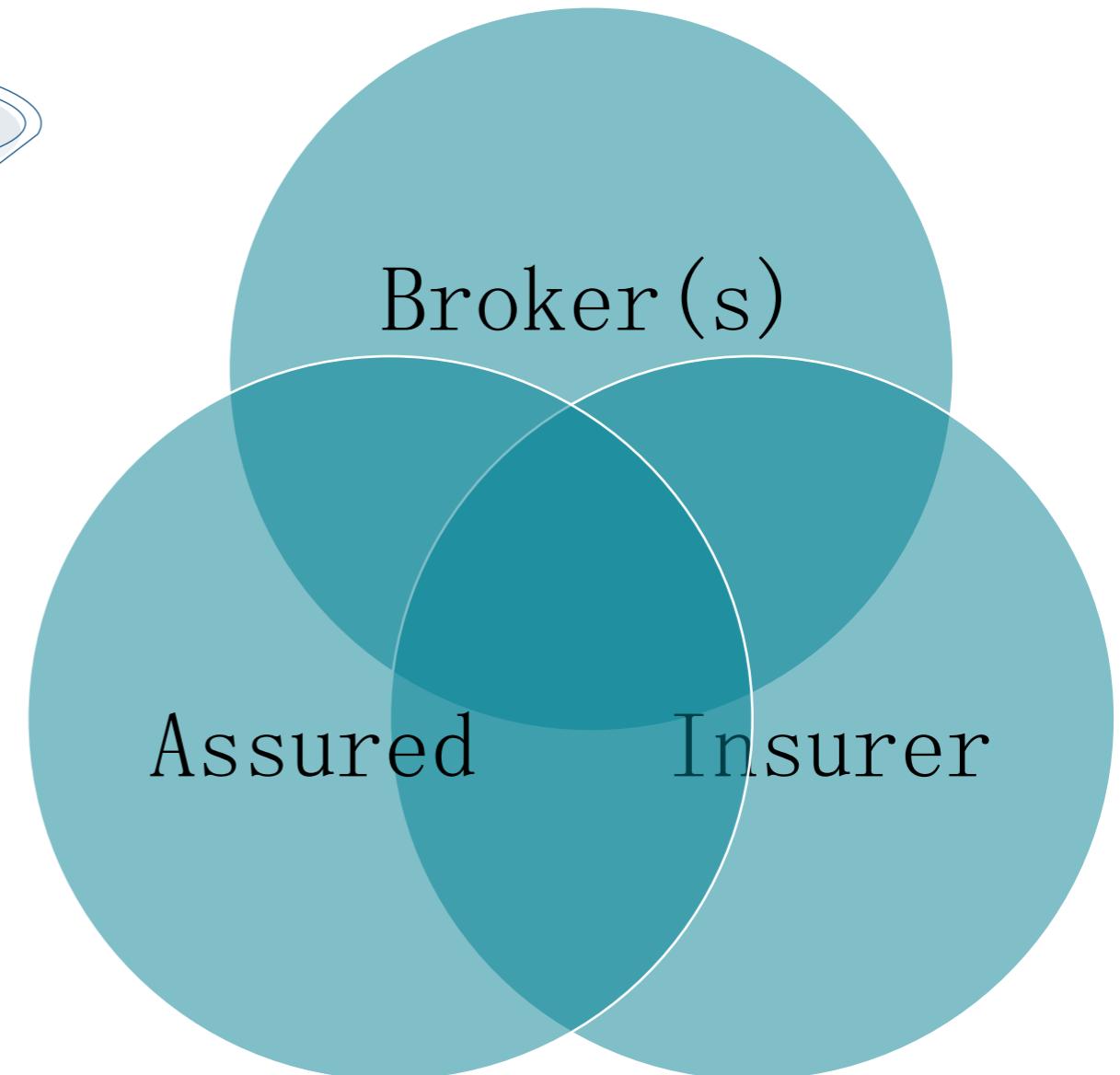
