



# ANNUAL REPORT 2023

*The Nordic Association of Marine Insurers*



Cefor

### Cefor in brief

The Nordic Association of Marine Insurers (Cefor) is a nonprofit trade association, representing marine insurers in the Nordic countries.

The members of Cefor engage in:

- hull and machinery insurance (ocean and coastal)
- protection and indemnity insurance
- cargo insurance
- loss of hire insurance
- war risks insurance
- offshore energy insurance
- offshore liability insurance
- legal defence insurance
- builders' risks insurance
- ship repairers' liability insurance
- charterers' liability insurance
- mortgagee interest

**Our objective** is to further enhance the lead Nordic marine insurance market, promote our members' common interests on key issues for the marine insurance industry, and contribute to a sustainable ocean industry.

**Our mission** is to serve the interests of our Nordic members by promoting quality marine insurance and knowledge sharing through:

- agreed all risks insurance conditions
- comprehensive statistics
- a common public voice
- competence building

To this end, the Association endeavours to:

1. Develop and maintain Nordic marine insurance conditions in collaboration with customers, trade associations and other affected parties.
2. Provide appropriate statistics and trend analyses to support safety at sea and the general objectives of the Association.

3. Act as a focal point and representative voice of the industry in dialogue with all interested parties.
4. Contribute to the provision of educational programmes, ensuring adequate competence development and expertise among our members.

The Association does not engage in independent economic activity, nor does it promote practices that could be detrimental to competition in any way.

# I. The 2023 Cefor year in review

## Modern and up-to-date insurance conditions

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### ***The Nordic Plan***

Based on the all risks principle, the Nordic Marine Insurance Plan ('the Plan') is recognized as a fair and balanced set of conditions for protecting shipowners' interests through a comprehensive and coordinated solution for all standard non-P&I marine and offshore insurances. The Plan is tailor-made for the well-known Nordic claims handling model. Many clients around the world favour this service model because of the active support and cooperation a Nordic claims leader offers to shipowners.

The Plan is regularly updated to offer clarity and certainty. All amendments are drafted and agreed by a committee with strong representation from Nordic shipowners, often supported by their Nordic brokers. This ensures a fair and balanced approach, focusing on the practical needs of the insured and avoiding any gaps in cover.

The Plan is published on [nordicplan.org](https://nordicplan.org), with the latest version uploaded to the Nordic Plan App for smartphones and tablets. Translations of Version 2023 into three Nordic languages were made available in the reporting year. Printed versions, guidance notes, and an introductory brochure are also available. A comparison between the Plan and the Institute Time Clauses – Hulls (ITCH 83) is published on the Cefor website<sup>1</sup>.

The next version of the Nordic Plan will be Version 2027, which is due for completion by 1 October 2026. Deadline for suggested amendments from the signatory parties is 1 June 2025, and work commenced in the reporting year both within the Cefor Plan Revision Forum and some of the other forums to prepare for the next version.

### ***Nordic Floating Windfarms Wording***

A Nordic Floating Windfarms agreement was signed between Cefor, the four Nordic shipowners' associations and Equinor on 1 September 2023. A financial agreement between Cefor and five Cefor members was signed on the same date. Work subsequently commenced on the development of possible standard conditions for the construction & installation phase and for the operation phase of floating windfarms, using Part One of the Plan as a basis.

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<sup>1</sup> <https://cefor.no/clauses/comparison/>

### ***Small craft clauses***

List of regulations in Appendix A to the conditions for commercial vessels less than 15 metres long (Cefor Form 280) together with some other slight amendments were updated and subsequently published on 6 December 2023.

## **Leading provider of statistics**

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Cefor and its members are constantly striving to further enhance the quality of the comprehensive and up-to-date ocean and coastal hull data compiled in the Nordic Marine Insurance Statistics (NoMIS) database.

Extensive NoMIS reports for ocean and coastal hull claims and portfolio trends are published bi-annually on the Cefor website. The 2023 publications, based on data at year-end 2022, paid special attention to the container vessel segment and included a special analysis of CO<sup>2</sup> emissions of the fleet covered by Cefor members. The analysis gave an insight into how the alignment between actual vessel emissions and the trajectories towards CO<sup>2</sup> emission reduction differ by vessel type, age and vessel activity reflected by the distance sailed. The hull trends in the context of the trade and shipping environment were explained in more detail by Cefor's Analyst/Actuary in a webinar in April 2023. In August 2023, the half-year report on hull claims trends as of June was published. The 2023 NoMIS ocean and coastal hull and portfolio trends per year-end are presented in separate reports on the Cefor website<sup>2</sup>.

To maintain the high level of data quality, all NoMIS members carry out annual checks on their own reported data quality.

Cefor also plays a vital role on the Facts and Figures Committee of the International Union of Marine Insurance (IUMI). In 2023, this included Astrid Seltmann's responsibility for compiling data, with the 'Global Marine Insurance Report' presented in Edinburgh at the 2023 IUMI Conference in September.

## **Building competence**

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The marine insurance industry is highly specialized. Relevant, practical learning is offered by and for the industry through Cefor. The administration plays a vital role in delivering high-quality marine insurance training, which is in great demand from the industry. Course contents in the Cefor Academy programme are designed in cooperation with the Association's members, who contribute lecturers, examiners, and other know-how to make this training the most highly rated of its kind in the Nordic region.

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<sup>2</sup> <https://cefor.no/statistics/nomis/2023/>

## ***Cefor Academy***

The comprehensive Nordic Marine Insurance Education Programme is designed to give students a good general understanding of all relevant aspects of marine insurance. The part-time Cefor Academy programme is an integral part of the training for marine insurance professionals in the Nordic market. On completion, a certificate is issued to document the student's understanding of relevant terms and conditions as well as the basic principles behind them. Experts from Cefor member companies and a Norwegian law firm serve as lecturers during the six sessions that take place in three Scandinavian countries.

31 students received their final certificate of completion in 2023.

Cefor Academy received a high number of applicants to the 2023-2024 programme, and in August 2023, a record number of students, 35 in total, met for their first session.

## ***Webinars***

Cefor organised three public webinars in 2023. Maritime casualty webinars were held 10 May and 13 June with Herman Steen of Wikborg & Rein and Nina Hanevold-Sandvik of Skuld as presenters. The 2022 hull claims trends were presented by Astrid Seltmann in a webinar 18 April 2023.

