



Yachts Insurance



HELLENIC
ASSOCIATION
OF INSURANCE
COMPANIES

Statistics Survey 2023

Executive Summary

Survey Points	<ul style="list-style-type: none"> ○ Records Yacht Insurance figures (number of contracts and sum insured per type of vessel) ○ Analyzes the number of claims and indemnities (paid and outstanding) by type of vessels and by cause of incident ○ Records the evolution of claims number and indemnities per underwriting year ○ Breaks down insurance premium per distribution channel
Survey Participation	<ul style="list-style-type: none"> ○ 15 Insurance Enterprises ○ 77,3% of total premium production of Yacht Insurance
Survey Findings	<p><u>2023</u></p> <ul style="list-style-type: none"> ○ Number of Yacht Insurance Contracts 9,832 ○ Total sum Insured (€) 1,208,036,094 ○ Stand-alone Yacht third-party liability contracts 29,731 ○ Number of reported claims 339 ○ Total claims paid (€) 804,086 ○ Outstanding claims (€) 1,588,269 ○ Average Claim (€) 7,057 ○ Average Claims Frequency (%) 3.5%



The collection and processing of data provided to HAIC, follow the rules of its information security policy. The results of HAIC's surveys are reported only in aggregate form for all participating companies, without recording individual company data or revealing company data, ensuring absolute confidentiality and secrecy of the data. The data are not disclosed to third parties and their use is strictly limited to statistical purposes, in full compliance with the applicable institutional and regulatory framework.

The research

The Property, Reinsurance, Cargo & Yacht HAIC Committee, after considering the needs of comprehensive information of insurance companies operating in the field of Yacht insurance, continued for yet another year the systematic collection of statistical data of the sector.

In the context of continuously updating the information provided, HAIC has developed a questionnaire, focusing on the statistical determination of both the amount of risk undertaken in total and the number and amount of reported losses for all participating enterprises. Therefore, the questionnaire:

- Records Yacht Insurance figures (number of contracts and sum insured per type of vessel)
- Analyzes the number of claims and indemnities (paid and outstanding) by type of vessels and by cause of claim
- Records the evolution of claims number and indemnities per underwriting year
- Breaks down insurance premium per distribution channel

Survey of 2023 includes the data of 15 insurance enterprises with establishment status, which are estimated to collect 77.3% of the total premium production of Yacht and Yacht liability insurance, of insurance enterprises operating in Greece.

This report records cumulatively their responses for 2023 based on the information available on 31/12/2023. The data used came from the specialized questionnaire to which enterprises were asked to respond.

It should be noted that the results of the 2023 survey are not directly comparable with those of the 2022 survey, as the 2023 survey represents a comparatively smaller percentage of total premium production due to a lower response rate. However, the participation rate is considered important for the estimation of insurance ratios such as average loss and average loss frequency.

The current questionnaire maintained the uniform handling of yacht insurance as it had been formed in previous years, either through multi-insurance (hull and machinery) yacht contracts or through stand-alone liability contracts.

The questionnaire asked for information on the number of insurance policies and the sum insured per type of vessels, following the grouping of contracts as follows:

- Personal recreation – Professional with crew – Professional without crew.
- Sailboats – Motor yachts
- Separation according to the sum insured into 5 groups: up to € 50 thousand, over € 50 thousand and up to € 250 thousand, over € 250 thousand and up to € 500 thousand, over € 500 thousand and up to € 1 million, more than €1 million.

It should be noted that the figures reported in this report are based on the information available on 31/12/2023.

Therefore, for the total indemnities first estimation for 2023, account should be taken for the number of claims evolution as well as the indemnities paid over a long period, information that was not known at the time of writing this report.

1. Yacht Insurance Figures

1.1 Recording of insured risks

According to the replies of the insurance enterprises, on the part of the questionnaire referring only to multi-insurance (hull and machinery) contracts, 9,832 contracts were issued during 2023, while 29,731 stand-alone yacht third-party liability contracts were also recorded, part of which remained in force in 2024.

Total sum insured of multi-insurance contracts reached €1.21 billion. Multi-insurance contracts and their sum insured are broken down as follows:

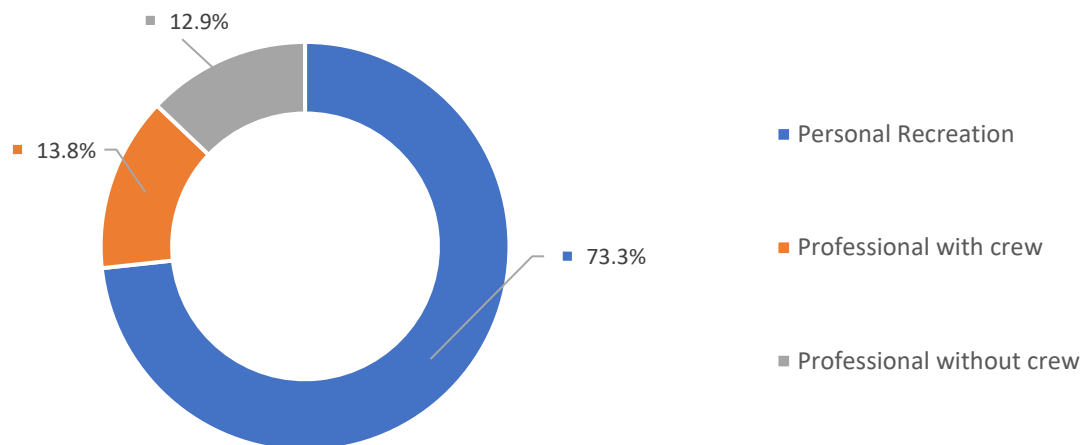
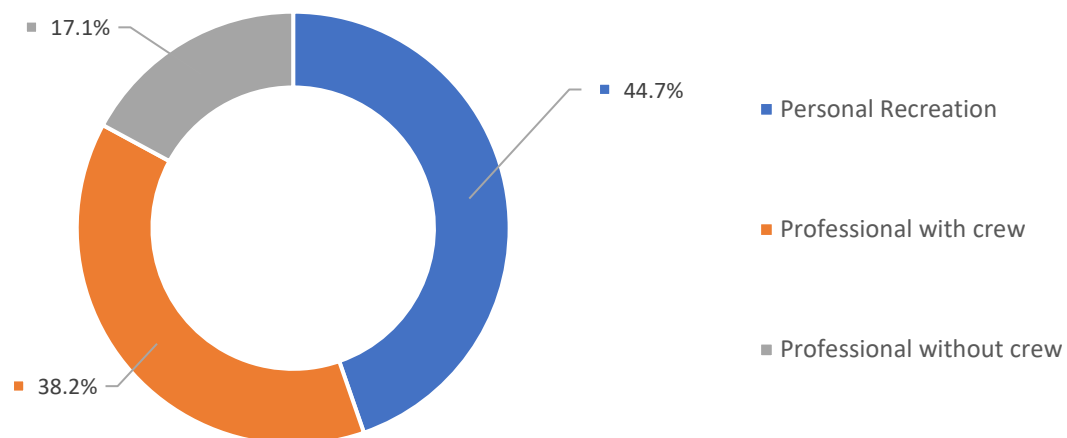
Table 1: Multi-insurance Yacht contracts 2023

