



IUMI Update – Value for our membership

Lars Lange, IUMI Secretary General

CBMU Fall Conference,
Tuesday, November 27, 2018, Fairmont Royal York Hotel, Toronto



Agenda



- 1. IUMI Cape Town conference**
2. IUMI major claims data base
3. IUMI education
4. IUMI policy agenda
5. Connect to IUMI

1. IUMI Cape Town Conference

Managing emerging risks – think the unthinkable



- IUMI's first African conference after 144 years
 - More than 20 speakers from Africa
 - IUMI Africa strategy
- We got a new President
- We got a new membership category and 2 new member associations



1. IUMI Cape Town Conference

Managing emerging risks – think the unthinkable



- IUMI's first African conference after 144 years
- **We got a new President**
 - Richard Turner, UK (IUA)
 - New in the Executive Committee:
 - Jan-Hugo Marthinsen, NOR
 - Frederic Deneffe, FRA
 - Mike McKenna, USA
- We got a new membership category and 2 new member associations



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 - Emirates Insurance Association (EIA)
 - Myanmar Insurance Association (MIA)



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**All presentations online on www.iumi.com
and www.iumi2018.com**



Agenda

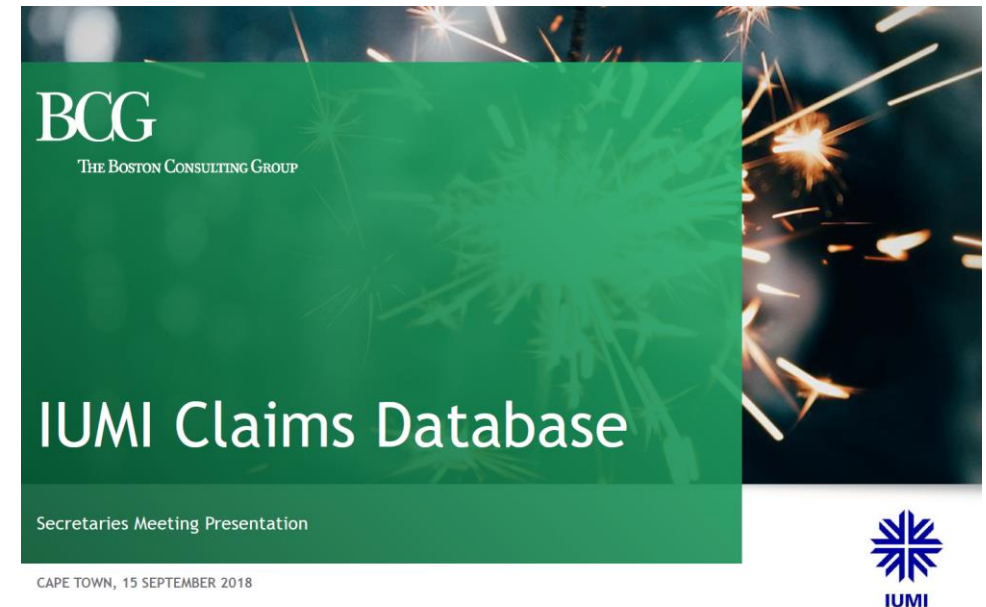


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2. IUMI major claims data base















- Joint project between IUMI and Boston Consulting Group
- NDAs between IUMI, the associations and BCG
- Pilot in Cape Town introduced
 - Threshold 250.000 USD for hull and cargo (100% of the gross loss)
 - Only hull and cargo are in scope, liability and offshore are not
 - Data collection via associations
- 6 member associations participated in pilot – Japan, Singapore, Sweden, Germany, Netherlands, Belgium



2. IUMI major claims data base



In total, we have collected more than 1,200 claim records from six countries that sum up to ~€2.3b of total losses

	 Hull	 Cargo
Countries	 Belgium	 Belgium
	 Germany	 Germany
	 Netherlands	 Netherlands
	 Sweden	 Singapore ¹
	 Sweden	 Japan
Data fields	<ul style="list-style-type: none"> • Date of accident • UW year • Loss amount • Cause of loss • Location of loss • Event name 	<ul style="list-style-type: none"> • Date of accident • UW year • Loss amount • Cause of loss • Location of loss • Event name
	<ul style="list-style-type: none"> • IMO • Vessel name • Type of vessel 	<ul style="list-style-type: none"> • IMO • Vessel name • Type of vessel • Mode of transport • Type of cargo • SIC
Cumulated losses	~€255m	~€2'046m