Six additional webinars were organised by the forums for members of the Association with the following topics: remote controlled vessels (Massterly), sanctions (Wikborg Rein & Reed Smith), training of crew & lithium-ion battery fires (OilComp), onboard carbon capture and storage (Langh Tech), and EU competition law in relation to marine insurance (Thommessen).

## ***Cefor Learning Design & CPD guidelines***

Under the EU Insurance Distribution Directive (IDD) and most of its transpositions, employees working with the distribution of insurance products are required to undergo 15 hours of relevant Continuing Professional Development (CPD) training every year. In Norway, only CPD training by authorized providers such as educational institutions and pre-approved trade associations is allowed. The requirement came into force in Norway from 2023.

Cefor is approved as a provider of CPD training for and on behalf of its Members by the Financial Supervisory Authority in Norway. The Learning Design/Curriculum and Member Guidelines for CPD training were reviewed by the Board on 7 December 2023.

## **Influencing framework conditions**

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The overall objective of Cefor's framework-related activities is to promote legislation and industrial policies that contribute to a sustainable ocean industry and represent the members' common interests in the field of marine insurance.

To operate efficiently and provide a level playing field, international marine insurance and shipping industries depend on a global regulatory framework. Cefor is a strong supporter of international regulation of what is essentially a global industry, as opposed to regional or domestic regulation.

At an international level, most of the industry-related issues are dealt with through Cefor's membership of the International Union of Marine Insurance (IUMI). A list of current issues from IUMI's Policy Forum is regularly updated and published by IUMI and on the Cefor website<sup>3</sup>.

The following were some of the most important issues for Cefor in the reporting year:

### Safe delivery of IMO's GHG strategy

In July 2023, the International Maritime Organization (IMO) revised its strategy on the reduction of greenhouse gas (GHG) emissions from vessels with a commitment to phasing GHG emissions out by 2050. In February 2023, IUMI co-sponsored a proposal for a new output at the IMO to undertake a regulatory assessment of safety aspects associated with reducing GHG emissions from vessels in line with the Organization's strategy and to develop a road map to support the safe delivery of this strategy. The proposal was agreed by the IMO's Maritime Safety Committee (MSC) in June 2023.

To support the owners in their transition to new and greener fuels and the risks they carry, Cefor has facilitated knowledge-sharing between our members and owners, class, engine manufacturers and other experts. The Association is also arguing for new standards and regulations to be developed for the protection of crew, the oceans and property.

### Maritime Autonomous Surface Ships (MASS)

Regulatory considerations on Maritime Autonomous Surface Ships (MASS) are ongoing at the IMO, with an agreement to consider this in a holistic manner through the development of a goal-based instrument (MASS Code).

### Non-SOLAS vessels in polar waters

Cefor has through IUMI argued for the urgent consideration of a mandatory instrument for non-SOLAS vessels operating in polar waters. In June 2023, MSC adopted amendments to SOLAS Chapter XIV

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<sup>3</sup> <https://cefor.no/industry-policy/iumi-policy-agenda/>

together with amendments to the Polar Code to mandate safety measures for these vessels. The amendments will enter into force 1 January 2026.

#### Fires on board container vessels

Concerns have been raised by Cefor and IUMI about fires in the cargo on board container vessels. In May 2021, MSC agreed on a new output to consider fire detection and firefighting in view of SOLAS amendments for new vessels from 2028. A Formal Safety Assessment (FSA) study (CARGOSAFE) was presented by the European Maritime Safety Agency (EMSA) in February 2023, and is currently being reviewed by an expert group. Further consideration of possible regulatory amendments will be on the agenda of the IMO Sub-Committee of Ship Systems and Equipment (SSE) in March 2024.

#### Loss of containers

In February 2023, IUMI co-sponsored a paper to MSC, proposing a new output on prevention of loss of containers at sea. The proposal was agreed by the Committee in June 2023, and subsequently allocated to the Sub-Committee on Carriage of Cargoes & Containers (CCC). The issue was also raised in an annual meeting between IACS and IUMI in June 2022, and IACS is currently developing new unified requirements for lashing software and the scope of approval and certification of lashing systems as well as a new survey regime.

#### Electric vehicles

The transport and charging of electric vehicles on board vessels is an increasing concern, and Cefor is pushing for urgently needed guidelines to fill a regulatory gap related to this new risk. The Technical Forum was also involved in the LASH FIRE project, an international research project related to fires and alternative fuelled vehicles (AFVs), that was completed in August 2023. In June 2023, the Technical Forum further agreed to engage in a new research project headed by Swedish research institute RISE on the use of CO<sub>2</sub> on electric vehicles fires on board car carriers. The project, named COFFEE, was granted EU funding in November 2023, and Martti Simojoki (Alandia and member of the Technical Forum) was subsequently nominated to represent Cefor in the reference group.

In April 2022, MSC 105 agreed to a new output on the evaluation of the adequacy of fire protection, detection and extinction arrangements in vehicle, special category and ro-ro spaces in order to reduce the fire risk of vessels carrying new energy vehicles. The output will also include considerations of the charging of electric vehicles on board vessels. Work will commence in March 2024, but SOLAS amendments are not expected to enter into force before 1 January 2032.

#### 4-year rule premium

Norwegian insurers are today prohibited from competing with other markets to assist in the transition towards renewable energies through builder's risks insurance to large projects such as floating windfarms. The reason for this is a clause in the Norwegian Insurance Activities Act (Forsikringsvirksomhetsloven) that limits the binding period of premiums to four years. In a report commissioned by NHC, Gard and Equinor Insurance, the Scandinavian Institute of Maritime Law (NiFS) has documented that there is no similar legislation in other relevant countries. The report also deliberates on the background for this regulation and later developments that make the restriction obsolete under today's Solvency II regime. Cefor and Equinor met with the Norwegian Ministry of Finance in January 2023, and as a follow-up of our request to consider removing this restriction the Financial Supervisory Authority of Norway was instructed to prepare a proposal to amend this rule by mid December 2023.

