



IUMI webinar

10 February 2026

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



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# Disclaimer AXA XL:

*This publication does not replace legal advice and should not be considered binding. We accept no liability for the accuracy of the statements. Please understand this overview for what it is: merely an attempt to provide assistance and a rough initial guide. We recommend seeking further legal research or assistance in individual cases.*



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**

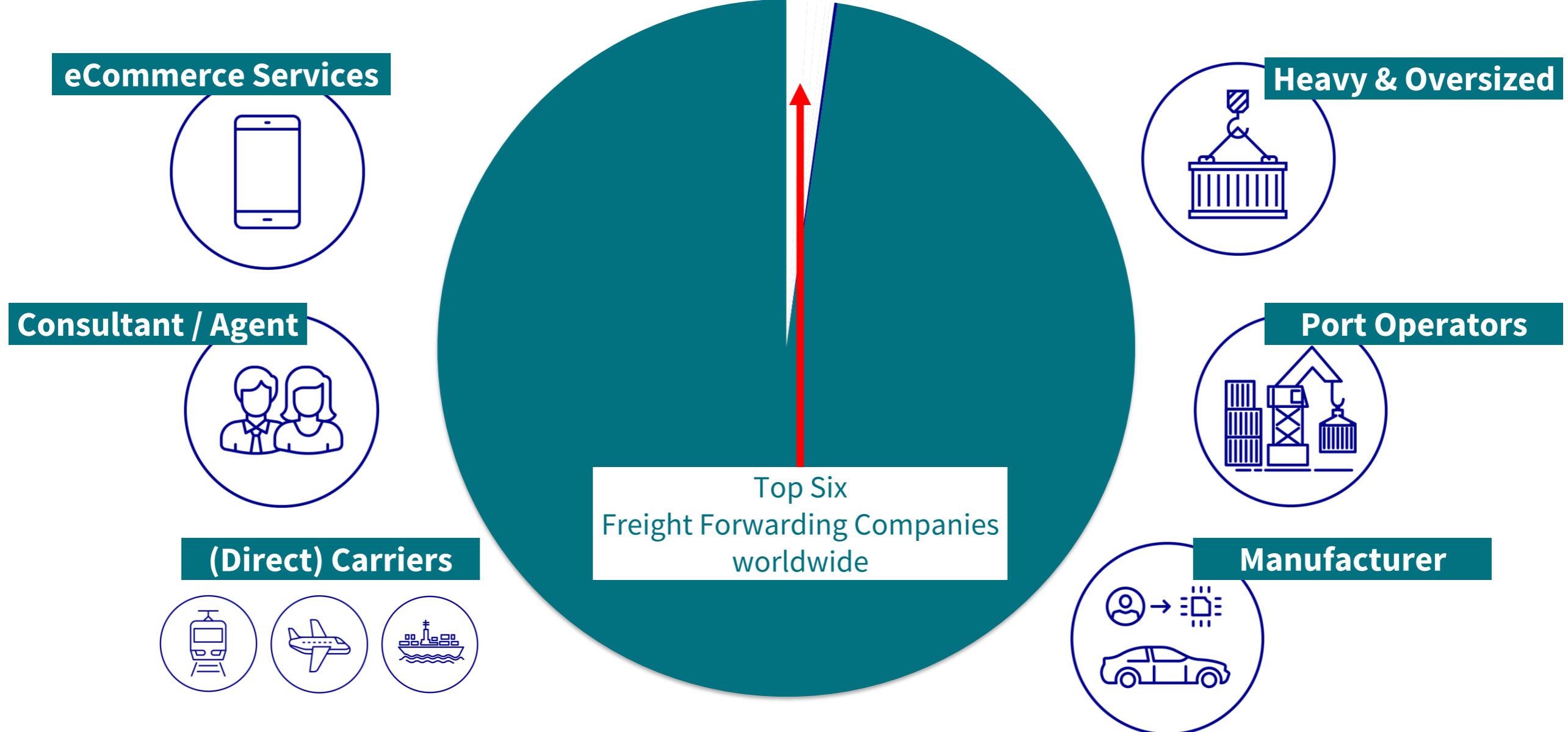
- ✓ **Fast growing**
- ✓ **Consolidation**
- ✓ **eCommerce**  
**demands fast & flexible solutions**