	Number of Contracts	%	Sum Insured (€)	%
Personal Recreation	7,205	73.3%	539,575,837	44.7%
Professional with crew	1,357	13.8%	461,172,686	38.2%
Professional without crew	1,270	12.9%	207,287,571	17.1%
Total	9,832	100.0%	1,208,036,094	100.0%

The analysis of the above multi-insurance policies per vessel use, for the contracts including the cover of the propeller system and / or mechanical failures covers, follows:

Table 2: Coverages distribution for multi-insurance contracts 2023

	Propeller system	%	Mechanical failure	%
Personal Recreation	649	9.0%	294	4.1%
Professional with crew	81	6.0%	201	14.8%
Professional without crew	27	2.1%	211	16.6%
Total	757	7.7%	706	7.2%

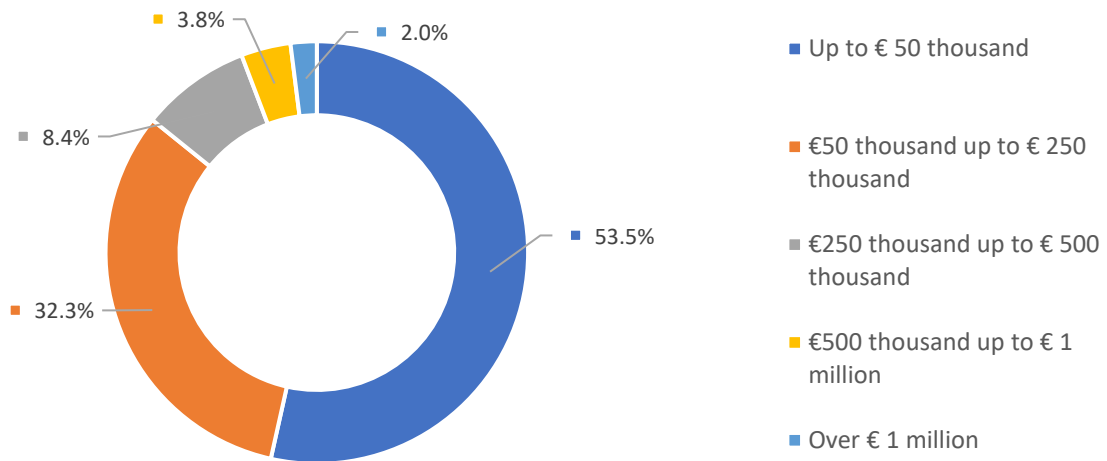
Figure 1: Number of contracts – Share (%)**Figure 2: Sum insured – Share (%)**

Multi-insurance policies are distributed in terms of the value of the vessel and the type of propulsion, as follows:

Table 3: Multi-insurance contract number distribution by sum insured group 2023

	Up to € 50 thousand	€50 thousand up to € 250 thousand	€250 thousand up to € 500 thousand	€500 thousand up to € 1 million	Over € 1 million	Total
Sailboats	314	942	285	110	40	1,691
Motor Yachts	4,946	2,235	541	265	154	8,141
Total	5,260	3,177	826	375	194	9,832

Figure 3: Number of 2023 contracts by sum insured group - Share (%)

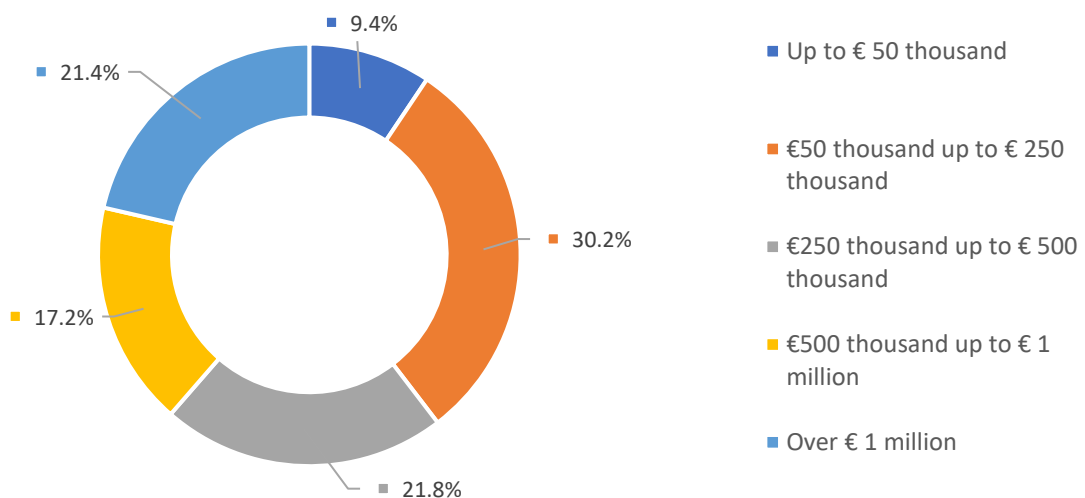


Accordingly, the total sum insured of the contracts is distributed as follows:

Table 4: Total sum insured distribution of 2023 multi-insurance contracts by group (€)

	Up to € 50 thousand	€50 thousand up to € 250 thousand	€250 thousand up to € 500 thousand	€500 thousand up to € 1 million	Over € 1 million	Total
Sailboats	9,641,913	123,980,488	102,342,222	74,178,943	59,871,200	370,014,766
Motor Yachts	103,775,650	240,714,250	161,584,314	133,479,266	198,467,848	838,021,328
Total	113,417,563	364,694,738	263,926,536	207,658,209	258,339,048	1,208,036,094

