

IMIA 2009 COUNTRY ANALYSIS

Country	Premium development	Claim development	Underwriting profitability	Business outlook
<p>France 2009</p>	<p>Globally there is a reduction in incomes of Engineering insurance premium compared with 2008, (-7% which is important). Lower premium volume from EAR/CAR, is no longer compensated by big progress of renewable energies projects and MB contracts indexation review.</p> <p>Shrinking volume of Electronic Equipment and MB/BI premiums is due to their inclusion in property all risk covers.</p> <p>2009 EAR/CAR figures show a reduction of the premium due to the reduced activity of the construction sector.</p> <p>French decennial is on stable slope increasing. Not taken into account consideration of the special feature of this business</p>	<p>Globally the 2009 figures are lower than 2008 (No major claims). The global show a permanent slight decreasing from 2008. Global L/R rather good about 39%, without taking into account possible late claims</p> <p>The decennial portion of claim shows a slight increasing.</p>	<p>The increasing number of players enlarges the competition, and the soft market conditions will lead to reduced profitability for the next coming years. Continuing requests for extension of ALOP cover become larger in term of share; this will certainly impact the future results of the engineering insurance business</p> <p>Decennial business always balanced</p>	<p>Construction activity for industry and mainly for builders during year 2009 was strongly decreasing. The coming back of the activity is not expected before 2011. The figures from 2009 are showing a significant reduction in particular in the middle market. The investments in new projects are decreasing by about 7%; Globally the unused capacity in the manufacturing facilities is very high (rate of using 71%).</p> <p>EAR/CAR are reducing due to reduction in number of projects, affecting the premium level.</p> <p>Increase of extent of cover for CPE, on global contracts or site attached contracts.</p> <p>DSU cover is in progress in particular for renewable energies. Insurance schemes are getting more and more complicated.</p>