Stefan Saur, Munich Re - Western High Speed Diameter project in St. Petersburg/Russia
Dear Colleagues,

50 years in existence is not only an impressive achievement for an international association. It is also a strong signal showing that IMIA’s traditions are robust, our vision clear and appropriate.

The founders had great foresight. They defined a vision and designed an organisation supported by a constitution which still serves our central mission today:

*Be THE forum for understanding and promoting best practice in the field of Engineering insurance.*

Our 50th conference anniversary is also a good occasion to look back and observe how business was conducted in our insurance field in past decades. For example - simultaneous translations into various languages, a must to allow communication among participants even in those days.

This booklet also demonstrates how IMIA has constantly adapted to the environment, with a precise sense of innovation, developing to meet the needs of globalisation; both aspects driven by the nature of our engineers’ DNA.

In today’s world of Wikis, e-platforms and the like, IMIA as an open source of information was and continues to be avant-garde sharing information with all at no charge.

Although we are dealing with technical aspects as well as insurance, IMIA would simply not be IMIA without all the experienced people who take part in writing this great story, by chairing our working group papers, writing articles, sharing their passion, their professionalism and respective expertise, or acting as members of the Executive Committee.

Our people have surely been our greatest asset in the past, as they are now and, I am sure, will remain so in the future.

IMIA today has added new "products"; our Academy which transfers Underwriting expertise to the new generation, lively podium discussions during the conferences, active Break-Out sessions on current topics, the IMIA News sheet and the planned IMIA Index.

Tomorrow, IMIA will be different because the world is changing. Our business is evolving. Digitisation and cyber risks are opening new perspectives and presenting new challenges, in the same way as the first steam turbines did, and infrastructure reconstruction after the Second World War, the explosion of computerisation and new gas turbine technologies. They all pushed us to innovate, to design new coverages and new risk assessment methods. Similarly, to mention just a few, climate change, and the trend to develop new technologies and run them in beta version, are also factors which impact our evaluation of risk.

Since IMIA is a non-profit organisation we have to ensure we can maintain it for the future. To meet the challenge of ensuring the sustainability of the organisation, we may, here again, have to adjust our standards to the reality of our financial and administrative situation.

Another challenge lies in give and take – much is taken, but less given. I am convinced, however, that all passionate professionals will still consider it worthwhile, for the benefit of all, to share information rather than just holding on to it. Cross-fertilisation of experience and expertise is much more enriching than protectionism and barriers.

*“Build bridges instead of erecting walls”*

You can build a bridge without cement, but it is pretty difficult! The cement that gives IMIA its bearing capacity is our secretariat - today, Hans Mahrla and Louis Wassmer, in the past many similarly engaged and extremely dedicated ex-practitioners managed all our administrative and co-ordination work.

In 50 years’ time, Engineering insurance will be different, but surely still committed to the same universal value of sharing expertise among professionals.
Before inviting you to read our booklet, I would like to ask you to join me in thanking Utz Groteschel who is the architect, the engineer and the main writer of this IMIA 50 Year Chronicle.

Viva IMIA!

Oscar Treceno, Chairman - Zürich 17.07.2017

PREFACE

Dear Reader,

On the occasion of the 50th Annual conference in Munich, IMIA has undertaken to produce this publication giving an overview of the history and development of the International Association of Engineering Insurers (IMIA). This booklet is intended to serve as a comprehensive and relevant reminder of the main qualifying elements of the evolution of IMIA’s support to the global Engineering insurance market over the period reported. It provides a summary of the Conferences held, the technical and commercial content discussed and the steps taken to develop improved ways of providing knowledge of understanding technical risks and losses in an environment of rather fast developing technology and sophistication. The intent was to provide a reflection of the development of the Organisation’s background from the factors surrounding IMIA’s original foundation in 1968 and referencing a number of initiatives in the development of new strategies to improve and add to IMIA’s brand and offering for the benefit of Members as well as others in the global Engineering Insurance market, bringing IMIA forward to what it is today.

The opportunity has also been taken to reference those individual members who have made a significant contribution to the promotion of IMIA’s mission, objectives and value proposition.

The content of the publication is based on documents, photographs, and collected information available at the time of putting the content together. We are grateful for the contributions of material (in many cases rather limited) from records held at past and present Members and Delegates, such as Allianz, Anders Lindberg and Archie Watt.

When collating and evaluating the available information, it became evident, that IMIA always followed a clear trend of maintaining and reinforcing the original principles and culture that were laid when creating IMIA as a forum of sharing knowledge and experience, investigate and discuss emerging and critical issues, elaborating information for understanding and promoting best practice in the field of Engineering Insurance.

When drafting the concept of this booklet on basis of information available, the idea was also growing that members should additionally have access to documents and other material of members' interest in the IMIA archive, and that such documents should be placed on the IMIA website. This has been done and, as far as available, programmes, agendas and minutes taken of previous conferences, lists of participants, photos taken, working group papers and annual premium and claims statistics can be accessed. It also includes a selection of technical photographs collected mainly from the initiation of IMIA’s photo competitions. In fact, this booklet and the archives reviewed attempt to reflect the combined work and contributions of its highly valued Member Delegates and Members of the Executive Committee over the years and convey the gratitude and thanks to all of them in the name of IMIA's current Executive Committee:

Oscar Treceño, Volkan Babür, Guido Benz, Max Benz, Matia Cazzaniga, Olivier Hautefeuille, Hans Mahria, Stephan Lämmle, Richard Radevsky and Mike Robertson.

Utz Groetschel - Munich 2017
What was the situation in 1967?

The industry was booming! Economies in Europe and other places were developing fast.

This is Munich in the 60ies, where the association was founded:

Traffic in town                                     Metro construction works 1967/68

The situation in the world of Industry and its Insurers at that time:

Evidently, the development in this era expanded into larger and more sophisticated construction projects and industrial plants with a high degree of technical and management complexity and that brought greater challenges to the industry and the insurance world.

Capabilities in handling these improved by means of electronic controls introduced in manufacture, plant control and administration. The demand of new products and material required more industrial manufacturing plants with increasingly sophisticated machinery. Power generation facilities evolved in size and performance requiring introduction of new technologies e.g. in large gas turbines.

Trends in Industrial Countries in the 1960ies:

Following five years of rapid economic development, the growth of total real output in the industrial countries reached an annual rate of almost 6 per cent per annum. Japan’s GNP became the second largest in the world surpassing West Germany.

In addition, insurance companies had to migrate beyond their own countries into others where their clients expanded and had to adapt to different local risks, conditions and jurisdictions.

Another aspect causing concern for Engineering insurers was the dramatic increase in large losses resulting from increasing complexity, plant size and concentration of values. In 1962, the number of large losses record by Insurers active in
underwriting of technical insurances was sixty-five and grew within a few years to one hundred and fifty-seven.

The pictures on the left shows a dramatic steam turbo generator loss, resulting from a bearing failure causing vibration and finally destruction of turbine shafts and generator, the one on the right shows an explosion of a gas fired boiler.

The amazing technological development can be seen from the example of gas turbines, with a performance output always driven to the limits possible at the time.

The first successful industrial gas turbine installed at Neuchatel 1939 (diagram left) had an output of only 4 MW at an efficiency of 17.4% and a gas inlet temperature of 550 °C.

Development was increasing dramatically in the years that followed, reaching a level today of more than 400 Mw with an efficiency of 61% in combined steam and gas cycle mode. The gas inlet temperature was pushed up above 1300°C which is only possible with sophisticated design, material and blade cooling. The exposure to extremely high and low cycle stresses had to be accompanied by specialized insurance protection negotiated at the borderline of meeting manufacturers’ and operators’ expectations and terms still acceptable to insurers with a bit of risk sharing.

Handling such risks became challenging for insurers. The principles associated with the risk assessment fundamentals needed to evolve whilst maintaining consistency in analysis and approach. Risk based insurance expertise had to be developed to ensure that knowledge base kept pace with changing industry practice.

These developments coincided with an increase in the number of Engineering insurers entering the global insurance market.
When these trends were becoming evident in the 1960ies, this was the juncture at which a few insurers and reinsurers engaged in Technical Insurances (later called Engineering Insurance) were realising a desire for greater co-ordination in improving knowledge and exchanging experience which could best be organised by creating an international forum.

The insurers that drove this initiative originally were the Allianz, Commercial Union, National Vulcan and AGF. They decided to join forces in 1967 via their National Insurance Associations and began to establish the foundations for a technically focussed discussion group. A first meeting was initiated in 1968, and this proved to be the founding meeting of IMIA and was co-ordinated and hosted by Allianz Insurance Company in Munich, the town where a number of leading Engineering insurers had their Head Offices.

Protocol of the first IMIA meeting on 3rd October 1968

This protocol describes the fundamental concept intended for the new organisation:

The original name given to it was the "International Machinery Insurance Association". Its short designation "IMIA" is still in use today for reasons of global brand recognition, although in more recent times the full name was changed to "The International Association of Engineering Insurers".

The initial idea of creating such a Forum is said to have been initiated by Dr. Heinz Braun from the Allianz Insurance Company in Munich and was supported by G.F. Bullock at the National Boiler and General Insurance Company (later named National Vulcan Engineering Group, Manchester), and John A. Hopkins at the Commercial Union, London.

These founder members were able to assemble the Associations of 11 member countries for this first meeting. A number of Members attending were not fluent in the English language, therefore three languages were used being English, French and German.

The name set at the meeting was specified in the three languages used for a number of years. The only copy available of the Protocol of this first meeting is in German language. It is very short, but it highlighted a number of essential points.

It was agreed that Allianz Insurance Company would run the IMIA Secretariat from its initiation, a position they sustained for many years.

Upon invitation by the Chairman of the German Delegate for Machinery Insurance (expert committee of Machinery Insurance within the German Insurance Association) Delegates of Machinery Insurers of the following 11 countries met on 3rd October 1968 first time. The attendance of 11 countries demonstrates the international character intended for this association.
The meeting on 3rd October was attended by 19 experts from the following countries:

<table>
<thead>
<tr>
<th>Expert</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. BRAUN</td>
<td>Germany</td>
</tr>
<tr>
<td>Dr. GERATHEWOHL</td>
<td>Germany</td>
</tr>
<tr>
<td>Dr. MIEZNER</td>
<td>Austria</td>
</tr>
<tr>
<td>KRAUS</td>
<td>Austria</td>
</tr>
<tr>
<td>LIBOTTE</td>
<td>Belgium</td>
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<tr>
<td>VIELLE</td>
<td>France</td>
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<td>KLAU</td>
<td>Italy</td>
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<tr>
<td>KLAUSEN</td>
<td>Norway</td>
</tr>
<tr>
<td>LARSEN</td>
<td>Norway</td>
</tr>
<tr>
<td>MOBRÄTEN</td>
<td>Norway</td>
</tr>
<tr>
<td>BULLOCK</td>
<td>Great Britain</td>
</tr>
<tr>
<td>ELLIS</td>
<td>Great Britain</td>
</tr>
<tr>
<td>HOPKINS</td>
<td>Great Britain</td>
</tr>
<tr>
<td>SMITHSON</td>
<td>Great Britain</td>
</tr>
<tr>
<td>ARVEMAN</td>
<td>Sweden</td>
</tr>
<tr>
<td>ZAUGG</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Dr. ELSENER</td>
<td>Switzerland</td>
</tr>
<tr>
<td>KLEMENTIEV</td>
<td>USSR</td>
</tr>
<tr>
<td>HARADA</td>
<td>Japan</td>
</tr>
</tbody>
</table>

This is a translation into English of the points highlighted in the protocol:

Purpose of this meeting was to elaborate a first basis for an international cooperation in respect of the technical insurance lines, especially Machinery Insurance.