Figure 4: Total sum insured of 2023 contracts by sum insured group – Share (%)



Total sum insured of professional yachts with crew reached € 461.2 million. These are distributed in terms of value and type of propulsion as follows:

Table 5: Professional Yacht with crew vessel number distribution by sum insured group 2023

	Up to € 50 thousand	€50 thousand up to € 250 thousand	€250 thousand up to € 500 thousand	€500 thousand up to € 1 million	Over € 1 million	Total
Sailboats	49	151	55	37	28	320
Motor Yachts	192	421	205	136	83	1,037
Total	241	572	260	173	111	1,357

Table 6: Professional Yacht with crew total sum Insured distribution by group 2023 (€)

	Up to € 50 thousand	€50 thousand up to € 250 thousand	€250 thousand up to € 500 thousand	€500 thousand up to € 1 million	Over € 1 million	Total
Sailboats	1,371,477	18,399,892	19,905,417	26,200,155	40,838,000	106,714,941
Motor Yachts	4,734,073	50,173,049	143,938,628	60,126,199	95,485,795	354,457,745
Total	6,105,551	68,572,941	163,844,045	86,326,354	136,323,795	461,172,686

Finally, the total sum insured of professional yachts without crew reached € 207.3 million, distributed in terms of value and propulsion as follows:

Table 7: Professional Yacht without crew vessel number distribution by sum insured group 2023

	Up to € 50 thousand	€50 thousand up to € 250 thousand	€250 thousand up to € 500 thousand	€500 thousand up to € 1 million	Over € 1 million	Total
Sailboats	87	556	179	55	1	878
Motor Yachts	308	68	12	2	2	392
Total	395	624	191	57	3	1,270

Table 8: Professional Yacht without crew total sum Insured distribution by group 2023 (€)

	Up to € 50 thousand	€50 thousand up to € 250 thousand	€250 thousand up to € 500 thousand	€500 thousand up to € 1 million	Over € 1 million	Total
Sailboats	3,489,000	78,829,836	64,684,241	36,499,357	1,250,000	184,752,434
Motor Yachts	6,532,717	8,494,295	4,212,300	1,095,825	2,200,000	22,535,137
Total	10,021,717	87,324,131	68,896,541	37,595,182	3,450,000	207,287,571

1.2. Distribution channels

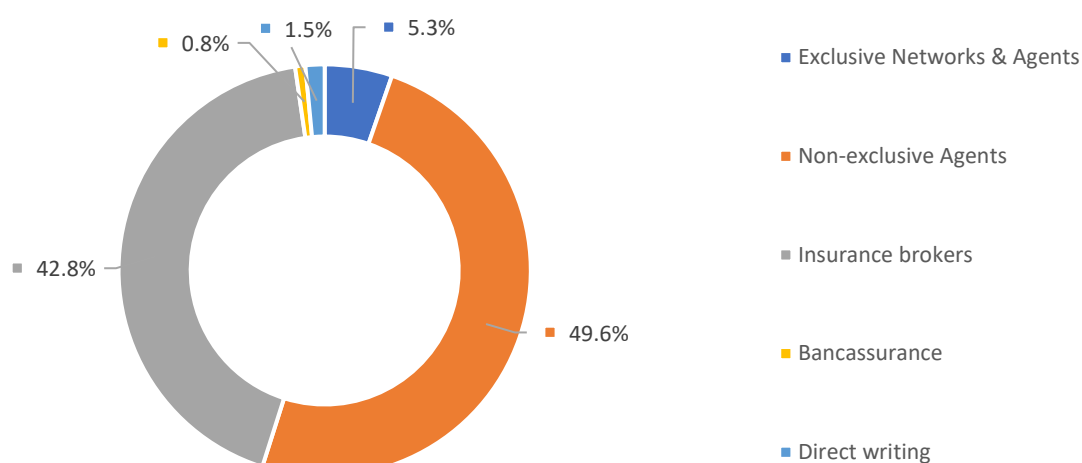
The survey of the premium allocation (including policy fees) per distribution channel for the year 2023 was also conducted in full alignment with Law 4583/2018 "Distribution of Insurance Products".

Distribution channels defined in terms of their form of cooperation (same definition for all HAIC research) are reported as follows: Insurance Intermediaries of exclusive cooperation, Non-exclusive insurance intermediaries, Insurance brokers, Cooperation with banks, Direct sales (mail order sales, insurance employees, internet, call centers), Secondary activity intermediaries (whose main activity is not intermediation of insurance products).

The dominant distribution channel in yacht insurance was non-exclusive insurance intermediaries (49.6% of the yacht insurance premium production), followed by cooperation with insurance brokers (42.8% respectively).

The share of premium per channel of distribution for all yacht insurance, according to the responses of the insurance enterprises that participated in the survey, is shown in Figure 5 below.

Figure 5: Distribution channels - Share (%)



2. Claims - Indemnities

For insurance contracts issued in 2023 a total of 339 claims were reported in 2023. For these claims, € 0.8 million indemnities were paid within 2023, while outstanding indemnities reached € 1.6 million on 31/12/2023.

It is noted that the above reported claims and reserve of outstanding indemnities refer to the initial estimate of the first year (insurance contract year 2023). Both number of claims and the final amount of indemnities for these contracts will vary when the subsequent data of the contracts for that year are known, information that is not available at the time of writing this report, until the expiration of all contracts issued within the year.

2.1. Claims – Indemnities 2023

Total survey results regarding the extent of the claims are presented in the tables and figures below:

Table 9: Number of claims and indemnities 2023

	Number of claims	Indemnities paid (€)	Outstanding indemnities (€)
Personal Recreation	164	263,056	722,491
Professional with crew	59	261,057	291,811
Professional without crew	116	279,973	573,967
Total	339	804,086	1,588,269

Total claims and indemnities percentage share distribution for 2023 is shown in the following table.