#### Limitation Fund – Norwegian consultation

In June 2023, the Norwegian authorities presented a proposal to amend how interests are to be considered when a Limitation Fund is established after an incident. The proposal is directly related to a verdict in the 'Full City' case. Cefor responded to the consultation in October 2023, and argued against the proposed amendments. Not only did the proposal go against established legal practice, but it would also create more uncertainty for the industry and systematically higher amounts to be paid. Should the authorities decide that an amendment is necessary, Cefor proposed to include the interest of all parties in a broader review of the maritime code.

#### Norwegian State war risks insurance of cargo

Cefor has been involved in discussions with Norwegian authorities as part of their preparatory work to amend the regulation for Statens Varekrigsforsikring (the Norwegian State war risks insurance of cargo). Consultation on the suggested law amendments is expected in the first half of 2024.

#### Average Adjuster regulation – Norway

In June 2023, Cefor and the Norwegian Shipowners' Association (NSA) met with the Norwegian Ministry of Justice and Public Security to argue for a continuation of publicly appointed average adjusters in Norway. The Ministry later agreed to keep this, and a follow-up meeting was held in November where Cefor and the NSA jointly provided input to a revised regulation that will set out the qualification requirements for this role. Regardless of this new regulation and as recommended by both Cefor and the NSA, the Ministry formally appointed Andreas Nesheim as Average Adjuster in December 2023.

## Cefor forums

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A great many of Cefor's activities take place within the member forums. While each forum has its own area of responsibility and focus, additional value is generated from cross-forum consultation and coordination.

Facilitated by digital meeting tools in combination with in-person meetings, the forums remained very active with a total of 29 meetings in the reporting year. Ad hoc working groups were also formed to deal with special issues such as sanctions, floating windfarms, Nordic Plan webinars, compliance, and technical solution for the NoMIS database.

To ensure compliance with all relevant competition law regulations within all Cefor forums, working groups and the Board, the Association's Competition Law Statement and Guidelines are regularly discussed and communicated to all appointed officials.

More than 90 member representatives are involved in the nine Cefor member forums that were active in 2023: Cargo Forum, Claims Forum, Coastal & Fishing Vessels Forum, Compliance Forum, Offshore Energy Forum, Plan Revision Forum, Statistics Forum, Sustainability Forum, and Technical Forum.

Contributing to a sustainable ocean industry is an overarching purpose of all activities within Cefor and its member forums. Through the establishment of a Sustainability Forum in June 2023, sustainability has been further emphasized as an integral part of the Association's activities. The new Forum has an overarching role and works with all other forums and the Board in an advisory role to drive change.

## Sustainability

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A more detailed sustainability report is presented in a separate section to this report.



# Sustainability report 2023



**The Nordic Association of Marine Insurers**

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## Contributing to a sustainable ocean industry

***Cefor's purpose is to represent its members' common interests in the field of marine insurance and contribute to a sustainable ocean industry. Through this statement, Cefor has made a clear commitment to work together with our members and other stakeholders to facilitate and promote sustainable developments within the ocean industries for the benefit of the global community.***

Sustainability, whether related to environmental, social or governance issues, is one of the strongest drivers for change today, influencing consumer behaviour, governments, and businesses alike. Marine insurance is no exception to this for several reasons.

First, it directly affects the risks that our members insure. Climate change leads to more severe storms and flooding, which in turn increase the frequency and severity of claims. Together with our members, we also share a responsibility to deliver services that support the fight against this global threat, to comply with international law and prevent illicit activities such as corruption and bribery, to protect the lives and health of seafarers, and to ensure decent working conditions. Moreover, environmental, social and governance (ESG) issues are becoming increasingly important to shareholders and employees and are a prerequisite for recruiting future talents. And finally, the energy transition and the shift towards greener shipping represent new opportunities to expand product lines for renewables and meet clients' changing needs.

### I. KEY ROLES

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Cefor and its Nordic marine insurance members have a key role in contributing to a sustainable ocean industry.

#### **The role of marine insurers**

Cefor members engage daily in environmental, social and governance (ESG) issues through loss prevention activities, supportive claims handling, risk selection, and Know Your Client (KYC) programmes. At the heart of this lies the key role of marine insurers in understanding and managing risks, and offering assistance and financial protection when disaster strikes. For clients, it provides a risk management tool. The role of financial authorities is to secure solvent companies with the aim of providing adequate protection to policyholders and beneficiaries. Regulators are responsible for

setting standards to ensure safety at sea, prevent pollution, and prevent illegal activities such as corruption, money laundering and breaches of sanctions.

Prevention will always be better than cure, and much effort is invested in learning from past behaviour. Drawing knowledge from a large amount of accumulated data, our members are well placed to offer advice on how to prevent incidents and thereby reduce the risk of pollution, injury to crew and damage to property. This is done through targeted conferences, webinars, loss prevention circulars, exercises, and dialogue with clients.

In the event of an incident, Nordic marine insurers offer extensive support through what is widely known as the 'Nordic claims handling model'. Through experience from multiple incidents around the globe, our members have tailored their organisations to react quickly and appropriately to various casualty scenarios and thus prevent an incident from escalating further. A network of internal and external experts is on hand to assist, and financial resources are made available both during and after an incident to protect those who have been affected.

Sustainability is also increasingly being incorporated into risk assessment and selection procedures. Safety has always been at the heart of underwriting, but dialogue between owners and their insurers is expanding to include crew welfare and the climate footprint, to name just two aspects. Individual companies will vary in their risk appetite, and we have already seen examples of insurers taking a firmer stance on insuring certain risks to comply with their own ESG targets. The worst performers within a vessel segment might find themselves in the spotlight with this growing awareness on sustainability and mandatory reporting requirements to increase transparency.

Know-Your-Client procedures have become an integral part of the business of marine insurance. The individual insurer has an obligation to perform its own due diligence to ensure compliance with national and international laws. By refusing financial cover for any illicit activities, marine insurers provide a strong incentive for a level playing field and compliance with relevant laws.

## **The role of Cefor**

Cefor is committed to promoting a sustainable ocean industry. To this end, we are raising awareness at all levels of the Association, and sustainability is incorporated into Cefor's purpose, vision, and mission statement.

The important work of our members is supplemented through joint action and the three main roles Cefor takes on:

- ***Influencing;***  
among its members, and in discussions with owners, manufacturers, surveyors, salvors, brokers, classification societies and not least regulators.

