

IMIA 2014 COUNTRY ANALYSIS

Country	Premium development	Claim development	Underwriting profitability	Business outlook
<p>France 2014</p>	<p>There is a global stability of incomes of Engineering insurance premium between 2013 and 2014, compared with 2012 and 2013, for which a bellowing was registered (-7%). For year 2014. No major projects except of a couple of jumbo risks, some have been postponed for various reasons. EAR and CAR get stable situation after a reduction of 50% of premium between 2012 and 2013. This data is a direct consequence of lack of investment.</p> <p>The MB & BE is remaining at stable position with a slight increase of 2%, which is not representative itself of modification of the tendency.</p> <p>The Electronic premium is growing up 4%.</p> <p>No consistent IDI market due to French Decennial compulsory cover.</p>	<p>Globally the 2014 figures are quite identical to previous year. (No major claims).</p> <p>Global L/R deteriorated about 44% (modified 42%) in 2013 comparing to 30% in 2012, is growing up to now at 50%, mainly due to the lack of invest.</p> <p>No big claims on Loss of profit which due to the very small share of the market.</p>	<p>The Competition on the Engineering lines business is strong. There is always large capacities available which are maintaining a high level of competition and putting pressure on players forcing them finding new method of work, cover etc... .</p>	<p>The French construction industry has been hit hard by the country's economic recession, contracting in real terms for seven consecutive years to 2014. Growth prospects are limited, owing to the weak property market, subdued public spending, and a lack of investor confidence. Nevertheless, a recovery in investment in transport infrastructure will help to support the industry, such that it will remain the sixth largest in the world by 2020.</p> <p>The residential market remains troubled, given the protracted slump in the property market and weak economic fundamentals. The poor state of the banking sector will also mean that lending conditions remain tight.</p> <p>France is to develop its metro and high-speed rail transport networks, helping to stimulate growth in infrastructure works. There are various rail projects in the planning or implementation phase, bigger projects are the development of the Grand Paris Super Metro rail in Île-de-France and the high-speed railway line of 257km from Lyon to Turin, Italy.</p> <p>Concerning CAR, main players are always SMABTP, COVEA and AXA.</p> <p>60% of the market on 6 companies.</p> <p>As noted past year the situation will stay complex until end of 2016 to 2017.</p>