The participants welcomed this initiative and unanimously were of the opinion that the goal aimed at was best followed by an international association. They agreed to establish such association that would be named in the three languages that were to be used:

   English: "International Machinery Insurance Association"
   German: "Internationale Vereinigung der Maschinenversicherer"
   French: "Association Internationale d'Assurance Technique"

The main object of the association should be the cooperation of its Members focussing on technical subjects, directed to accurate benchmarking of risk and successful loss prevention.

This regular exchange of knowledge would lead to the enhancement of the expertise of all Member Delegates.

The objective mentioned in the protocol is much in line with that of the IMIA of today:

“IMIA is a network of experts in Engineering Insurance from around the world who share experiences, investigate and discuss emerging and critical issues and elaborate papers discussing all kinds of topics of Engineering Insurance.” Our core value today is “to offer a forum for understanding and promoting best practice in the field of Engineering Insurance”.

The exchange of loss experience amongst its Members should become an important part of it.

The protocol for this meeting reports on the first election:

Dr. Heinz BRAUN was elected as Chairman and G. F. BULLOCK as vice Chairman.

The following topics were discussed at the first meeting, and most of these have remained as topics of IMIA’s conferences of today!

1. Premium volume

The volume of Machinery Insurance premium of the member countries of the Association (IMIA) was stated as US$ 178.8 million for the year 1967.

Assuming similar industrial standards in the member countries, the premium per capita of the population offers an indication of what possibilities exist in expanding Machinery Insurance in the individual countries.
2. National Reports
The various Delegates of the Member countries will provide IMIA with reports on the local situation of Machinery Insurance in their country.

3. Insurance Conditions
It was agreed that insurance conditions used in the various countries shall be exchanged for mutual information.

4. CEA (Comité Européen d’Assurance)
All were of the opinion that, after IMIA had been founded, the cooperation in the proposed Machinery Insurance working group was desirable, especially because IMIA includes countries that are not members of CEA.

The members of IMIA will report to CEA via their national organisations.

5. Various
5.1. "Explosion"
The Delegates of Great Britain queried under which class of insurance EXPLOSION was to be handled. In Britain and the USA it is within Machinery insurance, whereas on the continent it is usually handled under Fire Property insurance.

For a future working programme it was suggested to revert to this question and (proposal by Belgium) to develop a description for better understanding.

5.2. Deductibles
Another question discussed was the size of deductibles. Necessary comparisons between the member countries was promoted to encourage consistency.

6. An Editorial Committee was formed for preparation of the 1969 IMIA meeting. It consisted of the following Delegates:

ARVEMAN
KLAU
LIBOTTE
Dr. MIEZNER
Dr. GERATHEWOHL
Dr. BRAUN.

It was agreed that Delegates from Insurance Companies and Mutuals from within the USA should be invited to this meeting.

Austria suggested that for the meeting in London simultaneous interpreters should be engaged (German / English / French). Costs should be shared in proportion to Members’ premium income.

Members were requested to suggest topics for a meeting on 1st Jan. 1969 in Munich Nov. 1968.

The Protocol recorded the first summary of Engineering (Machinery) Insurance business figures for the year 1967:
A few photos were taken at a social evening at the Munich Oktoberfest: First on the left is Dr. Heinz Braun, who was elected as the first IMIA Chairman.

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<tr>
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<tbody>
<tr>
<td>BELGIEN</td>
<td>bfr</td>
<td>1,59</td>
<td>9,19</td>
<td>0,17</td>
</tr>
<tr>
<td>FRANKREICH</td>
<td>FF</td>
<td>5,09</td>
<td>56,52</td>
<td>0,09</td>
</tr>
<tr>
<td>GROSSBRITANNIEN</td>
<td>£ inkl. Inspektion</td>
<td>72,23</td>
<td>52,71</td>
<td>1,37</td>
</tr>
<tr>
<td>ITALIEN</td>
<td>lit.</td>
<td>1,13</td>
<td>50,62</td>
<td>0,02</td>
</tr>
<tr>
<td>JAPAN</td>
<td>Yen</td>
<td>6,25</td>
<td>98,28</td>
<td>0,06</td>
</tr>
<tr>
<td>NORWEGEN</td>
<td>nkr.</td>
<td>2,80</td>
<td>3,59</td>
<td>0,77</td>
</tr>
<tr>
<td>ÖSTERREICH</td>
<td>AS</td>
<td>6,11</td>
<td>7,07</td>
<td>0,86</td>
</tr>
<tr>
<td>SCHWEIZ</td>
<td>sfr.</td>
<td>4,85</td>
<td>5,43</td>
<td>0,89</td>
</tr>
<tr>
<td>UDSSR</td>
<td>-</td>
<td>-</td>
<td>208,83 (1966)</td>
<td>-</td>
</tr>
<tr>
<td>Bundesrepublik Deutschland</td>
<td>DM</td>
<td>72,0</td>
<td>56,18</td>
<td>1,28</td>
</tr>
</tbody>
</table>

GESAMT (ohne UdSSR): | 178,84 | 347,36 | $ 0,51 |
This first Meeting of IMIA was reported in the German Insurance Publication “Versicherungswirtschaft” No. 20 1968:

Internationale Vereinigung der Maschinenversicherer

Vertreter der Maschinenversicherer aus 11 Ländern (Belgien, Frankreich, Großbritannien, Italien, Japan, Norwegen, Österreich, Schweden, Schweiz, UdSSR und Bundesrepublik Deutschland) gründeten auf ihrer ersten gemeinsamen Sitzung am 3. 10. 1968 in München die „Internationale Vereinigung der Maschinenversicherer“. Diese Vereinigung soll die Zusammenarbeit ihrer Mitglieder auf technischem Gebiet mit dem Ziel einer richtigen Risikobeurteilung und einer erfolgreichen Schadenverhütung vertiefen. Die Zusammenarbeit soll durch einen regelmäßigen Meinungs- und Informationsaustausch der Beteiligten verwirklicht werden.

In den 11 genannten Ländern wurde im Jahre 1967 in den technischen Versicherungssparten ein Prämienaufkommen von 720 Mill DM erzielt, davon in der Bundesrepublik Deutschland 288 Mill DM.

Zum Präsidenten der Vereinigung wurde Dr. Dr.-Ing. Heinz Braun (Allianz Versicherungs-AG, München) und zum Vizepräsidenten G. F. Bullock (The National and Vulcan Engineering Insurance Group, Manchester) gewählt.

Das nächste Treffen, zu dem auch Vertreter aus USA erwartet werden, findet im Oktober 1969 in London statt.

English Translation:

International Machinery Insurance Association

Representatives of Machinery Insurers of eleven countries (Belgium, France, Great Britain, Italy, Japan, Norway, Austria, Sweden, Switzerland, USSR and Germany Federal Republic) founded the “International Machinery Insurance Association” at their first joint meeting in Munich on 3rd October 1968. This Association intends a cooperation of its members on technical fields for achieving better risk evaluation and loss prevention. The cooperation shall be realised by regular exchange of opinion and information of its members.

The eleven named countries achieved a premium volume of DM 720 million from Engineering Insurance, of which DM 288 million in Germany.

Director Dr. Heinz Braun of Allianz Insurance Co., Munich was elected as Chairman and G. F. Bullock (National Vulcan Engineering Insurance Group) as Vice Chairman.

The next meeting, when also representatives from the USA are expected, will be held in London in October 1969.

Following the first meeting in 1968, it was agreed that all conference meetings of IMIA would be held annually in September, with the locations rotating depending on which Association had agreed to host the conference. The Annex includes a list of all conference meetings held since its initiation.
It is regretted that only very few documents exist of IMIA’s work and development between these years, except of a few pictures of the annual meetings. At the Oslo Conference in 1971 the photographs show Delegates using earphones for listening to translation into the languages: English, French and German.

The photograph below in Boston in 1974 shows a slides projector. Documents for presentation were produced on slides or transparencies to be shown on overhead projectors:

Chairman John Hopkins between Messrs. Kraus and Gaverbi on the left and Wolf and Griffin on the right.
A record of the Chairman's address (John A. Hopkins, Commercial Union) to the Delegates is outlined below. Some of these points of discussion are still relevant today.

"... I began the Chairman's report in 1972 by saying that we must be careful that we do not drift away from the original concept of IMIA and we must make sure that we operate as the practical working association that we wish to be. I think that once again it is opportune for a reminder that we need to look at what we want to achieve and what we have achieved.

... The report from UK in 1969 and the USA report in 1970 drew attention to problems arising from the trend to "bigness" in some machines. (The Chairman refers to the problems experienced with certain types of machinery such as large boilers, furnace transformers and gas turbines and recommends which studies should be made).

... I feel that we need to clarify between ourselves and for the working party's guidance, whether they are investigating what we really originally intended they should investigate.

... A great amount of work has been done on a variety of forms of statistics. We have for example compared premiums on various bases. In Paris we agreed to continue statistics in the present form for a further two years and then to reconsider what to do for the future. For example we have looked at analyses of figures for large claims."

Other topics he raised at the meeting which he considered important (and probably still are):

- Computers: ... needing analysis of loss experience
- Loss Prevention: ... a topic on which IMIA should be more active
- Public Utilities: "It is a sufficiently important sector of machinery insurance to warrant us spending some time on trying to find the answer to how machinery insurance on public utilities can be made adequately."
- Large Turbines: "... for erection and testing insurance we draw attention to the problem of prototype parts and the repetition of claims of the same kind."
- TPL Insurance for CAR / EAR risks
- Force Majeure
- Long Term Policies.

In 1976 the conference was held in Japan first time.

The meetings took place in a round circle in the rather futuristic looking Kyoto International Conference Hall.
A provisional form of Constitution of IMIA existed soon after the Association’s foundation. In 1977 IMIA had developed its first official Constitution.

In Brussels the seating arrangement in the conference room was done in a triangle type of configuration:

1977 Conference Brussels, Belgium

At the occasion of this Anniversary, the conference was held in Munich again. It took place at the excellent Four Seasons Hotel in Munich:

1978 Conference Munich (10th Anniversary)
The thirty-four participants came from thirteen countries. The high number of Delegates was mainly due to the fact that eight Delegates were representing Germany; overall much higher number than at previous IMIA “Meetings” as the Conferences were then still called. Eight of the Delegates that attended were present already at the first meeting in 1968. IMIA Chairman was again Dr. Heinz Braun.