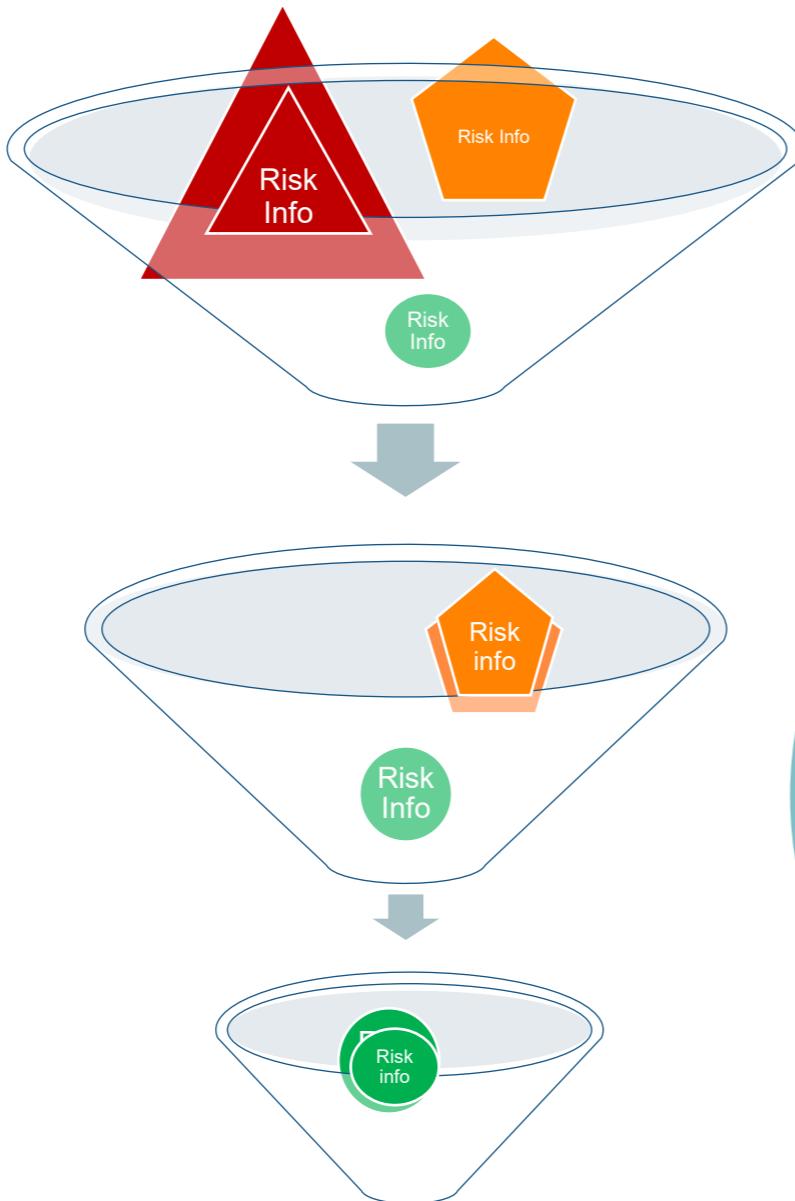
Image: Getty images