1. Some data received, but not in the standardized format

Agenda



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3. IUMI education



1. Member associations' education programmes
2. „IUMI database“
3. Webinars
4. Tutorials
5. In-class training (to come)



3. IUMI education

1. Member associations' education programmes
2. „IUMI database“
3. Webinars
4. **Tutorials**
 - Intermediate level online courses
 - Cargo: 11 modules – **online since 09/2018**
 - Hull: 14 modules – online 04/2019
 - Content developed by Sarnia Training (UK) and IUMI experts
 - Includes online exam & „IUMI Certificate“
 - € 550,00 for members, € 880,00 for non-members, € 90,00 fee for final exam
 - Explanation brochure and video on IUMI homepage



International Union of Marine Insurance



IUMI Education
Online tutorial
Cargo



3. IUMI education - cargo tutorial content



1. Introduction

to international trade

A look at how goods are typically bought and sold, including use of INCOTERMS, ways to pay, documentary credit processes used, difference between transfer of risk and transfer of title. Also focuses on open covers, global versus local policies and the differences in conditions and limits policies.

2. Particular average and sue and labour

This module covers the subject matter of the insurance and what it is – from goods/containers/packing materials, highlighting the different types of cargoes, physical hazards, methods of transport used for each, all the way through to all risks versus named perils, and looking at the concept of sue and labour.

3. General Average (GA) and salvage

This module focuses on the law of General Average (GA) and salvage, highlighting the differences between GA sacrifice, expenditure and contributions, when such situations might arise and how the cargo will become liable to pay.

There is a section on how insurers indemnify their clients and if this is always paid in full, the legal position of the vessel owner if the insurer does not pay and the insured options, and how the security for both GA and salvage is dealt with in practice.

4. Exclusions

A look at the topics addressed by the normal exclusions in a cargo policy and their detailed content, any exclusions that are typically added, and the practical impact of deleting exclusions.

5. War and strikes

A discussion on which insurers cover war and strikes and if they are the same as those that cover marine cargo risks. This module provides an overview of what cover is provided and if it exactly matches the exclusions, what is still excluded, what geographical restrictions insurers put in place, and the appetite for War on Land and static terrorism cover.

6. Duration provisions

This module focuses on when insurers typically come on risk under cargo wordings, the concept of transfer of risk, how insurance can be endorsed to the seller if required, and what is meant by the ordinary course of transit. The module also highlights duration provisions relating to when insurers come off risk, how these are normally extended, the impact changes in voyage can have and how transit and storage risks fit together.

7. Claims

An overview on cover and typical exclusions, how claims are calculated (depreciation versus salvage sale), the application of sue and labour, forwarding charges provisions, and recoveries/subrogation (including via collision adjustments).

8. Stock throughput

This module focuses on how stock throughput differs from pure transit insurance, and the purpose of the product. It highlights key elements such as limits, location information, accumulation issues, and appetite for war and terrorism cover.

9. Project cargo

A comprehensive look at the purpose of the product, what types of cargoes will be involved in project cargo policies, the information required to consider the risk, the important items for delay in start-up (DSU) cover, and claims practicalities.

10. Additional clauses (added by broker or underwriter)

This module considers some typical extensions that relate to the earlier modules of the course such as classification clauses, ISM/ISPS endorsements and forwarding charges, brand clauses, debris removal, sellers interest, unpaid vendor and full GA/salvage contributory value.