<table>
<thead>
<tr>
<th>Dr. Heinz Braun,  Germany</th>
<th>Chairman</th>
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<tbody>
<tr>
<td>Sam McGeorge, GB</td>
<td>Secretary General</td>
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<tr>
<td>Walter Klausen, Austria</td>
<td>Treasurer</td>
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<td>Dr. Herbert Miezner, Austria</td>
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<td>Dr. Walter Florian, Austria</td>
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<tr>
<td>Grundler, Germany</td>
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<td>Libotte, Belgium</td>
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<td>Bent Möller Hansen, Denmark</td>
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<td>Knud Spildsboel, Denmark</td>
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<td>Dr. Klaus Gerathewohl, Germany</td>
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<td>Dr. A. Rhein, Germany</td>
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<td>Regner, Germany</td>
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<td>Dr. Schedl, Germany</td>
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<td>Dr. Kessler, Germany</td>
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<td>Wolf, Germany</td>
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<td>Meier, Germany</td>
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<td>J A Hopkins, GB</td>
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<td>E W Wood, GB</td>
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<tr>
<td>Norman Humphries, GB / USA</td>
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<td>Ellis, GB</td>
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<td>Jean-Louis Meunier, France</td>
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<td>Paul Beraud, France</td>
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<td>Dario Gaverbi, Italy</td>
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<td>Dott. Remo Vergna, Italy</td>
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<td>Natsuhiko Komachiya, Japan</td>
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<td>Borger Mobrätten, Norway</td>
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<td>Dr. Hans Steiner, Switzerland</td>
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<td>Dr. Elsner, Switzerland</td>
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<td>Hans Rudolf Kaufmann, Switzerland</td>
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<td>Lennart Rieger, Sweden</td>
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<td>Göran Holmstrand, Sweden</td>
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<td>Bruce Leslie, USA</td>
<td></td>
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<tr>
<td>Eduard Rjabinin, USSR</td>
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<tr>
<td>Eugen Larionov, USSR</td>
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</table>

The Chairman (Dr. Heinz Braun, Allianz) provided a summary of IMIA’s evolution over the past ten years taking, as he said, ...

... a look back on the past ten years:
- Foundation of IMIA: when Delegates from 11 countries met in Munich for the first exchange of views the decision for IMIA was made and today after 10 years, we can confirm that that decision was right and is still valid. After ten years around the world (London, Lucerne, Oslo, Paris, Vienna, Boston, Florence, Kyoto and Brussels) we meet again in Munich!
- Today we have 13 member countries and have produced a huge number of documents, mainly national reports from your countries with details on market figures and premium and loss statistics and large loss reports. These are an essential part of our work.
- 1968 the (Engineering) premium volume (of IMIA Members) was just about US$ 300 million. Last year this amounted to US$ 1,475 million.
- IMIA Statistics have been improved in a more practical method and provide better comparison with previous years and separation of lines of business. The Statistics of large loss details is of exceptional interest for learning from losses. Large losses have a great influence on the result of the business.
- Working groups are dealing with loss causes and trends of heavy machinery like steam turbines, boilers and gas turbines.
- Statement was made that IMIA is an association not just for Machinery Insurance, but for all Engineering classes!

The official farewell dinner was taken at the Antiquarium of the Royal Residence in Munich. This proved to be a very special venue!
The next conferences were held in Leningrad, Stockholm and Gleneagles (Scotland), where the thirty-two Delegates presented themselves in a perfect group photo in front of the historical Gleneagles hotel. Some of IMIA’s delegation took the opportunity for playing golf at this famous venue.

The Delegates met in Montreux, Switzerland for the conference in 1982 (President: Dr. Schwank, Chairman: McGeorge, Secretary: H. Braun), and for 1983 in St. Paul de Vence, in the South of France, a small and beautiful place not far from Nice (President: Beraud, Chairman: H. Braun, Secretary: G. Holmstrand).

In 1982 the Executive Committee had the idea of producing a publicity brochure presenting IMIA by describing its aim, organisation, its working practice and kind of the conferences that take place every year. It also stated who its members are. The text should be presented in the three languages used by IMIA.

Of the printed original of 1983 only a Xerox copy is available, of which a few pages are shown here. As one may see from it, the principles of IMIA's brand proposition have not changed since then, but a few things were peculiar like the mentioning of a maximum participation of thirty-five Delegates at the Conferences!
The IMIA Archive keeps a few interesting documents on the Conference in San Francisco:

These were the participants at the San Francisco Conference:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.W. Stanford</td>
<td>President</td>
<td>Great Britain</td>
</tr>
<tr>
<td>Dr. H. Braun</td>
<td>Chairman</td>
<td>Great Britain</td>
</tr>
<tr>
<td>W. Zindel</td>
<td>Vice Chairman</td>
<td>Italy</td>
</tr>
<tr>
<td>G. Holmstrand</td>
<td>Secretary General</td>
<td>Italy</td>
</tr>
<tr>
<td>H. D. Seddon</td>
<td>Treasurer</td>
<td>Japan</td>
</tr>
<tr>
<td>R. Bukowsky</td>
<td>Austria</td>
<td>Japan</td>
</tr>
<tr>
<td>A. Turczyn</td>
<td>Austria</td>
<td>Netherlands</td>
</tr>
<tr>
<td>H. Reisinger</td>
<td>Austria</td>
<td>Norway</td>
</tr>
<tr>
<td>O. Vandeverde</td>
<td>Belgium</td>
<td>Norway</td>
</tr>
<tr>
<td>P. E. Mercier</td>
<td>Belgium</td>
<td>Sweden</td>
</tr>
<tr>
<td>B. Möller Hansen</td>
<td>Denmark</td>
<td>Switzerland</td>
</tr>
<tr>
<td>P. Kirchhoff</td>
<td>Denmark</td>
<td>Switzerland</td>
</tr>
<tr>
<td>P. Beraud</td>
<td>France</td>
<td>Switzerland</td>
</tr>
<tr>
<td>J.-L. Meunier</td>
<td>France</td>
<td>USSR</td>
</tr>
<tr>
<td>K. Conrad (Reinsurer)</td>
<td>Germany</td>
<td>USSR</td>
</tr>
<tr>
<td>H.-H. Möller</td>
<td>Germany</td>
<td>USA</td>
</tr>
<tr>
<td>G. Kutz</td>
<td>Germany</td>
<td>USA</td>
</tr>
<tr>
<td>B. D. Smith</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Watt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dott. D. Gaverbi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dott. R. Vergna</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. Goto</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y. Horie</td>
<td></td>
<td></td>
</tr>
<tr>
<td>H. C. Oortmann Gerlings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Lamark</td>
<td></td>
<td></td>
</tr>
<tr>
<td>T. J. Vogt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. Jenfren</td>
<td></td>
<td></td>
</tr>
<tr>
<td>W. Künze (Reinsurer)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E. Kunz</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dr. M. Schwank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R. M. Shuravin</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E. I. Larinov</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N. Humphries</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The address given by the Chairman, Dr. Braun refers to some essential points summarised here:

- Over the last 16 years, the world’s economy had been growing extremely well. Insurers were able to make profits, mostly following good underwriting practice - essentially “sound underwriting”.
- **The principles of IMIA** as laid down originally in 1968 have proven well:
  - Voluntary joining of national organisations in the field of technical insurance association members
  - Insurers can join only via their organisations *(quite restrictive at that time!)*
  - Costs of conference to be kept at low level (costs of secretariat in Munich are born by the local Insurer, however travel costs for Members may be high depending on where the conference will be)
  - Limitation of number of Delegates (maximum 35) *(again a limitation no longer valid)*
  - Reinsurers can participate as Guests *(today they are full Members)*
- Membership is an obligation to actively cooperate in the work of IMIA especially in providing country reports and statistics.
- The annual conference shall offer ample time for exchange of thoughts and experience.

- Where are we today in 1984? We are experiencing change and development in the insurance market, terms and conditions, given technological advancement and structural changes in insurance organisations.

**The new challenges are:**
- Cash flow underwriting in an environment of high interest rates
- Classical Machinery (Boiler Machinery) business starts being displaced by Industrial All Risk policies
- Some Insurers integrate Engineering under commercial property management

- Ways into the future:
- This is essential: Technical Insurances should be kept as a separate class with its own responsibility, claims service, claims investigation and loss prevention activities. *(A number of various possible steps were discussed during the meetings)*

- Premium volume of IMIA Members in 1983 increased to US$ 2.400 million, 1.6 % over 1982.
- Outlook: From the activity of its Members, we can note that IMIA is willing and prepared to meet the challenges of a changing market.

The Minutes of the conference give some more information on the contents discussed. The main attention was given to the National Reports that were presented at the conference in these years. A few points may be mentioned:

- Guarantee Insurance had a bad loss ratio, Belgium 280%
- EEI however had good loss records despite some fire and lightening cases
- Natural hazards produced large losses, a development to be closely observed
- USA had serious losses experienced due to heavy frost amounting to about US$ 100 million.

- Working groups were engaged looking into the matters of
  - Computer insurance
  - Natural hazards (catastrophic risks) (see WG Paper of 1984)
  - Claims reporting highlighting important points that can bring about more adequate underwriting practice or market variations in cover, exclusions etc.
  - Technological risks
  - Technical risk service
  - Claims handling procedures.

A detailed presentation of statistical premium and claims figures including trends was given for the very first time. This covered the development of the years 1978 to 1983:

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross premium US$</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>1730</td>
<td>15.6</td>
</tr>
<tr>
<td>1979</td>
<td>2108</td>
<td>21.9</td>
</tr>
<tr>
<td>1980</td>
<td>2601</td>
<td>23.3</td>
</tr>
<tr>
<td>1981</td>
<td>2413</td>
<td>-7.2</td>
</tr>
<tr>
<td>1982</td>
<td>2368</td>
<td>-1.8</td>
</tr>
<tr>
<td>1983</td>
<td>2402</td>
<td>1.4</td>
</tr>
</tbody>
</table>

These figures include currency inflation, which was part of the regular analysis for each country.

Split of premium into the various Engineering lines of business (in % of total):

<table>
<thead>
<tr>
<th>Type of Insurance</th>
<th>1980</th>
<th>1981</th>
<th>1982</th>
</tr>
</thead>
<tbody>
<tr>
<td>M, BE</td>
<td>49.8</td>
<td>50.6</td>
<td>50.2</td>
</tr>
<tr>
<td>LOP</td>
<td>10.8</td>
<td>12.0</td>
<td>11.5</td>
</tr>
<tr>
<td>CAR, EAR, G</td>
<td>30.3</td>
<td>29.4</td>
<td>29.8</td>
</tr>
<tr>
<td>Other</td>
<td>9.1</td>
<td>8.0</td>
<td>8.5</td>
</tr>
</tbody>
</table>
Claims and Loss Ratios were also presented:

<table>
<thead>
<tr>
<th>Year</th>
<th>Premium Million US$</th>
<th>Claims Million US$</th>
<th>L/R %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td>2,108</td>
<td>1,396</td>
<td>66.2</td>
</tr>
<tr>
<td>1980</td>
<td>2,579</td>
<td>1,750</td>
<td>67.9</td>
</tr>
<tr>
<td>1981</td>
<td>2,413</td>
<td>1,449</td>
<td>60.0</td>
</tr>
<tr>
<td>1982</td>
<td>2,368</td>
<td>1,513</td>
<td>63.9</td>
</tr>
<tr>
<td>1983</td>
<td>2,402</td>
<td>1,467</td>
<td>61.1</td>
</tr>
</tbody>
</table>

An overview of the further development up to 2015 can be found in the Annex.

At this Conference, the insurance environment referred to in the National Reports was discussed in great detail. Some complained again about Engineering business disappearing into the expanding risk appetite of Property insurers, often within Property All Risks covers. In some cases even CAR/EAR were being threatened where the peculiarities of the classes are often misunderstood. Reinsurance Members mentioned in regard to this: “Capacity must be used but not abused” and stressed that “Engineering Risks should not be included in Property treaties, but should have standalone Engineering treaties”.

The USA and Canada experienced the worst year ever in 1984 in Property and Casualty. B&M Underwriters had been unsuccessful in achieving price increases.

The premium and claims statistical analysis showed an overall high loss ratio of 64.5 % for 1984. A high number of large losses were reported.

