



GLOBEX UPDATE PROPERTY & CASUALTY

Events, developments, and opportunities in the international marketplace.

GLOBAL



Prolific severe weather and flooding in the US produced another monthly multi-billion-dollar insurance bill. High winds on May 4-5 in Kansas, Arkansas, Missouri, Tennessee and South Carolina, as well as a major hailstorm in the Texas city of San Antonio on May 27 are expected to result in close to USD 2 billion in claims costs. That contrasts with the mostly uninsured USD15 billion economic loss and devastation of Cyclone Amphan, which made landfall in India on May 20. Amphan swept across India, Bangladesh, and Sri Lanka, killing at least 133 people, and damaging millions of homes and vast areas of agriculture and infrastructure. In Australia, the impact on property and motor insurance is still being assessed after remnants of Tropical Cyclone Mangga swept across WA on May 25, cutting power to nearly 62,000 homes. In China, nine separate instances of severe weather struck in May as deadly storms affected parts of 26 provinces, causing losses of USD 1.1 billion. In Europe, May also brought notable hail, wind and flood-related effects in Spain, France, Germany, the Czech Republic and Poland on May 9-11. Aggregated economic losses were expected to be in the tens of millions of Euros. Typhoon Vongfong became the first named storm of the 2020 Pacific Typhoon Season and impacted the Philippines on May 14-15 damaging nearly 50,000 homes. Seasonal flooding continued in East Africa while deadly Tropical Storm Amanda affected parts of Central America and Tropical Storm Cristobal hit the Gulf of Mexico in early June.

SOUTH AFRICA

An increase in cyber attacks by criminals taking advantage of the COVID-19 pandemic has resulted in new structural and operational risks, with insurance, finance and retail sectors the most targeted sectors in South Africa. The most common attacks in South Africa were web-application attacks (66%) and application-specific attacks (27%). In the Europe, Middle East and Africa (EMEA) region, reconnaissance activity, where an intruder secretly gathers information about systems for a future attack, was the most common threat (40% of all hostile attacks). As more businesses embrace working from home, they depend on technology to collaborate with each other and access remote networks, as well as also rely more on web applications like customer portals and retail sites as they shift their channel strategies from face-to-face to online. These kinds of changes increase an organization's vulnerability to cyberattacks. COVID-19 has been a stark illustration to many businesses how cyber attackers will use any entry point they can to exploit a vulnerability.



GERMANY



German insurers are putting together plans for a multi-billion euro public-private fund to help companies deal with business interruptions from future pandemics. A working group of the nation's major insurers released an initial discussion paper, which determined that the fund needs to have a volume of more than 10 billion euros (\$11.32 billion). The pot would serve as "a quick liquidity help" until government emergency measures could be hammered out. It would be financed by contributions from potentially affected businesses and insurance companies, as well as through catastrophe bonds and government coffers. Insurers outlined two possible models. One

would be obligatory with flat-rate contributions, while the second would be voluntary and contributions would be based on the companies' payout goals.

Recent Success Stories

- Coordinated the issuance of local Directors & Officers Liability policies in 6 overseas territories as part of a controlled program for a US based global distribution company.
- Bound Aviation Hull & Liability policies for a flight academy and technician training center in Saudi Arabia
- Placed a Foreign Package policy for a US temporary staffing firm providing Registered Nurse Staffing to Aruba to assist with COVID-19.
- Placed a Homeowners Policy with full Windstorm in a Hurricane damaged area of the Bahamas.

Contact us

Visit our website