**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]*



Marine Cargo Premium  
(IUMI figures, 2024)

USD 22.6 bn



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

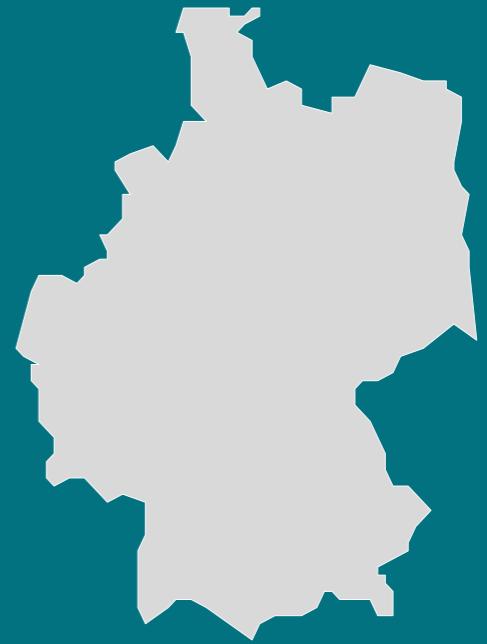
## FFL is a very special niche!

- ✓ **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**

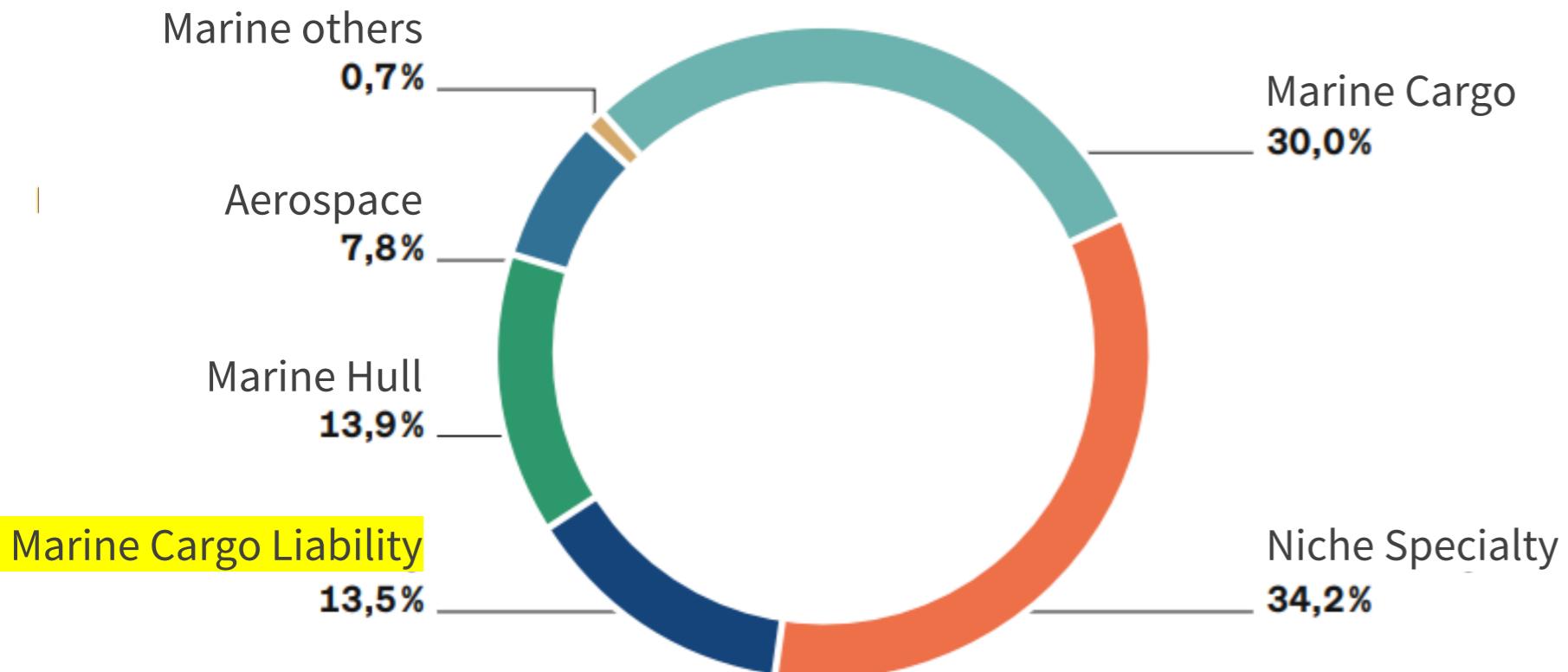


Insights & Perspectives from Europe / Germany

# German Market



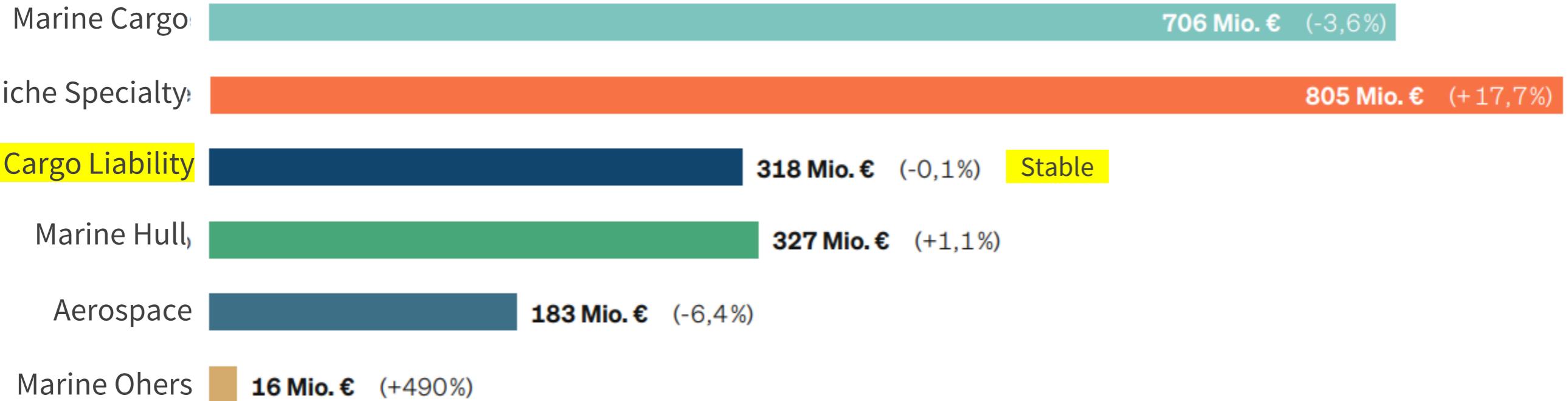
# The German FFL Market 2024: 13,5% market share