The Chairman Dr. Braun referred to essential topics that required attention:

- Loss handling procedures in the IMIA countries
- With the conference being in the Alpine region the safety and insurance of mountain railways and cable cars / damage to main cables was discussed
- Protection against avalanches by technical means was debated.
- Paper industry – machine glazed and Yankee dryer cylinders and long delivery times in case of damage was mentioned.
This was the second time that Japan hosted the conference and it was a very well organised event promoted by the Union of Japan (constituting the Engineering Insurance association in Japan). They produced a sixty page booklet of information for the thirty-two Delegates. President of the conference was Seiichi Honda and the Chairman Dr. Heinz Braun. The conference ran from Monday evening (reception) to Friday. The press release states inter alia:

During the year the following topics were investigated by working parties who presented reports at the conference on:
- Statistics of IMIA
- Design cover in CAR/ EAR insurance
- Insuring computer -controlled plants
- Engineering Insurance - boundaries to other branches: Space and Erection All Risks insurance
- Development in pollution control equipment and insurance aspects
- The importance of natural perils in Engineering Insurance

Besides these, an invited speaker from Japan held a lecture on earthquake prediction.

Delegates also had the chance of visiting the Tokyo National Factory Automation Centre and the headquarters of the Asahi Press.

In 1975 a new Engineering class was introduced: Space Insurance, in cooperation with aircraft insurance (see WG Paper of 1986). It was decided that this much specialised class would not become a field to expand on by IMIA due to the very limited market dealing with this insurance.

1987 Rome, Italy – 20th Conference

A printed press release shows a picture (scanned in from a Xerox copy in the Allianz Archive) of the meeting in a lecture room, as opposed to the more usual U-shape arrangement in the conference room.

This press release also published for first time the Member countries’ individual annual premiums over the last three years:
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Premium</td>
<td>Change %</td>
<td>S-Fluctuation 83/84</td>
<td>Claims</td>
<td>Premium</td>
</tr>
<tr>
<td>Austria</td>
<td>40.04</td>
<td>-10.5</td>
<td>+17.3</td>
<td>32.41</td>
<td>40.77</td>
</tr>
<tr>
<td>Belgium</td>
<td>21.60</td>
<td>-7.9</td>
<td>+14.2</td>
<td>12.55</td>
<td>21.60</td>
</tr>
<tr>
<td>Denmark</td>
<td>4.82</td>
<td>-33.3</td>
<td>+12.4</td>
<td>5.01</td>
<td>7.21</td>
</tr>
<tr>
<td>France</td>
<td>117.10</td>
<td>+3.2</td>
<td>+9.5</td>
<td>68.50</td>
<td>120.60</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2374.14</td>
<td>-1.4</td>
<td>-</td>
<td>2490.86</td>
<td>+4.9</td>
</tr>
</tbody>
</table>

This 1987 press release also highlights that the **technical development** with ever-shorter intervals of innovations required a more flexible approach in adjusting risk evaluation and insurance terms to continuous changes.

IMIA Archive holds copies of two WG Papers presented:

- Problems of Stress Corrosion Cracking (*another WG paper of that topic was produced later in 1997*)
- Delimitation of Engineering and Fire insurances.

### Conference Years 1988 and 1989

In 1988 the conference was organised by the Dutch Association in **Noordwijk an Zee** and 1989 the IMIA Delegates met in **Copenhagen**:

![Conference Delegates](image)

This picture was taken from a Xerox copy of the press release in the Allianz Archive. There were thirty-five Delegates who came to Copenhagen from sixteen countries. The number of Members was growing slowly.
The IMIA President in Copenhagen was Holger Foged and the Chairman was William Zindel who started the meeting suggesting "that the Engineering Insurers should try harder to evaluate and manage the risks, to improve their techniques, to respond to changes, to expand their products and services, to be better aware of the customers' needs and requirements".

Again, the National Reports were broadly discussed. Interesting to note, that the USSR still maintained its name although the Perestroika had started restructuring of the country and its economy in 1988. This process is also not mentioned in the National Report, although reference to the then development into turnkey projects and joint ventures with foreign capital investment are an indication of it.

**Premium income** of the member countries had reached a volume of US$ 4,305 million in 1988, a 6.1% growth over 1987. Overall loss experience was good except for Italy (loss ratio 79.6%) and Germany (loss Ratio 77.3%). The largest losses produced were highlighted as follows:

- in CAR a flooding event damaging a road project in Saudi Arabia,
- in EAR a failure of a sea cable under the Marmara sea, Turkey,
- in Machinery Insurance the stress corrosion cracking of bolts in a German nuclear power plant
- in EEI fire in an EDP installation in Taiwan.

Additional other topics were presented and discussed at that time included:

- Development of expert electronic risk rating systems by Reinsurers
- Deteriorating claims experience with gas turbines and cogeneration plants
- Contamination losses and impact on Engineering insurance (IMIA WG Paper 1989)
- Boundaries of Liability and Engineering insurance (IMIA WG Paper 1989)
- Use of computerised decision support systems and its effects on Engineering insurance
- Software Virus - Implications for Engineering insurers
- Space insurance (IMIA WG Paper 1989)

Just a few topics of this conference, that were considered important, shall be mentioned here:

- Concerns about gas turbines causing increased problems due to fast technical developments, Delegates discussed questions of Prototype risks
- A working group is formed to follow up progress of the centennial project, the Channel Tunnel connecting France with Great Britain (IMIA WG Paper of 1990)

**1990 Conference Toronto, Canada**

Given the strategic changes that were taking place in Russia, there remained some concern as to whether the conference could take place. However, it did, but only thirteen Delegates were able to attend.

**1991 Conference Moscow, Russia**
Of the topics discussed, three may be worth mentioning:
- The effects of European Community market legislation on marketing and underwriting
- Desulphurisation Plants, including DENOX - (a new problem area)
- Update on the Channel Tunnel project (IMIA WGP of 1990)

Presentations at that time were technically still rather basic as illustrations were rarely included.

On one of the evenings, Delegates enjoyed being invited to the Bolschoi Theatre.

The year 1991

The IMIA Secretariat moves from Munich to Manchester

Up to 1991 the IMIA secretariat was managed by Allianz in their offices in Munich. The Executive Committee decided to transfer the office to Great Britain with the new IMIA secretariat moving to National Vulcan, Manchester.

Detailed instructions were given in a note by Allianz of 10th October to the new IMIA Secretary Archie Watt, who was then employed by National Vulcan. He managed IMIA’s business affairs having visited the Allianz offices in Munich for information on the various tasks and operations of the Secretariat. The role proved to be surprisingly extensive and comprehensive and included the transfer of IMIA’s accounting to Great Britain.

1992 – IMIA’s 25th Conference Anniversary

For the 25th anniversary the IMIA conference returned to Munich and it lasted from 14th to 18th September.

With forty Delegates, the number exceed the limit of thirty-five for the first time.

At this conference, the U-shape seating order was set as a rule for the future. The venue was again the Four Seasons Hotel. Unfortunately, no photographs found their way to the IMIA archive.

The Participants were:

| M. ILLNER                     | President            | C. FRASER-ANDREWS  | Great Britain |
| W. ZINDEL                    | Chairman             | H. JENKINS         | Great Britain |
| Dr. D. GAVERBI               | Vice Chairman        | M. COLAUTTI        | Italy         |
| Dr. I. ZOLLER                | Secretary General    | E. RICCI           | Italy         |
| A. WATT                      | Secretary            | H. GOTO            | Japan         |
| K. D. SINFIELD               | Treasurer            | Y. HORIE           | Japan         |
| A. TURCZYN                   | Austria              | F. KAWATE          | Japan         |
| P. MORITZ                    | Austria              | G. WICHERS         | Netherlands   |
| M. HERMANS                   | Belgium              | B. KROKEIDE        | Norway        |
| O. VANDEVELDE                | Belgium              | B. LAMARK          | Norway        |
| H. FOGED                     | Denmark              | N. NIKOLOGORSKI    | Russia        |
| H. REYMAN-CARLSEN            | Denmark              | R. M. SHURAVIN     | Russia        |
| V. K. TAVAKKA                | Finland              | A. MARTIN MARTIN   | Spain         |
| M. BARDON                    | France               | A. LINDBERG        | Sweden        |
| H. DE RAEMY                  | France               | L. ENGSTEDT        | Sweden        |
| F. KETHERS                   | Germany              | H. POIT            | Switzerland   |
| Dr. G. LICHTENWALD           | Germany              | A. BÜNZLI          | Switzerland   |
| Dr. W. SCHIMMING             | Germany              | R. KELLENBERGER    | Switzerland   |
| H-B. SCHITTEK                | Germany              | G. KREH            | USA           |
| K. CONRAD                    | Germany              | W. THORNHILL       | USA           |

Dr. Heinz Braun, former Member of the Board of Directors of Allianz and co-founder and spiritus rector of IMIA had been an invited guest of honour at the welcome reception.
The following **topics** were presented by working parties at the Conference on:
- IMIA Statistics - General Report
- Guarantee Insurance (for collection of data on this line of business questionnaires were handed out the year before) (IMIA WG Paper of 1992)
- The Influence of Captives on Technical Risks Insurance (IMIA WG Paper of 1992)
- Update on the Channel Tunnel Project (IMIA WG Paper of 1992)
- What has the Engineering Insurer to offer to his clients that the Fire Insurer cannot offer more cheaply and more effectively? (IMIA WG Paper of 1992).

**The Programme** ran from Monday to Friday.

On the Wednesday the German Host organised a visit to lake Chiemsee and its island Herren-Chiemsee with the famous Royal castle.

The Farewell evening was hosted at the Nibelungensaal of the Royal Residence in Munich. The Bavarian State Minister of Finance Dr. von Waldenfels welcomed the Delegates.

Friday evening was concluded by a visit to the Opera performing Don Carlos by Verdi at the Gasteig Philharmonic Hall.

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**1993 Conference Madrid, Spain**

Archie Watt, who had been with IMIA as from 1984 and IMIA Secretary up to 2006, had the position of Chairman in 1993, President of the conference was Augustin Martin (Spain).

Fee income of IMIA members in 1993 fell short by GBP 4,424 to GBP 10,750 from the GBP 15,174 in the previous year. An increase of 10% of fees was agreed.

Four noteworthy Topics were presented:
- Status of Industrial All Risks covers including Engineering (IMIA WG Paper of 1993)
- Advance Loss of Profits Insurance (IMIA WG Paper of 1993)
- Waste incineration - Underwriting and Technical Aspects (IMIA WG Paper of 1993)
- Development of Industrial Gas Turbines (IMIA WG Paper of 1993). Special attention was given to the gas turbine loss problematic and a data base had been set up for recording gas turbine failures for analysis to better understanding the problems and for loss prevention purposes. Data would be handled fully confidentially.
The President was Ken Sinfield, Great Britain, and Archie Watt was Chairman for 1994. The suggestion was made to also allow Insurers to become members, if no local insurance association existed, but a decision was postponed. The total premium income of the past year amounted to US$ 6,179 million. The question of potential impact of aging plant on Machinery insurance become a topic. A large database to collect claims details mainly for power generation equipment was to be set up. Other topics presented (all five IMIA WG Papers are on record):

- Performance Guarantee Insurance (a cautious approach was described)
- Broker's Role in Engineering Insurance
- Natural Hazards and Engineering Insurance
- Particular Features of Waste Incinerators
- Fire Loss Prevention for CAR/EAR

Hans-Bernd Schittek, Allianz took over the position of Chairman after Archie Watt. Veli Kalle Tavakka was the conference President in Helsinki. This was the first time that the National Reports were no longer discussed extensively and individually for each country. Delegations presented only a brief summary each. However, one concern was expressed especially by Sweden and Switzerland: Difficulties in applying adequate terms and conditions in an increasingly competitive market, which was commented by the Chairman saying that completion is nothing new to recent times and insurers must better adjust to the customer’s needs and provide good service. Furthermore, the aging plant topic was picked up, as was intended the year before. Peter Downs of HSB reported on the progress in receiving of claims information to the database which was too small still to draw first conclusions from it.
The topics presented (IMIA WG Papers on record) were:
- Waste incineration (analysis of questionnaires which were handed out the previous year)
- Political Risks in Engineering Insurance
- Computer Dependency - Computer Virus
- Tunnel Projects and Tunnelling Works.

