

## Press Release on the 46<sup>th</sup> ANNUAL IMIA CONFERENCE in New Delhi 2013

**IMIA, The International Association of Engineering Insurers held its 46<sup>th</sup> Annual Conference from 23<sup>rd</sup> to 25<sup>th</sup> September 2013 in New Delhi, India.**

Mukesh Kumar, CEO of HDFC ERGO and Hari Radhakrishna, Underwriting Manager of HDFC Ergo and President of this year's IMIA conference, welcomed the 88 Delegates from 29 countries to the New Delhi conference. Oscar Treceño, (National Suisse), Chairman of IMIA opened the three days meeting referring to the work done during the year and the progress of IMIA made in the past 12 months.





The main topics of the conference were the presentations of the five new Working Group papers which dealt with

- Formwork and Scaffolding Collapses
- Annual Construction Policies
- Testing of Engineering Projects following Construction:
- How Engineering Insurers can help reducing loss
- And Understanding project programmes and schedule monitoring for DSU/ALOP covers.

These papers can be looked up and also downloaded on the IMIA website <http://www.imia.com/knowledge-base/#> → Type of Insurance → IMIA Working Group Papers

Apart from these five presentations other actual topics were presented, among them:

### **What has happened during the past 12 months on the Engineering Insurance Market?**

Christoph Hoch, Munich Re, provided an overview of the key Engineering industry global dynamics, insurance market trends and significant claims trends. An introduction was also provided to the issue of Corporate Social Responsibility for Engineering Underwriters and the Impact on Engineering Insurance which will become a specific working group paper for 2014.

### **IMIA Academy - Training facility for Junior Engineering Insurance Underwriters**

Richard Radevsky, Charles Taylor Adjusting, provided an overview of the first IMIA academy event that was held in Berlin in March 2013 which had been attended by 32 students from all continents. The programme included an introduction to the basic fundamentals of Engineering Insurance and covered the main classes including mechanical erection all risks, contractor's all risks, machinery breakdown and business interruption facets. The course involved facilitators and presenters that are or have been actively involved in the underwriting of these classes of business. The event concluded with a practical test which all participants were required to take, with

the results being disclosed to their employers. The event was well over-subscribed and supported so that IMIA decided to maintain the academy as a regular annual event.

### **IMIA Premium and Loss Statistics**

Thierry Portevin, Allianz, presented the territorial overview of Engineering premium and claims statistics and provided an update on the progress that had been made within the working sub-committee on encouraging greater contribution from the individual subscribing country Associations and better accuracy in terms of results. All Associations agreed to make an increased effort to ensure that they obtained required depth of detail from all insurers currently writing Engineering business in their respective markets. See the statistics presentation under:

<http://www.imia.com/wp-content/uploads/2013/09/Premuim-+-Loss-stats-IMIA-20122.pdf>.

### **DCU Working Party**

Max Benz, XL Insurance, presented the conclusions to DSU Working Party discussions. The complex Engineering class DSU (Delay in Start Up) has experienced historical difficulties in interpretation and application, high profile claims activity, low premium base, increasing exposures and evolving accounting practices. The working group included a number of leading insurers, brokers, loss adjusters and forensic accountants. The working group addressed the historic lack of transparency, DSU indemnity versus accounting practice, lack of underwriting information and customisation of the sum insured against financial model. Information papers and a worksheet were developed in their Conclusions to provide greater clarity to the development of the sum insured the components that were intended to be insured and reduce uncertainty relative to indemnity in the event of a loss.

See more under: <http://www.imia.com/wp-content/uploads/2013/09/GP34-2013-London-DSU-Working-Group.pdf>.

### **Special Guest presentations**

Tower Cranes:

Martin Banasik, Allianz UK, presented an overview of the risks associated with the construction and operational factors involved in Tower Crane insurance. The presentation provided a detailed overview of the risk factors involved including elemental perils, design and workmanship, operator error and business interruption. An illustration was provided of typical losses that can impact tower cranes and an overview provided of the measures that could be taken to prevent such occurrence.

See more under: <http://www.imia.com/wp-content/uploads/2013/09/EP48-+-GP32-2013-Tower-Cranes.pdf>.

### **DSU claim following damage to a pre-heater in India)**

Miland Bhatawadekar, Loss Adjustor in India, presented the circumstances surrounding an ALOP claim following damage to a pre-heater on a power construction project in India. The overview included a detailed evaluation of the circumstances of the incident, issues and challenges including access and logistics, manufacturing and re-erection, project re-scheduling and contingency planning.

See more under: <http://www.imia.com/wp-content/uploads/2013/09/GP33-2013-ALOP-Claims-Case-Air-Preheater.pdf>.

### **General Comment on the conference**

There had been 88 delegates from 25 countries. This conference had proven again to be a valuable source of information and expertise and an opportunity to discuss actual issues topical Engineering Insurance issues with a wide spectrum of experts from around the world. IMIA continues to be an important forum for developing and providing experience and knowledge in Engineering Insurance and will develop further.

The next conference will be held in Cannes, France end of September 2014.