

Asia Insurance Review's

IUMI

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Stay Up Front with The Technicals

With an overwhelming array of more than 25 presentations throughout the eight-hour workday with a choice of breakout sessions depending on one's bent, drive and pet peeves, the second day at the IUMI Singapore was a major technical jamboree, giving underwriters the brass tacks and technical know-how to get the underwriting right. The scene shifted dramatically from the first day's broad market overviews and philosophical advice on getting the business mantra right – that the over-riding rule that to be that insurers must write for a technical profit to give a decent return to shareholders; not be dependent on investment income; not use the cycles as an excuse for poor underwriting; insurers can and must resist pressures leading towards a soft market as it has only been two good years after a long period of woes.

The Range, Spread and Depth

Day Two was about:

- Getting the technicals right;
- Getting the loss prevention, risk management and claims management priorities correct;
- The impact of the furious shipbuilding in Japan and Korea on the hull market;
- Dealing with real life situations in war torn Iraq or emerging booming giants

like China or piracy in Southeast Asia or war risks discipline;

- The real biggies of transport of radioactive cargo or even socio-politico issues of transport of livestock in the face of strong environmental lobbyists; about worrying about subcontractors used by clients and being there to ensure standards are met;
- Class moving to risk-based assessment as opposed to prescription of one size fits all;
- The slew of international rules and regulations affecting maritime trade and the obligations assumed;
- Legal liabilities;
- Including the right exclusions from the very beginning;
- Coming to grips with terrorism and piracy;
- The terms, clauses and conditions in builder's risk policies;
- Controlling the carriers;
- Machinery, diesels, boiler-room damages; and
- Hard practical business tips on staying alive in the business to work towards a steady stable future.

Mostly, it was about how to be a good underwriter in the dramatically changing world and how to stay relevant to the shipping and shippers' community that

marine insurers serve.

Strong Learning Experiences

The spirit of co-operation and sharing within the IUMI family through helping each other learn from the experiences of the others in different markets and being able to transpose those lessons into one's own business for active returns or loss reductions or cost savings or just avoiding problems came through very strongly at these sessions. The reality of why IUMI has withstood the long test of time over 130 years despite frequent criticisms of being challenges to become more relevant to the realities of the marketplace today came through in these technical sessions and workshops. They were not "hot" "sexy" sessions with talk of "rates, rates, rates" – a topic IUMI scrupulously avoids as stipulated in the mission statement that prohibits members from entering any deals on rates or conditions of insurance whether expressed or implied. Yet, these sessions packed in the crowds with several serious delegates, who not only gained from the discussions but were ready to sign on for the next IUMI as well (see story on feedback from selected delegates; read also what exhibitors say of the time spent with the delegates).

Some of Day Two's Speakers



(L-R):
Andreas Gippert;
Ben Browne;
Bent Nielsen;
John Curley;
Matthew Fenton;
Maup Hoppzak



(L-R):
Max Zaccar;
Nicholas Gooding;
Patrick Janssens;
Phil Grieve;
Simon Beale;
Trevor Dixon

Delegates Give Their Thumbs-up For IUMI 2004

There is no doubt that the IUMI conference was a roaring success judging by the number of delegates that showed up in full force this year in sunny Singapore to exchange information and experiences. IUMI Daily caught up with delegates – ranging from faithful veterans to eager first-timers – to find out the key issues drawn from this year's conference and why IUMI continues to be the not-to-be-missed marine event of the insurance calendar.



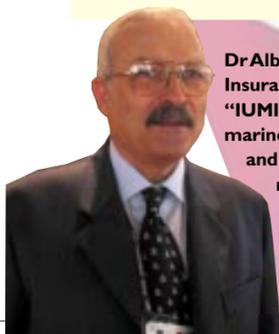
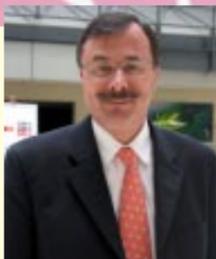
Dr Volker Bergeest, Marine and Transport, Allianz Globus MAT, Germany
 "At IUMI, you get a deeper insight into the international marine market through the detailed statistics. You find out first hand what is happening in the world and there is more transparency as a result."

