



International Union of Aerospace Insurers (IUAI)

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IUAI

International Union
of Aerospace Insurers

Supply Chain Disruption and Other Factors – The Impact For Insurers

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Core Ingredients Effecting Supply Chain Disruption

- Transportation Impact
- Labour Shortage
- Geo-political
- World Events

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Consequences of Supply Chain Disruption and Other Events

- Raw Material and Material Costs
- Production and Spare Parts Availability
- Delays
- Transportation
- Labour Rates / Costs
- Impact of Quarantine on AOG repairs
- Handling Charges
- Hangar Rental / Parking Charges

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Claims Handling Challenges & Underwriting Considerations

- Lack of Breakdown in Repair Estimates
- Lack of Co-Operation From Some Repairers
- Longer Repair Periods Means Higher Costs
- Lack of Alternative Repairers
- Fixed Labour Rates in Policies
- Repair Costs at Inception Can Be Significantly Higher in 11 Months Time
- Increased Adjuster Fees.
- Inflation

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