

Loss prevention provides a ‘virtuous circle’ of returns, says IUMI



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Speaking at the International Union of Marine Insurance (IUMI) annual conference currently taking place online, chairperson of the IUMI Loss Prevention Committee, Pascal Dubois, called on marine insurers to recognize the vital role that loss prevention plays in increasing overall efficiency and profitability of their entire business.



Using the concept of a ‘virtuous circle’ to explain the value of loss prevention, Dubois highlighted the need for insurers to leverage new technologies to further improve loss prevention processes, particularly in addressing evolving risks such as climate impacts and changing industry regulations.

Dubois explained: “Loss prevention is becoming increasingly important for marine underwriters to do their jobs efficiently, and rightly so. It not only concerns all categories of the business within the marine line, from hull to cargo to energy, for example, but it also impacts all operational functionalities within every marine insurance company, from underwriters through to claims handlers. This is why by improving loss prevention measures and applying innovative approaches in risk assessment, insurance companies can increase their operational efficiencies, provide a better service for clients, influence changes to current in-force regulations and ultimately improve profitability. This is what I call ‘the virtuous circle of loss prevention’.”

He continued: “Leveraging new technologies and solutions including online audits, inspections and remote surveys which create efficiencies and lower costs in applying loss prevention measures will improve this virtuous circle of loss prevention further.”

Adopting loss prevention measures also contributes to the sustainability of the industry and to environmental, social and governance (ESG) issues, Dubois also argued. ESG issues are high on the agenda for IUMI, with a recent Working Group being established within the organisation to successfully develop a long-term vision for IUMI’s ESG approach as well as creating a strategy to address ESG concerns for marine insurers.

Dubois concluded: *“Ultimately, loss prevention is really about delivering a better service for all parties, for the clients, for the companies, for the industry, for the environment and for the sustainability of our industry.”*

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Notes to editors:

The International Union of Marine Insurance (IUMI) represents 45 national and marine market insurance and reinsurance associations. Operating at the forefront of marine risk, it gives a unified voice to the global marine insurance market through effective representation and lobbying activities. As a forum for the exchange of ideas and best practice, IUMI works to raise standards across the industry and provides opportunities for education and the collection and publication of industry statistics. IUMI is headquartered in Hamburg and traces its roots back to 1874.

More information can be found at www.iumi.com