

IMIA 2016 Country Analysis

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Country	Premium Development	Claims development	Underwriting Profitability	Business Outlook
<p>Germany</p>	<p>In 2016, the German engineering insurance premium income grew by 2.2% to €2 billion, based on the estimation done by the German Insurance Association (GDV) in July 2017.</p> <p>The total non-privat property written premium increased in 2016 by about 1,6% to €8,4 billion Euro with a loss ratio of 106%.</p> <p>Engineering insurance had a share of 18,1% of the total non- privat property premium with a growth of 2,6%, which is above average.</p>	<p>Claims in engineering insurance increased by 5,9% in 2016 to a total of € 1.043 billion, while the non- privat property claims increased by 6,0%</p> <p>It is observed that natural hazards are not as relevant for claims in engineering as for property insurance. Still, GDV continues to monitor these effects.</p> <p>Compared to the previous year, the engineering claims in 2016 were on average compared to the previous years</p>	<p>Engineering total loss ratio increased to 68.6% (2015: 66.3%) with a combined ratio of 86.1% in 2016 (previous year: 89.5%). Thereby engineering insurance produced underwriting profits in 2016 as it did each year since 2003.</p>	<p>GDV's extrapolation for engineering premium income shows an increase by 1.0%. Based on statistical data available at the end of the first quarter of 2017, GDV's extrapolation shows a stable loss ratio (71%) and combined ratio level (92%). The premium growth in non-private property insurance (including engineering insurance) is expected to be 3.1%.</p> <p>As projected by GDV, German property & casualty written premium will grow by 3.1% in 2017, while the combined ratio will increase to 97% with a loss ratio of 77%.</p> <p>It can be assumed that renewable energies still have a positive effect on engineering insurance premium income. Due to the energy transition (Energiewende) and its demand for renewable energies, major projects like offshore windfarms are to be realized in the next few years.</p>