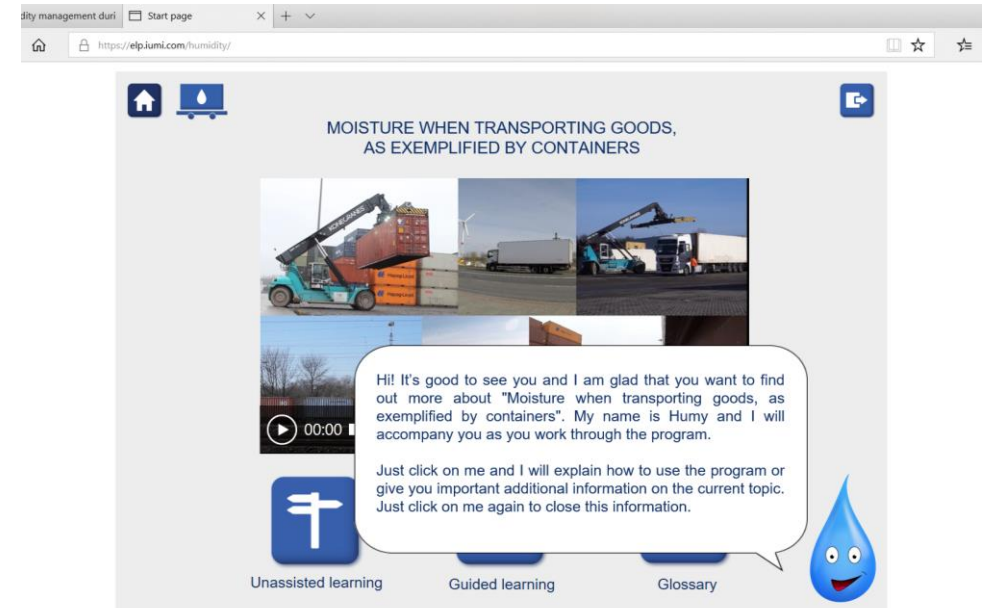
11. Trade clauses

This module focuses on the typical clauses available for certain commodities/cargoes, and a review of how they offer specific coverage relating to the behaviours/needs of the cargoes concerned, such as frozen food/meat, bulk oil, timber, rubber, and FOSFA.

3. IUMI education



- 1. Member associations' education programmes
- 2. „IUMI database“
- 3. Webinars
- 4. Tutorials
- 5. In-class training (to come)
- 6. ... and: humidity management online learning course



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4. IUMI policy agenda



- Places of refuge
- Low sulphur fuels
- Arctic shipping
- Cyber
- More automated shipping
- Fires on ro-ro and container vessels / misdeclaration of cargo



4. IUMI policy agenda



- Places of refuge
 - European guidelines up and running, table top excises improved procedures
 - EU / industry paper to IMO MSC 100 in Dec 2018
- Low sulphur fuels
- Arctic shipping
- Cyber
- More automated shipping
- Fires on ro-ro and container vessels / misdeclaration of cargo



4. IUMI policy agenda



- Places of refuge
- **Low sulphur fuels**
 - 0,5% sulphur cap to come in Jan 2020
 - Challenge with regard to availability, fuel quality, sampling and testing, different blends, storing and handling on-board
 - IUMI in dialogue with ship-owners and class, IMO MEPC 73 in Oct 2018
- Arctic shipping
- Cyber
- More automated shipping
- Fires on ro-ro and container vessels / misdeclaration of cargo



4. IUMI policy agenda



- Places of refuge
- Low sulphur fuels
- Arctic shipping
 - IUMI position paper Sep 2018
 - Application for Non-SOLAS vessels
- Cyber
- More automated shipping
- Fires on ro-ro and container vessels / misdeclaration of cargo



4. IUMI policy agenda



- Places of refuge
- Low sulphur fuels
- Arctic shipping
- **Cyber**
 - Forthcoming 12 IACS recommendations – late 2018
 - 3rd edition ship-owners guideline (“BIMCO Guideline”) – Oct / Nov 2018
- More automated shipping
- Fires on ro-ro and container vessels / misdeclaration of cargo



4. IUMI policy agenda



- Places of refuge
- Low sulphur fuels
- Arctic shipping
- Cyber
- **More automated shipping**
 - IMO Legal and MSC scoping exercise
 - CMI working group
- Fires on ro-ro and container vessels / misdeclaration of cargo



