

## Press news / releases on IMIA Conference, Doha 1<sup>st</sup> to 5<sup>th</sup> Oct 2016

During the Opening Ceremony of the Annual IMIA Conference (the International Association of Engineering Insurers) with Participants from many countries around the world, sponsored by The Qatar General Insurance and Reinsurance Company and the Central Bank, HE the Central Bank Governor Sheikh Abdullah bin Saud al-Thani receives a token of appreciation from Qatar General Insurance and Reinsurance Company Chairman Sheikh Nasser bin Ali al-Thani



Picture: Jayan Orma

### **Peter Algoas writes:**

Insurance premiums in Qatar experienced a 33.5% growth to reach more than QR 11bn in 2015, according to HE the Central Bank Governor **Sheikh Abdullah bin Saud al-Thani**, citing the “remarkable development” of the country’s insurance industry in the past decade.

At the same time, Sheikh Abdullah stressed that the financial position of all national insurance companies in the country increased by QR 9bn in 2015 or a 25% growth compared to 2014.

“This reflects great activities in the insurance sector and insurers stand as a key factor in supporting the financial system of the country. These include nine national companies, five of which are listed at the Qatar Stock Exchange, while the others are working in Islamic insurance or the Takaful industry,” he said.

**The Qatar Central Bank governor was addressing the opening session of the 49th International Association of Engineering Insurers (IMIA) Conference, which will run until tomorrow at the Marsa Malaz Kempinski in Doha.**

Sheikh Abdullah said: “**We are proud to have the IMIA conference in Qatar** for the first time in the region at a time when the global economy and the financial sector are facing various challenges. This requires us to conduct researches and find solutions that should reduce the negative impacts on the financial sector.

“The development of the insurance sector is on the top of the priorities of the QCB, taking into consideration its importance and role in supporting the economy. The QCB is working according to a comprehensive strategic plan as per the Qatar National Vision 2030.”

At the global level, **IMIA chairman Oscar Tresceno** said the IMIA has collected \$8bn worth of insurance premium worldwide for engineering insurance in 2015. “On insurance claims, the IMIA pays \$13mn in losses every day or half a million every hour. This is the contribution to the economy,” he added.

**Sheikh Nasser bin Ali al-Thani**, chairman of Qatar General Insurance and Reinsurance Company (QGIRCO), said: “We are proud to support this conference because the insurance sector is an important contributor in the

national economy and **engineering insurance specifically supports the challenging projects** that are part of the Qatar National Vision 2030.

“QGIRCO has a long experience and deep knowledge in this field, and today’s conference is a clear indication of the role QGIRCO is playing for the economic development of the country.”

Speaking to reporters during a press conference after the opening ceremony, **IMIA general secretary Dr Hans Mahrla** said: “Qatar would be good, attractive market because of the huge volume of investments. Every insurer would be keen on being here and doing business but when too much insurance comes in, rates go down and conditions become wider and wider, which means the results would be negative after five to 10 years.”

Ghazi Kamel Abu Nahl, Group CEO, Qatar General Group, added that economic growth and government policy have elevated Qatar’s status in the international market.

- Insurance Post Magazine - 4.9.2016

## **Engineering insurance sector is under-evaluating cyber risks**



Rosie Quigley

Cyber risks are underestimated by engineering underwriters despite the Internet of Things and cloud computing having a direct impact on engineering risk landscape. According to The International Association of Engineering Insurers, there needs to be an increased dialogue between underwriters, brokers and risk managers to promote an increased understanding of cyber...

**ZAWYA (Thomas Reuters) – 4 Oct 2016**

### **Boosting insurance sector a top priority: QCB**

By Mohammad Shoeb

DOHA: The Development of insurance sector is on the top of the agenda of Qatar Central Bank (QCB). The Central Bank is working on to advance its systems and programmes that will further stimulate the growth of insurance sector, said QCB Governor H E Sheikh Abdullah bin Saud Al Thani yesterday.

“The development of the insurance sector is on the top priorities of QCB, taking into consideration its importance and role in supporting the economy. QCB is working according to a comprehensive strategic plan as per the 2030 Qatar National Vision, to enable this sector to do its crucial role”, the Governor told the audience in his keynote address at the opening of the 49th International Association of Engineering Insurers (IMIA) conference.

“We are working to advance our system and programmes that are related to the insurance sector to further accelerate the pace of growth of this sector, especially when we need many new products and services to support the economic diversification of the economy,” Sheikh Abdulla added. He said that since the insurance sector has come under the umbrella of QCB, the regulator has set up a specialised administration for the effective monitoring and supervision of the key sector.

The IMIA conference, which is being held under the patronage of QCB Governor, was attended by more than 110 delegates and guests from more than 30 countries representing the top worldwide experts in the Engineering Insurance. Held for the first time in Qatar and GCC, the event is organised by IMIA in collaboration with the Qatar General Insurance & Reinsurance Company. Sheikh Nasser bin Ali Al Thani Chairman of Qatar General Insurance and Reinsurance Company, its Group CEO, Ghazi Kamel Abu Nahl and Oscar Tresceno, Chairman of IMIA, were also present in the event.