Mr Trevor Dixon, World Nuclear Transport Institute, United Kingdom
 "I am happy to be here to give some information on the transportation of nuclear substance. We have "denial and delay" among ports and shipping companies to nuclear transport and it could be because of the lack of insurance availability. Hence this is a good place to generate interest and give information."



Ms Christina Castellini, Associazione Nazionale Fra Le, Italy
 "This is a great opportunity to share opinions and views with people from all over the world. For instance, the Cargo workshop was very interesting with one session focused on radioactive cargo and the other on developments of insurance in China."

Mr Denis Devely, Hull and P&I Class Manager, AXA Corporate Solutions, France
 "The industry really needs to go back to basics and adopt a technical approach to underwriting instead of a purely financial approach. This is an important factor, in order for the market to return to profitability."



Dr Alberto A Liuzzi, Asst General Manager, Eliahu Insurance Company Ltd, Tel Aviv
 "IUMI 2004 gave me updated information on the global marine market. I've been attending IUMI for 20 years and it's always very interesting to learn about the new risks and trends in the market. I come from Israel, so it was very exciting to meet Asian representatives and learn about the differences in the industry."



Mr Matthew V Fenton, Technical Manager – North East Asia, CTC Services, Hong Kong
 "It is a great conference which gives us a chance to talk about local conditions and situations such as cargo in China and piracy on the high seas. It is a good platform for us to share experiences with colleagues around the world."



Ms Heini Heideman, Head of Marine Cargo Underwriting, Industrial, Helsinki
 "The presentations by the actuaries were more concrete than previous years, and that was very refreshing. The message of profitability was also drilled in hard and delegates seem more serious about it. The cargo workshops were especially useful, as they were filled with very practical tips on terror cover and war risks."



Mr Mark Berggren, Asian Market Representative, SalvageSale Inc, Singapore
 "I came to get a good introduction to the industry and understand the types of issues of the industry and meet the people. It is an important event for me as we can help people recoup losses and help them in their recoveries. I met lots of people and was struck by the persistent economic malaise of the maritime insurance business."



Ms Esther Cheng, Asst Manager, Commercial Insurance, NTUC Income, Singapore
 "This is the first time I am attending IUMI and it was interesting to hear about piracy which is very relevant to Southeast Asia. The sessions threw light on the seriousness of piracy and offered very practical underwriting tips to take home."



Mr Leo Wang, Manager Aviation and Marine Hull Division, Union Insurance Company Limited, Taiwan
 "I've attended IUMI over the last few years and it was exciting to finally attend the event in Asia. As the region accounts for 40% of the world's marine insurance, I was looking forward to learn more about the Asian experiences and challenges. The sessions on repairs and loss prevention were also very interesting and useful."



Mr Hans Henrik Bardrum, Business Line Manager (Marine), TrygVesta Group, Denmark
 "This is my 6th IUMI conference and I find this year especially interesting. During the Ocean Hull workshop, we had a video clip as part of a presentation. This is great as it was a fresh way of presenting a technical subject matter"



Mr Carsten Mortensen, Director TrygVesta Group, Denmark
 "It's important to get pricing right, otherwise marine hull underwriting will face even more challenging times. I have been attending IUMI for the last decade, and pricing is the constant issue that is drilled in each time, especially the last three years. It's time to wake up to the reality, and drill home the message that we have to be firm on rates."



Mr Henk P. Crielaard, EuroShip Assekuradegesellschaft, Netherlands
 "This is one of the best IUMI conferences I have attended since 1990, absolutely well organised. As for the sessions, they are a good reminder for all of us here, especially on the point of profitability. I concur with what Justin Gardner said yesterday – that senior management should respect their underwriters' decisions. I think that is an important reminder too."



Mr Nimbe Oviolu, Managing Director/CEO, Trust & Guarantee Insurance Company Limited, Lagos
 This year, there was overwhelming attention and interest from the delegates and this reaffirms the relevance of this very important conference. I am interested in terrorism but there is still no cover for it. Somebody somewhere is suffering; maybe insurers should look and see how to remedy this very real need."



