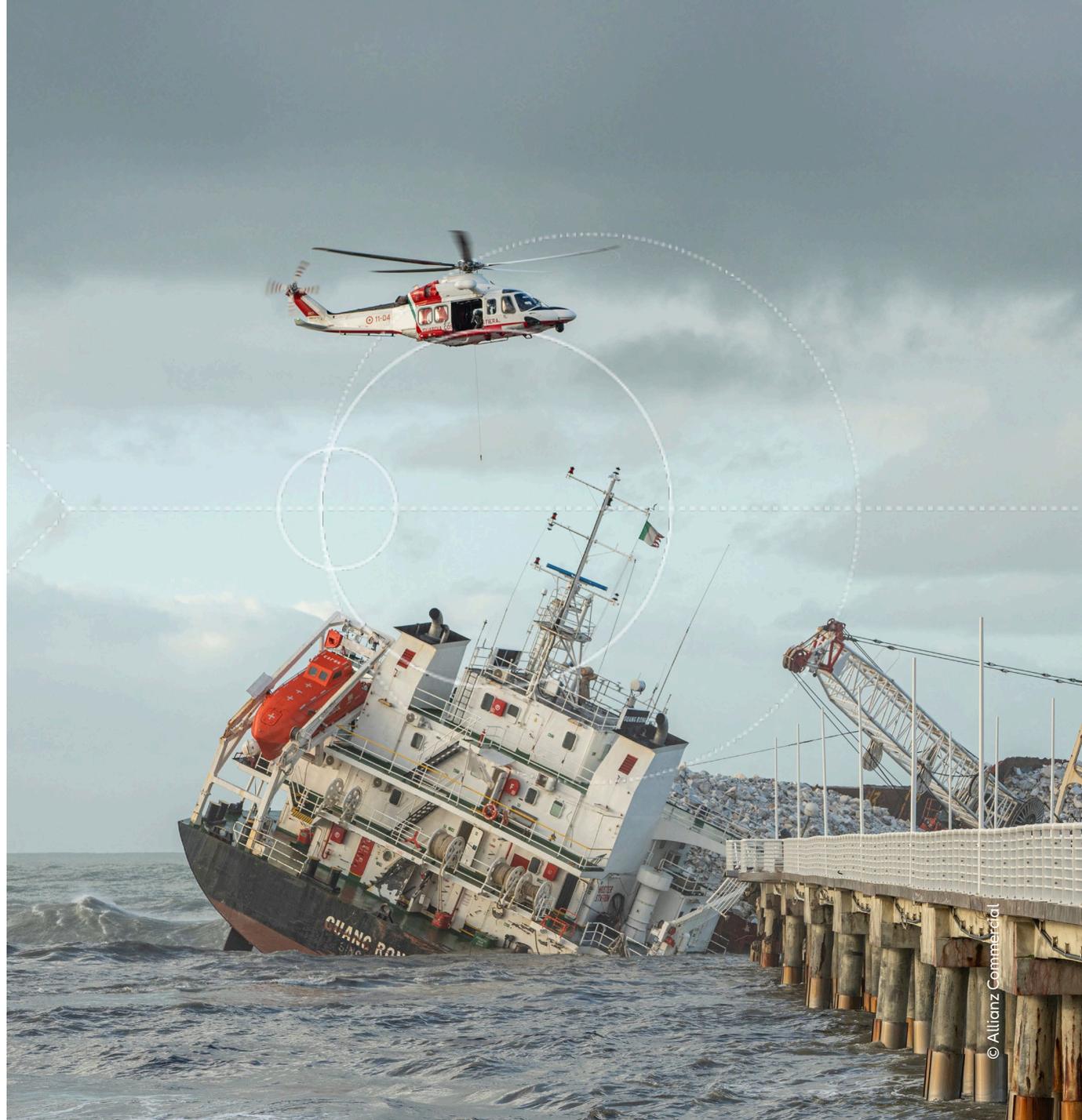




Maritime trends to watch in 2025

An annual review of trends and developments in shipping losses and safety



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Content / topics

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Allianz Safety and Shipping

Review 2025



- Market-leading publication
- Annual analysis of total losses and incidents in shipping
- Report published since 2012
- Key industry trends and insights
- Emerging risks



