



**IUMI**  
International Union of Marine Insurance

## AGENDA

- Commitment by IUMI
- Growth in World Trade & Shipping
- The State of the Hull Insurance Industry
- Solutions
- Our Work Plan

31st March 2006

INTERTANKO 2006

1



**IUMI**  
International Union of Marine Insurance

## IUMI DECLARATION

I AM EMPOWERED BY OUR CHAIRMAN AND EXECUTIVE COMMITTEE TO GIVE IUMI'S COMMITMENT TO ACHIEVING THE COMMON GOALS SET BY THE POSEIDON CHALLENGE AND CONTRIBUTING TO ITS SUCCESS IN ANYWAY THAT WE ARE ABLE

31st March 2006

INTERTANKO 2006

2



**IUMI**  
International Union of Marine Insurance

## Growth in World Trade & Shipping Tonnage

31st March 2006

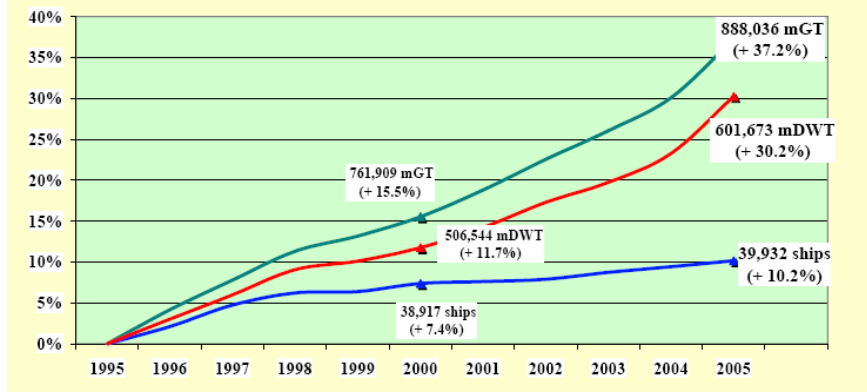
INTERTANKO 2006

3



**IUMI**  
International Union of Marine Insurance

Evolution of the growth rates (GT, DWT, and Number of ships)  
between 1995 and 2005



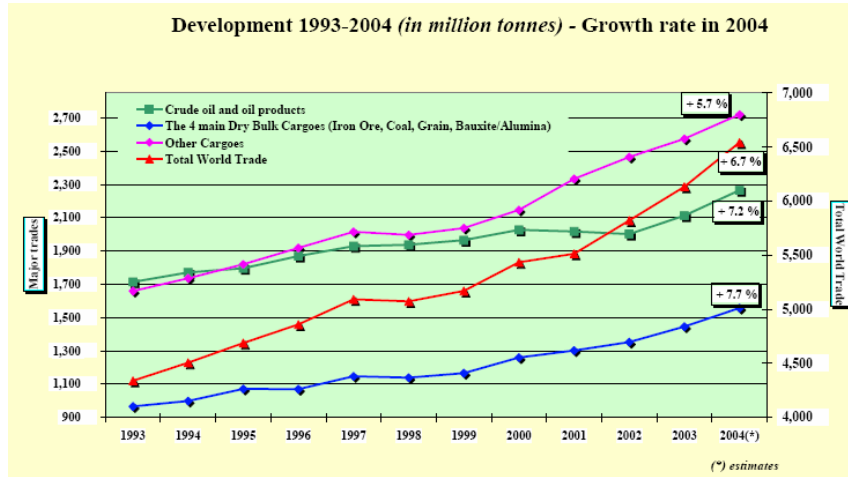
31st March 2006

INTERTANKO 2006

4



**IUMI**  
International Union of Marine Insurance



31st March 2006

INTERTANKO 2006

5



**IUMI**  
International Union of Marine Insurance

## The State of the Hull Insurance Industry

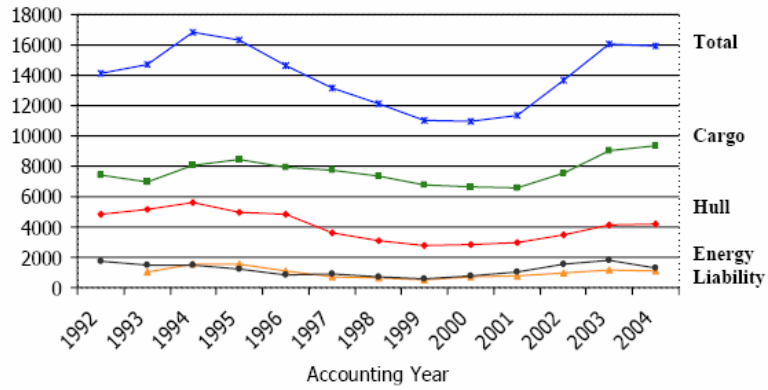
31st March 2006

INTERTANKO 2006

6



**IUMI**  
International Union of Marine Insurance



A substantial part of the volume increase since 2001 is due to a weakening of the US\$ against other currencies.

31st March 2006

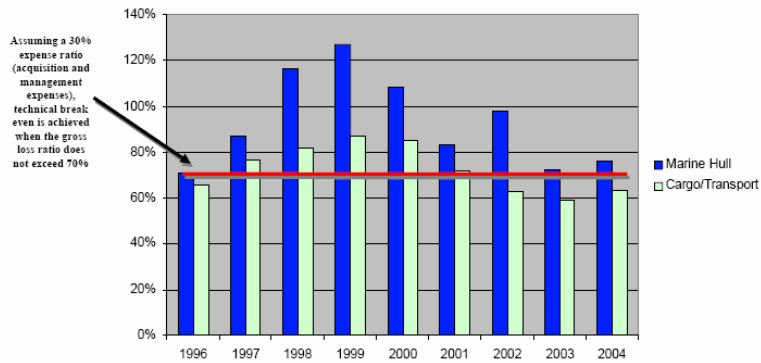
INTERTANKO 2006

7



**IUMI**  
International Union of Marine Insurance

U/W Year 1996 to 2004



Assuming a 30% expense ratio (acquisition and management expenses), technical break even is achieved when the gross loss ratio does not exceed 70%

31st March 2006

INTERTANKO 2006

8



**IUMI**  
International Union of Marine Insurance

## SOLUTIONS

Premium Growth!  
Reduce Human Error  
Improve Risk Management  
Share Information on Substandard Vessels  
Understand Shiprepairer Business More Fully

31st March 2006

INTERTANKO 2006

9



**IUMI**  
International Union of Marine Insurance

## WORK PLAN – HULL UNDERWRITERS

- Insurance Risk Managers to contribute to training
- Work with P&I Clubs (through the International Group) to further develop minimum survey requirements
- Explore ways to share information on substandard vessels
- Liaise more closely with Shiprepairers during every stage of major repair work

31st March 2006

INTERTANKO 2006

10