



INTERNATIONAL MONITOR

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IILA 2021 MIDTERM MEETING



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	United States
Chile	New Zealand	Uruguay
Colombia	Nigeria	Uzbekistan
Ecuador	Paraguay	Venezuela
Ghana	Peru	
Hong Kong	Portugal	
India	Russia	

The Institutes 2021 midyear meeting is currently scheduled to be held on Thursday September 16, 2021 from 9AM-11AM EST 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 located 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.

Please note that arrangements have been made for IILA members to pay the same rates as a NAIIA member. IILA members wishing to attend this meeting via "Zoom" need to send their information to 1st Vice President, Thomas Erhardt (terhardt@eacadjust.com).

Additional information can be obtained concerning this meeting by visiting the following website www.naiia.com.



PRESIDENT'S MESSAGE

Mr. Daniel Paz



We have now started a second year of the Covid-19 pandemic which is still enduring regardless of one's geographical location, size, economic situation or race, which is still causing discomfort and illness to millions of people and to many deaths.

Great strides have been made with the vaccines that are available to combat this plague, however sourcing supplies and coordination of a vaccination program is still confounding many countries in the implementation of an inoculation program.

It is my sincere hope that with vaccine production efficiencies increasing the availability of the vaccine will lead to more and more people being inoculated against this dreadful virus.

I would like to thank all of the members who participated in our recent membership survey and the Board has reviewed those results and has agreed that the 2021 IILA Mid-Year meeting be held in person for the benefit of our North American colleagues, where the travel restrictions are being lifted to support attending this meeting. The Mid-Year meeting is scheduled 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. Further details concerning the registration for this event are contained in this newsletter.

Due to the current Covid-19 international travel restrictions that are in place, the IILA Board has decided to postpone the Annual General Meeting which was scheduled to be held this October in San Antonio, Texas, USA. That being said, the 2022 Annual General Meeting is being rescheduled in San Antonio Texas, USA and will be chaired by Past IILA President Johnny Michalek. More details concerning the venue and dates for the 2022 AGM will be forthcoming to the membership in due course. As such, the current state of officers will remain in place until the 2022 Annual General Meeting is held.

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 is no doubt been a trying time for one a 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.

With kind personnel regards, I remain,

Very truly yours,

Daniel Paz,
President



International
Institute of
Loss Adjusters

2021 IILA Preconference Tour/ Annual General Meeting

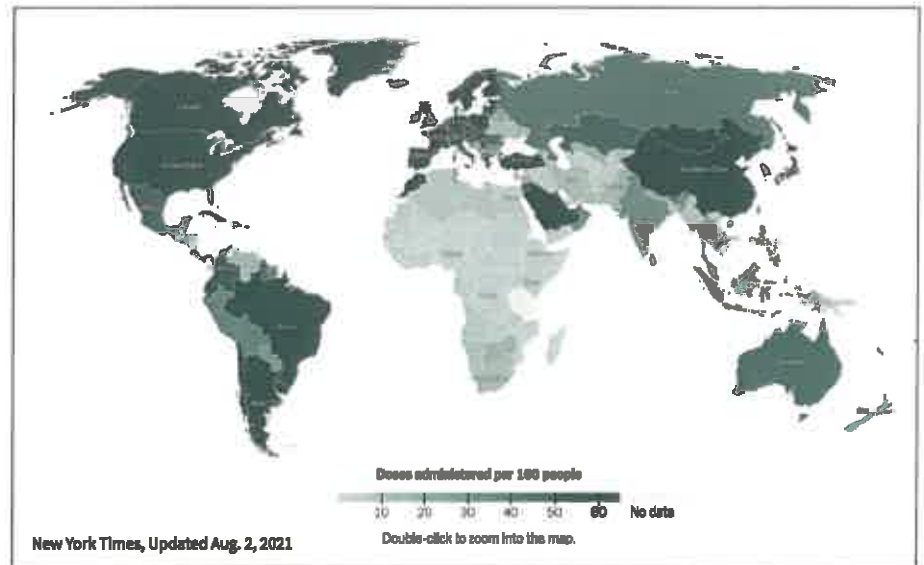
The 2021 IILA Preconference Tour has been cancelled with the IILA Annual General Meeting being postponed to the Fall of 2022. This is due to the fact that International travel prohibitions are still in effect which would affect member attendance to a USA based Annual General Meeting.

Past IILA President Johnny Michalek has volunteered to host both the 2022 Preconference Tour and Annual General meeting with the Annual General Meeting being held in San Antonio Texas, USA in the fall.

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

Coronavirus Update

The World Health Organization (WHO) has advised that the Corona Virus Pandemic has found fresh legs across the world from the new variant (Delta Variant) coming from Brazil and South Africa. The numbers of cases worldwide exceed 190 million with confirmed deaths passing the 4 million mark. United States leads Global infections with over 33 million confirmed cases, followed by India (31.1



Million) Brazil (19.3 Million), Russian Federation (6 Million), France (5.7 Million), Turkey (5.5 Million), United Kingdom (5.4 Million), Argentina (4.7 Million), Columbia (4.6 Million) and Italy (4.3 Million).