Table 10: Claims and Indemnities - Share 2023 (%)

	Number of claims	Indemnities paid (€)	Outstanding indemnities (€)
Personal Recreation	48.4%	32.7%	45.5%
Professional with crew	17.4%	32.5%	18.4%
Professional without crew	34.2%	34.8%	36.1%
Total	100.0%	100.0%	100.0%

Figure 6: Reported claims - Share 2023 (%)

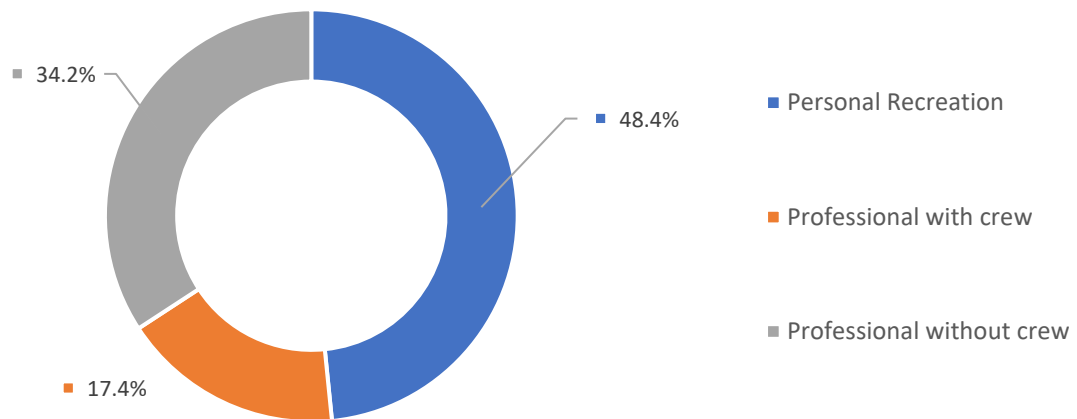
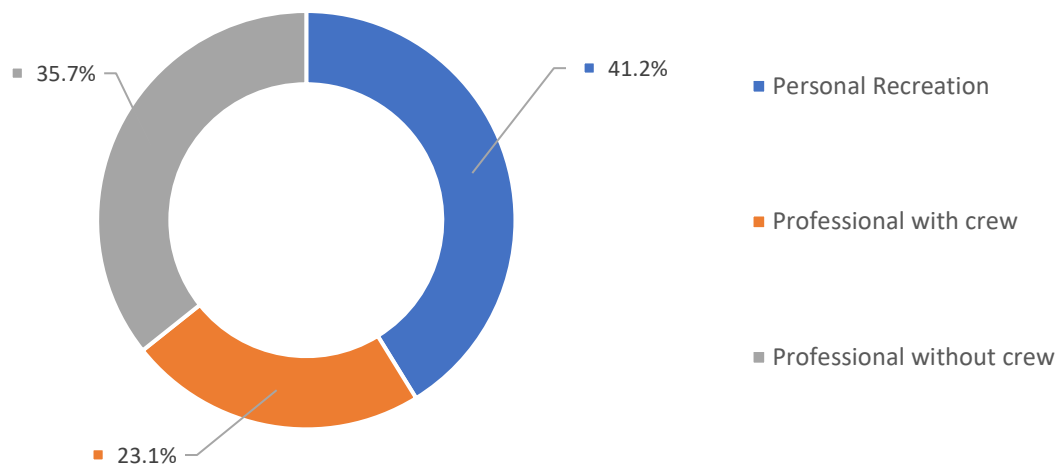


Figure 7: Indemnities (paid & outstanding) - Share 2023 (%)



2.2. Claims – Indemnities for 2022: data update

At the same time of year 2023 research, the updated data for 2022 was requested, based on the information available on 31/12/2023.

Total results of the survey regarding the extent of the claims and indemnities are presented in the tables and figures below.

Table 11: Number of claims and indemnities 2022 (update)

	Number of claims	Indemnities paid (€)	Outstanding indemnities (€)
Personal Recreation	199	1,297,861	1,071,815
Professional with crew	69	582,545	909,079
Professional without crew	138	274,218	850,978
Total	406	2,154,624	2,831,872

Total claims and indemnities distribution share for 2022 is shown in the following table.

Table 12: Claims and Indemnities - Share 2022 (update) (%)

	Number of claims	Indemnities paid (€)	Outstanding indemnities (€)
Personal Recreation	49.0%	60.2%	37.8%
Professional with crew	17.0%	27.1%	32.1%
Professional without crew	34.0%	12.7%	30.1%
Total	100.0%	100.0%	100.0%

Figure 8: Reported claims - Share 2022 (update) (%)

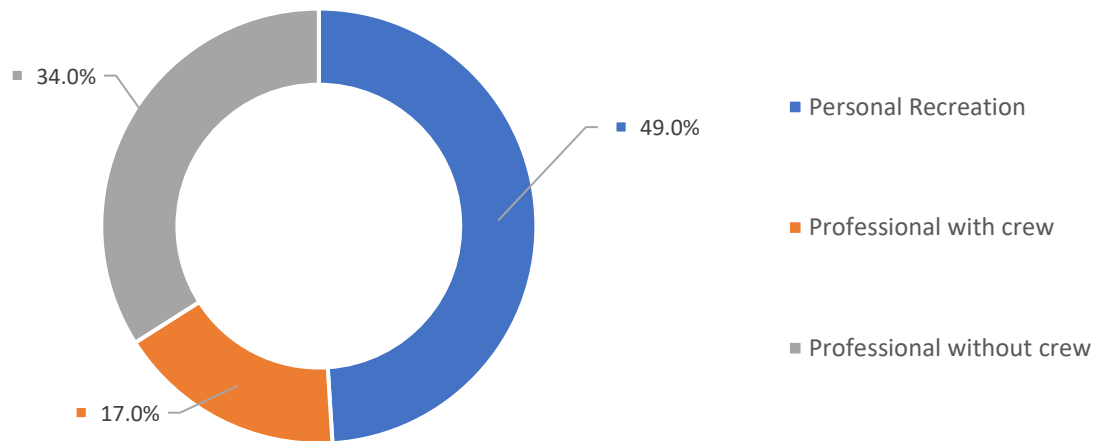
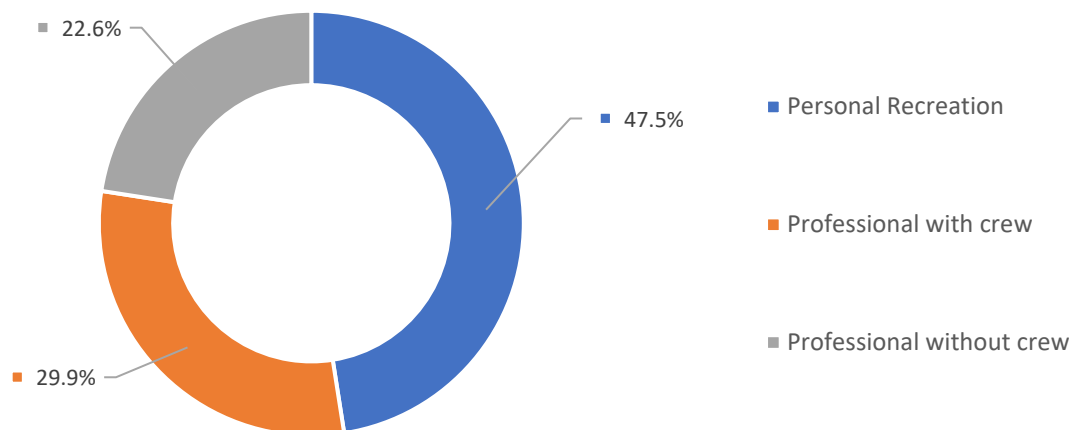


