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IILA World Headquarters Ottawa, Canada

Email: info@iila.com

Our members are represented in these countries

Argentina	Italy	Singapore
Australia	Japan	Spain
Austria	Kenya	Thailand
Bahrain	Kuwait	Trinidad/ Tobago
Barbados	Lebanon	Turkey
Bolivia	Mexico	United Arab Emirates
Brazil	Namibia	United Kingdom
Canada	Netherlands	
Chile	New Zealand	
Colombia	Nigeria	United States
Ecuador	Paraguay	Uruguay
Ghana	Peru	Uzbekistan
Hong Kong	Portugal	Venezuela
India	Russia	

IILA 2021 MIDTERM MEETING (RESCHEDULED)



The Institute's 2021 midyear meeting has been rescheduled to be held on Thursday, September 16, 2021, in conjunction with the USA based, National Association of Independent Insurance Adjusters Annual Conference, being held at the Westin Hotel in Hilton Head South Carolina, USA.

The host facility is a first rate venue and is located in the "Low Country" region of South Carolina which is along the Atlantic seaboard.

The National Association of Independent Insurance Adjusters Annual Conference will be running from September 13th through September 16, 2021 and will feature many leading insurance industry speakers and educational programs.

Additional information concerning this meeting and its program will be forthcoming to the membership as this meeting date draws nearer.



PRESIDENT'S MESSAGE

Mr. Daniel Paz



We have now completed a whole year of the Covid-19 pandemic which all of the world's countries have endured, regardless of their geographical location, size, economic situation or race, causing millions of sick people and too many deaths.

Despite the pandemic, great natural and manmade disasters have continued to occur which have caused great material losses both to property and human lives.

In all of these cases, your continued professionalism and hard work has brought about fair and equitable settlements for our insurer clients and their policyholders. This is no small task during a pandemic, and we must continue to persevere and service the industry while taking care of our families and staffs. Looking forward to the future, with the advent of six vaccines and the initial rollout of a worldwide inoculation program, there is a light at the end of the tunnel in dealing with this pandemic. Most

pundits are forecasting that the inoculation program currently being administered could reach a worldwide herd immunity by late in the third quarter of this year. If that transpires, a "new" normal will occur which will lead to renewed travel as well as fostering economic growth.

The Institute will continue to communicate to the membership via our newsletter (International Monitor) and the Institute's website and I continue to encourage your likeminded industry colleagues to join the Institute, so that our organization can continue to be relevant in the global claims environment.

As in my other letters, it has no doubt been a trying time for one and all during this pandemic, but I encourage you to continue to persevere, as the outlook for 2021 is much brighter than what we have recently experienced.

In closing, I cordially invite each of you and your wives to attend our Annual General Meeting, which will be taking place in October at the Hotel Contessa in San Antonio Texas, USA.

With kind personal regards, I remain,

Very truly yours,

Daniel Paz,
President



International
Institute of
Loss Adjusters

2021 IILA Annual General Meeting

The 2021 IILA Annual General Meeting is slated to be held on October 24 through October 30, 2021 at the Hotel Contessa, which is located on the River Walk section of San Antonio, Texas USA.

The Conference and Program Chair will be past IILA President, Johnny Michalek, who promises a first class cultural and educational program for all attendees and industry guests.

Additional information concerning this meeting will be forthcoming as the meeting date draws nearer.



San Antonio Skyline

2021 IILA Preconference Tour

Ahead of the Institute's Annual General Meeting, a pre-conference tour is being planned to be held in New Orleans, Louisiana, USA from Thursday, October 21 through October 24, 2021. The City of New Orleans is located at the mouth of

the Mississippi River serving as a major port and the economic and commercial hub for the broader Gulf Coast region of the United States.

Arrangements are currently being made by Pre-Conference Chair Johnny Michalek which will feature a first class cultural and culinary tour of one of the more famous Southern Cities in the United States.

Keep an eye on further updates as we get nearer to this event.



New Orleans Streetcar

Coronavirus Update

The World Health Organization (WHO) has advised that the Corona Virus Pandemic has found fresh legs across the world and has reported new variants coming from Brazil and South Africa. The number of cases worldwide exceeds 116 million and has confirmed deaths passing the 2.5 million mark.