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Safety and Shipping Review 2025 in numbers

Executive summary

Total losses by top 10 regions in 2015-2024 and 2024

681

total losses in 10 years

27

total losses in 2024



Total losses in focus

The shipping industry has made significant improvements when it comes to maritime safety in recent years. During the 1990s the global fleet was losing 200+ vessels a year. This total had halved by 10 years ago and is now down to a record low of 27 as of the end of 2024.



Source: Lloyd's List Intelligence Casualty Statistics
Data Analysis & Graphic: Allianz Commercial

Total losses in focus

2024 review: Total losses by top 10 regions

From January 1, 2024 to December 31, 2024

*Vessels over 100GT only

Region	Loss	Annual change
British Isles, N.Sea, Eng. Channel and Bay of Biscay	4	–
East Mediterranean and Black Sea	4	-4
S.China, Indochina, Indonesia and Philippines	4	-5
Iceland and Northern Norway	3	+2
Australasia	2	+2
Bay of Bengal	2	+1
S.Atlantic and East Coast S.America	2	+1
Arabian Gulf and approaches	1	+1
East African Coast	1	+1
Gulf of Mexico	1	–
Other	3	
Total	27	-8

2015 – 2024 review: Total losses by top 10 regions

From January 1, 2015 to December 31, 2024

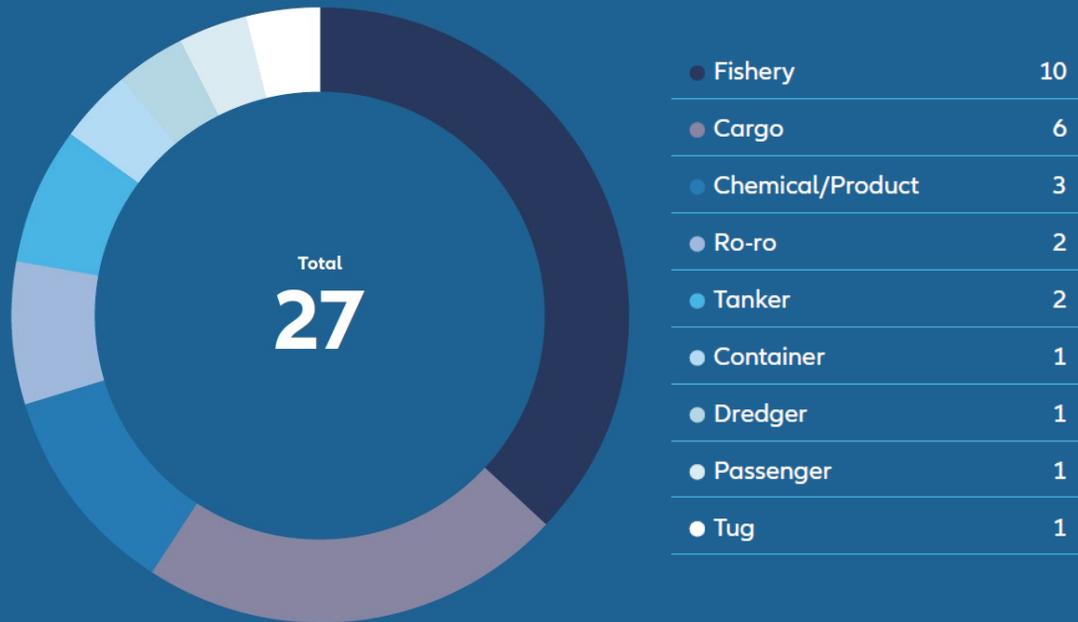
*Vessels over 100GT only

Region	Loss
S.China, Indochina, Indonesia and Philippines	169
East Mediterranean and Black Sea	109
British Isles, N.Sea, Eng. Channel and Bay of Biscay	53
Japan, Korea and North China	53
Arabian Gulf and approaches	37
West Mediterranean	28
West African Coast	24
Bay of Bengal	22
S.Atlantic and East Coast S.America	22
West Indies	16
Other	148
Total	681