Forty-two Delegates from twenty countries participated. This was the last conference with simultaneous interpretation in the three languages German, French and English, given the expense involved to maintain. Unlike in previous years, participants were now reasonably conversant with the English language, thereafter the only language used.

The topic of “Ageing Plant and Equipment” was again on the Agenda and Mr. Downs of HSB presented a paper that analysed the potential impact of age on Machinery Breakdown insurance from the claims data collected in the database. The detail to which the database analysis went can be seen from one of the twenty-six graphs which consider the various aspects of the main power plant machinery studied:

![Graph showing Age vs. Failure Cause: Risk Analysis](image)

Generally, the analysis, which continued up to 1999, confirmed the previously assumed bath tub curve experience, showing a high number of losses in the initial period, followed by a low loss development over years, but increasing again over a longer period of operation.

The experience of high design losses in the initial year is well confirmed for power plant equipment, which includes gas turbines.

A proposal was made of seek the collection of gas turbine claims data in a separate database specifying type of use, unit size, approximate claims amount and cause of loss for the years 1994 up to 1999.

The Gas Turbine topic was deepened by a presentation by a Westinghouse Manager informing on latest advances in gas turbine power generation.

Other topics discussed during the conference were: (Working Group papers on IMIA Website):
- Failures of large oil cooled transformers
- New development in Advance Loss of Profits insurance
- Design for Earthquake and Wind
- Environmental pollution risks and CAR/EAR insurance
Forty-two Delegates from twenty countries participated. Japan had no delegate, as the national Reinsurance and Insurance Union (local Association) was obliged to dissolve due to the new Fair Trade legislation.

The market for public project contracts moved to a new way of financing these in view of limited public funds. **BOT (Build, Operate and Transfer)** and similar projects emerged in mature as well as developing countries. Insurers had to deal with new requirements such as the inclusion of the financing party in the insurance cover. Bankers and their lawyer devised special **Lenders Clauses**, which made the extent of cover very wide in an unclear and/or uncertain manner. This topic was much discussed at the Conference in two presentations by insurers and reinsurers (WG papers available). However there was still no clear understanding and no suitable way on how to proceed with a solution in that meeting.

Further topics on the agenda:
- Risk-based management for equipment reliability
- Stress corrosion cracking
- Connection between Re-engineering and Business Interruption
- Fatigue in Engineering Insurance.

There are indications, that a new **IMIA Brochure** had been drafted for distribution at the conference. However no copy is available but a draft of the brochure content was found which included reference to:
- the mission
- the organisation
- the worldwide database
- the working groups
- the annual conferences
- recent publications.

**1998 Conference Interlaken, Switzerland**

**IMIA’s first Internet website established!**

IMIA created its first Internet website for the information of Delegates which went life in June 1998. In the months following, a number of suggestion for improvement of IMIA’s appearance and structure and content were discussed intensely. The task was to “develop the website into a first class source for information regarding Engineering Insurance and related technical topics”.

1998 it was also discussed to produce an IMIA **News Report** to be distributed to Delegates. This was done in March 1998. It contained the proposal of a new time structure for future conferences, and the suggestion was to be approved at the next annual conference in Interlaken.

In June 1998, Hans-Berndt Schittek, Chairman of IMIA gave an Interview on the **30 years’ anniversary of IMIA** for the German publication “Allianz Report”. In the interview he outlined what IMIA’s brand and objective is and what its aims are, who comprises its Members, how IMIA works and who would benefit from it. The information he gave is much the same as we would give today. A copy can be found (in German Language) in the IMIA archive.

**At the Conference at Interlaken**

Forty-one Delegates participated from twenty countries, and it was the:
- first time a computer projector (beamer) was used instead of overhead slides projection
- first showing of the **IMIA website “live”**
- last conference with a start on a Monday and closing on the Friday when the the social day (together with partners) was on the Wednesday.

**Topics** presented and discussed (IMIA WG Papers available):
- Gas Turbines - continuous trend to higher performance
- Hydro-Electric Power
- Contractor’s Defects Liability cover, Construction insurance
New effort of improving IMIA statistics

In April 1999 IMIA sent out a questionnaire to all Countries to investigate details they may have available in their figures. Suggestions were made of the details that should be supplied in future and what should be compiled in the IMIA premium and claims statistics.

At the Versailles Conference

The revised time structure of the Conference was introduced with 2 ½ working days starting Monday morning. The arrival and reception was now on Saturday, and Sunday open for outings and social activities.

As from 1999 onwards the conference invitation papers were placed on the IMIA website which now offered both a public and a Members’ section.

Forty-two Delegates from twenty countries participated. After the dissolution of the Union in Japan in 1997 there were now two Delegates from two of the main Engineering Insurers in Japan who came as “Observers”, but in the following years, three companies regularly sent a Delegate who jointly represented the Japanese Engineering insurance market going forward. It was decided that other Insurers could also join where they could not be aligned to a local Market Association. The three Japanese Companies proposed to supply statistical market data and national reports in turns.

A special topic was directed to the potential loss scenarios in connection with the millennium date change to 2000. An IMIA paper had been presented (available on the IMIA website).

Due to recent serious losses at semi-conductor plants, the approach to be taken to insurance of such plants had become a major issue. The presentation of this topic showed inter alia the UICC fire loss of 3rd October 1997 and discussed problem areas and risks involved as well as loss prevention measures.

Other topics presented and discussed (papers available):
- Managing Risks in Construction Insurance
- Insurance of wind turbines
- Catastrophe modelling

During the elections, it was proposed that after 2000 a new IMIA Chairman should take over to replace Hans-Berndt Schittek who had chaired IMIA since 1995. Anders Lindberg was nominated to take over as from after the 2000 conference in Munich.

2000 Conference Munich, Germany

The second edition of the IMIA Website went life in February 2000. It now including the IMIA Working Group papers from 1997 to 1999. Unfortunately however, no records exist to show what it looked like.

There was also a decision made that IMIA papers would only be published on the IMIA website and no printed copies would be distributed anymore!
In 2000 the IMIA Secretariat moved from Royal Sun Alliance offices to the General Secretary’s home address after retirement of the Secretary Archie Watt from his employment with this Company.

**Conference in Munich**

Munich Re hosted this Conference which was held in their offices. Forty Delegates from twenty-one countries participated with four guests invited to be present.

The IMIA Statistics reported a gross premium income of US$ 4.5 billion for the IMIA Members for the year 1999.

IMIA introduces an Anti-Trust clause on the IMIA website.

One of the initial topics was the future of IMIA. A very productive discussion centred on the question of if and how to open up IMIA to a wider circle. Primarily two countries, being Denmark and Austria, defended fiercely the ruling order that IMIA should remain an Association of Country Associations. The decision was made however, to carefully open up IMIA also for insurers, loss adjustors and brokers and additionally make use of the website to make IMIA better known and accessible globally.

Heinz Huppmann of Munch Re gave a great overview of the development and state of Engineering Insurance in a presentation on 100 years of Engineering Insurance in Germany.

Private Project Financing of Build, Operate, Transfer (BOT) projects was again discussed and this included a commentary guest speech by a German Banker.

The topic of Advance Loss of Profits (ALoP) was discussed in much detail and the presentation on "Risk control and claims handling in ALoP Insurance" offered insight into an extensive risk and loss investigation:

- Distribution of Sums Insured:
- Distribution of numbers of Claims:

Other topics presented and discussed (IMIA WG Papers available):
- Human Factors in Engineering Risk
- The Internet and Intranet – exposures and insurable interest
- Large Gas Turbines – the insurance aspect (update)

IMIA changed its name now officially from "International Machinery Insurers Association” to:

“**The International Association of Engineering Insurers**”

thereby now covering a broader range of Engineering Insurance lines that IMIA is engaged in and not
just the original main interest in Machinery Insurance. The well-known term "IMIA" was however maintained for reason of identification and brand. For years the business of Engineering Insurers expanded predominantly in respect of Construction (CAR and EAR) insurances.

From end of 2000, IMIA for the first time incepted its personal Liability insurance for the activities of IMIA and that of the work conducted by the Executive Committee officers.

**2001 Conference Sidney, Australia**

This conference took place just after the tragic events that occurred on 9th September in New York. The Delegates were still under shock and the meeting started with a minute’s silence before the Chairman (Anders Lindberg) took up the agenda.

The meeting continued with a discussion on opening up IMIA to other Organisations besides Insurance association. There was little dispute to accept Insurers and Reinsurers as full members. It was undecided as to whether others active in the Engineering Insurance sector (such as loss adjusters, risk inspectors, risk management and loss prevention Organisations) could obtain an "Associate Membership". The Chairman made a short statement to the conference specifying that:

- any Associate Member would be expected to make a real contribution in one of our core competencies of underwriting and risk and loss control and not just attend the Annual Conference
- these Members would be expected to nominate a genuine expert to represent them
- invitations to individuals would be limited to those acknowledged in the market to be leading experts in their field
- Associate Members would be limited to a maximum of five at any one time,
- membership of an Associate Member would be limited to an initial three-year term, subject to renewal thereafter.

On this basis and with the other limitations to be specified in the Constitution, the proposed opening of IMIA to others was approved unanimously.

In 1993 IMIA had already formed a Computer Committee to deal with the technical aspects and specific studies of computer related questions. This included a contact to the CEA (Comité Européen d’Assurance). This coincided with a debate regarding the emergence of cyber risks (virus, hacking and denial of access) and the potential for uncontrolled accumulation of exposure arising from these perils. It became an objective of the Committee to decide how best to manage and control these exposures.

Other topics presented and discussed (IMIA WG papers available):

- Tunnel Boring Machine (TBM) application in soft ground conditions
- Inherent Defects insurance
- Risks associated with the construction and operation of environmental plant and equipment

**2002 Conference Rüschlikon, Switzerland**

This conference was hosted by Swiss Re. Forty-three Delegates from eighteen countries participated.

Bruno Porro, Chief Risk Officer of Swiss Re, gave a presentation on the development of the Engineering Insurance market. One of the points he noted was:

- The most difficult underwriting segments proved to be Tunnels & Underground Works, Gas Turbines and Entrepreneurial risks.

Ending his presentation Mr. Porro stressed the importance of disciplined underwriting applying basic underwriting principles.
Regarding the IMIA **website** the following comments were made:

The number of visitors to the IMIA website is encouraging with between 1000 and 1500 different site visitors registered per month. An average of twenty pages were viewed each per visit, with the sections most frequently visited being IMIA Statistics, Press Releases and Gas Turbines. It was suggested that a section showing interesting claims examples should be included.

