The Insurance Institute of Zambia (IIZA)

Industrial All Risks (IAR) Insurance



Online Course

Course Overview

Industrial All Risks (IAR) Insurance is one of the most technically demanding and strategically important lines of general insurance. It provides comprehensive protection for industrial, commercial, and infrastructure assets against a broad range of perils, combining Material Damage (MD) and Business Interruption (BI) coverage under a single, integrated policy structure.

Unlike traditional fire and allied perils insurance, IAR is based on an “all risks” model — covering loss or damage from any accidental cause except those specifically excluded. This broader scope aligns with the increasing scale and complexity of industrial operations in Kenya and the wider East African region, where infrastructure, logistics, manufacturing, power, and energy projects are growing rapidly.

IAR insurance is more than just a policy—it is a risk transfer and resilience tool. Insurers and risk managers must blend technical underwriting skills, property-risk engineering, business interruption analysis, reinsurance strategy, and claims management expertise to protect high-value, high-exposure risks.

With new risk landscapes emerging — including climate-related events, cyber-physical risks, supply-chain disruptions, and regulatory modernization — IAR practitioners need to think beyond traditional loss triggers and incorporate data-driven decisioning, digital tools, and sustainability principles (ESG) into underwriting and claims practices.

This 12-module course is designed to provide participants with:

- A firm grounding in legal, regulatory, and property insurance principles.
- Deep technical competence in underwriting, policy structures, reinsurance, and BI coverage.
- Practical skills in engineering risk management and loss prevention.
- Strategic capability to manage large and complex claims.
- Awareness and readiness to adapt to emerging trends and digital transformation.

The program is aligned with regional regulatory frameworks and international best practice, making it suitable for insurers, reinsurers, brokers, corporate risk managers, engineers, loss adjusters, and insurance regulators.

Learning Outcomes

By completing this course, participants will be able to:

- Explain the structure, purpose, and application of Industrial All Risks insurance.
- Interpret and apply legal and regulatory requirements governing IAR in Kenya and the region.
- Apply property and all-risk principles to policy design and underwriting.
- Understand and structure Material Damage and Business Interruption coverage for complex industrial risks.
- Underwrite large, high-value risks using engineering surveys, risk scoring, and data-driven models.
- Implement effective loss-prevention and risk-management strategies.
- Structure and manage reinsurance programs supporting IAR portfolios.
- Handle complex claims involving both property damage and business interruption.
- Navigate emerging trends in ESG, parametric insurance, cyber-physical risk, and digital transformation.
- Apply professional and ethical standards to IAR underwriting, claims, and market conduct

What is Covered

Module 1: Introduction to Industrial All Risks Insurance

- Meaning and Concept of IAR Insurance
- Evolution and Rationale for IAR Insurance
- Differences Between IAR and Traditional Fire Policies
- Scope, Purpose, and Strategic Importance
- Relevance in Modern Industrial and Commercial Risk Management
- Global and African Market Perspectives

Module 2: Legal and Regulatory Framework

- Legal Foundations of Property and All-Risks Insurance
- National Insurance Regulatory Requirements
- International Standards and Best Practices
- Contract Certainty and Policy Wording
- Regulatory Oversight and Market Conduct Rules
- Obligations of Insurers, Intermediaries, and Policyholders
- Dispute Resolution Mechanisms

Module 3: Principles of Property and All-Risks Insurance

- Fundamental Principles of Insurance (Insurable Interest, Utmost Good Faith, Indemnity, etc.)
- Application of Principles to Property and All-Risks Insurance
- Risk Transfer Mechanisms
- Policy Conditions and Warranties
- Subrogation, Contribution, and Proximate Cause in IAR Context
- Coverage Triggers and Basis of Settlement

Module 4: IAR Policy Structure and Coverage

- Core Sections: Material Damage (MD) and Business Interruption (BI)
- Standard Policy Format and Clauses
- Insuring Clauses and Coverage Definitions
- Property Covered and Basis of Settlement
- Deductibles, Limits, and Exclusions
- Policy Conditions and Obligations
- Ancillary Covers and Extensions

Module 5: Business Interruption (BI) / Consequential Loss

- Purpose and Scope of BI Insurance
- Coverage Triggers and Link to MD Section
- Key Components of BI Coverage
- Indemnity Period and Sum Insured
- Basis of Settlement and Loss Calculation
- Key Clauses, Extensions, and Endorsements
- Policy Conditions and Obligations
- Strategic Importance of BI Coverage

Module 6: Classes of Risks and Perils Covered

- Property and Asset Classes Under IAR
- Fire, Explosion, Machinery Breakdown, Theft
- Natural Perils (Flood, Storm, Earthquake, Catastrophe Perils)
- Special Perils and Extensions
- Policy Exclusions and Limitations
- Emerging and Non-Traditional Perils

Module 7: IAR Underwriting and Risk Assessment

- Risk Identification and Evaluation
- Site Surveys and Engineering Assessments
- Data Collection and Risk Profiling
- Pricing Considerations and Rating Methodologies
- Role of Reinsurance in Underwriting
- Accumulation Control and Portfolio Management
- Underwriting Best Practices and Market Trends

Module 8: Risk Management, Engineering & Loss Prevention

- Risk Control Measures in Industrial Settings
- Fire Protection and Safety Standards
- Business Continuity Planning (BCP)
- Loss Prevention Engineering
- Risk Improvement Recommendations
- Role of Insurers, Brokers, and Risk Engineers
- Integration with ERM Frameworks

Module 9: Reinsurance, Co-Insurance, and Policy Administration

- Reinsurance Principles and Structures
- Treaty vs Facultative Arrangements
- Co-Insurance and Risk Sharing
- Policy Issuance and Endorsements
- Premium Administration and Bordereaux Management
- Claims Handling Between Markets and Reinsurers
- Compliance and Reporting Requirements

Module 10: Claims Management — MD & BI

- Claims Notification and Documentation
- Material Damage Claims Handling
- BI Claims Handling and Calculation
- Loss Assessment, Adjustment, and Settlement
- Role of Loss Adjusters and Experts
- Common Claims Disputes and Resolution
- Fraud Detection and Claims Governance

Module 11: Emerging Trends & Innovations

- Climate Change and Catastrophe Modeling
- Digitalization and Use of IoT, AI, and Drones in IAR
- Parametric Insurance Solutions
- ESG Considerations in Industrial Insurance
- New Regulatory Developments and Market Shifts
- Evolution of Industrial Risk Landscapes

Module 12: Case Studies, Ethics & Professional Practice

- Real-World Case Studies and Lessons Learned
- Application of IAR in Complex Industrial Risks
- Professional Ethics and Conduct in IAR Practice
- Role of Insurance Professionals in Risk Advisory
- Integrating IAR into Strategic Risk Financing
- African Market Perspectives and Practical Scenarios

info@iiza.org academy.iiza.org +260 977672302



Insurance Institute of Zambia
Stand No. 17 Mpulungu Road, Off Manda Hill Road
Olympia Park, Lusaka
Tel: +260 977672302
Email: info@iiza.org
Website: academy.iiza.org