Figure 9: Indemnities (paid & outstanding) - Share 2022 (update) (%)



2.3. Claims and indemnities break down by cause

Number of reported claims, paid as well as outstanding indemnities at the end of 2023 are broken down by cause of the incident and presented in the following tables.

These figures are compared with the corresponding distribution for the year 2022, data which were updated according to the latest information available at 31/12/2023.

Table 13: Number of claims by cause, year 2023 – Update 2022

Incident Cause		Number	2023	Number	2022 ¹
1. Propeller system damage	a. from a floating object	8	2.3%	10	2.5%
	b. from a fixed object	6	1.8%	12	3.0%
2. Stranding		18	5.3%	22	5.4%
3. Impact/Collision		63	18.6%	76	18.7%
4. Fire / Explosion		4	1.2%	9	2.2%
5. Theft		3	0.9%	12	3.0%
6. Mechanical damage		8	2.3%	10	2.5%
7. Racing risk		2	0.6%	0	0.0%
8. Bad weather conditions		42	12.4%	24	5.9%
9. Third party liability	a. Bodily injuries	18	5.3%	16	4.0%
	b. Material damage	38	11.2%	61	15.1%
	c. Marine pollution	0	0.0%	1	0.2%
10. Malicious damage		3	0.9%	1	0.2%
11. Damage during transport		0	0.0%	1	0.2%
12. Damage during hoisting / launching		0	0,0%	1	0.2%
13. Other causes		126	37.2%	150	36.9%
Total		339	100.0%	406	100.0%

¹ Data with updated information available on 31/12/2023

Table 14: Paid indemnities by cause, year 2023 – Update 2022 (€)

Incident Cause		(€)	2023	(€)	2022 ²
1. Propeller system damage	a. from a floating object	30,896	3.9%	34,894	1.6%
	b. from a fixed object	0	0.0%	61,747	2.9%
2. Stranding		81,186	10.1%	403,241	18.7%
3. Impact/Collision		128,862	16.0%	190,264	8.8%
4. Fire / Explosion		0	0.0%	250,275	11.6%
5. Theft		1,447	0.2%	37,042	1.7%
6. Mechanical damage		12,094	1.5%	49,650	2.3%
7. Racing risk		0	0.0%	0	0.0%
8. Bad weather conditions		217,949	27.1%	139,863	6.5%
9. Third party liability	a. Bodily injuries	3,980	0.5%	4,032	0.2%
	b. Material damage	10,653	1.3%	72,352	3.4%
	c. Marine pollution	0	0.0%	4,626	0.2%
10. Malicious damage		9,055	1.1%	218	0.01%
11. Damage during transport		0	0.0%	3,381	0.2%
12. Damage during hoisting / launching		0	0,0%	1,660	0.1%
13. Other causes		307,964	38.3%	901,379	41.8%
Total		804,086	100.0%	2,154,624	100.0%

² Data with updated information available on 31/12/2023

Table 15: Outstanding indemnities by cause, year 2023 – Update 2022 (€)

Incident Cause		(€)	2023	(€)	2022 ³
1. Propeller system damage	a. from a floating object	37,450	2.3%	1,030	0.04%
	b. from a fixed object	35,150	2.2%	2,530	0.1%
2. Stranding		105,993	6.7%	117,934	4.2%
3. Impact/Collision		277,074	17.4%	658,428	23.2%
4. Fire / Explosion		17,750	1.1%	204,500	7.2%
5. Theft		13,600	0.9%	10,221	0.4%
6. Mechanical damage		25,880	1.6%	14,681	0.5%
7. Racing risk		8,550	0.5%	0	0.0%
8. Bad weather conditions		229,781	14.5%	183,700	6.5%
9. Third party liability	a. Bodily injuries	45,736	2.9%	512,250	18.1%
	b. Material damage	104,230	6.6%	342,221	12.1%
	c. Marine pollution	0	0.0%	150,000	5.3%
10. Malicious damage		10,900	0.7%	3,000	0.1%
11. Damage during transport		0	0.0%	0	0.0%
12. Damage during hoisting / launching		0	0.0%	0	0.0%
13. Other causes		676,175	42.6%	631,377	22.3%
Total		1,588,269	100.0%	2,831,872	100.0%

³ Data with updated information available on 31/12/2023

3. Yacht Insurance claims ratios

The figures reported in the previous sections were indexed and the results obtained are presented as ratios in the following tables. The ratios used, aim to calculate the technical basis for the insurance of the specific risks undertaken in 2023 by the insurance enterprises surveyed. Noted that in the tables below, the average ratios are calculated for the total of multi-insurance policies, which means that they do not refer to any specific coverage or package of coverages. In addition, the average claims frequency should be considered slightly overestimated since the number of contracts does not include stand-alone yacht liability contracts.