Total losses in focus

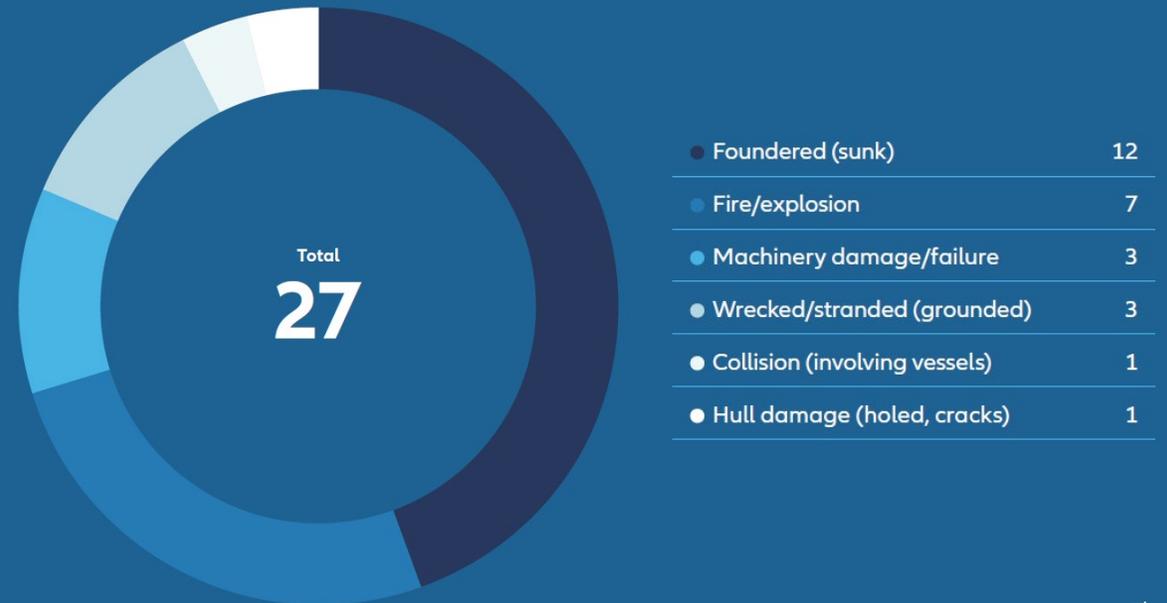
Total losses by type of vessel 2024

January 1, 2024 to December 31, 2024. Vessels over 100GT only



Causes of total loss 2024

January 1, 2024 to December 31, 2024. Vessels over 100GT only