- **Facilitation;**  
by creating meeting places, and by enabling new and greener technologies, solutions and choices through the drafting of clauses and guidelines.
- **Knowledge-sharing;**  
through the use of statistics, training courses and seminars, sharing best practice and information, and facilitating dialogue with external partners in order to better understand and manage the new risks.

Sustainability is a focus of all nine Cefor member forums and incorporated into their respective activities. To coordinate the activities, a Sustainability Forum was formed in June 2023. The environmental footprint from Cefor meetings is also reduced by extensive use of digital platforms.

The legally binding international treaty on climate change adopted in 2015 – the Paris Agreement – sets a goal of limiting global warming and achieving a climate-neutral world by mid-century. Shipping followed suit in 2018 when the **International Maritime Organization (IMO)** adopted a strategy with a target of reducing annual greenhouse gas emissions (GHG) from vessels by 50% by 2050 compared to 2008. From 2023 it became mandatory for all vessels to calculate their attained Energy Efficiency Existing Ships Index (EEXI) to measure their energy efficiency and to initiate the collection of data for the reporting of their annual operational carbon intensity indicator (CII) and CII rating.

A revised Strategy was adopted by IMO's Marine Environment Protection Committee (MEPC) 80 in July 2023, setting a well-to-wake target of net-zero GHG emissions by 2050. Interim goals were agreed with a minimum 20% reduction by 2030 (compared with 2008), including a 40% carbon intensity reduction target and 5% uptake of net-zero technologies, fuel and/or energy savings, and minimum 70% reduction by 2040. There was also an agreement in principle on a new GHG intensity fuel standard and possible price on GHG emissions. These new GHG measures should be developed in view of adoption in 2025 and entry into force from 2027. The Strategy will be revised in 2028.

The **European Union** is implementing its own legislation through their [Fit for 55 package](#). In January 2024, the EU's Emissions Trading System (EU ETS) will be extended to cover CO<sub>2</sub> emissions from all large ships (of 5 000 gross tonnage and above) entering EU ports, regardless of the flag they fly. In addition, the package includes a requirement for owners to buy cleaner fuels and ports to ramp up supply of shore power and liquefied natural gas (LNG) as fuel.

The Commission is planning for a possible new target of 90% reduction by 2040 to be presented in early 2024 in view of adoption within the elections in June.

Insurance companies have a choice of being left behind or continuing to support their clients in the push for more sustainable solutions. Cefor and its members have made a clear commitment to the latter.

As vessels become greener, new risks are introduced. Environmentally friendly fuels carry their own risks. Ammonia is both toxic and corrosive, and hydrogen has a wide flammability range and ignites

easily. These new fuel types are also largely untested, and the insurance industry has no history or loss records to help it assess the potential risks involved. Our members are dedicated to supporting shipowners in their transition to low or zero carbon fuels safely and with all associated risks fully understood and managed. To ensure a safe transition to more environmentally friendly solutions, Cefor is playing a role in identifying the safety gaps in dialogue with class, owners, manufacturers and regulators. Several meetings and webinars were facilitated in 2023 to increase knowledge of the risks and how to mitigate them.

Just as importantly, we have also engaged with other stakeholders and in discussions with class and regulators – particularly the IMO - on new or amended regulations, standards and guidelines that might prove necessary.

In February 2023, IUMI co-sponsored a proposal for a new output at the IMO to undertake a regulatory assessment of safety aspects associated with reducing GHG emissions from vessels in line with the Organization's strategy and to develop a road map to support the safe delivery of IMO's strategy. The proposal was agreed by the Maritime Safety Committee in June 2023, and work continues in a Correspondence Group coordinated by the United States.

New opportunities may arise from the transfer of cargo from land to more environmentally friendly transport by sea. And with energy companies moving from hydrocarbons to renewable energy sources such as floating offshore wind, discussions have already begun on standardising insurance solutions to facilitate the further expansion of these units.

Responsible underwriting is not only related to the safety and environment. Compliance plays an increasingly important role within the marine insurance industry, and considerable emphasis is placed on establishing proper due diligence procedures to detect any illicit activities. To increase regulatory compliance, Cefor has focused among other things on the sharing of best practice to prevent fraud, kick-backs, corruption, bribery, money laundering and breaches of sanctions. A Cefor 'know your customer form' has been developed to standardise the minimum requirements in a common template.

Nordic marine insurers are taking a more proactive interest in sustainability and incorporating this across all business areas from investment strategies to underwriting, loss prevention, claims handling, and business development. From Cefor, we are committed to supporting these efforts towards a more sustainable ocean industry.

## II. UN Sustainable Development Goals

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Considering Cefor's four focus areas; conditions, statistics, education, and framework conditions, the following five United Nations (UN) Sustainable Development Goals<sup>1</sup> (SDGs) have been identified as particularly relevant to the Association:



In the following, the relevance to Cefor is further explained for the five selected SDGs.

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<sup>1</sup> <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

## Goal 8: Decent work and economic growth

- Relevant to:
  - Seafarers
  - Yard workers
  - Stowaways
  - Migration
- Tools:
  - New safety regulations / framework conditions / industry policy
  - Knowledge sharing (forums, seminars, education programmes, sharing of best practice)
  - Clauses: Nordic Plan, P&I, war risks / K&R
  - Screening Illegal, Unreported and Unregulated fishing lists
- Ongoing discussions / Cefor involvement:
  - Selection of more sustainable repair yards.
  - Autonomous operations: potential to reduce risk of injury/loss of life. Examples: use of drones in enclosed spaces, remote surveys, alternative maintenance regimes (condition-based), fires on container vessels (improve detection, fire-fighting equipment, water shields, protect accommodation).
  - Smaller vessels (non-SOLAS) to be included in Polar Code from 2026.
  - Fires: reduce risk to seafarers by improved fire detection and firefighting methods. Examples: misdeclared cargo on board container vessels, low pressure fuel systems, transport of lithium-ion batteries.