For their calculation, it has not been considered (as it was not known) the full cost of indemnities as this will be formed in the future, as well as any damages that may arise until the expiration of these contracts. Therefore, the calculated indicators should be reassessed in subsequent time, based on more complete information. The indicators used are:

$$\text{Average claims frequency} = \frac{\text{Average reported claims}}{\text{Number of contracts}}$$

$$\text{Average claim cost} = \frac{\text{Claims Paid} + \text{Outstanding Claims}}{\text{Number of Reported claims}}$$

$$\text{Average risk coverage cost} = \text{Average Frequency} * \text{Average claim}$$

or

$$= \frac{\text{Paid claims} + \text{Outstanding claims}}{\text{Number of contracts}}$$

Table 16: Ratios – 2023 first estimation

	Personal Recreation	Professional with crew	Professional without crew	Total
Average claim cost (€)	6,009	9,371	7,362	7,057
Claims frequency (%)	2.3%	4.4%	9.1%	3.5%
Average risk coverage cost (€)	137	407	672	243

Based on the available information from the updated 2022 data, the corresponding indicators of 2022 are reassessed in the table below:

Table 17: Indicators – 2022 reassessment

	Personal Recreation	Professional with crew	Professional without crew	Total
Average claim cost (€)	11,908	21,618	8,154	12,282
Claims frequency (%)	3.4%	6.3%	9.8%	4.9%
Average risk coverage cost (€)	410	1,360	800	602

In the figures below, the 2019-2022 ratios have been updated while the 2023 ratios are the first estimate.

Figure 10: Average claims frequency (%)

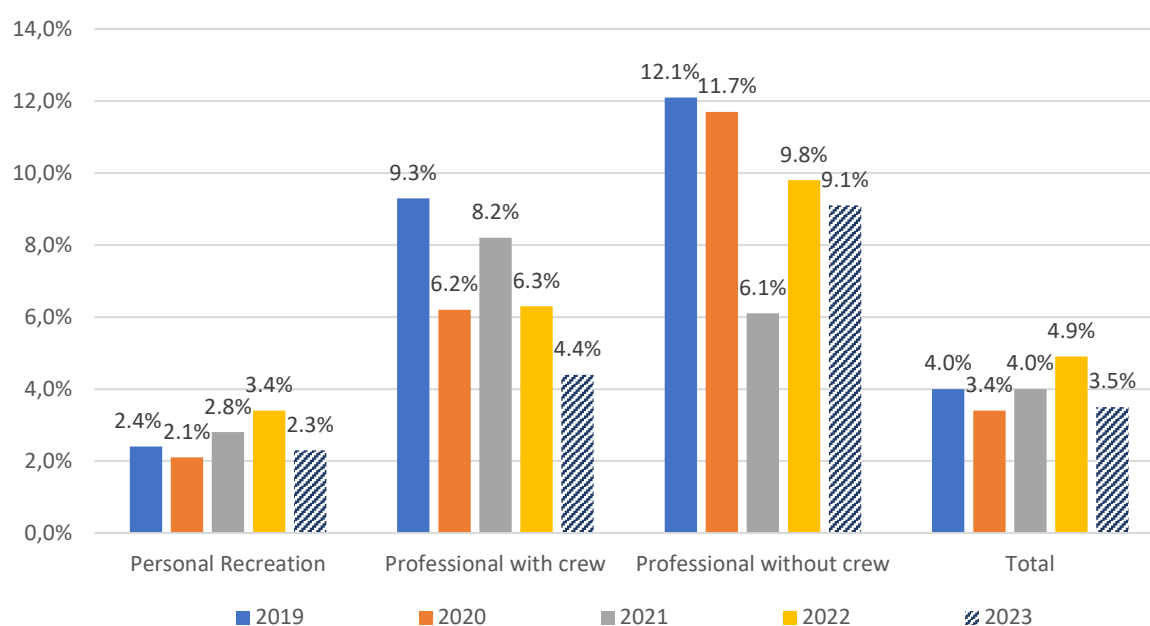
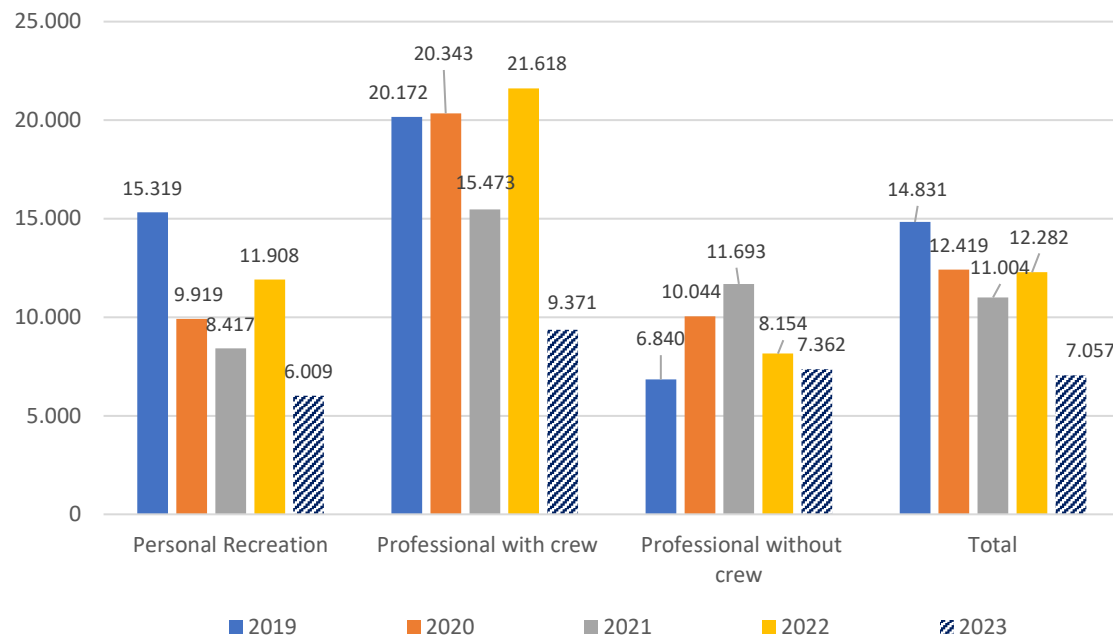


Figure 11: Average claim cost (€)



4. Indemnities evolution study

4.1. Recording of claims per insurance year

In the following tables, the indemnities evolution per year is recorded for multi-insurance contracts and stand-alone yacht liability contracts. Data refer to the last nine years (2015 – 2023). Their collection aims to monitor the "maturity" of claims over time in terms of their number and amount. Their collection aims to monitor the "maturity" of indemnities over time. The data submitted by insurance enterprises relate to both the evolution of paid and outstanding claims data submitted by insurance undertakings.