2,353  
Billion Euro

Source: GDV

# The German FFL Market 2024: € 318m GWP



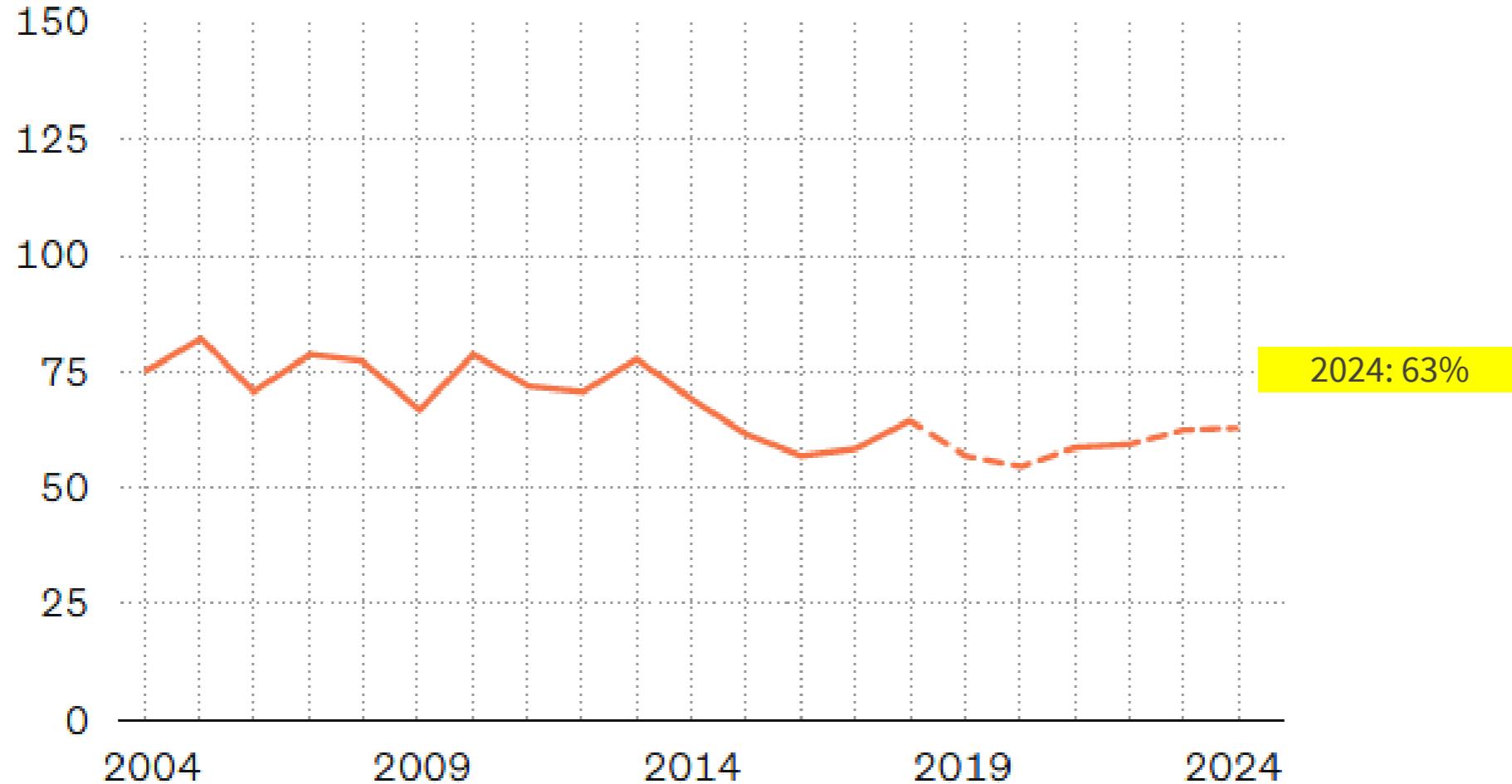
Source: GDV

# The German FFL Market 2024: Split to categories



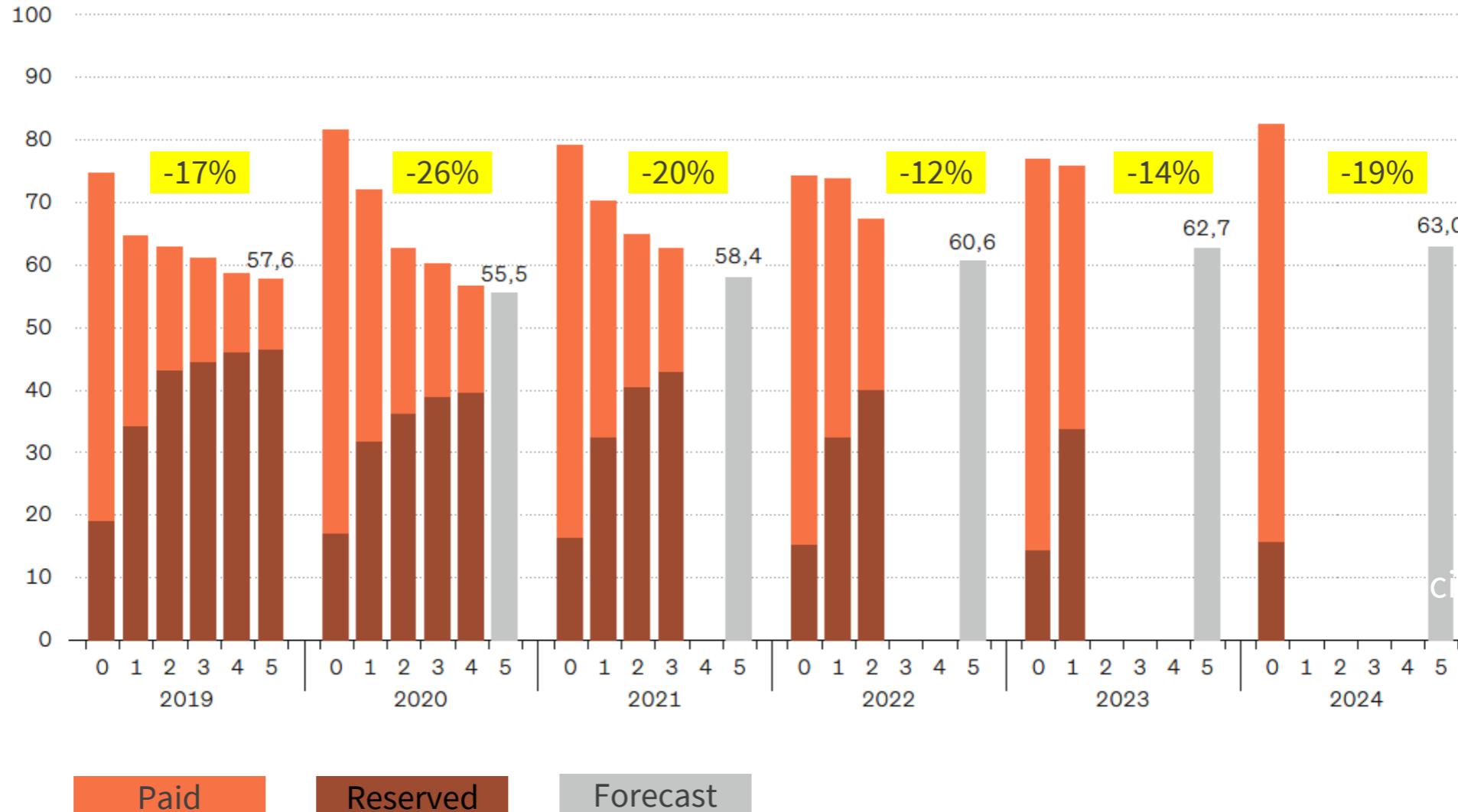
Source: GDV

# 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



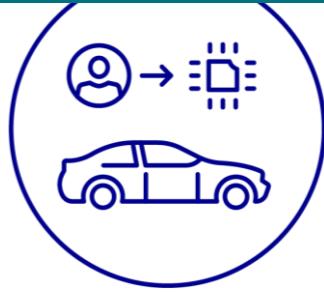
## Road Carrier



## 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**

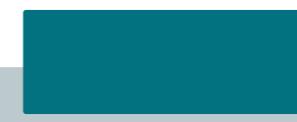
Shipping

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"><li>• Austria: AÖSp</li><li>• Belgium: ABEV</li><li>• China: CFLP</li></ul>	<ul style="list-style-type: none"><li>• Germany: ADSp</li><li>• Netherlands: Fenex</li><li>• Nordics: NASB</li></ul>	<ul style="list-style-type: none"><li>• United Kingdom: BIFA</li><li>• USA: none</li></ul>
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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