All Continents have seen outbreaks and the WHO is reporting the number of cases by region as follows; Americas (74.9 Million), Europe (58.2 Million) South Est Asia (36.9 Million), Eastern Mediterranean (11.9 Million), Africa (4.6 Million) and Western Pacific (4.6 Million). Currently, Australia & India have seen a rapid rise in new cases and International travel bans have been issued for those Countries. Currently, prohibitions are still place for European travel to the United States and Canada, although due to the increased vaccination rates in both Canada and United States, the Government of Canada will soon be lifting its travel ban with the United States in early August.

COVID-19 Vaccines and Treatments

As we have previously reported, major breakthroughs have been had in the development of vaccines which have shown considerable success in people from getting sick from the Covid-19 virus.

The Pfizer & Moderna vaccines have shown that they are effective even against the new variants that have been affecting the unvaccinated population in the various countries around the world.

In the United States, the Pfizer & Moderna vaccines have been approved for children ages 12 and up and clinical trials are underway for boys and girls from ages 3 through 11.

Currently, 70% of the United States population have received their first dose of the Covid-19 vaccine. Governmental efforts have stepped up to further encourage the unvaccinated to take advantage of the inoculation program as there has been an uptake in the Delta Variant of the virus in the unvaccinated population.

Further, manufacturing efficiencies are continuing and the United States pharmaceutical firms of Pfizer, Moderna and Johnson & Johnson are now exporting their vaccines overseas.

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

It is hoped that the supply chain and distribution of the vaccines can be had in a timely fashion, so that the majority of the world's population can be vaccinated by the end of the fourth quarter of 2021.

Lloyd's/London Market Report

Underwriters at Lloyds reports a 2020 year end market loss of .9 billion pounds, due in part to a 2.4 billion pound loss arising from Covid-19 losses.

Lloyds is forecasting a return to probability in 2021 due to a more

favorable pricing environment on all lines of insurance. The USA based rating agency, Fitch Rating is reporting that due to the prevailing market conditions (a hard market) that 2021 should be a favorable one for insurers, and reinsurer, if underwriting standards are maintained.

North American Market Report

The insurance market continues to harden in North American region. Renewals in the property, liability, excess liability, directors' and officers' lines of business have been rising by high single digits or double digit increases.

The withdrawal of capacity is due in large part to increase frequency and severity of claims with a reduced interest rate environment for insurers investments, according to the brokerage giant, Willis Towers Watson.

This year, North America has seen some "stormy" winter weather and the drought that is affecting the Western States has led to a number of large forest fires in that region of the United States.

The vaccine and inoculation program roll out has been very successful with approximately 70% of the US population receiving their first dose of the vaccine. Clinical

trials are currently underway to seek regulatory approval for vaccinating children in the 3- 11 year old age group.

It is hoped that the inoculation program currently underway in the United States and Canada will enable both Countries to reach herd immunity from the virus by late in the third quarter.

This in turn will no doubt, revitalize a depressed travel market which is currently rebounding throughout the United States and should spark economic growth for the balance of 2021.

Latin America Market Report

Its appears that Global Warming is affecting many countries in Latin America. Reuters, is reporting that Mexico is currently experiencing a long term drought that is affecting 2/3 of the country and may worsen during the Summer months. Further, the US based insurance rating firm, AM Best is reporting a negative outlook for the Mexican insurance market over concerns related to the fall out from the Covid-19 pandemic and the Countries limited economic response to the pandemic.

Separate 6.0 magnitude earthquakes jolted both Peru and Chile with Peru's Capitol of Lima and its Central coastal regions being affected on

June 22nd with Chile's earthquake affecting that country on July 4th. The Brazilian authorities have indicated that Amazon forest fires are the worst since 2007. The Brazil based National Institute for Space Research said that its satellites detected 2,308 fires in the Brazilian Amazon in June, making it the worst June for forest fires that region has seen.

US based Fitch Rating, Inc has warned that reinsurance rates for insurers in Latin America could increase due to ongoing social protests in Columbia, as reinsurers are more exposed to impacts under all risk policies in that jurisdiction. Argentina has suspended and or reduced international flights to and from the country from the Middle East and Africa due to new strains of the Corona Virus circulating in those countries.

The new variants of the Corona Virus are impacting the medical infrastructure in many Latin American countries due to supply shortages and a limited distribution/inoculation programs.

Economists are expecting that the Latin American Market will rebound from a negative GDP in the latter part of 2021, with a brighter forecast being had for 2022.

Bermuda Market Report

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

Currently, Bermuda Reinsurers reinsure over 50% of US Monoline Mortgage Insurers according to the Association of Bermuda Insurers and Reinsurers.

The US Financial rating agency, Fitch Rating is forecasting a stable outlook for the Bermuda & Global Reinsurance Markets. This is due to a favorable pricing environment in the marketplace.