## Goal 13: Climate action

- Relevant to:
  - Climate change; incl. severe weather events
  - Members
  - Employees / recruitment
  - Assureds
  - Industry partners
  
- Tools:
  - New safety regulations / framework conditions / industry regulation necessary to insure / facilitate decarbonization (alternative propulsion, vessel design, renewable energy).
  - Knowledge sharing (forums, seminars, education programmes, sharing of best practice, meetings with external stakeholders (class, manufacturers, researchers etc.)) in order to understand the new risks.
  - Clauses: Nordic Plan & liability regimes to keep up with developments and offer insurance solutions.
  
- Ongoing discussions / Cefor involvement:
  - Decarbonization: IMO 2050 & EU Fit for 55 package, including ETS
    - New technologies & alternative fuels
    - New and improved energy sources
  - Floating windfarms: Regulations, class rules and possible agreement on Nordic wording.
  - Supporting organisation for the Getting to zero 2030 coalition
  - Low-sulphur fuels (MARPOL 2020), batteries and other alternative fuels
  - Transportation of electric cars
  - Remote surveys & alternative maintenance regimes (allows for less travelling)
  - New definition of “machinery” and “engine room” in the Plan to accommodate for alternative fuels
  - Use of NoMIS database (ex. slow steaming and impact on claims)
  - Reporting (voluntary and mandatory)



## Goal 14: Life below water

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- Relevant to:
  - Biodiversity, breeding areas
  - Members
  - Employees / recruitment
  - Assureds
  - Industry partners
  
- Tools:
  - Loss prevention activities through Cefor forums and within member companies
  - Efficient claims handling to mitigate an incident (salvage, pollution actions, Nordic claims handling model)
  - New safety regulations / class rules
  - Knowledge sharing (forums, seminars, education programmes, sharing of best practice)
  - Clauses: Nordic Plan, Cefor form 280 (vessels less than 15 m) & P&I
  
- Ongoing discussions / Cefor involvement:
  - New technologies and alternative fuels
  - Sustainable & pro-active claims handling in case of casualty
  - Plastic litter; incl loss of containers with plastic pellets (nurdles) and fishing nets in the sea
  - Arctic sailings: infrastructure, Polar Code requirements for non-SOLAS vessels from 2026, trading areas (Nordic Plan)
  - Ballast water
  - Recycling of vessels
  - Large floating fish farming structures – need of regulation
  - Floating repair docks: introduction of guidelines and push for new regulation
  - Fires with subsequent pollution/emissions to sea (misdeclaration, loss of containers, low pressure fuel systems): Regulatory amendments for detection and firefighting, class rules
  - Autonomous vessels
  - Stern tube damages – biodegradable lube oils



## Goal 16: Peace, justice and strong institutions

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- Relevant to:
  - Global maritime industry (incl marine insurance)
  - International regulation to ensure a level playing field
  - Seafarers
- Tools:
  - Knowledge sharing (forum discussions, sharing of best practice, guidelines, education, information, NoMIS)
  - Regulations / regulatory institutions (support of IMO and international trade regimes)
  - Transparency (use of data, Poseidon Principles for Marine Insurance)
- Ongoing discussions:
  - Prevention of financial crime: Corruption / bribery / KYC /anti-money laundering – sharing of best practices and Cefor standard forms/questionnaires to obtain information
  - Sanctions
  - Transparency Act
  - Illegal, Unreported and Unregulated (IUU) fishing (several individual members signed up to Oceana statement)
  - Reporting requirements & compliance



## Goal 17: Partnerships for the goals

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- Relevant for:
  - Cefor as a trade association, bringing the Nordic market together and taking a global lead through IUMI
  - External liaison with other stakeholders (public and private)
- Tools:
  - Facilitate meeting arenas (members alone and with other industry partners)
  - Common public voice
  - Knowledge sharing (forums, seminars, education programmes, NoMIS)
  - Standard clauses
- Ongoing discussions:
  - All forum activities
  - All education activities and consideration of new in relation to the Insurance Distribution Directive
  - Regular and ad hoc contacts with other stakeholders through established representation in forums/committees, public consultations and discussions as needed (public authorities, class, members' clients, yards, manufacturers, brokers)
  - Version 2027 of the Nordic Plan
  - Nordic floating windfarms wording
  - PPMI, Getting to zero coalition, UNEP Principles for Sustainable Insurance



### III. Voluntary initiatives

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#### **Poseidon Principles for Marine Insurance (PPMI)**

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Inspired by the launch of the Poseidon Principles in June 2019 and the Sea Cargo Charter in October 2020, the '**Poseidon Principles for Marine Insurance**' (PPMI) were launched in December 2021. Cefor has been a part of the drafting group and is one of the founding Affiliate members of the PPMI. As an association, we support the transparency offered by the Principles to foster dialogue towards a common goal of a decarbonised shipping industry. While members of Cefor are always free to enter into any business-related agreements, Cefor's role is to support, facilitate and share knowledge of the Principles and ensure that they remain relevant over time.

The Poseidon Principles for Marine Insurance are a global framework for assessing and reporting on the climate alignment of insurers' hull and machinery portfolios. They enable the insurance sector to implement transparency and establish a common global baseline to quantitatively assess and disclose the climate alignment of the portfolios.

For Signatories, the Principles apply to all business activities that cover hull and machinery for vessels with an established Poseidon Principles trajectory whereby the carbon intensity can be measured with the International Maritime Organization (IMO) Data Collection System. The PPMI are consistent with the policies and ambitions of the IMO, including its well-to-wake target of net-zero greenhouse gas (GHG) emissions from shipping by 2050 compared to 2008. The PPMI were amended in 2023 to align with this new target, transparently disclosing scores for both the previous 50% CO<sub>2</sub> reduction trajectory, as outlined in the 2018 IMO initial strategy, and the new 100% trajectory.

The four principles of assessment, accountability, enforcement, and transparency serve as an important tool to support responsible decision-making, reporting, and monitoring of progress over time. In November 2023, Cefor submitted its report to the PPMI, and the second combined PPMI report from Signatories and Affiliates was published in January 2024. Gard, the Norwegian Hull Club and Skuld are among the Signatories.

#### **Getting to Zero Coalition**

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Cefor is a supporting organisation to the '**Getting to Zero Coalition**', a partnership between the Global Maritime Forum and the World Economic Forum. More than 160 companies within the maritime, energy, infrastructure, and finance sectors, supported by key governments and intergovernmental organisations, are currently part of this alliance. The Coalition aims to accelerate

the decarbonisation of maritime shipping by developing and deploying commercially viable zero-emission deep sea vessels by 2030, supported by the necessary infrastructure for scalable zero-carbon energy sources including production, distribution, storage and bunkering, towards full decarbonisation by 2050.