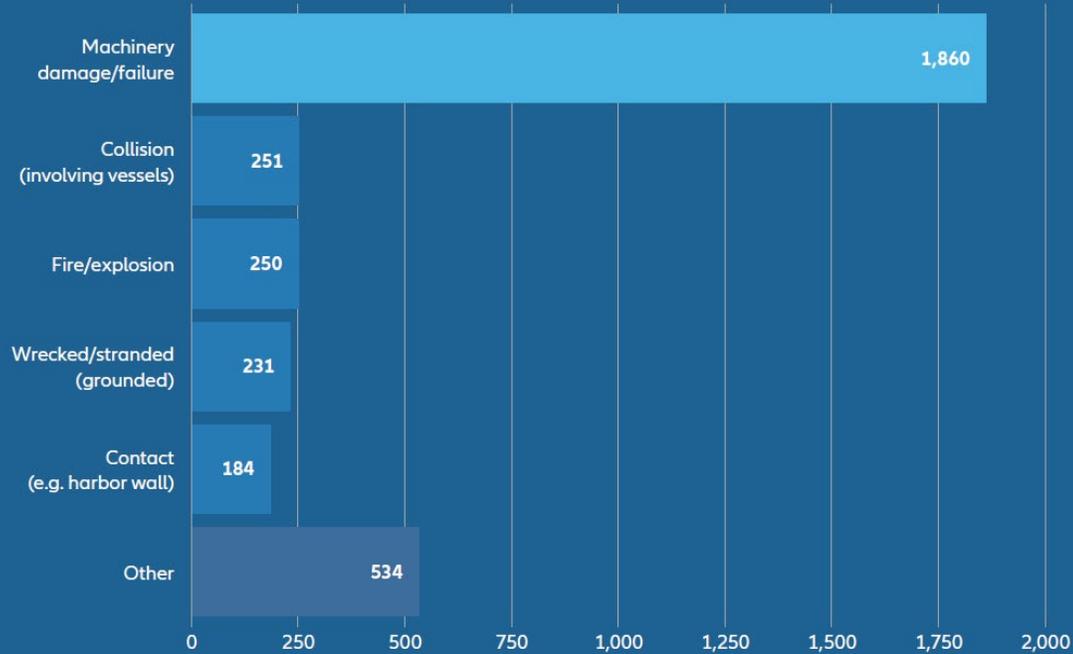


Incidents in focus

The top causes of shipping incidents

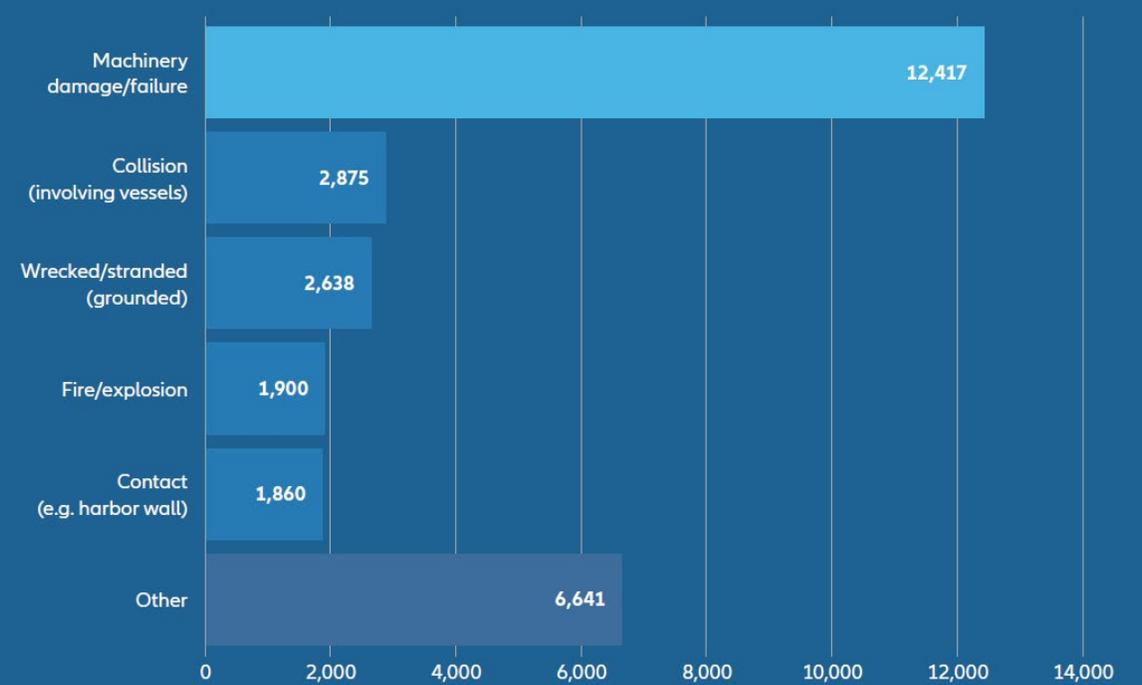
2024 review

From January 1 2024 to December 31, 2024. Vessels over 100GT only. Includes total losses.