Mr K K Srinivasan, Secretary (CEO), Tariff Advisory Committee, India
 "This is one of the few conferences with high quality technical level papers. Some of the issues highlighted include the yacht rules and General Average claims conflict areas between insurers and shipowners. Insurers are made to walk the "garden path" but shipowners are not yielding although some grounds are broken. It is good to have this type of dialogue."

Singapore Maritime Foundation

Ms Florence Lim, Manager, Singapore Maritime Foundation, Singapore
 "Most delegates came to our booth to find out about the Singapore industry. As the SMF is new the IUMI was an excellent platform to create awareness about the company and what we do. For future events, it would be good to have more exhibitors as that would help create a buzz and also for the conference to have longer or more frequent breaks to give delegates more opportunity to visit the booth."



Mr Mike Telford, Director, WK Webster & Co Ltd, London
 "One major concern of people is how to return the underwriting market to profitability and focus on alternative means of risk transfer. At future IUMI gatherings I would like to see more focus on claims management as it's the shop window of insurance."

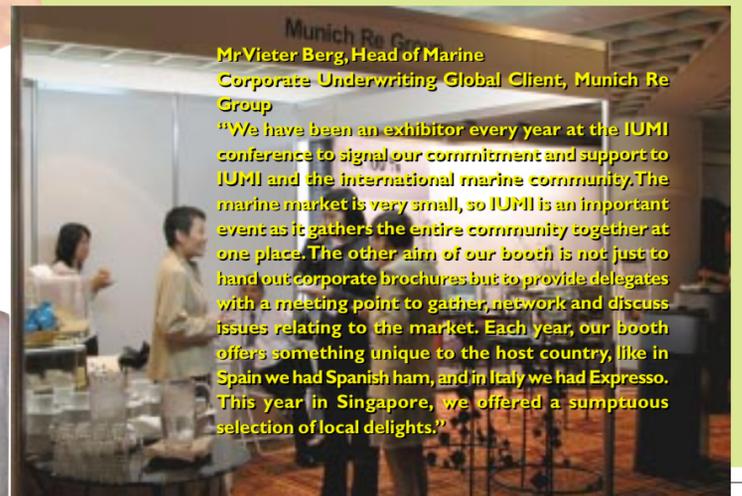
Mr John Moloney, Consultant Agency Department, Lloyds, London
 IUMI is our biggest marketing event of the year. It's the one event in the insurance calendar, where all the marine



underwriters, meet at one place to discuss issues relating to the industry, so we devote a lot of time and resources to it. This year's IUMI was especially significant as we have a new appointed agent on board, Insight, and we are delighted about this new partnership.

Mr Vieter Berg, Head of Marine Corporate Underwriting, Global Client, Munich Re Group

"We have been an exhibitor every year at the IUMI conference to signal our commitment and support to IUMI and the international marine community. The marine market is very small, so IUMI is an important event as it gathers the entire community together at one place. The other aim of our booth is not just to hand out corporate brochures but to provide delegates with a meeting point to gather, network and discuss issues relating to the market. Each year, our booth offers something unique to the host country, like in Spain we had Spanish ham, and in Italy we had Espresso. This year in Singapore, we offered a sumptuous selection of local delights."



Financing and Ship Valuation Services Add to Singapore Being a Hub

With the Republic's drive to be a regional and international maritime hub, there must be the presence of strong and active facilities and services for ship financing and ship valuation, said Mr Nehemiah Neo Lian Sun, Managing Director of Insight, appointed Lloyd's Agent in Singapore in April, taking over from Boustead that had held the position for over a century.

Adding that being appointed a Lloyd's Agent was still a "prestigious and significant" appointment in the market given the leading role played by Lloyd's, the driven head of the 12-year old, largest homegrown loss-adjusting Insight Group said: "The appointment is an endorsement of faith by a premier global organisation reputed for its integrity, strength, resilience, service and quality... It is strategic to the growth of Insight and a mark of recognition of its 'expertise and standing in the local maritime community.'"

As Lloyd's Agent, they are assisted in market introduction and penetration as well as enhancing client servicing and service standards and competency. Lloyd's is also actively in the process of beefing up the expertise and efficiency of its 900 agents around the world. Many agents who didn't respond to the reliability, tradition and reputation of Lloyd's have been weeded out in the process, he said.