Information attenuates

Assured(s)

Broker(s)

Insurer(s)



Loss Record in Questionnaire is usually left empty

Shipment certificates can be anti-dated

Convenient for clients



Only estimated annual income is declared, without year end adjustment

Premium related to revenue,
Revenue related to volume and weight,
Loss related to cargo value

Insurers lack exposure data

As a result Haulier's liability LR 80%~100%+

Overview of logistic liability in China

Image: suratoho / Getty images

Main Coverage in China

Image: sbinkski / Getty images

Moving Forward

Image: Zephyr18 / Getty images

Legal (minimum)

- Domestic is strict liability (presumed fault)
- May have limitation
- Certain immunities
- What constitute delivery delay
- Time bar

Contractual (can add up)

- Can agree non-fault based liability in some cases
- Can agree higher limitation
- Can waive immunities given by law
- Can agree stricter terms of indemnity due to delay



- **Civil law code**
- **Maritime law code**
- **Civil Aviation law**
- **Railway Law**
- **Jurisdiction provisions**

Local Law

Logistic liability
Insurance to
swallow
the mismatch

Foreign Law and International Conventions

- Road – China not party to CMR
- Rail – China not official party to COTIF/CIM
- Air - Montreal Convention – China approved
- Sea – not party to Hague Visby Rules, but similar provisions in maritime law

Physical loss of and/or damage to Cargo, and Consequential Loss directly resulted from

Fine, duty and other expense

Debris removal

Unrecoverable GA

Damage to Hull

Errors and Omissions

Third Party Liability

If everything goes well, only legal expense will incur



Excluded cargo: cash, jewellery etc.