The United States leads global infections with over 28 million confirmed cases, followed by India (11.2 Million), Brazil (10.8 Million), Russia (4.3 Million) and the United Kingdom (4.2 Million). All Continents

have seen outbreaks and the WHO is reporting the number of cases by region as follows; Americas (51.5 Million), Europe (39.7 Million), South East Asia (13.6 Million), Eastern Mediterranean (6.6 Million), Africa (2.9 Million) and Western Pacific (1.6 Million).

COVID-19 Vaccines and Treatments

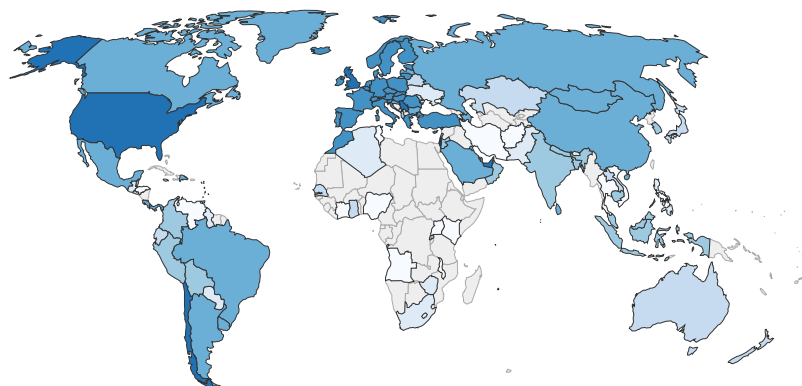
Major breakthroughs have been had in the development of vaccines which have shown considerable success in people getting sick from the Covid-19 Disease.

Currently there are four vaccines that have received approvals from the WHO's Strategic Advisory Group of Experts (SAGE) along with the United States Food and Drug Administration which are as follows; Pfizer, Moderna, Oxford Astra Zeneca and Johnson & Johnson.

The Pfizer & Moderna vaccines consists of genetic material called mRNA enclosed in tiny particles that shuttle into the body's cells. From there, it stimulates the immune system to make antibodies that protect against the virus. Both of these vaccines have achieved a success rate of over 90% in its testing in keeping people from getting the disease.

COVID-19 vaccine doses administered per 100 people, Mar 17, 2021

Total number of vaccination doses administered per 100 people in the total population. This is counted as a single dose, and may not equal the total number of people vaccinated, depending on the specific dose regime (e.g. people receive multiple doses).



Source: Official data collated by Our World in Data – Last updated 18 March, 16:00 (London time)

OurWorldInData.org/coronavirus • CC BY

The Johnson & Johnson vaccine is a different type of vaccine which only requires (1) dose and is known as a Viral Vectored Vaccine

which has been engineered to have the body make the SARS-2 Spike Protein, which then triggers an immune response by the body.

Currently, these vaccines are being manufactured and are in the distribution process. In the United States, the Governmental Authorities are hoping to complete its immunization program by the end of the second quarter in 2021.

The WHO's Covax Program has entered into an agreement to purchase 350 million doses of the Oxford Astra Zeneca vaccine where they hope to have it distributed on a worldwide basis by July/August 2021. However, recent

developments with certain adverse side effects have halted the inoculation process in countries such as Denmark, Norway, Germany, France, Ireland and Iceland. The EU's SAGE group is monitoring the matter and will be distributing further guidance concerning the Astra Zeneca Vaccine.

Two other vaccines are being distributed; one by the Russia Federation (Sputnik V) with the other being from the People's Republic of China.

Hopefully, the aforementioned vaccines will be distributed in a timely fashion so that the majority of the world's population can be vaccinated by the end of the third quarter of 2021.

Lloyd's/London Market Report

Underwriters at Lloyds is reporting 2020 half year results with a pretax loss of .4 billion pounds and a combined ratio of 110.4%.

Lloyds is forecasting a return to profitability in 2021 due to a more favorable pricing environment.

