

Business Report 2017 - The Netherlands

The Dutch economy grew by 3.1 percent in 2017, the highest growth level since 2007. This development is reflected in the unemployment, which dropped by more than a full percentage point compared to 2016. The favorable economic development is not visible in all parts of the insurance sector. Both revenues and results are under pressure due to low interest rate levels, saturated or shrinking markets and keen competition from fellow insurers and from other financial institutions.

The Engineering insurance market in the Netherlands is very competitive. The total premium earned for engineering insurances decreased in the last couple of years. In 2017 however, the premium grew by 7 percent. This is partly due to the favourable Construction Industry. In 2017 the paid claims dropped. Furthermore there was a release of the reservation for claims. The Bruto Combined Ratio (BCR) has improved and is below 100 again.

Machinery Breakdown

The Machinery Breakdown portfolio increased in earned premium in 2014 due to the handover of several Wind parks. The premium however dropped again in the two years after and increased slightly in 2017. The result in 2016 was negative among other things due to large claims. The paid claims increases in 2017 compared to 2016, but after the release of the reservation for claims the BCR improved by 42 percentage point. Resulting in a positive result in 2017.

Construction All Risks

In general Construction has slowed down among other things due to fewer new projects over the past years. The optimistic prospect for the Construction industry has finally reflected in the premium volume in 2017. The written and earned premium grew significantly. The paid claims and the reserve decreased in 2017 resulting in a lower BCR and better result.

Electronical Equipment

The premium of Electronical equipment declines since 2014. A shift from Electronical Equipment insurance to property insurance is one of the reasons for the decline. The result worsened and is almost zero due to large claims.

The Dutch Association of Insurers,
The Hague,
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