And since taking over in April, Insight Marine Services has seen its client list grow substantially with work coming from names they haven't heard of and even over the weekends as well. They have also moved

into more complex areas of work with ship valuation being a high priority. The valuation is also used as a guide to determine the sum insured of the vessel.

In an interview with IUMI Daily, Mr Neo said that, aside from the business deals, the greater satisfaction came from providing intelligence on ship movements as part of the global fight against terrorism.

Looking at the changing trends in the marine market, he said that, given the growing complexity of the business and the tremendous innovation in shipping and ship management technology, the days of the one-man band is dying. They were largely relying on "yesterday's knowledge to do today's work", he added, stressing the need for market contacts to get access and information.

Insight, which has 85 staff in the region with offices in Indonesia and China, is the Asia regional office of vrs Universe Adjusters a leading global network with over 300 partners in 70 countries. It was recently appointed the agent for CESAM, the French equivalent of Lloyd's. These are not just names but the three appointments together make Insight uniquely placed to draw on a very large reservoir of resources and expertise in all the major markets when needed, said Mr Neo, who is personally still very excited by the Lloyd's appointment seeing it as his 30-year dream come true.

Though the role is traditionally a marine-based survey and claims settling agent for Lloyd's underwriters, Insight expects the appointment to lead to opportunities to serve the global insurance and reinsurance markets in assignments involving specie, non-marine, aviation and other specialist insurance programmes.



IUMI 2005: Next Stop Amsterdam

From the lion city of Singapore, IUMI moves to the land of wooden clogs and tulips – the Netherlands. Amsterdam is all set to host IUMI 2005, and this will be the fifth time the Netherlands will host IUMI.

Speaking to the IUMI Daily, Mr Kees Harland, Chairman of the Organising Committee, and a Director of Nationale-Nederlanden, said that the marine market in the Netherlands has changed significantly since the last IUMI in Amsterdam in 1982. "Back then, there were several underwriting agencies, and the market was extremely competitive. Today as a result of consolidation, a number of these agencies have disappeared. Also because of the EU measures in 1997, the market does not have any price agreements and insurers have been operating on their own terms."

Mr Harland, who was nominated and is expected to be an Executive Member of the IUMI Executive Committee, said that his dual responsibility was a "good combination" and he was looking forward to sharing his experiences with colleagues around the world.

Unveiling the new IUMI logo for 2005, Ms Nieke van den Hoff, from the Association of Dutch Insurers, said the logo was designed with Dutch influence in mind. The tulip which hails from the Netherlands and the three crosses, the sign of Amsterdam are common sights around the city. Set to be held at the Okura Hotel from the 18-21 September 2005,

organisers are expecting a turnout of more than 600 delegates and have already begun preparing for the event. Ms van den Hoff added that the social events and entertainment promises to be unforgettable with a touch of true Dutch hospitality and culture. For more information, visit www.iumi2005.com. See you in Amsterdam!



22nd East Asian Insurance Congress 2004

Bangkok, 20 - 25 Nov

Hosted by the General Insurance Association and The Thai Life Assurance Association, the theme for the 22nd EAIC, "Asian Insurers in the New Financial Environment", aspires to be strategically thought-provoking and promises to generate many beneficial discussions.

Invited speakers include HE Tun Dr Mahathir bin Mohamad, former Prime Minister of Malaysia; Lord Peter Levene of Portsoken, KBE, Chairman of Lloyd's; Mr Takeo Inokuchi, Chairman and CEO of Mitsui Sumitomo Insurance Co; and Mr Katsuo Matsushita, General Manager of the General Insurance Association of Japan.

More details at www.eaic2004bangkok.or.th



The Asia Insurance Review team

hoped you enjoyed our daily coverage of IUMI Singapore 2004. Safe travels home and see you in Amsterdam!



Editor-in-Chief Mr Sivam Subramaniam (centre); and Journalists: Ms Wendy Koh (extreme L) & Ms Irene Yeo (extreme R); Design: Charles Chau

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