Quite a large number of IMIA papers were presented and discussed in 2002:

- PML assessment of Civil Engineering risks
- Integrated gasification combined cycle power plants
- Pulp and paper industry
- Use of non-destructive testing (NDT)
- Telecommunications and e-commerce – global exposures
- Machinery Breakdown risks of nuclear power plants
- Extension of period for Delay in Start-Up covers
- Insurance of wind turbines – Update.

At this meeting it was also agreed that correspondence by telefax machines could now be ended as all members were able to communicate via e-mails.

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**2003 Conference Stockholm, Sweden**

In Stockholm, and unlike in previous years, the conference was held at a venue which was a short walk away from the hotel the Delegates were staying at.

Forty-one Delegates from nineteen countries and one guest participated.

The IMIA website was an extended topic where the following points were highlighted:

- “Interesting claims examples” collected so far were now on the IMIA website.
- The IMIA Premium and Claims statistics have been Included
- Details of internal reports, minutes and conference information including the online registration form being available within the Members only section.

One remark about the IMIA website is worth highlighting:

“IMIA would probably not exist today, had it not allowed access to the public and not developed its extensive knowledge base easily accessible on the website!”

Huge gratitude was afforded to Louis Wassmer who was responsible for the website development.
The less than enthusiastic response on the request for providing more **interesting claims examples** was highlighted, and Louis Wassmer suggested that each Delegate sent at least one claim example by the end of the year.

Many other topics were presented and discussed (IMIA WG papers available) including:

- Mould – Risk for Engineering Insurers?
- Risk management approaches in CAR/EAR insurance
- Forensic investigation of Engineering claims
- Construction and operation of hydropower dams and plants
- Micro gas turbines, risk and markets
- High-speed railway construction projects
- Analysis of transformer failures

The Farewell dinner took place in the famous Wasa Museum displaying the preserved and almost intact 17th century warship Wasa.

**The year 2004 and Conference Rome, Italy**

**2004 IMIA introduced its new logo**

It is registered under the Trademark application No.: 2367461 as indicated by the TM (trade mark) within the logo.

The British Tunnelling Society (BTS) and the Association of British Insurers (ABI) developed and published in September 2003 the **Joint Code of Practice for Risk Management of Tunnel Works**.

IMIA supported this initiative and included a copy of the Code on the IMIA website in 2004. Copies of translations into other languages followed. The Tunnel Code of Practice (TCoP) can be found in five languages on the IMIA website.
The Conference in Rome

At this conference there were fifty Delegates from Associations, Insurers and Reinsurers, but for the first time there were seven guests who were from other profession including: Loss adjusters, Lawyers, Technical Services and also Engineering Insurance Brokers! This was a substantially larger participation than in previous years, coming from nineteen countries. For most conferences IMIA keeps lists of participants in its archive.

**IMIA Statistics:** IMIA Members’ Gross Premium reached US$ 6,164 Mio in 2003, 9.3 % growth over 2002. However, concern was increasing that premiums and losses were calculated on different basis in the individual reporting countries. Some Members were reporting premium written instead of earned and some report claims paid instead of claims incurred.

Similar to the previous years, the discussion session were continued, where Delegates were asked to promote their ideas and suggestions for the future development of IMIA. The conference in Rome included five “internal meeting groups” all covering different topics. After these meetings, the Chairman of each group gave a brief report on the results, which after the conference were also distributed by e-mail to all Delegates.

The increased active involvement of Delegates was much appreciated, but the Executive Committee still wanted more activity and more contribution from those present. To achieve this, two of the Executive Committee Members presented a comedy sketch alongside a PowerPoint presentation on the roles, opportunities and responsibilities within IMIA. It was then that Detmar Heidenhain appeared in bathing dress and accessories attempting to persuade Oscar Treceño to join him to the beach, suggesting it would be more attractive than the conference meetings. So they talked, and Oscar, while referring to the presentation, outlined the benefits and what was asked of Delegates. Finally, being convinced of the need and the usefulness of actively participating in the Conference and also over the year, they both decided to join the Conference.

Other working groups topics presented and discussed (see WG papers on the IMIA website) were:
- Insuring Utility Interruption
- Monitoring of large CAR/EAR projects
- Maintaining technical expertise in the insurance / reinsurance industry
- Impact of increasing Natural Hazards on Engineering Insurance.
Other interesting presentations were:
- Claims by Engineers - Problems engineers encounter when making insurance claims and the trouble these cause to insurers
- Unclear / imprecise wordings and Common Law principles of construction
- Advances of mediation in resolving complicated claims.

With respect to the venue of the Conference, the Conference room had a kind of baroque interior, but without windows, and the farewell evening at the Colonnal Palace in Rome was probably the most impressive location for this event in IMIA’s history.
The long-term IMIA General Secretary Archie Watt was to retire after the next year’s conference in Boston. As successor Utz Groetschel, an IMIA Delegate of Munich Re since 2002, agreed to take over officially after an overlapping hand-over period as from the Moscow conference.

At the next Executive Committee meeting after the Conference it was suggested that in future the hosting country should give a presentation on the local market on the first day.

IMIA discussed producing a **News Sheet** approximately three times a year and the first issue appeared in December 2005. A copy of the first two pages is highlighted below:
This is the fourth time that the conference was hosted by the USA. (1974 Boston, 1984 San Francisco and 1993 in Washington). Most of the participants in 2006 had a relatively short association with IMIA, the only notable exceptions being Archie Watt from 1984 and Paul Moritz, Austria, Alan Harris, GB and Levy Rachmani, Israel from 1996. President of the conference was Mike Petruzzello from Hartford Steam Boiler. The number of attending Delegates grew to sixty-four coming from twenty countries.

The Chairman, Detmar Heidenhain, highlighted the progress IMIA has made in its development:

- The number and quality of technical information produced and provided was remarkable. These included new papers concerning offshore wind power, construction techniques and exposures of road construction, experience with tunnel construction projects and the pulp and paper industry.
- The IMIA website had been expanded with many additional publications - WG Papers, External Papers, Short Papers and a selection of Guest Presentations) and Claims Examples in the various lines of Engineering business were also included.
- The new Members’ site now provided internal reports, IMIA accounts and conference invitation information.

The Internal Group Meetings for discussing special current topics has become a traditional part of the conference and they were now called **Break-Out Session**.

Consisting of five groups the following topics were discussed:

- What is the future of software insurance within Electronic Equipment Insurance (EEI)? Options for virus coverage; clauses to be applied; software risk management
- Engineering covers affected by Material Change in risk: Scenarios & Insurers options
- IMIA's activity in Member and non-Member countries: ways & options to expand IMIA's influence and to obtain increased commitment from Delegates
- Lessons learned from covering tunnelling risk. - How to adequately define terms relevant to coverage of tunnelling risks, e.g.: defective design, physical damage, recovery / abandonment, loss limitation for works-(tunnel-) damage, etc.
- Brokers role in today's insurance market environment

**Highlights of Country Reports**: Another session was introduced at this Conference which gave Delegates from three countries time to briefly report on highlights of their country's Engineering insurance market (in 2006 they were: France, South Africa and Turkey).

Most of these presentations were allowed to be placed on the IMIA website (see Country reports).

A discussion point of the Executive Committee in a meeting following the Conference centred on a regularly and controversially discussed topic which was the status of the **IMIA Statistics**. Besides the challenges associated with the collection and potential consistency and accuracy of premium and loss data, efforts should be made to improve the integrity of the statistics to be analysed and presented, and a modified presentation was drafted for futures conferences.

In view of the growing number of conference participants, the seating arrangement needed to be modified by introducing second side rows, but maintaining the U-shape configuration, see graph:

Following that Executive Committee meeting, further IMIA News Sheets were produced in March and June 2007 and these included interesting new construction projects and claims, which had occurred recently. The News Sheet now included photographs and had become much more graphic.

In 2007, the Executive Committee decided that the **IMIA website** needed redesigning and Louis Wassmer suggested a service office in Switzerland that had experience with other insurance websites.
The new IMA website was designed to improve clarity and accessibility of information and documents. This was the existing home page up to 2006:

![Existing IMA website](image)

The draft concept of the new website looked like this and offered a number of improvements making search for information and documents easier using the drop-down menus on top:

![Draft concept of new IMA website](image)
At the third IMIA conference in Japan, fifty-seven Delegates from eighteen countries arrived in Tokyo. The Conference was extremely well organised by the Japanese Hosts even for the group photograph they suggested that all Delegates in the first row keep their hands in a fist on their legs – except for our President Detmar Heidenhain!

In his opening address, Detmar Heidenhain mentioned the "Fathering concept" that the Executive Committee had launched to assign a group of Delegates to each Executive Committee member to whom they would keep contact.

At this conference there was a variety of interesting presentations in addition to those of the IMIA Working Group papers. They included:

- The San Francisco Tunnel claim (by David McGhie of Advanta)
- Decennial Insurance - Loss Experience (by Hervé Landrin, Munich Re)
- Global Warming and its effects on natural hazards by Prof. Teruyuki Nakajima, Director of the Centre for Climate System Research University of Tokyo.

The Highlights of National Reports were given by Australia, Germany and The Netherlands.

Another highlight was the farewell evening at Happo-en where Oscar Treceño was beating the drum. The visit to the Meji Shrein in Tokyo was accompanied by heavy rain.

In the Executive Committee meetings following the Tokyo conference, the topic of press publications was more intensely discussed than in previous years. Delegates responsible for pursuing publications in various countries were nominated, but success in this regard proved challenging.

Juha Etala was responsible for collecting interesting claims examples for inclusion in our website.
A special claims topic was brought up by Neil Clutterbuck referring to the serious number of thefts of contractor’s plant and equipment and referred to the measures discussed to get control over the situation (project **CESAR** – Construction Equipment Security and Registration Scheme).

After IDI (Decennial Insurance) had been added to the IMIA premium and loss statistics, its inclusion in the overall figures was not considered suitable due to the fact that only very few countries write this business and at very different volumes. So the Executive Committee decided to show this business under separate figures.

### 2008 Conference in Gleneagles, Scotland

Although Gleneagles in Auchterarder, Scotland is remotely situated, it was the third time that an IMIA Conference was held there. The local countryside is a very suitable venue for the event and seventy Delegates participated from twenty-three countries. Additionally twelve invited guests attended the Tuesday presentations.

The three country highlights in 2008 were presented by Canada, Finland and Austria.

Five new Working Group papers were introduced:
- Contingent Business Interruption in Engineering Insurance
- Deregulated Electricity Markets
- Desalination Plants
- CO₂ Free Coal Combustion Technology
- Bridges – Construction, Insurance and Risk Management

They can all be viewed on the IMIA website.

Special guest presentations discussed inter alia the insurance implications of Heathrow terminal 5 (by Richard Williams, Swiss Re London).

Another of the guest presentations was from a Colleague from the Metropolitan Police, London taking up the topic of theft of contractor’s plant and referring to the measures taken to reduce the number of thefts by the special plant identification system CESAR.

The Gleneagles conference was the first where a journalist came to gain a message from the event. Here is D. Heidenhain talking to a lady from the Insurance Times. Her article appeared on 2nd Oct 2008.

On the Sunday the British Host introduced the Guests to the still perfectly working steam engine on board a boat cruising Loch Katrine at beautiful weather:
In 2008 IMIA issued an information brochure in form of a folded leaflet. This was distributed to Members and candidates interested in membership. The brochure was also available on the IMIA Website.