2015 – 2024 review

From January 1 2015 to December 31, 2024. Vessels over 100GT only. Includes total losses.



Incidents in focus

All casualties/incidents (including total losses)

2024 review

From January 1, 2024 to December 31, 2024. Vessels over 100GT only

Top 10 regions	Incidents	Year-on-year change
British Isles, N.Sea, Eng. Channel and Bay of Biscay	799	+105
East Mediterranean and Black Sea	694	+62
S.China, Indochina, Indonesia, and Philippines	285	+46
Baltic	188	+47
Iceland and Northern Norway	149	+22
West Mediterranean	147	+20
Great Lakes	131	-25
Japan, Korea, and North China	120	+23
North American West Coast	119	-31
Newfoundland	93	+2
Other	585	
Total 3,310	3,310	+347

2015 – 2024 review

From January 1, 2015 to December 31, 2024. Vessels over 100GT only

Top 10 regions	Incidents
British Isles, N.Sea, Eng. Channel and Bay of Biscay	5,613
East Mediterranean and Black Sea	5,306
S.China, Indochina, Indonesia, and Philippines	2,574
Great Lakes	1,541
Baltic	1,452
West Mediterranean	1,309
North American West Coast	1,293
Iceland and Northern Norway	1,161
Japan, Korea, and North China	1,146
Newfoundland	907
Other	6,029
Total	28,331

Geopolitical Risks

Geopolitical risks

Shipping choke points come under fire



Strategic shipping routes and choke points are being politicized as tensions rise. Suez Canal transits have been curtailed by Houthi attacks, while South China Sea disputes risk disruption. And now the Strait of Hormuz is back in the spotlight following further conflict in the Middle East.

GPS jamming taken to a new level



Interference is becoming an increasing risk for commercial vessels as well, Almost 1,000 ships a day have experienced jamming over the past month around the Strait of Hormuz.

Geopolitical risks

Global supply chain faces uncertainty amid rising challenges



Protectionist measures such as trade tariffs bring significant uncertainty and challenges for the global maritime sector.

Conflicts and record number of abandoned seafarers puts lives at risk



According to the International Transport Workers' Federation, a record number of seafarers were abandoned in 2024. A total of 312 vessels were abandoned, up 136% from 132 in 2023. Some 28 ships abandoned multiple crews. The number of abandoned seafarers rose 87% to 3,133 in 2024.

Hull risks

Inflationary pressures hit repair costs

While inflation rates have fallen significantly, there has been no reduction in the cost of insurance claims.

The average gross loss ratio (claims paid out vs premiums) is around 70% to 80%, meaning there is little margin left for large losses after internal costs and brokerage fees. In this range, the loss ratio is still relatively high, and after costs you are already at a combined ratio close to 100%.

Contributing Factors:

- Higher repair costs
- Increased values
- Rising steel prices
- Supply chain delays
- Limited yard capacity
- Aging fleet
- Emergence of more complex machinery
- Introduction of tariffs



Older vessels, higher claims potential



- Rerouting has increased the potential for large claims due to post-pandemic bottlenecks, which have slowed the replacement of older tonnage.
- Longer transit times from rerouting have led some shipowners to retain older vessels.
- The average age of the world fleet has risen to **23 years** in 2024, up from below 20 years before the pandemic.



- Container ship capacity has been constrained by longer trade routes, as shipping companies avoid conflict in the Red Sea.
- Shipping companies are trading with older vessels on routes more exposed to heavy weather than the Suez Canal.
- When called back into service, these vessels may not be in the best state to operate safely on longer sea routes and in rough weather.

In numbers: loss drivers



3,310 reported shipping incidents around the world - up by more than 10% year-on-year.



The number of fire incidents on vessels increased by around 20% during 2024 – the highest total for a decade.



During 2024 – the most common cause of shipping incidents.