In other news, John Neal, CEO of Lloyds announced that Patrick Tiernan will be joining Lloyds as its Chief of Markets in this newly created position. Mr. Tiernan is coming from a Aviva where he was previously the CFO and managing director of its Commercial & Global & Specialty lines of business.

North American Market Report

The insurance market continues to harden in the North American region. Renewals in the property, liability, excess liability, directors' and officers' lines of business having been rising by high single digit or by double digit increases. In the directors & officers' arena, limits are being reduced and premiums in some cases are doubling for half the coverage.

The withdrawal of capacity is due in large part to increased frequency and severity of claims along with a

reduced interest rate environment for insurers investments, according to the brokerage giant, Willis Towers Watson.

So far this year, North America has seen some “stormy” weather with a “Polar Vortex” event driving down temperatures below freezing as far as South as the Gulf of Mexico, in the central part of the United States for an extended period of time.

This has caused an explosion of claims in states like Texas, which do not normally experience that kind of weather for an extended period of time.

The vaccine inoculation program roll out has gained some steam with the approvals of the Pfizer, Moderna & Johnson & Johnson vaccines, which has caused some states (Texas comes to mind) to eliminate mask wearing & social distancing protocols, to the chagrin of the Federal authorities.

It is hoped that the inoculation program currently underway in the United States & Canada will enable both countries to reach “herd” immunity from the virus by late in the second quarter.

This in turn will no doubt, revitalize the depressed travel industry and should spark economic growth for the balance of 2021.

Latin America Market Report

By Alfredo Landivar, RVP

As we all know, one year ago, the corona virus outbreak was declared a pandemic by the World Health Organization (WHO). While it has been a global concern, which has affected millions of people around the world, I may mention that the Latin America market has been one of the most severely affected.

Brazil has turned out to be one of the most affected countries with thousand of daily deaths and hundreds of thousands affected; Peru, Ecuador, Paraguay, and Bolivia are also very affected including many other Latin-American countries, as their health systems have shown many deficiencies. Over 18 million people have been infected and half a million have died.

Regrettably, for political reasons, several Latin American countries hide or falsify the true figures of the sick or diseased to try to hide their poor medical/hospital services. In order not to incur any political ramifications, I refrain from providing the names of these countries.

Sadly, there has been a slow rollout of a vaccination program in many countries, due to the lack of medical personnel as well as the fact that the vaccines are in short supply. One

of the few countries in the region that is standing out in the speed and coverage of its inoculation program is Chile. This is due to the joint efforts of the public and private sectors under the management/control of the Chilean Government. Chile is being recognized by the WHO as one of the model countries concerning its vaccination program.

The pandemic has led to an economic downturn in most of the Latin American region. The pandemic hit harder because of its many inherent structural fragilities. The crisis has had a disproportionately large impact on employment with losses concentrated on women, young, informal and less educated workers, resulting in unemployment. The pandemic social and human costs have been immense with over 16 million people estimated to have fallen into poverty. Employment remains below pre crisis levels and will not improve until the completion of an immunization program which is hopefully followed by an economic rebound.

South American economists are projecting growth this year for the following countries; Brazil, Mexico, Chile, Columbia, and Peru.

It has downgraded the Caribbean Basin to a 2.4% increase, because resumption in vital travel and tourism activity has been much

slower than anticipated. Full recovery is still a long way ahead from most observers.

Bermuda Market Report

The Bermuda Market continues to be both a reinsurance and captive insurance center.

The US Financial rating agency, Fitch Ratings is forecasting a stable outlook for the Bermuda reinsurance market. This is due to a favorable pricing environment in the marketplace.

Fitch noted that the (9) Bermuda reinsurers it assesses hosted a combined ratio 103.1% in 2020. That included a 7.4 percentage points for catastrophe losses, primarily from the United States market, where these reinsurers play a principal role in providing first party property catastrophe insurance. The rating group posted another 6.8 percentage points attributed to the Covid-19 pandemic.

The Bermuda market represents the world's largest captive insurance domicile with 680 captives, licensed (12) new captive insurance companies in 2020.

Those (12) formations were down from 2019, when Bermuda licensed (22) new captive insurance companies.