Table 18: Indemnities paid (€)

		Payment year ⁴								
Underwriting year	€	2015	2016	2017	2018	2019	2020	2021	2022	2023
	2015	1,118,999	2,339,832	582,451	131,963	152,084	79,260	56,097	53,938	73,962
	2016		1,382,242	4,084,929	3,604,597	734,463	77,729	52,773	71,935	88,819
	2017			1,079,860	3,607,840	2,094,075	61,205	286,683	169,191	211,434
	2018				2,698,390	3,576,305	760,914	347,286	460,627	56,572
	2019					668,371	2,204,838	1,764,876	273,747	469,716
	2020						1,525,163	2,167,206	221,474	194,786
	2021							528,222	1,583,115	741,230
	2022								603,066	2,224,741
	2023									682,636

⁴ For contracts issued in 2015, the indemnities paid in 2015, in 2016 and so on.

Table 19: Year-end outstanding indemnities (€)

		Outstanding indemnities ⁵									
		€	2015	2016	2017	2018	2019	2020	2021	2022	2023
Underwriting year	2015		2,236,340	993,278	600,558	548,167	467,085	485,891	481,915	380,880	379,019
	2016			3,915,173	4,496,264	2,699,043	2,368,256	1,145,495	1,155,549	913,255	861,146
	2017				2,023,344	2,408,327	1,760,858	1,221,150	1,355,813	1,243,369	862,143
	2018					3,261,253	3,654,501	1,316,231	1,665,658	1,376,605	956,557
	2019						4,812,508	4,482,788	2,541,883	2,292,845	1,906,415
	2020							2,320,401	822,491	656,129	492,883
	2021								2,611,080	1,755,681	969,444
	2022									3,057,214	2,491,640
	2023										1,607,106

⁵ For contracts issued in 2015, the outstanding indemnities at the end of 2015, 2016 and so on.

Table 20: Number of claims paid and closed

		Payment year ⁶								
		2015	2016	2017	2018	2019	2020	2021	2022	2023
Underwriting year	2015	127	149	37	10	23	5	4	1	1
	2016		126	180	30	34	17	8	7	0
	2017			108	144	14	5	6	2	1
	2018				148	161	37	18	6	3
	2019					116	151	29	11	10
	2020						117	127	22	8
	2021							104	149	55
	2022								99	166
	2023									95

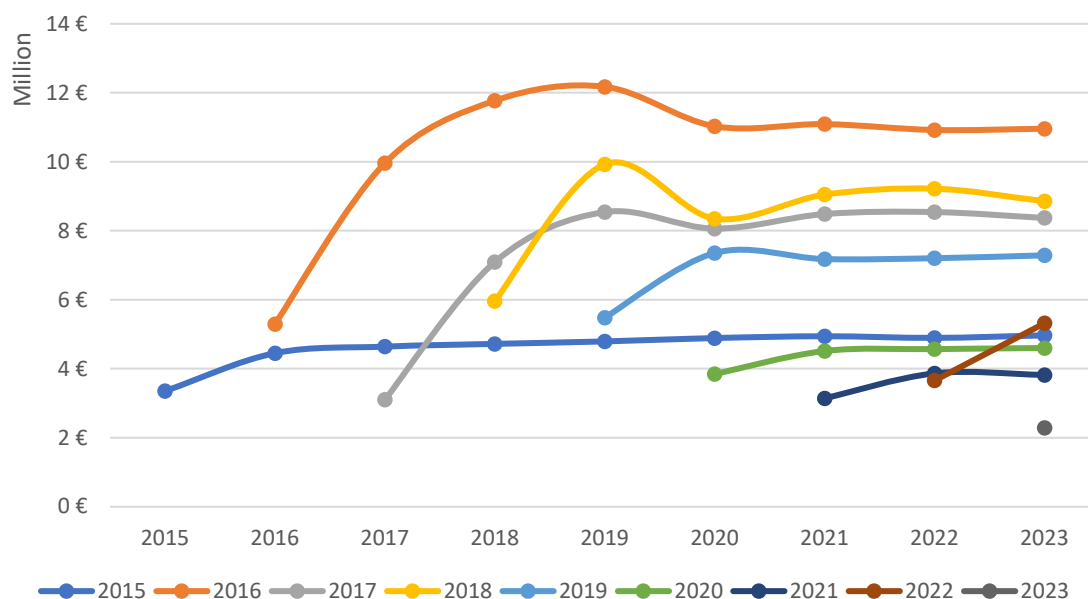
⁶ For contracts issued in 2015, the number of claims paid in 2015, in 2016 and so on.

Table 21: Number of outstanding year-end claims

		Payment year ⁷								
		2015	2016	2017	2018	2019	2020	2021	2022	2023
Underwriting year	2015	136	87	60	49	38	33	21	11	10
	2016		183	98	68	63	53	38	16	14
	2017			163	82	56	49	40	21	13
	2018				155	112	84	69	46	34
	2019					198	133	99	85	66
	2020						156	115	90	81
	2021							210	157	116
	2022								211	188
	2023									243

⁷ For contracts issued in 2015, numbers of outstanding claims in 2015, in 2016 and so on.

Figure 12: Indemnities evolution per underwriting year (accumulated paid and outstanding)



4.2. Indemnities evolution statistical processing

The collection of indemnities data per underwriting year in the previous paragraph allows us to process using the chain-ladder method, to make reasonable predictions about the evolution of indemnities. The available data in terms of time are relatively sufficient to give us an idea of the evolution of the figures.

The following table shows the indemnities amounts (accumulated claims paid within the period under review and claims outstanding at the end of the period under review) for the whole period per underwriting year (columns a and b). In column c, the indemnities are reassessed using the chain-ladder method.

