

IUMI major claims database “on a growth trajectory”

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Since its launch four years ago the IUMI major claims database has grown considerably in size and improved its data, according to Dave Matcham, CEO of the International Underwriting Association of London (IUA) and Secretary of the IUMI Facts & Figures Committee.

“We now have data from 27 countries, all of whom are members of IUMI”, he said. The mission of the major claims database is to create an extensive and consistent database of hull and cargo losses, which, it is hoped, will enable all markets and their underwriters to benchmark and study the severity, frequency, location and cause of major hull and cargo losses. Those with access to data on the world fleet size will be able to begin an objective analysis of their book.

In 2022 Taiwan and Thailand joined the list of contributors, and it was hoped that by the end of 2023 there would be more than 30 contributing countries, compared with a starting point of six.

There are now 11,000 claims records in the database, equating to \$17.3bn in value. For hull there are now 7,100 observations, up 29% year on year and valued at \$10.4bn. For Cargo there are now 3,900 observations up 17% year on year and valued at \$6.9bn.

Matcham said that “for both Hull and Cargo, we can now demonstrate the incurred loss and average loss per year based on known loss development”. In 2021, there were 346 cargo observations at a value of \$495m. The average large cargo loss is \$1.4m. For 2021 the majority of large losses were under \$500,000, and this represented the highest number since we started the project.

Of the 3,900 cargo claims at \$6.9bn in value, only 2% were for more than \$10m, but that 2% represented 37% of value. Fire/Explosion is a consistently high cause. Matcham said that “it was heartening to be able to finally reveal the hull statistics. This class represents the majority of the data and can now be studied. As it is a more extensive dataset, there is potential for duplications. However, on further analysis, this is far less than feared, which gave us the confidence to publish.”

For 2021 IUMI recorded \$1.2bn value made up of 764 hull observations and an average loss of \$1.6m. The loss buckets saw a slight fall in volume of losses under \$500,000, while there was a rise in the \$2.5m-to-\$5m range.

<https://iumi.com/news/iumi-eye-newsletter-december-2022/iumi-major-claims-database-on-a-growth-trajectory>