Waiver of subrogation

Deliberate actions / illegal

Unattended cargo/vehicle

Punitive

procuring Cargo insurance

EL, own property, Motor TPL, PL

Increased contractual liability
(value / delivery time / limit)

Charter party disputes

Sanctions, CL.370 and Cyber

Unexplained Loss of Cargo
during Storage

War, Strike, Piracy,
confiscation, act of God



May also have
excluded areas in
the slip wording

Overview of logistic liability in China

Image: suratoho / Getty images

Main Coverage in China

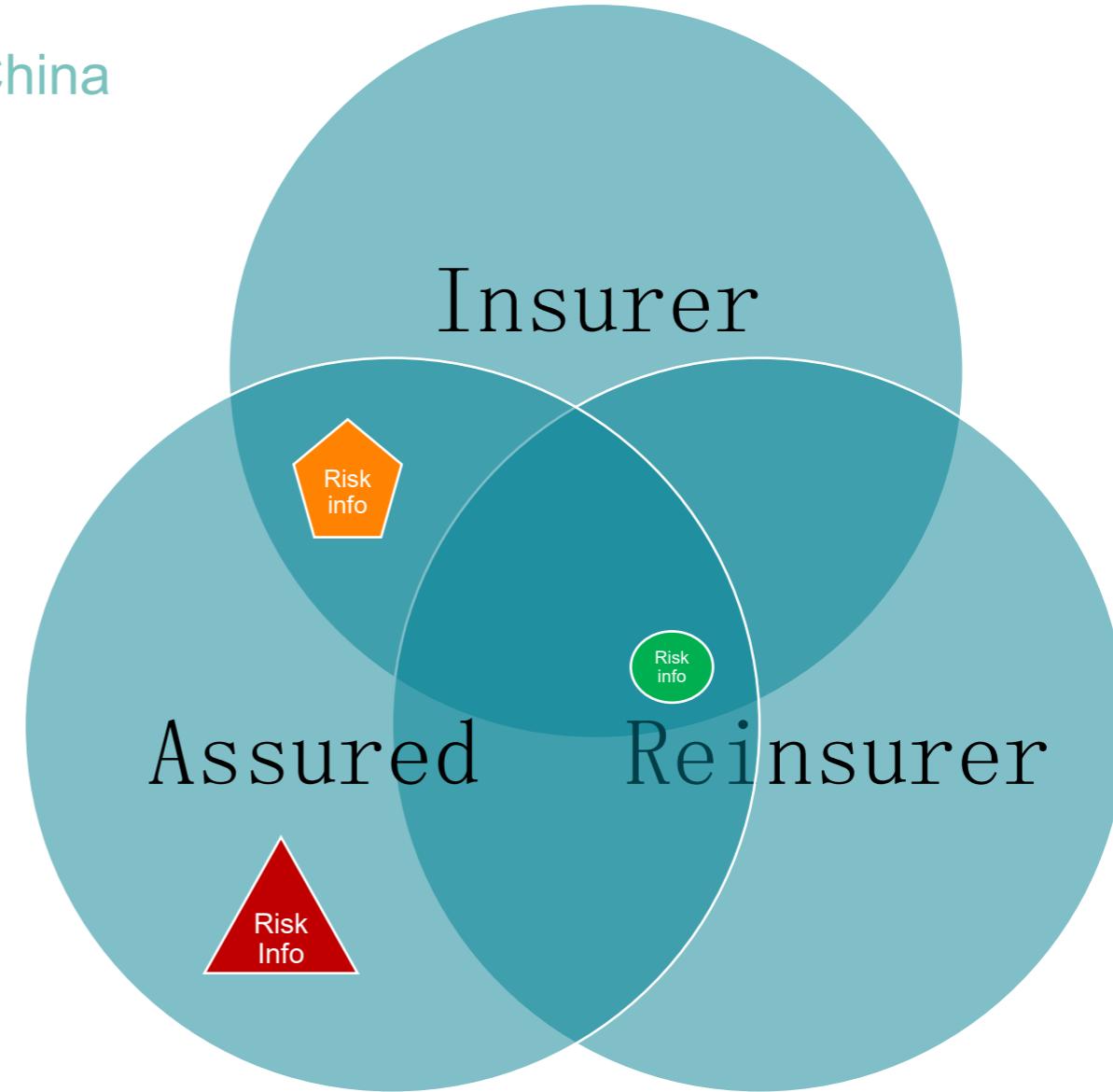
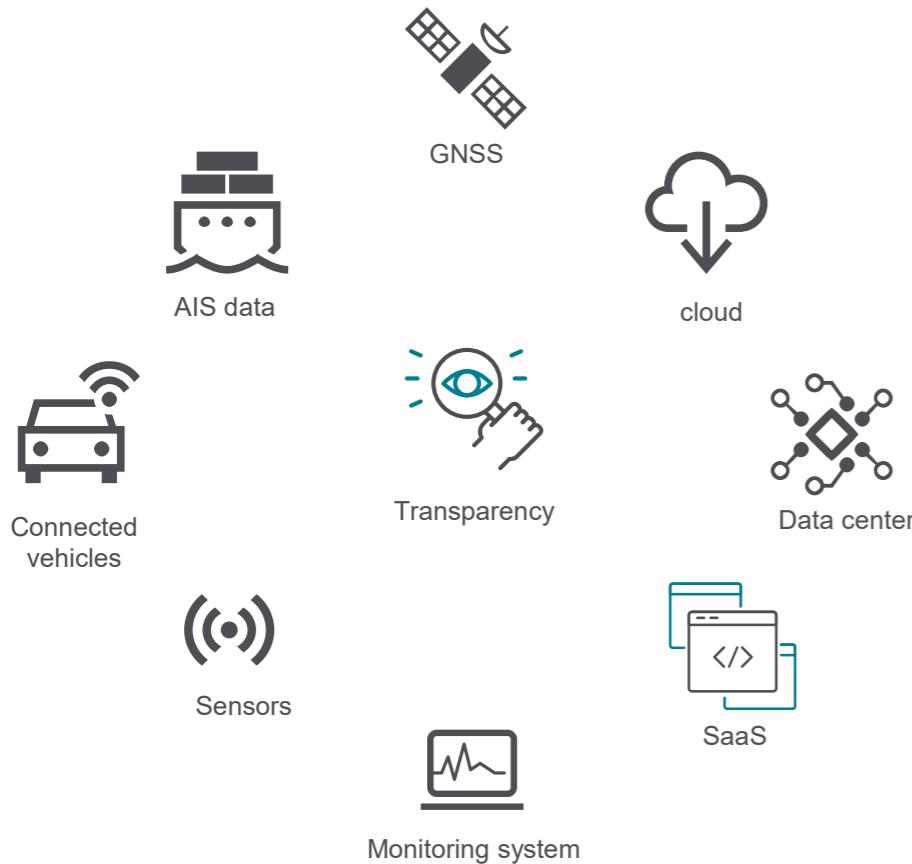
Image: sbinkski / Getty images

