

# IUAI Cyber and Emerging Risks Study Group

## 2026 Survey Summary

*“From isolated perils to systemic stress”*

Tom Hughes (International Underwriting Association)

Florian Zierer (Swiss Re)

*There were 106 responses to the third International Union of Aerospace Insurers (IUAI) Cyber and Emerging Risks Study Group (CERSG) Survey. These individuals work for international aviation insurers and reinsurers and can be broadly categorised as underwriting (82 respondents) and claims representatives (24 respondents).*

*The Survey has 3 key objectives in supporting the IUAI:*

- 1. Build a radar of risks and opportunities which will continue to evolve*
- 2. Gain early sight of new threats facing aviation operators and (re)insurers*
- 3. Gather ideas on cyber and emerging risk topics for future IUAI conferences & workstreams*

 **IUAI** International Union  
of Aerospace Insurers

IUAI Members'  
Conference 2026  
Seville, Spain | 1-3 June

  
OF LONDON  
INTERNATIONAL  
UNDERWRITING ASSOCIATION

 **Swiss Re**

# Executive Summary

The 2026 IUI Cyber and Emerging Risks Study Group Survey confirms a decisive shift in the aviation insurance risk landscape, from isolated technical perils to systemic, externally driven stressors.

Three conclusions stand out.

## **First, geopolitical risk now dominates the outlook.**

Geopolitical instability and war are identified as the number one threat by a significant margin, receiving 79 first-place selections from 106 respondents, the strongest result since the survey began. This reflects a structural change in aviation risk, with exposures increasingly shaped by political, economic and technological interdependencies rather than risks originating within the aviation sector itself.

## **Second, operational and infrastructure pressures are most immediate for operators.**

Survey responses highlight infrastructure constraints, workforce shortages and airspace management as the most urgent risks in 2026. This indicates that while major threats such as cyber and geopolitical instability dominate strategic thinking, the most immediate challenges for operators are day-to-day operational pressures.

## **Third, US claims inflation presents the greatest challenge to (re)insurers.**

For the first time, respondents were asked to separate US and non-US claims inflation, and US-focused pressures were identified as the greatest challenge, receiving more than twice as many selections as non-US inflation. The second most prominent challenge was market conditions and rate adequacy, closely linked to and driven by inflationary claims conditions.

For insurers and reinsurers, these dynamics translate into a clear set of implications.

- Exposure management must evolve to reflect systemic and correlated risks, particularly across geopolitical, cyber and supply chain domains.
- Pricing adequacy remains under pressure, driven by US claims inflation and litigation trends.
- Policy wordings and coverage structures may require review, to address cyber, war and new and advanced aircraft technologies.
- Operational and human capital constraints, including skilled staff shortages, risk becoming a more prominent limiting factor for market capacity.

At the same time, the survey highlights a consistent set of growth opportunities. Artificial intelligence, new aircraft technologies and increasing global demand for aviation services are identified as the three leading opportunities for the third consecutive year. Notably, AI is viewed primarily as a driver of efficiency, improved risk analysis and better policy design, rather than a new source of systemic loss.

Overall, the findings point to a market increasingly defined by systemic risk, operational constraints and external volatility, requiring a more integrated approach to underwriting, risk selection and capital management.

# 1 Threats facing the aviation sector

Please rank these threats to the aviation sector over the next 5 years (most to least significant):