Allianz analysis has shown that as much as 75% of marine accidents involve an element of human error.

*From January 1, 2024, to December 31, 2024. Vessels over 100GT only

Cargo risks

Cargo theft on the rise: increase in fraudulent documentation and false identity-related claims

Economic uncertainty coupled with inflation fuel theft claims



- Economic uncertainty and stubborn inflation fuel a rise in theft claims.
- We see a correlation between the economic environment and a substantial rise in theft claims.

Increasing theft globally



- Thefts are up globally, with North America seeing a rise of over a quarter in stolen goods compared to 2023.
- Stolen goods range from everyday items to highly theft-attractive cargo. Strong logistics procedures and risk management act as effective deterrents.

Changing world of crime



- Shift from opportunistic theft to organized crime continues.
- Strong increase in thefts involving false identity or fraudulent documents.
- Tight controls and procedures are key to reduce the risk.

Energy transition poses a new challenge for project cargo



- Dedicated project cargo tonnage remains tight and looks to continue to be stretched.
- China is the number one importer of dry bulk commodities. Return freight for bulkers is limited which fuels competitive freight rates on dry bulk vessels leaving China.



- Project cargo exports shipped on dry bulk vessels leaving China have substantially increased over the last year.
- Proactive measures are essential to avoid damage and delays when handling and transporting critical cargo.

- Project cargo exposures are on the rise with investments in high-value infrastructure and renewable energy projects.
- Annual clean energy investment needs to double and reach \$4 trillion by 2030 to achieve net zero emissions by 2050.



- A concerning trend is the use of dry bulk vessels for project cargo and other "engineered" cargo to be loaded onto vessels which are not designed to carry such cargo.
- This carries significant risk of improper stowage and issues during loading / unloading resulting in unexpected damages.



