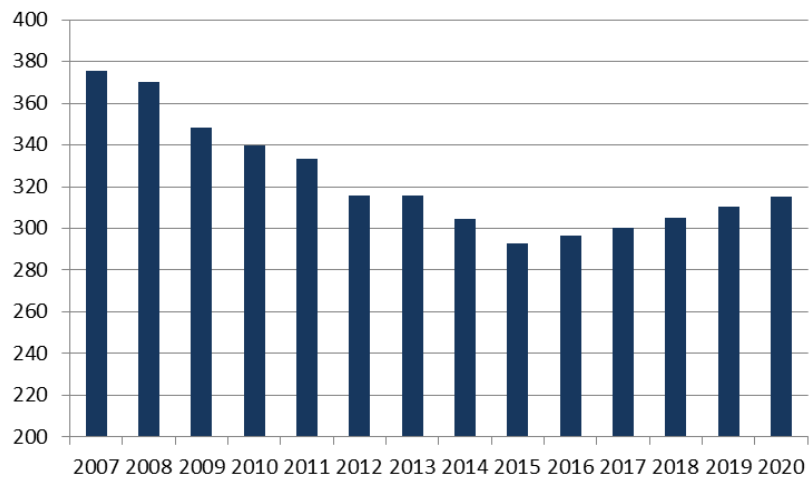


## IMIA 2016 COUNTRY ANALYSIS

Country	Premium development	Claim development	Underwriting profitability	Business outlook
<p><b>France 2016</b></p>	<p><i>No major modification concerning the premium, slight bellowing of the EAR and CAR due to the low level of investment, nevertheless we note an increasing of the building construction premium of about +10%, which reflect a re-start of global construction activities. This figure includes, building of flats, offices and other similar buildings</i></p> <p><i>Global progress</i></p> <p><i>The property and casualty insurance market was up by a very modest margin in 2016, up only 1.9% from 2.3% the year before. Fierce competition is always agitating the sector and the economic environment marked by a low growth weighing explain the matter. The natural hazards disasters marked the year. The cost of insured losses due to natural events is estimated at € 2.4bn, including € 1.4bn for floods only in late May-early June 2016. This explaining for a big part the increasing of the total claims burden by 5.2% compared to 2015.</i></p> <p><i>Concerning Construction Insurance businesses</i></p> <p><i>Development of renewable energies is again delayed, in particular the offshore windfarms. No immediate businesses to attempt as a lot of recourses and actions at courts have been started.</i></p> <p><i>Global premiums on construction stay on bellowing (-2.1%), but the horizon seems to be emerging for the future. "After eight years of crisis, building activity rebounded in 2016 (+ 1.9% in</i></p>	<p><i>On a pure technical risk view the 2016 figures are not showing important differences from previous year. The natural hazards disasters cost a lot (see flood in June).</i></p> <p><i>The average global cost of the natural events from 8 pasts years is of 1.8B€, concerning June 2016, 300M€ on the 1.4 b€ are</i></p>	<p><i>The profitability stays at roughly same level than 2015. Wordings are always under pressure, and competition maintained at very strong level.</i></p>	<p><i>The French construction industry has been hit hard by the country's economic downturn, contracting in real terms for eight consecutive years to 2015. Growth prospects remain limited, owing to the weak property market, subdued public expenditure, and a lack of investor confidence. Nevertheless, a number of large-scale transport and energy projects will help to support the industry and increase the likelihood of a sustained recovery to 2020. As indicated, re-start seems going slowly especially on building, (CAR and IDI). After the high-speed rail transport networks from 2011 to 2016, France is to develop its metro, helping to stimulate growth in infrastructure works. The Grand Paris Super Metro rail in Île-de-France was launched during 2016.</i></p>

## IMIA 2016 COUNTRY ANALYSIS

*volume) with an increase in new housing starts of + 12.3% over the year" said The authors of the FFSA report. A rebound which was manifested through the increase in contributions for damage and work (+ 9.2%) but whose impact on the Decennial liability will only appear in 2017.*



France – Construction Output (Real 2010 US\$ Billion), 2007–2020

*supported by the Industry and firms property covers. The other parts are supported by individual insurance business.*

## IMIA 2016 COUNTRY ANALYSIS

Figure 1: French Construction Output (Real US\$ 2010, Million), 2011–2020