The IMIA News Sheet grew in popularity given its information on IMIA activities and interesting projects and claims cases. It included at the end a "last but not least" contribution an example of which is shown right.

In the Executive Committee meeting following the conference, it was supported that IMIA and LEG should intensify their relations. Utz Groetschel had been invited by LEG to give a presentation on IMIA at their annual Conference. It was suggested to encourage closer cooperation on certain technical topics, as both organisations aim at supporting best practice in Engineering Insurance. IMIA put a link to the LEG website on the IMIA website and a direct link to LEG market clauses (like those for the defects exclusion).

Statistics were produced every month of the number of ‘hits’ on the IMIA website along with a list of documents reviewed, it was evident that interest in the IMIA website was growing.

2009 Conference in Istanbul, Turkey

The forty-second IMIA Conference was hosted by the Turkish Association and attended by seventy-five Delegates from twenty-two countries. The number of new IMIA Members has again increased including Delegates from Brazil, Bahrain, Mexico and Pakistan.

The National Reports prepared for mutual information of the IMIA Members showed that the majority of the countries are affected adversely by the economic situation. This year “Highlights of National Reports” were presented by Switzerland, Spain and Russia.

When explaining the 2008 Engineering Premiums and Claims statistics, Hans Pöttker (Allianz AGCS) was again appealing to the Country Delegates to try and improve the data in respect of completeness, accuracy and proper split into the lines of Engineering insurance. This task always proves to be extremely challenging.

The new Working Group papers introduced at the conference centred on two of the continuously technically demanding kinds of risk: tunnelling and mining.

A guest presentation reported about an interesting local risk, the new rail link tunnelling project Marmaray.
Interest also focussed on large gas turbines, wind turbines and ALoP claims issues at this conference. Excellent presentations were also shown on a complicated repair procedure of a bridge girder that failed during construction (Alessandro Stolfa) and on an excavation collapse of a tunnelling project (David McGhie).

This was the last conference chaired by Detmar Heidenhain. The new Chairman elected was Neil Clutterbuck (Allianz UK).

Here is a cut-out of the group photo of the Delegates.

The number of attendees was pleasantly growing to ninety Delegates from twenty-five countries and eight guests for the Tuesday presentations.

Dr. Markus Hofmann, the President of the Conference, opened proceedings with a lively speech on the German Engineering Insurance market.

The Chairman, Neil Clutterbuck highlighted the pleasant high level of publicity IMIA is receiving. He welcomed twenty-eight newcomers to the conference.

Market highlights were given by India, Taiwan and Brazil.

Besides the introduction to the new Working Group papers for 2010 (see the IMIA website) the following presentations received special attention:

- Dr. Gause of the German Association gave a good picture of the structure and tasks of the German Insurance Association GDV which is larger than any other in Europe or elsewhere.
Darren Smart of Liberty Mutual Insurance Europe gave a presentation of LEG activities and the intended cooperation with IMIA.

Prof. Höppe of Munich Re presented an overview of climate change and the ideas behind the huge Destertec Renewable Energy project which is supported also by Munich Re.

As a new addition to the Agenda, IMIA introduced a Panel Discussion where the moderator (Neil Clutterbuck) discussed with a panel consisting of two insurers, a broker and a guest speaker. The topic chosen was: “Sustaining the lifeblood of the Engineering Insurance – an impossible task?”

The presentation of the disaster of Cologne's tube tunnel collapse was found highly interesting.

This photograph shows the Delegates group in a more casual appearance in front of the "Reichstag" Government Building after a visit to the construction site of the new Berlin airport.

It had been decided to have a test video recording of a few of the presentations at the Conference in Berlin. It proved difficult afterwards to compose interesting video presentations of it. Finally one of them was put on YouTube later and a link to it is on the IMIA website.

Following the conference, IMIA started to look for an assistant to and subsequent successor of the present General Secretary Utz Groetschel. The search was successful in finding a positive response in Dr. Hans Mahrta, who would retire in near future from his employer, Infrassure.
This Conference was again well attended with ninety-two Delegates from twenty-nine countries plus eight Tuesday guests participating.

Country highlights were presented for Denmark, Italy and Japan. Overall a reduction or low premium growth was reported for the preceding year. IMIA Members’ premium was less and this was due to the fact that fewer insurers submitted data.

This was the first time IMIA had established a photography competition. The best photos were exhibited on posters, and an IMIA calendar for the following year (2012) was produced displaying a selection of these photographs. This was handed out to all at the end of the conference.

The panel discussion with a panel of insurers, reinsurers, brokers and consultants centred on the questions about "Opportunities for Engineering Insurers in a changing world". Points raised were:

- Changes Today
  - Technology – size of risks
  - Unprecedented Nat Cat events and changing models
  - Developing economies – Solvency II
  - Industry following expansion worldwide
- Implications of increased capital requirements and increased need for reinsurance
- What is IMIA doing?
  - Sharing expertise
  - Developing Sub-Committees to study difficult issues.

In addition to the presentations of the new IMIA working group papers, the hosts arranged a guest presentation by the contractor of the highly demanding wet risk harbour project Maasvlakte 2, where approximately 2,000 hectares were to be reclaimed, behind a 4 km dike.

During the elections at the Conference, Neil Clutterbuck regretted to advise that he will not be able to continue his duties as an Executive Committee Member. In the discussions that followed, Oscar Treceño was prepared to take over the Chairman’s position as from after the Amsterdam conference.
Dr. Hans Mahrla has been elected to join the Executive Committee upon his agreement to take over the IMIA secretariat following the next conference in Rio de Janeiro in 2012, allowing a one year’s hand over period.

At the Amsterdam Conference new video recordings were made. A film team took video clips and short interviews of attendees in order to develop an IMIA eye catcher for interested member candidates. Neil Clutterbuck had managed to invite this team from the Allianz UK staff. The highly acclaimed final video was completed two months later. DVD copies were sent to all Delegates and also made available on the IMIA website.

Evaluation of the comments made by attendees reflected a continued high interest and value for the Break-Out discussion session as well as the Working Group kick-off meetings.

Most countries had presented their countries’ highlights during the last years. It was decided that this part of the conferences should be discontinued and replaced by a general review of the past twelve months in the Engineering Insurance market.

David McGhie presented a tunnelling loss demonstrating the design problems associated with such projects.

At the year-end meeting of the Executive Committee it was also suggested that retired Executive Committee members be rewarded by a special status, especially if they continued to actively support IMIA. That status would entitle them to come as guests to conferences without paying guest or delegate fee. The status suggested was “IMIA Fellow” and a change in the IMIA Constitution had been prepared.

This was the first conference held in Latin America. Given the logistics and the location of the venue concern was expressed about the ability of Delegates to attend. However, ninety-two Delegates attended from twenty-nine countries, with a large representation from Latin American branches.
As decided the year before, the country highlights were replaced by a review of the last twelve months of the Engineering Insurance market where Christoph Hoch from Munich Re highlighted the analysis of trends observed.

In the presentation of premium and claims statistics, emphasis was placed on the impact on results by Natural Catastrophes.

A local guest presentation explained the stages of work on the famous Maracanã Stadium being prepared for the upcoming FIFA soccer World Cup (2014) and Olympic games (2016). The Delegates' group made a visit to the site on the Sunday before the conference meetings commenced.

The Break-Out discussions were again very much appreciated for the active involvement of the participants in this session.

Of all the presentations, the greatest interest was shown for the topic of "How the Defect Exclusion Clauses operate in practice - a few case studies" by Rupert Traviss of Cunningham Lindsey.

The panel discussion focussed on the "pro's and con's of Split placements".

Following initial statements on 'split' placement versus subscription market, the general discussion began with significant contribution from the audience.

Another update of the IMIA website structure had started and the idea of its inclusions offering more information and easier access to documents was promoted.

The new IMIA Chairman Oscar Treceño announced the launch of the IMIA Academy, which is intended to train junior underwriters of IMIA Members in an Engineering Insurance seminar to be held next year in Berlin.

The current General Secretary Utz Groetschel passed this title over to Hans Mahrla at the end of the Conference. Utz however, maintained a number of activities in support of the IMIA Secretariat. He was nominated as an IMIA Fellow.

In January 2013, the preparation of the IMIA Engineering Insurance training course started under the name of IMIA Academy. With the great organisational support of the German Association (DVA - Deutsche Versicherungs-Akademie) the seminar commenced in March with thirty-two participants from thirteen countries who listened to Experts from Switzerland, Germany and the UK IMIA Member companies. A test was included at the end of the course. It was considered a great success.
In Delhi the number of participants could not be expected as high as the year before, but the actual number of eighty-six from twenty-six countries was highly satisfactory.

In respect of the IMIA Statistics, all were reminded again to endeavour improving the data they are expected to supply on a more uniform basis and in the necessary detail. All promised to do better!

Milind Bhatawadekar gave a local guest presentation on the complex circumstances of a loss affecting an air pre-heater of a power station project in India.

Max Benz provided a short presentation relating to the conclusions of a DSU Working Party in London on this complex topic. They developed worksheet for completion to provide greater clarity to the composition of the sum insured, the components that were intended to be insured and to reduce uncertainty relative to indemnity in the event of a loss. The IMIA website keeps copy of the DSU Working Party’s papers in the Knowledge section.

The most interesting presentation was by Martin Frey of Amlin Re on the new IMIA Working Group paper "Formwork and Scaffolding Collapses".

At the Delhi conference, the results of the IMIA website update were presented and the new features explained: A click on any of the other top menus opened a detailed left hand menu for accessing the various pages, information or tables. The Knowledge Page now provided detailed lists of topics on which various types of papers or presentations could be clicked for viewing.

The Login leads to the Members' additional information which included the conference invitation papers. That is how the new Home page looked like:
The 2013 photo competition resulted in a collection of excellent photographs and the best were shown in the 2014 IMIA Calendar which was handed out to all Participants of the Conference.

In December 2013, IMIA completed the 25th IMIA News Sheet. This issue contained a specific territorial contribution which dealt in detail with a number of large construction projects in Turkey, such as the third Bosporus bridge, the Northern Marmara highway, the Izmir highway, the Gebze Bridge, the third Airport of Istanbul, the Golden Horn harbour construction and the Marmaray-Bosporus immersed tunnel. These were well elaborated and detailed articles.

In March 2014, the second IMIA Academy Engineering Insurance training Course was held in Berlin with equal interest and number of participants as the year before.

The next IMIA News Sheet issued in April 2014 contained a Special territorial contribution from France, which was used to generate interest in the forthcoming Conference, although it was not clear at this stage where in France the Conference could be organised, as it proved difficult to find a suitable venue in Paris.

Thanks to the great support of SCOR, it was possible to organise the Conference in Mandelieu, near Cannes. President of the Conference was Olivier Hautefeuille of SCOR UK. The number of participants increased this year to one hundred and nine Delegates from twenty-eight countries plus eight guests.

The presentation on the last twelve months of Engineering Insurance raised one topic which was capturing increased attention: Regional social and civil unrest was becoming more unpredictable! In fact it was a hint towards the threat of terrorism.

After the introductions to the new IMIA Working Group papers (all on the IMIA website), two guest presentations were of particular interest:

- Construction Project ITER, France: The ITER project aims to demonstrate the scientific and technological feasibility of fusion power. The project is an international cooperation between countries that represent more than 50% of the world’s population.
- The Miami Tunnel Project: This project revealed a number of significant technical challenges with regard to the method of works that was to be utilised, the design of the tunnel boring machine and the ground conditions that were expected.