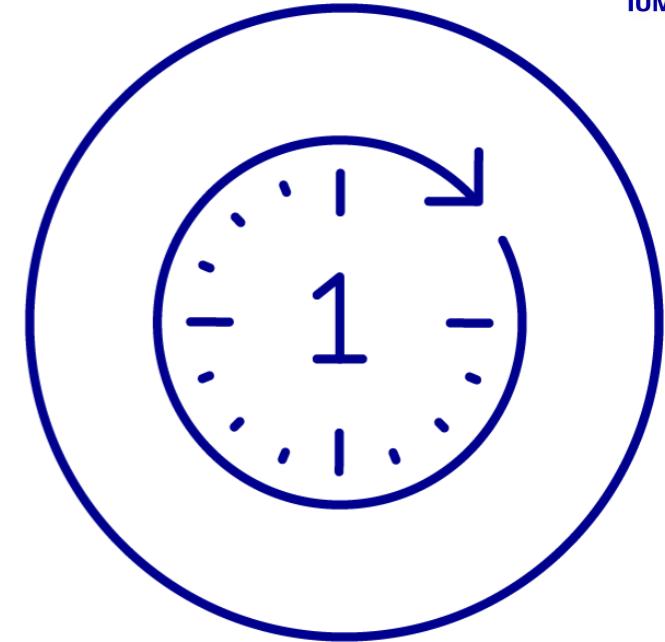
# FFL Insurance: Insured Delay

## 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).



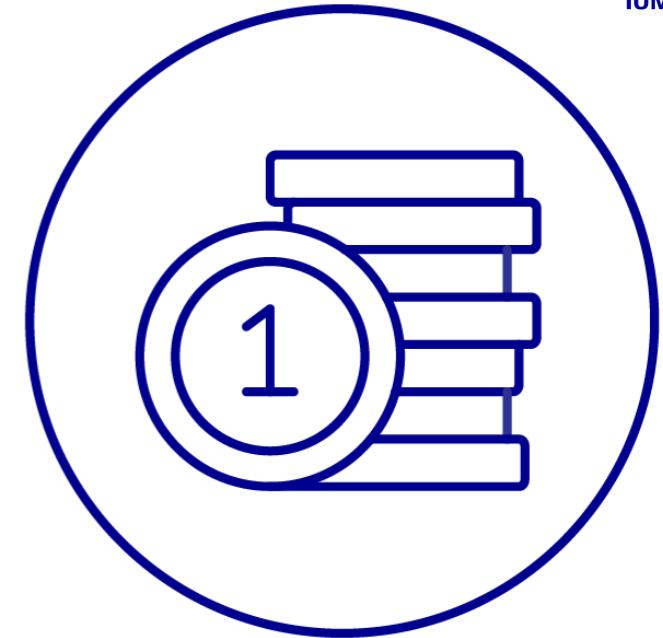
# FFL Insurance: Insured (Direct) Consequential Loss