The Association of Bermuda Insurers and Reinsurers have announced the appointment of its Chairman, namely Marc Grandisson, CEO of Arch Capital Group, Ltd to lead its organization this year. Both Mr. Grandisson and Craig Swan, Deputy CEO of the Bermuda Monetary Authority were featured speakers at the recently concluded US National Association of Insurance Commissioners (NAIC) International Insurance forum.

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.



Asia-Pacific Market Report

Supply chains of Japanese companies have been disrupted by the surge in Covid-19 infections in South East Asian Countries such as Malaysia and Indonesia resulting in lockdowns that affected those factory operations.

Bermuda based insurer Sampo International Holdings, Ltd – Commercial Property and Casualty Division has established its new Sampo Global Risk Solutions Asia-Pacific Unit in Singapore to serve Asians markets through appointed brokers.

The General Insurance Association of Japan shows that the insurance and reinsurance payouts for claims resulting from February's 7.0 magnitude earthquake off the Fukushima Coast have increased by almost 16% to around 1.87 billion US.

In China, heavy rains and flooding in the Chinese province of Sichuan has caused and estimated 176 million Chinese yuan (26 million US) in damage and have affected more than 120 thousand people.

Two state investors, China Insurance Security Fund, Ltd and China Chemical Corporation are planning to sell their combined 98.7% stake in the China based insurer Dajia Insurance Group Company for 36.6 Billion Chinese Yuan.

European Market Report

A major low pressure system that stretched from Germany to France brought about a “biblical” deluge on July 15th that quickly swelled rivers, collapsed bridges and roads, and left many people scrambling to rooftops or onto trees. It was the worst flooding in decades to affect the involved region.

As the deadly flood waters began to recede across Belgium and Germany, the full extent of the destruction was slowly revealed namely destroyed homes, businesses, roads and rails with debris all over. Officials are still adding to the death toll that is expected to surpass over a 120 individuals.

In many European countries, the peril of flood is considered an insured peril. The European Insurance Market is currently responding to the damages which have arisen from the involved weather event which are estimated to be in the hundreds of millions of Euros.

As in other global markets, insurers are operating in a more favorable pricing environment and most industry pundits are forecasting a profitable one for the industry.

2021 Pacific Typhoon Season

The 2021 Pacific Typhoon season is an ongoing event in the Annual Cycle of Tropical Cyclone formation, in which tropical cyclones form in the Western Pacific Ocean. The season runs throughout 2021, with no seasonal boundaries, though most tropical cyclones typically develop between May and October.

The season's first named storm “Dujan” developed on February 16th. The season's first typhoon “Surigae” reached typhoon status on April 16th. It became the first super typhoon of the year the next day and was the most powerful tropical cyclone on record in the Northern Hemisphere for the month of April.

Several meteorological services and scientific agencies are predicting a slightly below average season with 24 tropical storms, 15 typhoons and 9 intense typhoons.

While the experts are citing a lower than usual activity range, insurers involved in the marine and non-marine areas will keep an eye out on any storm related developments.



2021 Atlantic Hurricane Season Underway

The 2021 Atlantic Hurricane Season is already off to a fast start, even faster than the 2020 season in several aspects.



Hurricane over the Atlantic

Tropical Storm Elsa formed on July 1st with that storm being the earliest fifth named storm of any Atlantic Hurricane season on record, besting the previous record set just last year by Edouard on July 5, 2020.

Elsa then became the season's first Hurricane on July 2nd near Barbados in the Windward Islands.

Typically in June or early July, very little development occurs east of the Windward Islands due to the early -season progression of dry, dusty air from the Sahara Dessert, but never the less Elsa developed in the "main development region" east of the Windward island and became a Hurricane.

The US based National Oceanic Atmospheric Administration is forecasting a high than normal Hurricane season due in part to

the early season activity in this part of the Tropical Atlantic Ocean basin, which correlates to a more active hurricane season. The 2020 hurricane season generated a record 30 named storms, 14 of those became hurricanes, just one shy of the seasonal record.

In the satellite era (since 1966) about 77% of all storms and 87% of all hurricanes formed in the peak months from August through October.

If anything, this early activity is a reminder that time to prepare for another hurricane season is now.

Euro Cup, Copa America Cup & The Olympics

Congratulations to our Italian members for their Country's thrilling win over England in a shootout to capture the Euro Cup title. The win represented that countries 2nd title in that competition.



Italy's soccer team historic Euro win

Latin America also hosted the prestigious COPA America

Tournament which was held in Brazil this year due to Covid-19 protocols. The two South American powerhouses of Argentina and Brazil reached the finals, with Argentina beating Brazil to claim it's 15th title in this event.



Tokyo Olympics

The Olympics are underway in Tokyo without spectators due to the increase in Positive Covid-19 cases in Japan and elsewhere.

So far the events are going off without incident and are being broadcast all over the World.

Best of luck to all the participants and congratulations to the organizers in bringing this event to fruition.



Gold medalist Sydney McLaughlin of Team United States

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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