## No.1 risk selections by respondents:



## Top 10 overall respondent ranking (highest to lowest priority)\*

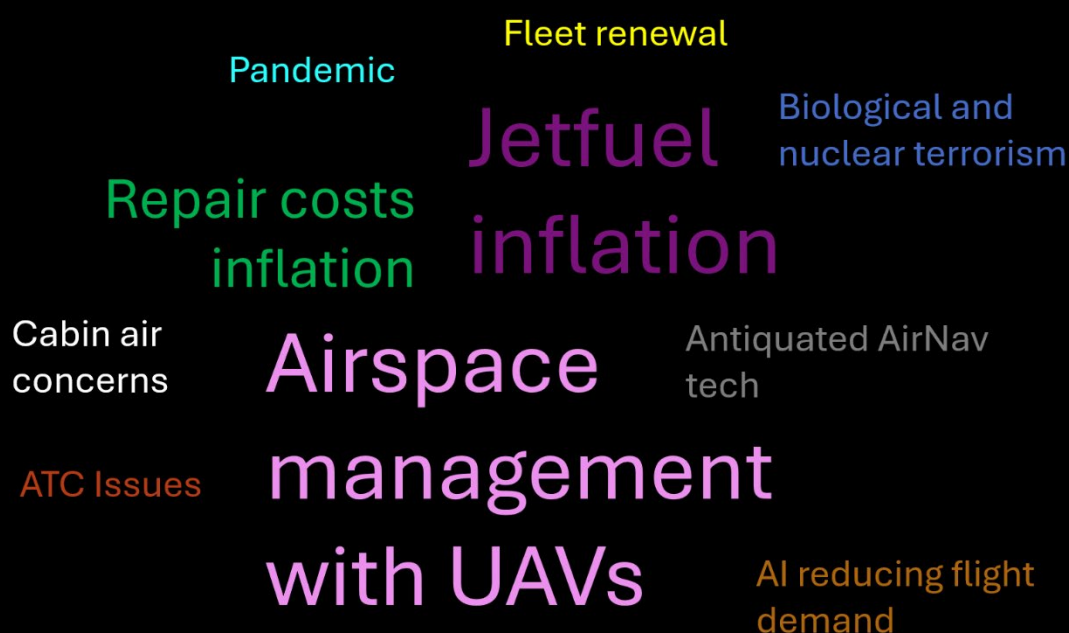


\*The white bars indicate our 2026 results and the teal bars represent our 2025 results. The teal text indicates an option included in the Survey for the first time.

## Most threatening features of war as they exist today:



## 'Other' risks identified by respondents:



Geopolitical instability and war is rated by respondents as the greatest threat facing the aviation sector over the next 5 years, with the strongest result since the Survey was launched in 2024.

Malicious cyber threats retained their place as the second most important threat, with supply chain and manufacturing issues ranked within the Top 3 (3<sup>rd</sup> place) for the first time. Litigation trends and 'nuclear' verdicts, included as a potential threat for the first time, were chosen by 13 individuals as the greatest threat facing the sector and achieved an overall 5<sup>th</sup> place ranking.

Whilst not included in the Top 10 options, airspace management with UAVs is highlighted as a key emerging threat by respondents. Respondents also point to a range of threats linked to supply chain and manufacturing issues, including jet fuel shortages, repair cost inflation, fleet renewal and antiquated air navigation technology.

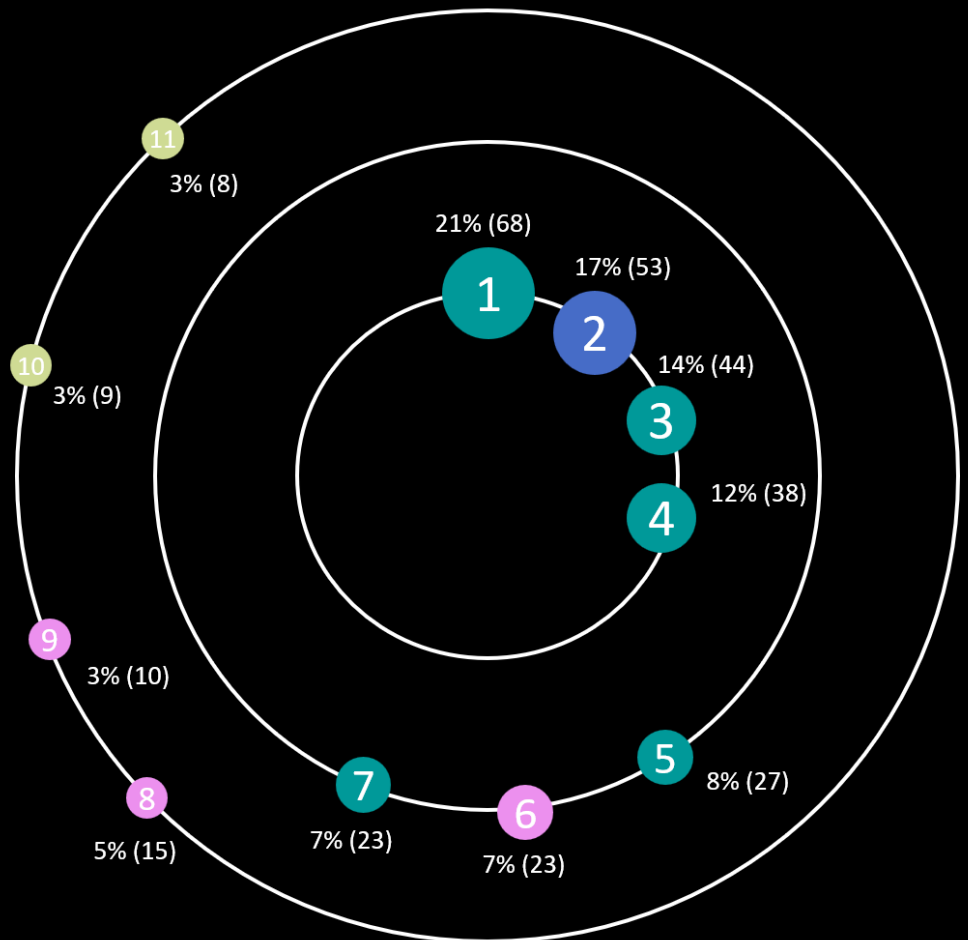
# 2 Risks to aviation operators / airports