“We are proud of supporting this conference, since the insurance sector is an important contributor in the national economy and the engineering insurance supports specifically the challenging projects that are part of the national vision 2030,” said Sheikh Nasser.

QGIRCO has a long experience and deep knowledge in this field, and today’s conference is a clear indication of the role QGIRCO is playing for the economic development of the country,” he added.

The three-day conference will discuss various related topics including the support of deep excavations, cost overrun and project financing and latest technology in boiler technology and cyber risk.

It will also explore subjects such as Natural Catastrophe Modelling and Contractor’s Plant & Equipment.

“The insurance premium worldwide for engineering insurance in 2015 reached the impressive figure of \$8bn,” said Oscar.

The participants will also focus on the development of the insurance market in Qatar under the supervision and guidelines of QCB, making it one of the leading insurance markets in the region.

“At IMIA we are extremely pleased and honored to conduct our 49th conference here in Doha, as mentioned for the first time in an Arab country. 130 insurance managers will share experiences, investigate and discuss during the conference emerging and critical issues. The insurance premium worldwide for engineering insurance in 2015 reached the impressive figure of \$8bn,” said Oscar.

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## **Insurance Business – 5 Oct 2016**

### **This insurance sector is underestimating a growing risk** – by Louie Bacani

Engineering underwriters are underestimating cyber risks even though digital trends such as the Internet of Things and cloud computing have a direct impact on the sector.

This is the assessment of the International Association of Engineering Insurers (IMIA), which called for increased dialogue between underwriters, brokers and risk managers to improve understanding and awareness of cyber threats in the engineering risk landscape.

Alexander Schmidl, chair of a specialist working group formed by the IMIA, said that engineering underwriters must address the issue of cyber on all covers they write.

“The perception that cyber events do not cause physical damage is being challenged; such damage from cyber risks is a reality and is an issue for all lines of engineering insurance,” Schmidl said.

“Keeping pace with cyber trends is key if they (underwriters) are to remain current in assessing and carrying related risk,” he added. “Continuous learning will qualify insurers to be long-term risk partners for the industry and its increasingly complex risks.”

Schmidl’s group reviewed engineering covers and found an underestimation of potential loss scenarios based on cyber interconnectivity among industrial control systems.

Schmidl warned that ignoring cyber risk will create a significant and more complicated issue for technical insurers in the future.

“Engineering insurance carriers have to decide how to manage the growing risk from the various threat sources,” he said. “Failing to do this will not allow for the creation of an adequate long-term cyber risk business model with an appropriate risk return.”

## **Canadian Underwriter – 4. 10. 2016**

### **Engineering insurers’ working group calls for ‘greater risk dialogue’ on cyber threats**

Cyber insurance coverage “should not replace” information technology security measures, and cyber risk can have an effect across engineering projects, the International Association of Engineering Insurers (IMIA) warned Tuesday.

Cyber security concept with lock “The perception that cyber events do not cause physical damage is being challenged,” stated Alexander Schmidl, the chair of an IMIA working group, in a release. “Such damage from cyber risks is a reality and is an issue for all lines of engineering insurance.”

IMIA is holding its conference in Doha, Qatar. The conference – which finishes Oct. 5 – is sponsored by Qatar Central Bank and hosted by Qatar General Insurance and Reinsurance Company (QGIRCO).

In addition to cyber and war and terrorism risks, delegates to the conference “will be discussing cost overrun and project financing, natural catastrophe modelling and the latest developments in boiler technology,” IMIA stated.

“The insurance industry is making important strides with insurers and brokers offering targeted cyber risk consulting and tailored solutions,” stated Schmidl. “But there needs to be greater risk dialogue and analysis of the threat as part of the risk management process. Keeping risk management at a strategic level is key as a cyber insurance solution should not replace solid IT security standards.”

The IMIA specialist working group reported to IMIA members at the conference. The working group was established “to identify the challenges from cyber risks and how they apply to engineering insurance lines.”

The conference “provides a forum for sharing current knowledge and best practice affecting the sector developed by the Association’s expert working groups,” IMIA noted.

The IMIA working group “highlighted the challenges inherent in the pricing of engineering insurance in relation to cyber threats,” IMIA reported.

“Traditional engineering lines pricing is usually retrospectively derived from loss and exposure data covering areas such as loss frequency, exposure data and the severity and distribution of losses,” Schmidl stated. “To create an effective cyber pricing model for engineering lines will required increased focus on collating cyber loss data in all these areas.”

## Construction Week Online

### Khalifa International Stadium hosts IMIA group

by Kim Kemp on Oct 5, 2016



International Engineering Insurance Association delegates posing for a group picture at the construction site of the Khalifa International Stadium. (Image: *The Peninsula*).

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The 49th International Engineering Insurance Association (IMIA) Conference has commenced in Doha, with a delegation invited to visit Khalifa International Stadium construction site, presently being transformed into a modern stadium for the 2022 FIFA World Cup.