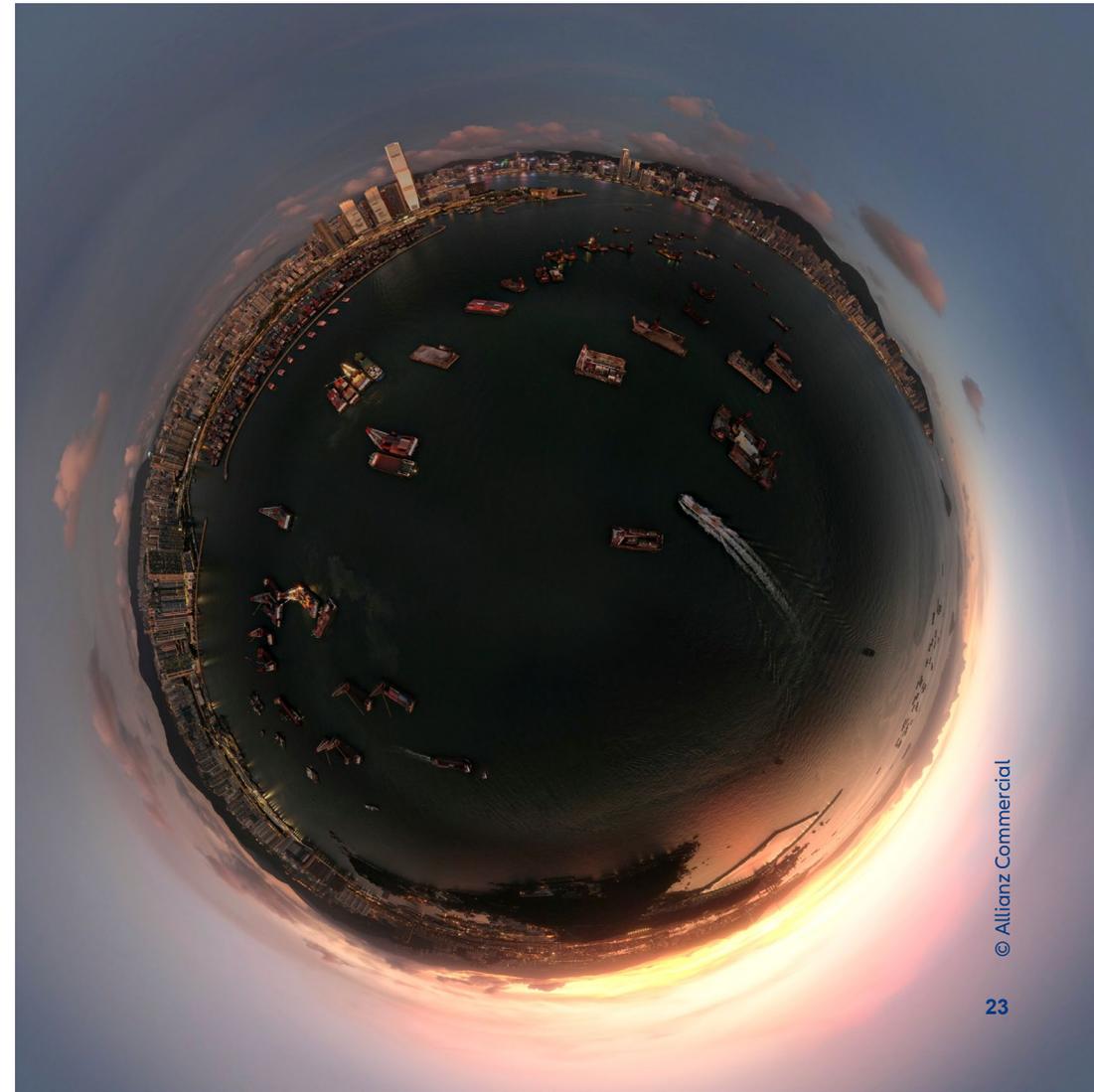
Claims Outlook

Claims for losses relates to conflicts and political risks

Recent years have seen insurers pay out large marine claims for losses related to conflicts and political risks.

- **War in Ukraine:** Total losses for insurers from vessels damaged or trapped in the region.
- **Red Sea:** Houthi forces seized the car carrier **Galaxy Leader**, sunk cargo ships **Rubymar** and **Tutor**, and attacked around 70 others between November 2023 and October 2024.
- **Middle East Political Situation:** In 2024, an insured vessel, supposed to be linked to Israel, was seized by Iranian authorities during heightened tensions. Following diplomatic actions, the crew and cargo were released, but Iran continues to detain the vessel.

Total loss under war insurance cover: Such an incidence can result in a total loss under war insurance cover. If a vessel is detained beyond a certain period of time, typically around 12 consecutive months, the owner can claim a total loss. Similar instances were seen in the Ukraine war.



Fires and mis-declared cargo remain top concern for large vessels

The number of incidents overall was up year-on-year to a decade high of 250, across all vessel types.

More than 100 total losses of vessels have been caused by fires over the past decade. Mis-declared cargo remains a chief contributing cause to container ship fires, despite growing awareness.

Notable Incidents:

- **Grande Brasile:** Crew abandoned ship after the car carrier caught fire during February 2025.
- **Morning Midas:** Sank after fire broke out on the cargo ship during early June.
- **Wan Hai 503:** Fire and explosion on the container ship resulted in the death of seafarers off the coast of India, also during June.