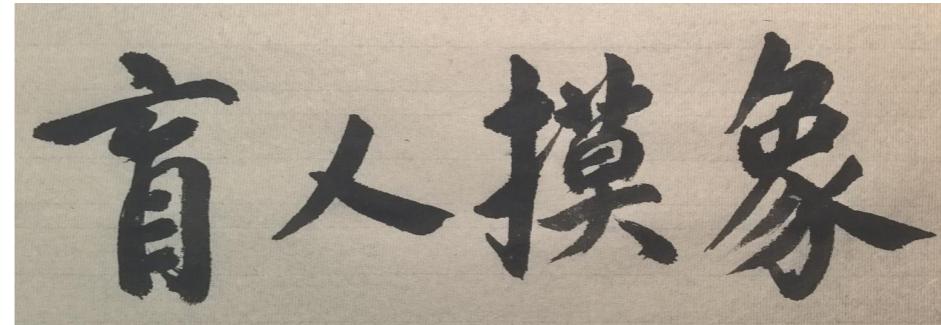
Moving Forward

Image: Zephyr18 / Getty images

Utilizing enhanced data infrastructure in China

spend extra effort to obtain exposure data





Calligraphy by Wang Huang



Collect more exposure data?

Review Contract?

“Educate” clients?

There is no stop to the
Elephant

the riders evolved to
serve the elephant



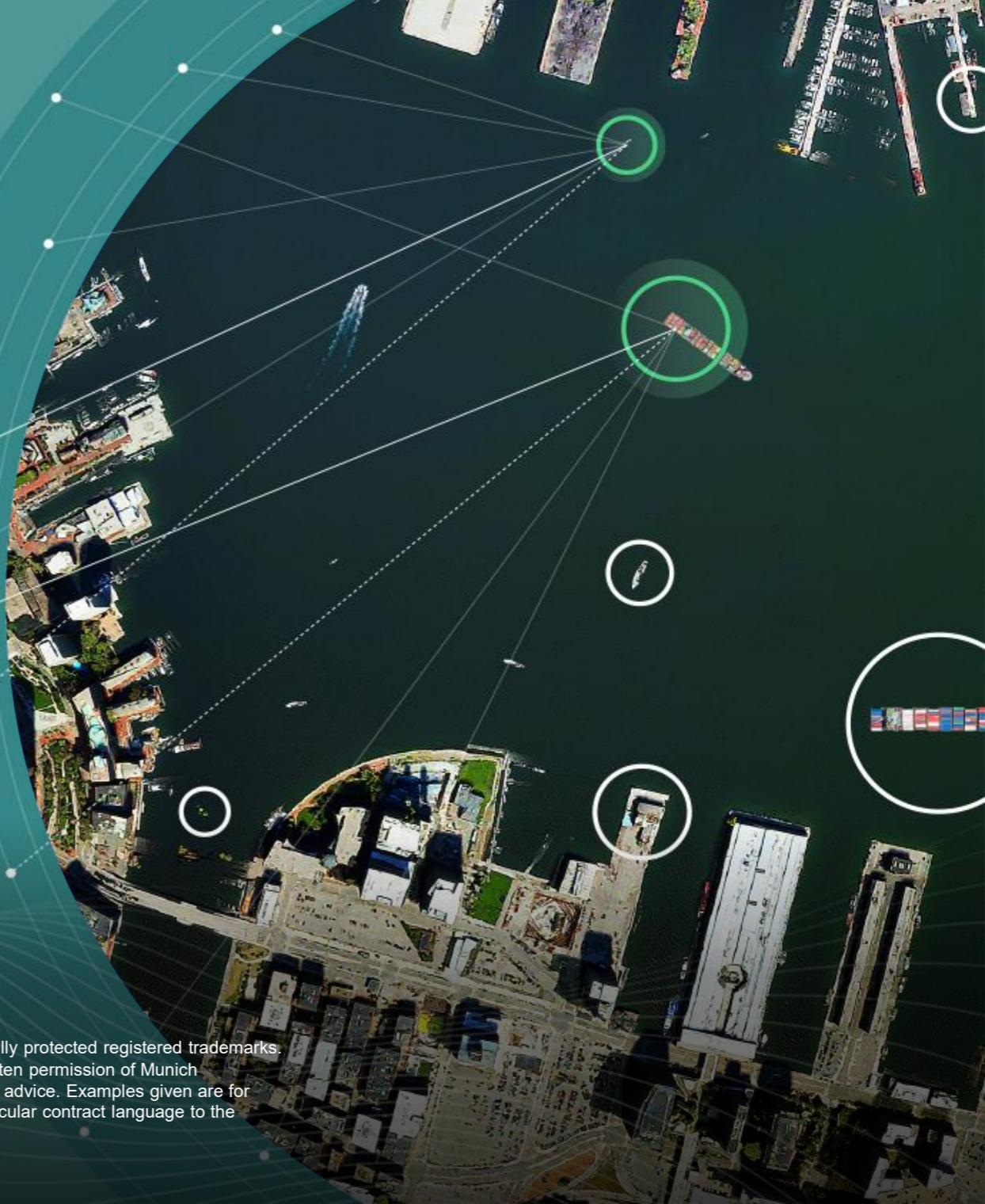
Love Cargo, Love Logistics

Max Liu

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Thank you!

✓ Feedback survey

✓ First Masterclass Cargo Asia in Singapore,

14-17 April 2026