Redeveloped from an old and existing stadium by Midmac Contracting Qatar and the Energy Centre by Galfar Al-Misnad Engineering and Contracting, the project is part of the Aspire Zone Foundation, which will involve the transformation of the old stadium to a multi-sport state-of-the-art facility.

The stadium will host the 2019 IAAF World Championships in Athletics and it will be one of the venues of the FIFA 2022 World Cup as part of the SC programme.

Accompanying the delegates, Mansoor Al Muhannadi, project manager of the stadium, showed them the progress of work on the site.

Major works are completed, including the new arch that will support the new east wing roof and the project is on schedule.

The premier air cooling system of the stadium impressed the delegates as did the excellence of the safety measures that have been implemented.

When completed, the new Khalifa Stadium precinct will include a retail area, VIP /corporate zones that will be linked to the new Qatar Olympic and Sport Museum.

In addition to Khalifa Stadium, the energy centre will serve other Aspire Zone venues.

## **World Risk and Insurance News**

# **Cyber risk; silent threat underestimated by engineering insurance – IMIA, THE INTERNATIONAL ASSOCIATIONS OF ENGINEERING INSURERS**

PRESS RELEASE

Cyber risk; silent threat underestimated by engineering insurance

Doha, Qatar – 4 October 2016 – The Internet of Things (IoT) and cloud computing have a direct influence on the engineering insurance risk landscape but are being underestimated by underwriters according to The International Association of Engineering Insurers (IMIA).

A specialist working group established by IMIA to identify the challenges from cyber risks and how they apply to engineering insurance lines reported to the Association's members at the annual conference in Doha, Qatar today.

Alexander Schmidl, the chair of the IMIA working group, called for increased dialogue between underwriters, brokers and risk managers to promote a greater understanding and awareness of cyber risks in the engineering insurance sector.

Mr Schmidl said: "The perception that cyber events do not cause physical damage is being challenged; such damage from cyber risks is a reality and is an issue for all lines of engineering insurance.

"Engineering underwriters must address the issue of cyber on all covers they write.

Keeping pace with cyber trends is key if they are to remain current in assessing and carrying related risk. Continuous learning will qualify insurers to be long-term risk partners for the industry and its increasingly complex risks."

Cyber risk can be present anywhere technology and software are used so has the potential to impact right across all phases of an engineering project. The use of computer-based systems to control industrial processes and operations, known as Industrial Control Systems (ICS), are another area of increasing vulnerability and loss exposure for engineering classes that underwriters need to consider – according to Dell's annual threat report, worldwide cyber-attacks against these systems doubled from 2013 to 2014[1].

The IMIA Working Group reviewed standard questionnaires and clauses for engineering covers and found that the IT component was hardly mentioned. This is an underestimation of the increasing importance of IT in industrial processes and infrastructure. Potential loss scenarios based on the increasing interconnectivity of and remote access to industrial control systems are also under-evaluated.

The Working Group also highlighted the challenges inherent in the pricing of engineering insurance in relation to cyber threats. Mr Schmidl said: "Traditional engineering lines pricing is usually retrospectively derived from loss and exposure data covering areas such as loss frequency, exposure data and the severity and distribution of

losses. To create an effective cyber pricing model for engineering lines will required increased focus on collating cyber loss data in all these areas.

“Industry-specific cyber loss scenarios have to be identified and defined. Transparency in respect of cyber losses and the sharing of data after any loss pay outs and forensic investigations should be a goal, particular for those involved in claims. However, this has its challenges with the incomplete nature of contemporary loss data for cyber events, with many cyber events remaining unpublished to protect corporate confidentiality and reputations.”

“To achieve a balance between insurance needs and risk mitigation there needs to be greater awareness and a common understanding of cyber amongst all parties. The insurance industry is making important strides with insurers and brokers offering targeted cyber risk consulting and tailored solutions. But there needs to be greater risk dialogue and analysis of the threat as part of the risk management process. Keeping risk management at a strategic level is key as a cyber insurance solution should not replace solid IT security standards.”

Mr Schmidl concluded: “Ignoring cyber risk will create a significant issue for technical insurers. Engineering insurance carriers have to decide how to manage the growing risk from the various threat sources. Failing to do this will not allow for the creation of an adequate long-term cyber risk business model with an appropriate risk return. It will become a greater challenge to price, and legal uncertainties may make this strategy more complicated in the future.

The conference which this year runs from 1 to 5 October, is sponsored by Qatar Central Bank and hosted by Qatar General Insurance and Reinsurance Company (QGIRCO). This year will be the first time the conference has taken place in an Arab country.

The annual event provides a forum for sharing current knowledge and best practice affecting the sector developed by the Association’s expert working groups. In addition to cyber and war and terrorism risks, delegates will be discussing cost overrun and project financing, natural catastrophe modelling and the latest developments in boiler technology.

### **The Peninsula – Qatar’s Daily Newspaper - 4 10 2016**



Boosting insurance sector a top priority: QCB = Same article as in ZAWYA (Thomas Reuters) – 4 Oct 2016