Cargo storage: static risk exposed to fires and natural catastrophes



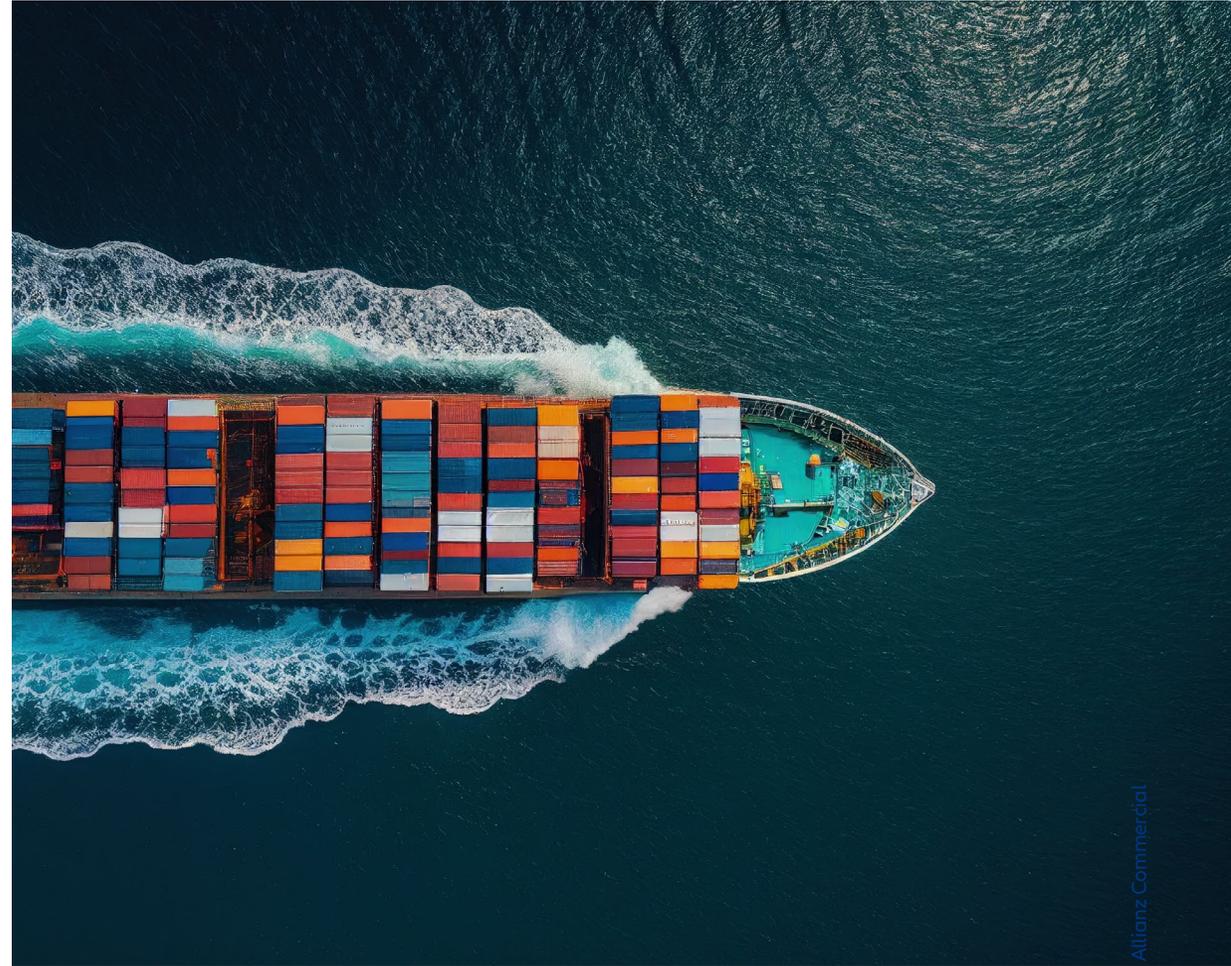
- **Natural catastrophes** are still a top driver for marine claims, in particular cargo and inland marine.
- **Man-made losses also** present large accumulations of cargo exposure
 - **Grande Brasile:** Crew abandoned ship after the car carrier caught fire during February 2025.

Insurance Market Outlook

Insurance market outlook

What do these maritime trends mean for insurance?

What is the outlook for the market?



Questions & Answers



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Global Head of
Marine Claims



**Marcel
Ackermann**
Global Product
Leader Cargo



Justus Heinrich
Head of Marine
Underwriting GER /
SUI | Global Product
Leader Hull



To send your questions please use the Slido window on the right side of your Webex or scan a QR code with your mobile device.

Thank you!