Guido Benz reported on the introduction of the new **Offshore Code of Practice**: The offshore wind industry is a fast growing sector in a comparatively high demanding environment. The trend is towards designing and building larger and more complex offshore wind farm projects, which called for the need to develop a new code for supporting the application of best practice.

Winner of the photo competition 2014 was Matia Cazzaniga with "Metro Zürich":

The best presentation was given by Manuela Baroncini on the new IMIA working group paper "Solar Thermal Power Plants".

The group of Participants of the conference is shown here:

In March 2015, the IMIA Academy’s Engineering Insurance Course was once again held in Berlin with same interest as before of employees from Members all over the world. The Executive Committee discussed whether an additional Seminar could be held in the Asia Pacific region, preferably in
Singapore and investigation of its feasibility commenced. It was evident that there were some complications given the far distance of the location for the IMIA secretary team and lecturers from Europe. Local organising support and attraction of local lecturers would be needed.

There was an initial suggestion raised by the Chairman regarding the development of a trend Index of IMIA might provide, indicating where the market participants felt the Rating level might develop. Specific figures provided by IMIA Members would be submitted anonymously to avoid identification of individual sources.

Another suggestion was made to maintain Engineering Course participants' interest in IMIA after they completed the course. Contact should be maintained with those younger people under the heading of "Future Seniors". Certain activities they could be involved in were to be developed.

In order to get a better public profile of IMIA, it was suggested to have press articles about topics/papers to be presented at the next Conference in Mexico published ahead of or around the start of the Conference.

2015 Conference Merida, Mexico

With one hundred Members and six guests attending the Conference it was becoming more difficult fitting them all into the photograph.

The Delegates were taken to visit the Chichen-Itzá archaeological site on the Sunday. This location represents one of the most impressive architectural landmarks and is steeped in history.

Among the topics discussed in Merida, special attention was given to the exposure to strike, riot and civil commotion in view of the increasing unrest in many countries around the world. David Breen of Helvetia presented an overview of the Insurance of Oil and Gas projects. Also the paper up-dating information on Combined Cycle power plants (CCPP) was enjoying great attention.

The Break-Out discussion session now had a rotating system where all groups move from one topic to the next, thus getting involved in each of them. This session had a great support.

The Chairman, Oscar Treceño referred to the negative market environment, a trend echoed by many Members. He suggested that observing the trend in more detail may help to make the market better informed and thus more careful in their business activities. He explained how IMIA would imagine the introduction of a system of collecting anonymously trend data from Members to be called "IMIA Index".

This initiative matched with the Break-Out topic "Cycle Management" which was chaired by Andy Hottinger of Axis Re Europe.
An interesting claims example was presented by Jürgen Kolbe from Miller International about a local large claim, the landslide at the scenic motorway on the coast of Mexico. Besides instability of the slope material, other reasons contributed to the loss which proved very difficult to assess and costly to repair.

At the elections, the co-opted EC Member Stephan Lämmle was now confirmed Executive Committee Member upon the participants' positive vote.

This was the first conference in an Arabic country and it was very well done. Qatar General Insurance and Reinsurance Co. made it a big event starting on the Monday with a formal opening ceremony where high officers of Qatar General (QGICO), Qatar Bank and others were invited. Conference President was Sheikh Nasser bin Ali al-Thani and, partly acting for him, Maurizio Colautti.

At this occasion Oskar Treceño, the IMIA Chairman expressed IMIA's great thanks for the generous sponsorship from Qatar supporters. The conference room had a brilliant video screen of exceptional size making the reading of the screen details comfortable for all of the one-hundred Delegates and Guests.
The Sunday before, Delegates had the opportunity to visit the Khalifa football stadium presently under renovation to make it fit for the FIFA in 2022 and its huge air-conditioning plant being built 1.5 km away.

The power input for that air conditioning plant is 55 MW and thus able to cool the full stadium including the field down to 20°C at a surrounding temperature of some 40°C.

The Host of the Conference created substantial publicity by press conferences, photo and video takings which were presented on local television.

The IMIA Chairman, Oscar Treceño drew a picture of the values IMIA has and those of the hosting country and why knowledge should be shared and bridges been built between people. Stephan Lämmle of the Munich Re presented an outlay of the gigantic and demanding Engineering projects that have been seen in the past twelve months and necessarily Engineering Insurance has equally developed into a highly demanding business along with ever changing market challenges and risks. Both speakers also referred to the danger of Cyber risks to which the industries are more and more exposed. This topic had become one on which IMIA and its supporters have concentrated lately. An arousing presentation was given and intensely discussed regarding the questions of how to consider suitable exclusions and possible extensions of cover.

Special appreciation was also noted for the presentations given on ‘War and Terrorism - collateral consequences for Engineering insurers’ with a view on difficulties in risk inspections and repair works.

All papers are available on the IMIA website.
As from the Doha conference Louis Wassmer, a previous IMIA Delegate and Executive Committee Member, joined the Secretariat replacing Utz Groetschel as of the end of the 50th IMIA Conference in Munich.

Some impressions of last year's conference:
The most current topic presented in Doha on ‘Cyber Risks - Engineering Insurers Perspective’ aroused such interest that a broader discussion should be had and, as a result, a Cyber Risks discussion on PD/BI coverage in Industrial Engineering/Property was arranged and took place in London in November, jointly with LEG and OPERA organisations. About 200 participants came together.

The year 2016 was concluded with the IMIA Academy's Engineering Insurance Course held in Singapore in November. This was made possible by the extensive organisational support of Helvetia's Singapore office and lectures given by experts of local offices of IMIA Members. It was considered a great event with twenty-eight students participated from Middle East, Asia and Australia.

The New Year 2017 stared with the next Engineering course, again held in Berlin from 27th February to 3rd March. Here thirty-one students from fourteen Countries participated and performed their tests successfully.

The next activities were, of course, mainly directed towards the organisation of IMIA's 50th conference in September to be held at IMIA's place of origin, Munich.

Where will we go from here? What is IMIA’s future?

We may recall what the Chairmen envisaged at previous anniversary conferences about the future development of IMIA:

In his address Dr. Heinz Braun stated at the 10 anniversary that what was laid down at IMIA's founding principles had proven to be right and will be the basis on which IMIA will continue. The national reports will be an essential part of the future work as well as the production of papers and statistics which would otherwise not be available from the press or other organisations. Reporting and analysis of large losses and consideration of loss prevention/minimisation should become more essential. He also asked the general question "What will be the image of Engineering Insurance in the Future" and "what Insurers' policy is in this regard?"

At the 20th anniversary, loss prevention resulting from loss reporting and analytics was emphasized as a task for IMIA in the future: "One Dollar invested saves three Dollars by avoided losses". Additional to this, 'software insurance' was discussed as a future growing market issue.

At the 25th Anniversary, the question of a new IMIA brochure was discussed (the 1982 issue could be reworked) but found to be of little or no use at that time.
It is interesting to note that IMIA was getting more associations to join.

**In the following years** IMIA discussed which additional services they could offer for the benefit of its members and the Engineering Insurance market. IMIA made progress in respect of the following activities:

- Development of the IMIA website with more facets, documents and variety of information
- Updating the IMIA conferences to make them more appealing
- Improve on IMIA paper quality by more professional working groups and steering rules
- Issue an information brochure
- Attract activity by members e.g. by the IMIA photography competition
- Issue three times a year the IMIA News Sheet plus occasional ‘Country Specials’
- Creation of the IMIA Academy offering Engineering Insurance courses to Member employees.

**What are the plans for the future?**

The questions remain:

- How to attract new members into IMIA?
- How to improve Member/Delegate involvement and activity in a world of less time and funds?
- How to improve loss reporting and loss analysis for the better understanding of loss prevention and other measures to improve business in our class?
- How to improve insight in market/business development?
- With increasing competition and the erosion of adequate terms and conditions, how can Engineering Insurers best manoeuvre and survive such phases of Cycle?

During the past year the IMIA Chairman discussed these issues within the Executive Committee and past conference’s audiences. In a Road Map he laid out points that may need to be followed up in the future:

- Improve on IMIA Statistics (input quality)
- Make the IMIA Index work by reflecting trends in the Engineering Insurance business
- Maintain and improve IMIA publicity
- Keep contact with and involve attendants of IMIA Academy courses (Future Seniors)
- Maintain website quality and versatility
- Increase interaction with our Members during the year (News sheet, website, LinkedIn)
- Develop more claims visibility (reporting/discussions)

While this has the appearance of an action plan mainly for the Executive Committee, it can only work with the active involvement of our Members and their Delegates whose valuable contributions have been and will continue to be the backbone of IMIA and indeed the main source of what all of us benefit from.

Therefore the key to the sustainment of success for our business and for IMIA is the joint enthusiasm and effort of all of us that takes us to the future.

Further information on the past 50 years of IMIA can be found in the IMIA Archive on [www.imia.com](http://www.imia.com) available to both past and present Members.
ANNEX

Development of number of Delegates from 1968 to 2016

This map shows how many Delegates came from which country in 2016:

The International Association of Engineering Insurers
Number of registered Delegates per Country Sep. 2016

135 Delegates in 38 Countries (85 Insurers, 23 Reinsurers, 10 Loss Adjusters, 8 Consultants, 9 Brokers)
Development of IMIA Premium and Claims from 1978 to 2016

The graph below reflects the cycle of the Engineering Insurance business over the years.

Loss Ratios in % for 1978 to 2015

The figures below seem to demonstrate a general improvement in Loss Ratio. However, this is misleading. If one looks into the loss ratios of individual countries, most of them have a high and some a deteriorating trend whereas some countries show excellent Loss Ratios, because they provide figures for paid losses only instead of paid and incurred, and previous years’ paid losses figures are not updated.
Shares of main Lines of Business of total Premium

Engineering Insurers often referred to a loss of their Boiler & Machinery business to Property Insurers. This is true, but not to a dramatic extent, and the same was feared in respect of EEI / Electronic Equipment insurance. This does indeed apply in a number of markets, but not overall, as can be seen in the graph below.

List of all past conferences:

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<td>1970 – Lucern - Switzerland</td>
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<td>2004 – Rome - Italy (3)</td>
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<td>1972 – Paris - France</td>
<td>1989 – Copenhagen - Denmark</td>
<td>2006 – Boston - USA (4)</td>
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<td>1975 – Florence - Italy</td>
<td>1992 – Munich - Germany (3)</td>
<td>2009 – Istanbul - Turkey</td>
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<td>1977 – Brussels - Belgium</td>
<td>1994 – Glen Eagles - Great Brit (3)</td>
<td>2011– Amsterdam - Netherlands (2)</td>
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<td>1978 – Munich - Germany(2)</td>
<td>1995 – Helsinki - Finland</td>
<td>2012 – Rio d.J. - Brazil</td>
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<td>1979 – Leningrad - Russia</td>
<td>1996 – Washington - USA (3)</td>
<td>2013 – Delhi, India - HDFC Ergo</td>
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<td>1982 – Montreal - Switzerland (2)</td>
<td>1999 – Versailles - France (3)</td>
<td>2016 – Doha, Qatar – Qatar General</td>
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<td>1983 – St. Paul d V - France (2)</td>
<td>2000 – Munich – Munich Re</td>
<td>2017 - Munich - Germany (5)</td>
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<td>1984 – San Francisco - USA (2)</td>
<td>2001 – Sydney – Australia</td>
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