4. IUMI policy agenda



- Mutual recognition
- Places of refuge
- Low sulphur fuels
- Arctic shipping
- Cyber
- More automated shipping
- **Fires on ro-ro and container vessels /
misdeclaration of cargo**
 - IUMI position papers Feb and Sep 2017
 - GDV/VHT: Formal safety assessment
 - IUMI talks with various stakeholders



4. IUMI policy agenda

Digitalization, big data



- The business environment is rapidly changing – internal as well as external: big data, digitalization, IoT, sensor-technology, blockchain, 3D-printing, placing platforms
- «disruption» is a threat
- *«It's not about IT, it's about management»*
- Think every process right from the beginning digital
- ... this is also a business opportunity! Start early, embrace the risk, develop a strategy to understand, assess, insure
- IUMI WorkingGroup on big data and digitalization, cooperation with IPPs



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IUMI „Policy Agenda“ on www.iumi.com



27 August 2018




Current Issues
IUMI Policy Forum



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27 August 2018
Current Issues
IUMI Policy Forum



Current Issues
IUMI Policy Forum

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¹ Items are listed in alphabetical order.
Recommended core documents are highlighted in red

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5. Connect to IUMI

IUMI Eye



- Quarterly newsletter
- Mail, pdf or www.iumi.com

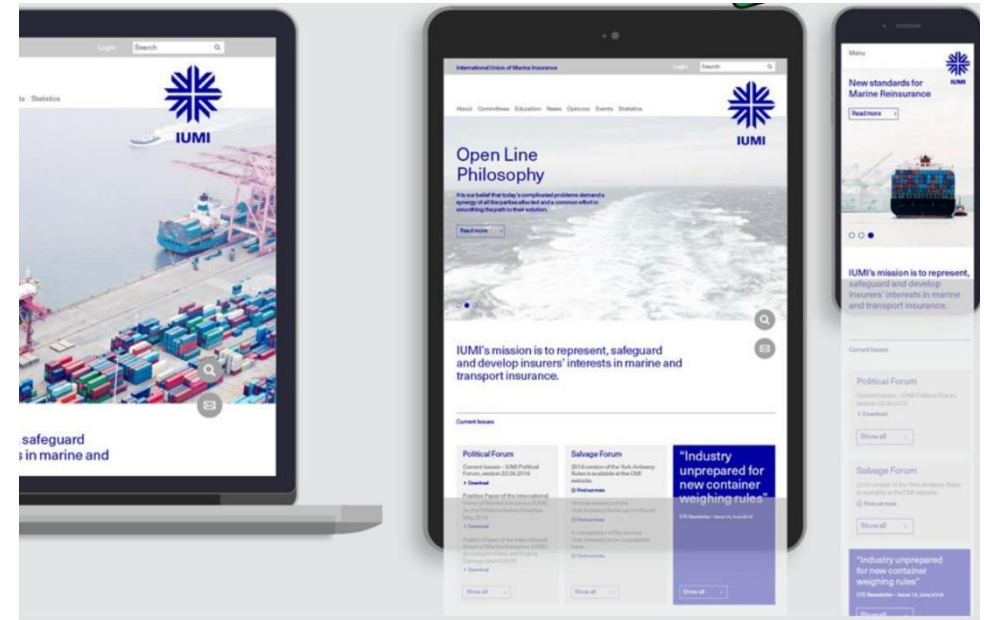


5. Connect to IUMI

Homepage, new media, videos



- www.iumi.com
-  [@IUMI_marine](https://twitter.com/IUMI_marine)
-  [International Union of Marine Insurance \(IUMI\)](https://www.linkedin.com/company/international-union-of-marine-insurance)
- TC Chairmen and IUMI videos



5. Connect to IUMI

Conferences

- **2nd IUMI Asia Forum 2019**

Shanghai / CHN, 21-22 May 2019

www.iumi.com

- **145th IUMI Conference 2019**

Toronto / CAN, 15-18 September 2019

www.iumi2019.com

 [#IUMI2019](https://twitter.com/IUMI2019)



5. Connect to IUMI

Conferences

- **145th IUMI Conference 2019**

Toronto / CAN, 15-18 September 2019

www.iumi2019.com

 [#IUMI2019](https://twitter.com/IUMI2019)





That's it!

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