The Getting to Zero Coalition strategy for 2022-2023 identified two primary objectives for the Coalition by the end of 2023:

- Industry action; turn industry engagement into concrete action, including the development of a number of deep green sea corridors with participation from Coalition members.
- Policy action; inform and support policy action, especially the adoption of a revised GHG strategy at the IMO setting a zero target in 2050.

The objectives were supported by a range of activities, aided by community building and strengthening, building and dissemination of knowledge, and strategic communications.

The Coalition has finalised a new strategy for 2024-2028 to foster progress around first mover projects and prepare the transition at scale. This strategy will align with the revised IMO strategy with measures that will be negotiated and developed in 2023-2024 with the aim to adopt these in 2025 with the earliest possible entry into force in 2027. The GHG strategy is up for revision in 2028.

## **Principles for Sustainable Insurance (PSI)**

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Cefor is also a supporting institution to the '**Principles for Sustainable Insurance (PSI)**', promoted by the United Nations Environment Programme (UNEP) Finance Initiative (FI). Transparency will become increasingly important for risk selection as marine insurers focus on their portfolio from a sustainability perspective also. In acceding to the PSI, insurers commit to:

1. Embed ESG issues relevant to their insurance business in their decision-making.
2. Work together with clients and business partners to raise awareness of ESG issues, manage risks and develop solutions.
3. Work together with governments, regulators and other key stakeholders to promote widespread action across society on ESG issues.
4. Demonstrate accountability and transparency in regularly disclosing publicly their progress in implementing the Principles.

A guidance document for non-life insurance is available from the UNEP FI to support the companies in managing ESG risks in their risk assessment and underwriting, and also raise awareness of the potential benefits of integrating ESG into their business model.

Collaboration with regulators and other stakeholders is one of the obligations under the PSI. Cefor works on behalf of its members on a number of sustainability-related issues, particularly with the IMO and classification societies (see summary table below).

The PSI initiative is the largest collaborative initiative between the UN and the insurance industry, comprising more than 500 members; including Cefor members Alandia, Gard and Gjensidige.

## Sustainability focus within Cefor – an overview

Issue	Actions	UN SDG relevance
<b>Safety &amp; Environment</b>		
<b>Arctic sailings</b>	<ul style="list-style-type: none"> <li>• Nordic Plan – trading areas and safety regulations.</li> <li>• Cefor Arctic shipping checklist.</li> <li>• Support regulatory work for non-SOLAS vessels at IMO.</li> <li>• Support ban on heavy fuel oil adopted by the IMO.</li> </ul>	8, 13, 14, 17
<b>Low and zero carbon fuels</b>	<ul style="list-style-type: none"> <li>• Facilitate meetings and webinars to understand the risks and how to mitigate them.</li> <li>• Raise awareness and share knowledge of the risks.</li> <li>• Encourage the development of safety standards, class rules and regulations for greener fuels, including the development of interim guidelines for hydrogen and ammonia at the IMO.</li> <li>• Collect and monitor claims data related to fuels.</li> </ul>	8, 13, 14, 17
<b>Floating windfarms</b>	<ul style="list-style-type: none"> <li>• Understand the risks and how to manage them by facilitating meetings, webinars and sharing of knowledge/best practice.</li> <li>• Develop standard insurance conditions through a joint Nordic floating windfarms committee with owners and operators.</li> <li>• Seek amendment of regulation that prohibits insurance cover from Norwegian providers for the entire construction period (4-year rule).</li> </ul>	8, 13, 14, 17
<b>Sustainable claims handling</b>	<ul style="list-style-type: none"> <li>• Consider possible options/amendments to the Nordic Plan in dialogue with owners.</li> <li>• Increase knowledge and raise awareness on sustainable recycling of damaged goods.</li> </ul>	8, 13, 14
<b>Recycling of vessels</b>	<ul style="list-style-type: none"> <li>• Share knowledge of regulations by facilitating meetings and webinars, and through the Cefor Academy one-year programme.</li> </ul>	8, 13, 14, 16
<b>Plastic litter</b>	<ul style="list-style-type: none"> <li>• Support IMO initiative to develop action plan against plastic litter.</li> <li>• Support work at the IMO to consider options to reduce the environmental risks associated with transport.</li> <li>• Raise awareness and consider loss prevention actions.</li> <li>• Raise awareness and support actions to improve lashing and prevent loss of containers.</li> </ul>	14
<b>Fires on container vessels</b>	<ul style="list-style-type: none"> <li>• Participate in IMO discussions on improved detection and firefighting capabilities relating to fires starting in the cargo.</li> <li>• Analysis of claims data to support and highlight the challenges.</li> <li>• Support IACS Safety Panel in further consideration of this challenge.</li> </ul>	8, 14, 17
<b>Fires low pressure fuel systems</b>	<ul style="list-style-type: none"> <li>• Monitor and present data on anonymised cases.</li> <li>• Raise awareness in various meetings with owners and class.</li> </ul>	8, 14, 17