## (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

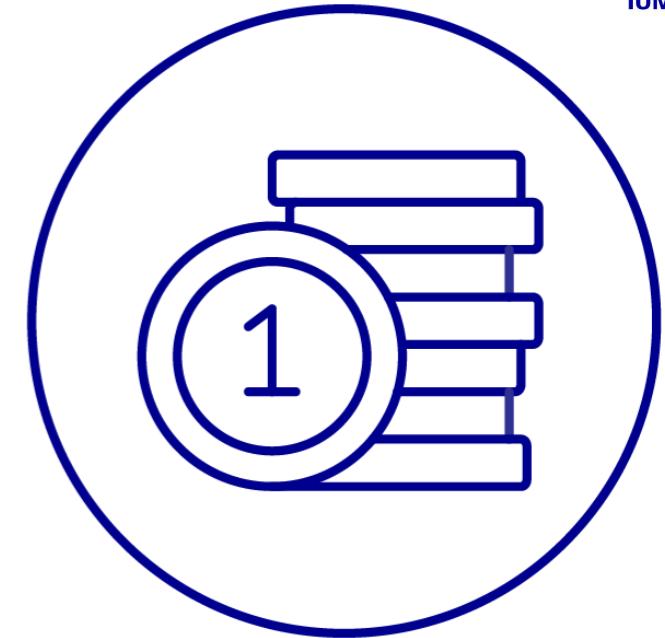


## (Indirect) consequential loss

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

### Examples

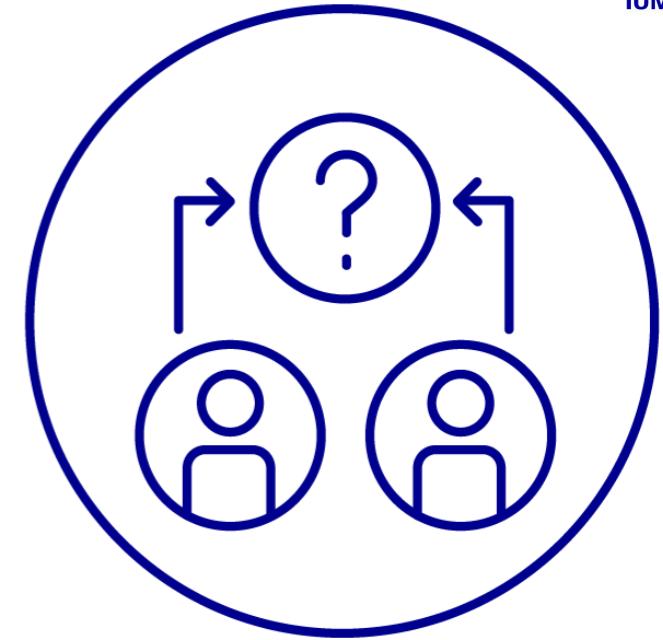
- Loss of business, profit, contract, production, reputation, goodwill
- extra costs such as due to misdirection
- Business interruption, line stoppage, liquidated damages (USD x / minute)



# 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

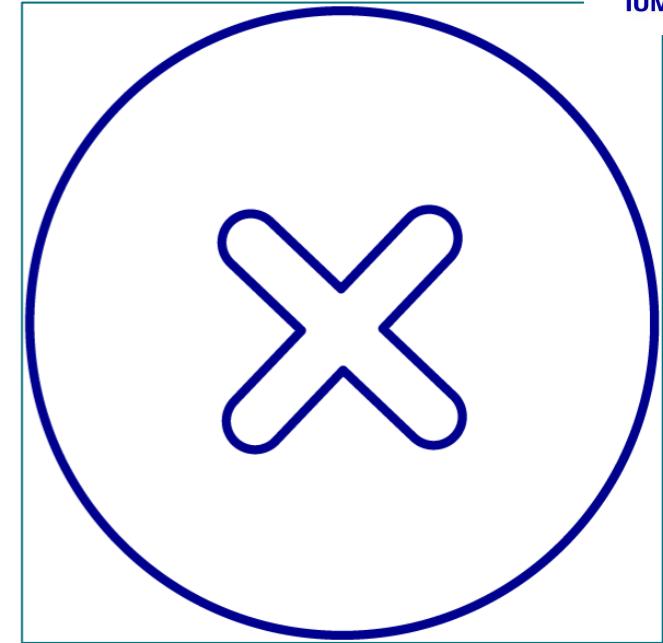
- Living animals and plants
  - Work of art
- Precious stones / metals
  - Cash, coins, pearls, securities, documents
  - Military goods and/or weapons

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 port 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 a few small buildings 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 deck and superstructure covered in a dense stack of shipping containers. The wake of the ship is visible in the turquoise-colored water behind it.