Bermuda captive insurers wrote approximately 40 billion US in premium in 2020, which approximates the same amount registered in 2019 and 2018. The majority of the new captive registrations originated from North America, with over half originating from Canada, according to Craig Swan, Deputy CEO of the Bermuda Monetary Authority (BMA). The new captives wrote a variety of property and casualty lines of business. The 680 captive count figure in 2020 is down from 2019, when the Bermuda market domicile had 715 licensed captive insurance companies. According to the BMA, the reduction was due primarily to the amalgamation and deregistration of dormant captive insurers.

Lastly, the BMA is reporting that cyber premiums generated by its captive insurers grew by 53% year over year. This represents gross written captive premiums of approximately 61 million and net written captive premiums of 31 million. Of the total affirmative cyber gross written captive premiums, 56% were on a direct basis and 44% were written as reinsurance.

The BMA indicates that commercial insurers and captive insurers continue to face challenges when it comes to cyber-risk pricing, risk aggregation and reserve analysis.

Global Economy Outlook

The Covid-19 Pandemic has created a great deal of uncertainty with many of the worldwide advanced economies wondering what the way forward looks like.

The roll out of vaccines is encouraging news and economists are hopeful for a positive economic result from that effort most likely occurring in the latter part of 2021 and or early part of 2022. As such, the outlook for the remainder of 2021 is uncertain and will take time to reestablish GDP levels for up to 1-to 2 years from the present date.

Actions by many countries central banks have softened the Covid-19 declines however, many governments are considering additional stimulus plans in the wake of the viruses reemergence in an effort in keeping their economies from falling into a depression.

The US Global Bank-Citibank is forecasting a 5.4% GDP growth in the US Economy due to its vaccination rollout.

In Europe, their economists are forecasting a negative real GDP figure in the first quarter, but are optimistic that the European Union's Economy would grow by about 3.6% in 2021 after a 6.8% decline in 2020.

In Asia, their economists are forecasting herd immunity could

be reached by early 2022 and is forecasting a similar type growth pattern in that region as well.

In Emerging Markets and Latin America, its economists are expecting those economies to rebound from a negative 1.7% to a positive 6.4% in the latter parts of 2021. A brighter forecast is had for 2022.

Selected Insurers 2020 Results

There have been mixed results from different insurers during the 2020 worldwide pandemic.

The US based International Insurer, AIG reported a net loss to its shareholders of 6 billion dollars or 6.88 per common share, compared to a net income of 3.3 billion or 3.74 dollars per common share. The loss was due to the fact of its exit from different underperforming business segments as well as higher catastrophe losses that it experienced.

AIG's CEO Brian Duperrault has advised its shareholders that it is making continued progress to position AIG for a long term, sustainable and probable growth in 2021 and beyond.

The Swiss Re Group reported a net loss for 2020 of 378 million US dollars, excluding 3.9 billion US

dollars of Covid-19 related claims and reserves for the year, Swiss Re's net income was 2.2 billion US dollars, a material increase from 727 million US dollars in 2019.

Based upon Swiss Re's strong capital position, CEO Christian Mumenthaler is forecasting a positive market outlook for his company due to the Covid-19 vaccine rollout, which is currently underway worldwide.

The global insurer AXA, has reported gross revenues of 96.723 Billion Euros for 2020, which is down from the 103.5 Billion Euros reported a year earlier. It reported a 18% dip in net income to 3.164 Billion, driven in part by the impacts of the Covid-19 Pandemic on a performance of its AXA XL Property and Casualty business.

The German based reinsurer Munich Re reported a profit of 1.21 Billion Euros for 2020, a 55% decline from the 2.71 Billion Euros reported for 2019.

Munich Re's Chairman Joachim Wenning noted that in spite of Covid and all its challenges, the reinsurer closed out the year with a clear profit and its dividend remains dependable. He fully expects the business to meet its profit targets for 2021 due in large part to the rollout of the vaccination inoculation programs worldwide.

Brexit Talks/Current Developments

The UK and European Union reached an agreement on their partnership as of January 1, 2021.

The EU and UK negotiators reached an agreement on December 24, 2020. The agreement sets out the rules on the partnership between the EU and UK that apply for 2021.