	<ul style="list-style-type: none"> <li>Engage in discussions with IACS following a joint working group between IACS-IUMI. Support IMO submission to amend SOLAS and raise awareness.</li> </ul>	
<b>Transport of alternative fuel vehicles</b>	<ul style="list-style-type: none"> <li>Encourage the development of standards, rules and regulations for transport and charging of electric vehicles on board vessels and engage in discussions on best practice to understand and mitigate the risks.</li> <li>Support new output on alternative fuel vehicles at the IMO.</li> <li>Analysis of claims data to identify the challenges and support ongoing initiatives.</li> <li>Participate in RISE research project on fire fighting with CO<sub>2</sub>.</li> <li>Member of Maritime Battery Forum.</li> </ul>	8, 14, 17
<b>Autonomous vessels</b>	<ul style="list-style-type: none"> <li>Support the use of MASS to transfer goods from land to sea in a safe manner.</li> <li>Understand the risks and how to mitigate them by facilitating meetings, webinars and sharing of best knowledge.</li> <li>Revise insurance conditions if necessary.</li> <li>Support the development of a mandatory MASS Code at the IMO.</li> </ul>	8, 13, 14
<b>Theft prevention</b>	<ul style="list-style-type: none"> <li>Safety recommendations for safe parking of trucks, securing of cargo and driver.</li> <li>Support collaboration across borders to prevent cargo theft.</li> <li>Raise awareness on working conditions for drivers.</li> </ul>	8
<b>Working conditions on fishing vessels</b>	<ul style="list-style-type: none"> <li>Participate in HSE working group with Norwegian authorities.</li> <li>Raise awareness and offer advice on safety-related matters.</li> </ul>	8
<b>Crew wellbeing</b>	<ul style="list-style-type: none"> <li>Signatory to the Neptune Declaration on seafarer wellbeing and crew change during the Covid-19 pandemic.</li> <li>Signatory to the Gulf of Guinea Declaration on suppression of piracy.</li> </ul>	8
<b>Floating repair docks</b>	<ul style="list-style-type: none"> <li>Raise awareness of the poor condition of these docks and the need for supervision and regulation in dialogue with Norwegian authorities.</li> </ul>	8, 14
<b>Floating offshore fish farms</b>	<ul style="list-style-type: none"> <li>Share knowledge of the risks; facilitate meetings and webinars.</li> <li>Monitor and provide input to the development of safety standards, rules and regulations.</li> </ul>	8, 14
<b>Compliance</b>		
<b>Illegal, Unreported and Unregulated (IUU) fishing</b>	<ul style="list-style-type: none"> <li>Raise awareness and share knowledge, incl. Oceana tool and UN FI PSI guidelines.</li> <li>Dialogue with Norwegian Directorate of Fisheries.</li> </ul>	14

<b>Financial crime and Know Your Client</b>	<ul style="list-style-type: none"> <li>• Knowledge sharing on financial crime (money laundering, corruption, bribery, kick-backs, fraud, cyber) and best practice on how to prevent this.</li> <li>• Cefor KYC form.</li> <li>• Ad-hoc partnership with the Maritime Anti-Corruption Network (MACN).</li> <li>• Consider possible guidelines and promote industry standards on non-discriminatory laws and policies for sustainable development.</li> <li>• Training through webinars and Cefor Academy.</li> <li>• Support IMO anti-corruption guidelines.</li> </ul>	16
<b>Sanctions</b>	<ul style="list-style-type: none"> <li>• Ensure compliance through exchange of best practice and training.</li> <li>• Inform of developments.</li> <li>• Engage with authorities to explain the role of marine insurers, ensure alignment and clarifications.</li> <li>• Issue Cefor circular relating to oil price cap attestation.</li> </ul>	16
<b>ESG reporting</b>	<ul style="list-style-type: none"> <li>• Sharing best practice and educate about new requirements such as CSRD and EU/EEA taxonomy.</li> <li>• PPMI reporting for Signatories; best practice and updated standard covenant clause in October 2023.</li> </ul>	13, 16, 17
<b>The Association</b>		
<b>Collaboration</b>	<ul style="list-style-type: none"> <li>• Supporting organisation to Getting-to-Zero Coalition from September 2019.</li> <li>• Supporting organisation to UNEP FI Principles for Sustainable Insurance from April 2020.</li> <li>• Affiliate member of Poseidon Principles for Marine Insurance from December 2021.</li> <li>• Exchange best practice and collective actions through nine Cefor member forums.</li> <li>• Engage with stakeholders through memberships and meetings; including but not limited to class societies, regulatory authorities, owners, manufacturers, adjusters and legal experts.</li> </ul>	17
<b>Clauses</b>	<ul style="list-style-type: none"> <li>• Keep standard model clauses up to date with ESG developments:               <ul style="list-style-type: none"> <li>- Nordic Plan Version 2027, Cefor suggestions under consideration by member forums.</li> </ul> </li> <li>• Working Group considering floating windfarms wording.</li> </ul>	8, 13, 14, 16, 17
<b>Statistics</b>	<ul style="list-style-type: none"> <li>• Enhance the quality of the Nordic Marine Insurance Statistics (NoMIS) database further to optimise Cefor's contribution to loss prevention and support emerging sustainability targets.</li> <li>• Special focus analyses on relevant issues to raise awareness, inform and support discussions with other stakeholders.</li> </ul>	8, 13, 14
	<ul style="list-style-type: none"> <li>• Inform and engage with class and regulators on identified safety gaps.</li> </ul>	

<b>Framework conditions</b>	<ul style="list-style-type: none"> <li>• Participate in consultations on matters relating to sustainability that affects the marine insurance industry.</li> <li>• Collaborate with relevant stakeholders on the green transition and safety in shipping.</li> </ul>	8, 13, 14, 16, 17
<b>Education</b>	<ul style="list-style-type: none"> <li>• Sustainability included in the Cefor Academy programme.</li> <li>• Organise webinars on issues relating to sustainability:                             <ul style="list-style-type: none"> <li>- Training of crew &amp; lithium-ion battery fires w/ OilComp, 26 May &amp; 22 June 2023.</li> <li>- Onboard carbon capture and storage w/ Langh Tech, 15 November 2023.</li> <li>- Biofuels w/ Bunker Holding, 21 February 2024.</li> </ul> </li> <li>• Organise webinars on compliance related matters:                             <ul style="list-style-type: none"> <li>- Sanctions w/ Wikborg Rein &amp; Reed Smith, 21 March 2023.</li> <li>- EU competition law w/ Thommessen, 13 December 2023.</li> <li>- EU taxonomy w/ Selmer, 6 March 2024.</li> </ul> </li> </ul>	8, 13, 14
<b>People</b>	<ul style="list-style-type: none"> <li>• Diversification / gender equality:                             <ul style="list-style-type: none"> <li>- 22% women on the Board.</li> <li>- 25% women in member forums.</li> <li>- 4 women (100%) in the Administration.</li> <li>- 50/50 share of male/female students in education programmes.</li> </ul> </li> <li>• Insurance arrangements in place for staff and participants in Cefor meetings.</li> <li>• Raise awareness, provide training, and offer annual health check and health insurance for staff. No reported injuries in 2023.</li> </ul>	8
<b>Travel and meetings</b>	<ul style="list-style-type: none"> <li>• Carbon offsetting on all business-related flights by staff.</li> <li>• Increased use of digital tools for Cefor meetings to reduce the environmental impact from travels.</li> </ul>	13
<b>Office building</b>	<ul style="list-style-type: none"> <li>• Rented premises in certified 'Miljøfyrtårn' (eco-friendly) building.</li> <li>• Recycling and power switch-off procedures.</li> <li>• Fire safety procedures and drills.</li> <li>• Defibrillator available.</li> </ul>	8, 13
<b>Printed productions</b>	<ul style="list-style-type: none"> <li>• Digital archive only.</li> <li>• Websites (Cefor and Nordic Plan), Nordic Plan App and LinkedIn used as primary sources of information externally and to the membership.</li> <li>• Annual Report and Nordic Plan brochure only available online.</li> <li>• Use of environmentally certified printer.</li> </ul>	8, 13