Which of the following risks to aviation operators / airports need to be most urgently addressed in 2026? (Choose 3):

## Top 10 overall respondent ranking highest to lowest priority (No. of selections)

1. ATC ISSUES / UGRADES
2. STAFF SHORTAGES / FATIGUE
3. RUNWAY INCURSIONS
4. ATTRITIONAL GROUND INCIDENTS
5. AIRSPACE MANAGEMENT WITH UAS / EVTOL
6. GNSS SPOOFING / INTERFERENCE
7. SUPPLY CHAIN DIFFICULTIES
8. LITHIUM-ION BATTERY FIRES ONBOARD AIRCRAFT
9. DATA BREACH / RANSOMWARE
10. CABIN AIR QUALITY CONCERNS
11. POLLUTION AND CONTAMINATION RISK (E.G. PFAS)

- Operational / infrastructure
- People
- Tech & Cyber
- Environmental / health



The Survey results provide four strong risks for operators / airlines to address most urgently. The key risks identified are predominantly operational and infrastructure based. Despite cyber risks being highlighted as an important threat to the sector (see results above), ransomware & data breach risks feature in only 9<sup>th</sup> place as an urgent risk.

Comparing the results to 2025, the most significant increase in responses is in respect of airspace management with UAVs and eVTOL followed by staff shortages and fatigue. GNSS spoofing and interference and attritional ground incidents have both reduced in their perceived urgency.

# Risks to the space industry over the next 5 years:

This ranking was completed by respondents live at the IUAI AGM 2026

ORBITAL DEBRIS GROWTH AND COLLISION RISK / CASCADING LOSS SCENARIOS

LAUNCH AND EARLY-ORBIT FAILURE RISK

HOSTILE INTERFERENCE INC. CYBER-ATTACKS, JAMMING, SPOOFING AND COUNTERSPACE

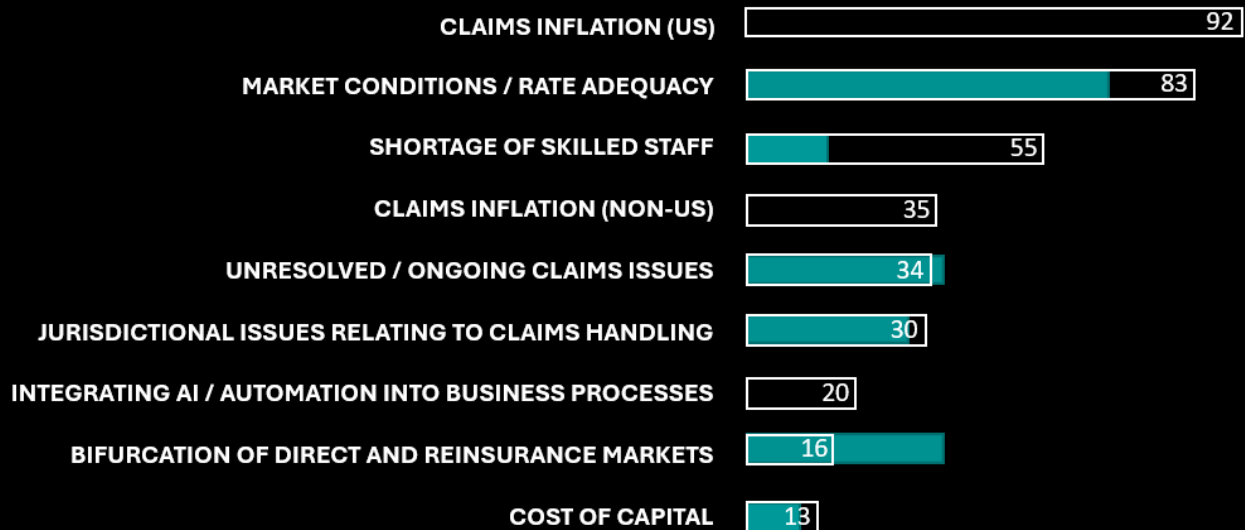
SUPPLY CHAIN FRAGILITY FOR CRITICAL COMPONENTS