The rules cover areas such as:

- Travel and Border Controls
- Trade and Services, such as delivery services and telecommunications
- Trade and Goods, such as flowers and food
- Fair Competition, including areas such as working hours and rules on the environment
- Fishery including how much fish EU vessels can catch in UK waters
- Social Security, such as people's right to receive benefits
- Security, such agreements on cooperation to combat crime and terrorism

Since Brexit, the UK has aimed to retain and strengthen its trade linkages globally. It negotiated and submitted to the World Trade Organization (WTO) for certification its own WTO schedules of commitments on goods, services and agriculture, which were previously under the EU. The UK also

is now a full party in its own right to the WTO Agreement on Government Procurement (GPA). The United States and other exporters will need to manage separate customs regimes and relationships for the UK and EU.

The UK has engaged in negotiations to replicate existing EU trade deals with non-EU countries (i.e., Switzerland, Iceland, Norway, South Korea and Turkey) and pursue new deals with Countries with which the EU has not concluded trade deals (i.e., Australia, India, and United States). It is currently seeking to join the regional Comprehensive and Progressive Agreement for the Trans-Pacific Partnership (CPTPP or TPP-11). To date, the UK has signed agreements covering 25% of total UK trade with approximately 60 economies.

The UK and European union are inching closer to reaching a cooperation agreement in financial regulation by the end of the month in a step that could help give firms in the City of London more access to the single market.

The EU could grant the UK so called partial regulatory equivalence for some financial products once the separate memorandum of understanding on financial regulation is reached, according to persons familiar with the negotiations.

The two sides have been negotiating a memorandum of understanding around regulatory cooperation on financial services since earlier this year. The involved draft now includes calls for both sides to keep each other informed about their taxation plans for the finance industry as well as efforts to combat money laundering and terrorist financing. Lastly, the continuing disagreements between the UK and Eu around Northern Ireland is escalating post- Brexit tensions along with a dispute over vaccine supply between the two sides. Hopefully both sides will continue to reach common ground and reach an amicable resolution for all parties concerning these and other matters.

About Our Second Vice President

Our Second Vice President Emre Kokaci hails from Izmir, Turkey and has been a member of the Institute since 2015. Emre is a proud graduate of Dokuz Eylul University where he received his Mechanical Engineering Degree. He also received a Masters Degree in Energy Management/ Renewable Energy from Yasar University.

He initially started his career as an engineer with the Vestel Group, one of Turkey's largest industrial companies. He then became interested in the loss adjustment

profession and sat and passed all of the necessary licensing exams in 2010. He then became associated with one of his country's national loss adjustment firms. Upon receiving his National License, in 2011, he became a founding partner and general manager of the Gla Group, where he continues to serve both domestic and international insurers.

He is a happily married man and resides with his lovely wife in Izmir, Turkey.

IILA Welcomes Al Samaheji Hasan

It is with distinct pleasure that we welcome our newest member to the Institute, namely Al Samaheji Hasan.

Mr. Hasan is associated with McClarens International and is the country manager and shareholder for McLarens office in the Kingdom of Bahrain.

He received his Bachelor of Commerce degree from Griffith University, Queensland, Australia and is a member of the Chartered Institute Loss Adjusters.

His area of expertise is in large loss property and business interruption matters, with his office servicing the Middle East as well as North Africa.

Congratulations and welcome to the Institute. Mr. Hasan!

In Memoriam

It is with profound sadness that the Institute notifies the membership of the passing of past Presidents and Life members;

Steven S. Hastings

(1990-1992)

E. Lee Stewart

(2000-2001)

Both men were active and strong supporters of the Institute during the course of their loss adjustment careers and in their retirements. Our deepest condolences and sympathies go out to the Hastings and Stewart Families.

Treasurer's Note

Our Treasurer, Michael Nardulli would like to remind one and all that dues are now past due.

A round of dunning notices have recently been sent out to the members who have not yet responded to the earlier notices.

Please check your records and if you have no record of a payment, please contact Michael Nardulli at;

michael.nardulli@mclarens.com or call 1-001-631-318-4476

To make the necessary arrangements to settle your account.

Editorial Note

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Editor

Tom Moss

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