# Organisation & Members

*As at 31 December 2023*

## **Board of Directors**

Anders Hovelsrud, *Chair*  
Insurance Director  
Den Norske Krigsforsikring for Skib

Anne Systad, *Deputy Chair*  
Senior Vice President  
Norwegian Hull Club

Mathias Brunnsberg  
Director, Commercial Marine  
Alandia

Arne Gangdal  
Head of Marine Practice  
Gjensidige Forsikring

Jonny Gangstad  
Senior Underwriter  
If

Lone Scheuer Larsen  
Nordic Director, Marine Hull  
Codan Marine

Audun Pettersen  
Vice President, Chief Underwriting Officer  
Gard

Bjørn Skaar  
Special Adviser  
Skuld

Johan Kahlmeter  
Director Claims  
The Swedish Club

### **Administration**

Helle Hammer, Managing Director  
Oleksandra Leginevych, Legal Counsel  
Astrid Seltmann, Analyst/Actuary  
Hilde Spro, Office Manager

### **Forums**

#### ***Cargo Forum***

Chair: Per Robert Olsen, Fender Marine

The Forum discusses general market issues relating to cargo insurance during transport and storage.

#### ***Claims Forum***

Chair: Mattias Ljunggren, If

The Forum discusses major, interesting or complex casualties and rulings that are public knowledge and claims issues of general interest to the members.

#### ***Coastal and Fishing Vessels Forum***

Chair: Tore Høisæther, Fender Marine

The Forum discusses general matters relating to insurance for coastal and fishing vessels.

#### ***Compliance Forum***

Chair: Thor Magnus Berg, Gard

The Forum discusses issues relating to regulatory compliance and best practice guidelines.

#### ***Offshore Energy Forum***

Chair: Georg Nygaard, Norwegian Hull Club

The Forum discusses general matters relating to hull, loss of hire, builders' risks and P&I insurance for mobile offshore units and specialised offshore vessels.

### ***Plan Revision Forum***

Chair: Sveinung Måkestad, Gard

The Forum discusses and recommends changes to the Nordic Marine Insurance Plan on behalf of Cefor and gives advice regarding marine clauses and their wording.

### ***Statistics Forum***

Chair: Otto Rendedal, Skuld

The Forum is responsible for the Nordic Marine Insurance Statistics (NoMIS). For more information, see separate reports on <https://cefor.no/statistics/>.

### ***Technical Forum***

Chair: Steinar Sivertsen, Norwegian Hull Club

The Forum discusses technical and operational issues and matters of general interest to the members and publishes proposals and expert recommendations where appropriate.

## ***Cefor representatives in other bodies as per 31 December 2023***

### **International Union of Marine Insurance (IUMI)**

Tore Forsmo	Executive Committee
Lone Scheuer Larsen	Ocean Hull Committee
Georg Nygaard	Offshore Energy Committee
Oleksandra Leginevych, Secretary	Offshore Energy Committee
Jun Lin, Chair	Facts and Figures Committee
Astrid Seltmann, Vice Chair	Facts and Figures Committee
Mikkel Andersen	Loss Prevention Committee
Tim Howse	Legal & Liability Committee
Malmfrid Wirstad, Jr member	Cargo Committee
Jan-Hugo Marthinsen	Nominating Committee
Nick Coleman, Chair	Salvage Forum
Helga Grønlund Hodne, Secretary	Salvage Forum
Ole Jørgen Eikanger	Data & Digitalization Forum
Live Jacob Sydness	Data & Digitalization Forum
Hildegunn Nilssen	ESG Working Group

Marlena Truszczynska  
Helle Hammer

Education Forum  
Policy Forum & Cefor Council Member

### **Lillehammer Energy Claims Conference (LECC)**

Radmil Kranda.

### **Classification societies**

#### DNV

*Council – Stiftelsen Det Norske Veritas*

Rolf Thore Roppestad, Ståle Hansen, Hans Christian Seim, and Tony Karlström.

*Nordic Committee for Safety at Sea*

Helle Hammer.

#### Bureau Veritas - Nordic Committee

Helle Hammer.

#### RINA – Northern European Advisory Committee (NEAC)

Helle Hammer.

### **Beredskapsordning for statlig varekrigsforsikring (BSV)**

#### **(Advisory Forum for Norwegian State War Risks Insurance of Cargo)**

Per Robert Olsen and Oleksandra Leginevych.

### **Maritime Battery Forum**

Martti Simojoki.

Svenn Andersen (alternate).

### **Maritime Forum of Norway (the Board)**

Helle Hammer.

### **Financial Supervisory Authority of Norway,**

#### **reference group for reporting under the new Solvency II regulation in Norway**

Andreas Baug.

### **Advisory Committee to the Norwegian Maritime Authority on safety for fishermen**

Tormod Mahle, Anders Berthinussen and Oleksandra Leginevych.

## **Members**

Alandia

Betri Trygging

Codan Marine

Den Norske Krigsforsikring for Skib (The Norwegian Shipowners' Mutual War Risks Insurance Association)

Fender Marine

Gard

Gjensidige

Granne forsikring

HDI Global Specialty – Sverige filial

If Skadeforsikring

Nordisk Skibsrederforening (Nordisk Defence Club)

Norwegian Hull Club

S Insurance

Skuld

The Swedish Club (Sveriges Ångfartygs Assurans Förening)

Tromstrygd