SPACE WEATHER IMPACTS, INC. SOLAR STORM AND GEOMAGNETIC EVENTS

REGULATORY / POLICY UNCERTAINTY

## 3 Challenges for aviation (re)insurers

Please select the greatest challenges facing aviation (re)insurers in 2026 (Choose 3)\*:



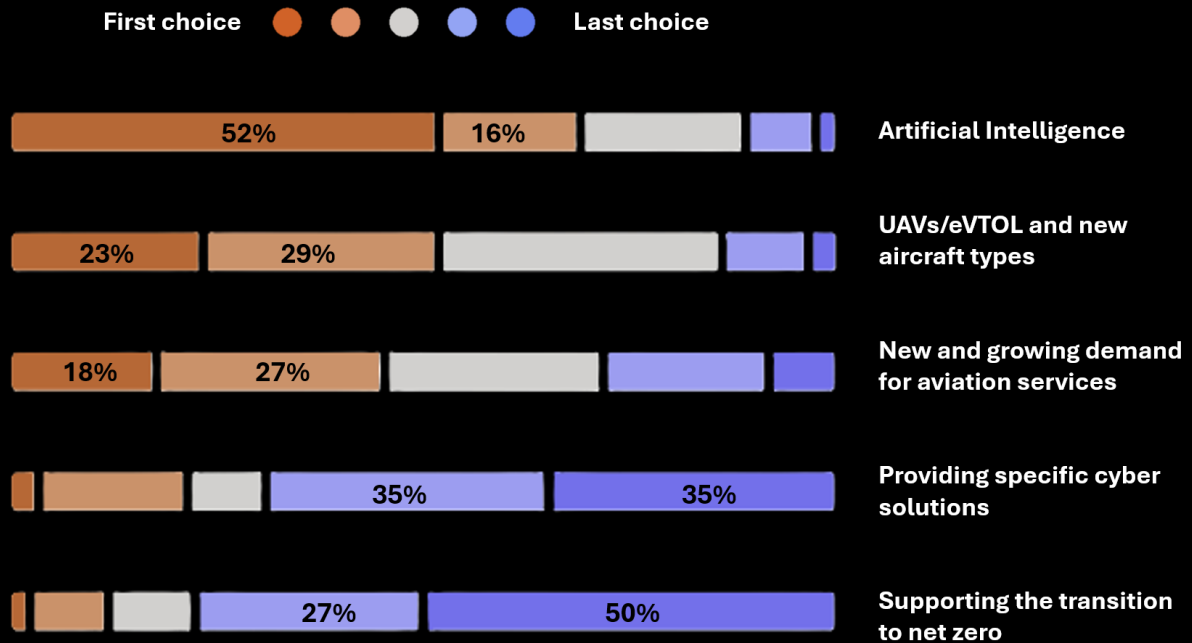
\*The white bars indicate 2026 results and the teal bars represent 2025 results; note that we received more responses in 2026 so all bars were expected to increase in size.

For the first time, respondents were asked to provide separate rankings for claims inflation (US) and claims inflation (non-US). US-focused pressures are perceived as the greatest challenge faced by (re)insurers, closely linked to and followed by market conditions and rate adequacy.

When compared to 2025 results, shortage of skilled staff increased most notably, whilst bifurcation of direct and reinsurance markets reduced notably.

# 4 Opportunities for aviation (re)insurers

Please rank these opportunities for aviation (re)insurers over the next 5 years:



For the third year running, respondents identify 1) Artificial Intelligence (AI), 2) UAVs / eVTOL and new aircraft types and 3) new and growing demand for aviation services as the three greatest opportunities for (re)insurers over the next 5 years. AI and automation receive the most significant increase in response compared to 2025. Respondents do not necessarily see AI and automation as the next driver of loss events, rather it is where they see the most potential efficiency and decision-quality gains.

## Greatest opportunities presented to (re)insurers by AI and automation:

1. Internal operational efficiency
2. Risk analysis and modelling
3. Policy wordings

### Least value identified for:

4. Underwriting decisions
5. Claims adjudication

# Which skills held by aviation (re)insurance practitioners would be most difficult AI to replace with AI?\*

*\*This word cloud is not a direct representation but is strongly based on the results provided by respondents live at the IUAI AGM 2026.*



Increasing, AI adoption can create stronger demand for skills which are considered inherently 'human' and challenging to replicate. Over the next 5 years it is anticipated that the adoption of AI tools (primarily GenAI), will drive internal operational efficiencies that afford more technical underwriting and claims adjudicating hours.

## Please submit any questions or suggestions:

[tom.hughes@iua.co.uk](mailto:tom.hughes@iua.co.uk)

[florian\\_zierer@swissre.com](mailto:florian_zierer@swissre.com)



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