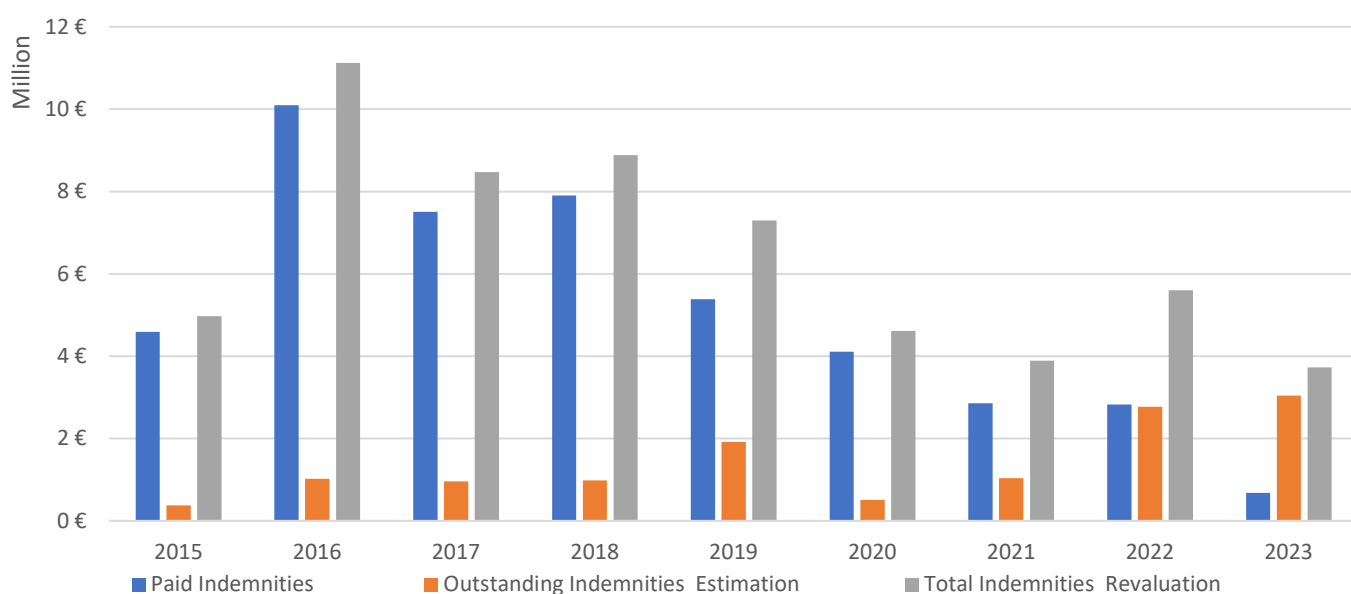
A basic condition for applying the method is that the information of the past is sufficiently representative for the future. The calculated ratio of outstanding indemnities displays the percentage of outstanding indemnities at the end of the period under review out of the total calculated indemnities (outstanding and paid) for each underwriting year.

Table 22: Gross Indemnities Evolution Estimation (€)

	Total indemnities (€) (Gross paid & outstanding)	Gross indemnities paid (€)	Total Indemnities Reassessed (€)	Outstanding Indemnities Estimation (€)	Outstanding Ratio
	a	b	c	(c - b)	(c - b) / c
2015	4,967,605	4,588,586	4,967,605	379,019	7.6%
2016	10,958,631	10,097,486	11,120,029	1,022,543	9.2%
2017	8,372,430	7,510,287	8,469,539	959,252	11.3%
2018	8,856,652	7,900,095	8,885,977	985,883	11.1%
2019	7,287,962	5,381,547	7,300,074	1,918,526	26.3%
2020	4,601,513	4,108,630	4,612,623	503,994	10.9%
2021	3,822,011	2,852,567	3,888,189	1,035,622	26.6%
2022	5,319,446	2,827,807	5,601,463	2,773,657	49.5%
2023	2,289,741	682,636	3,725,714	3,043,078	81.7%

Black font: figures reported by insurance enterprises,

Red font: chain-ladder method estimation

Figure 13: Indemnities Evolution Estimation per underwriting year

In the following table the average values of total and paid indemnities are calculated, after reassessment for the last nine years.

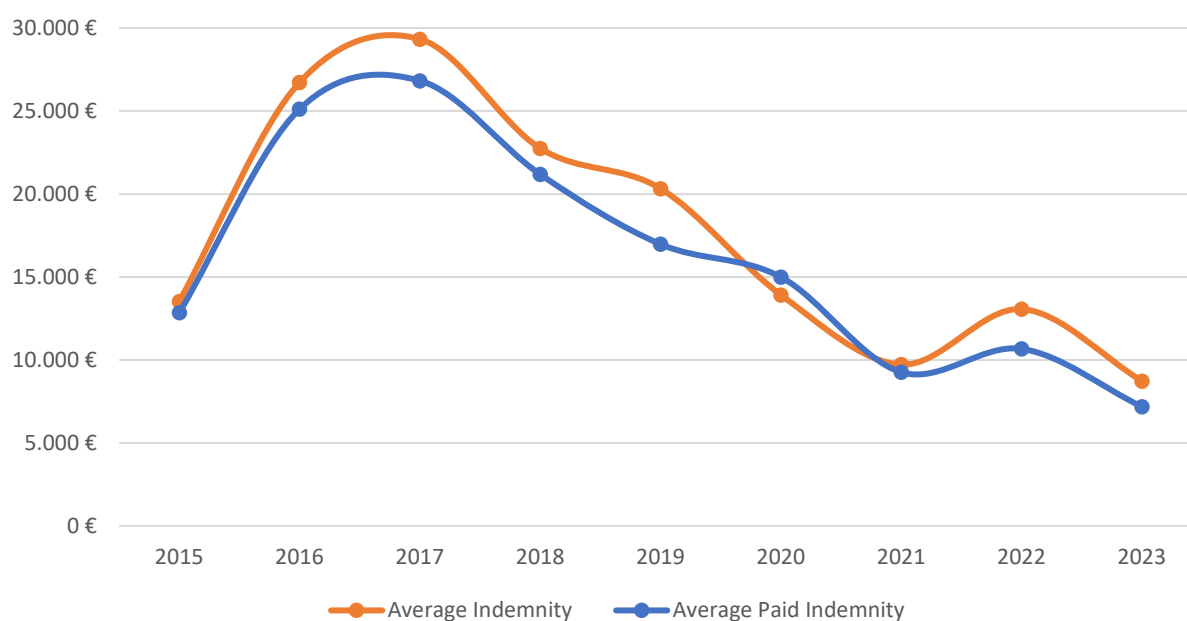
Table 23: Average Indemnity Estimation (€)

	Average Indemnity	Average Paid Indemnity
2015	13,536	12,853
2016	26,731	25,118
2017	29,327	26,822
2018	22,749	21,180
2019	20,323	16,976
2020	13,919	14,995
2021	9,727	9,262
2022	13,067	10,671
2023	8,737	7,186

Black font: figures reported by insurance enterprises,

Red font: chain-ladder method estimation

Figure 14: Average Indemnity Evolution Estimation (€)



December 17, 2024