Marine



The Hartford

# Freight Forwarders' Liability Insurance: Insights and Perspectives from China, Europe and United States

IUMI Webinar February 10<sup>th</sup>, 2026

Karla Scott, Global Logistics Product Leader  
The Hartford, San Francisco, USA

# Agenda

1

**Logistics Insurance  
in the U.S.**

2

**Types of US Logistics Clients**

3

**Coverage  
Requirements  
& Challenges**

4

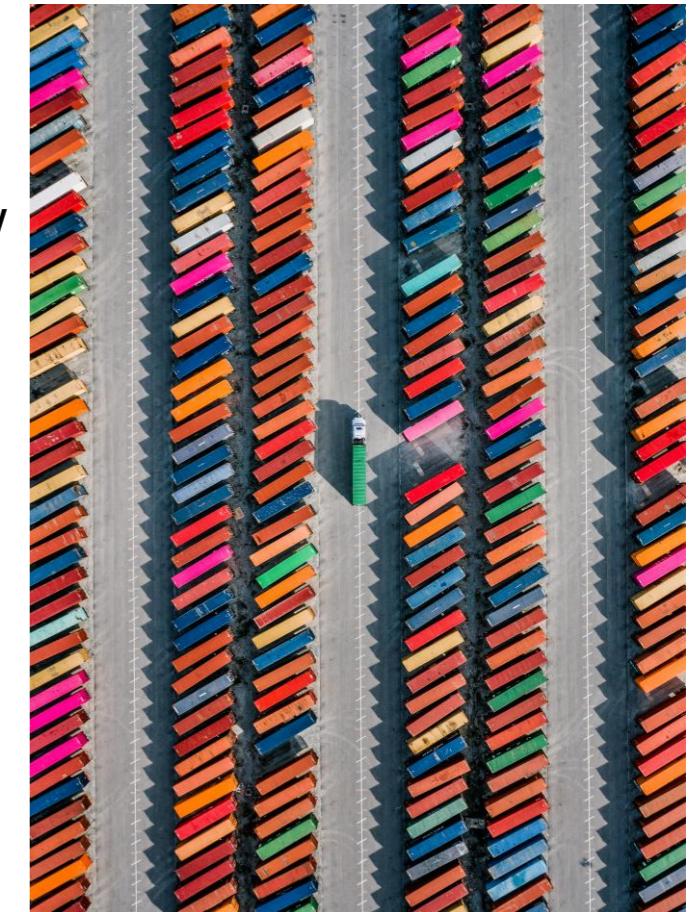
**US Logistics  
Market  
Landscape**



# Why Has Logistics Become More Prevalent in Marine Insurance Underwriting?

- Ecommerce has added many more participants to the complexities of a global supply chain.
- In the US there was a sustained period of nearly 0% interest rates for nearly 7 years, giving rise to private equity dollars looking at new sectors to invest in: Logistics.
  - Backed by private equity cash logistics companies evolved quickly from analog to very highly technologically advanced companies.
  - Private equity also allowed a lot of consolidation, mergers, and acquisitions in the space.

Metric	Value	Year	Source
U.S. Logistics Market Revenue	\$455.4 B	2024	grandviewresearch
North America total logistics revenue	\$2.7 Trillion	2023	statista
Projected U.S. Logistics Revenue	\$671.2B	2030	grandviewresearch



# Types of Logistics Clients

- **Freight Forwarder:** *Acts as a transportation organizer AND handler. Handles freight, issues bills of lading, warehousemen.*
  - NVOCC
  - IACC
  - Customs Broker
- **Freight Broker:** *Acts as an intermediary between shipper and carrier. Does not take possession of freight. Largely operates domestically in US. Does not issue Bills of Lading or act as a carrier.*
- **Ecommerce/Parcel:** Can be part of ecommerce transaction, creating shipping labels and providing shipper's interest.



# What Is Considered Logistics Coverage in the United States



## Standard

- Cargo Legal Liability (transit)
- Warehouse Legal Liability (Warehouse)
- Errors & Omission (Professional Liability)
- Shipper's Interest (1<sup>st</sup> Party All Risk transit)

## Other

- Motor Truck Cargo (asset based)
- Contingent Auto Liability
- General Liability
- Trailer and Equipment Physical Damage

## Coverage Extensions Requested

- Broken seals
- Broad perishable coverage
- Delay



# Logistics Underwriting Challenges

- Logistics is constant, and **fast-paced underwriting**.
  - Standard Liability
  - Increased Liability
    - No two freight contracts are the same
- **Service level requirements** mandate adequate staffing
- At the Logistics Company often the **sales team and the risk management team have different goals**.
- **Contingent auto** – not a marine risk, but hard to place coverage. Clients asking for a solution; currently only written in London.
- After pandemic and a high-water mark in freight revenue, logistics companies are hustling to add revenue, **differentiate, and are offering new services**.
  - Contract logistics
  - Light manufacturing
  - 4pl exposures
  - Insurance as a service



# U.S. Logistics Market Landscape

- Historically brokered by specialized logistics brokerage firms (Roanoke Trade, Avalon, etc.)
  - Sophistication and consolidation and growth in sector has drawn the larger brokerage firms into the marketplace: Marsh, Willis, Aon, Lockton, Howden.
- Few Marine Markets have a dedicated logistics practice
- Shipper's Interest product requires special technology tools
- Expertise in logistics claims with sophisticated tools often a requirement
- New US Marine market capacity beginning to go after logistic sector
- Service requirements and thin margins require discipline.



# Thank you!

✓ Feedback survey

✓ First Masterclass Cargo Asia in Singapore,

14-17 April 2026

