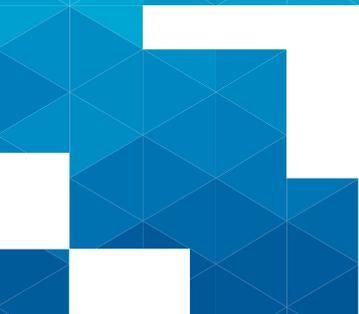




2017

ANNUAL REPORT

The Nordic Association of Marine Insurers





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Cefor in brief...

The Nordic Association of Marine Insurers (Cefor) represents marine insurers in the Nordic countries.

The members of Cefor engage in:

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

Our objective is to further enhance the lead Nordic hull market and promote the members' common interests on key issues for the marine insurance industry.

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

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

To this end, the Association shall endeavour to:

1. Facilitate continuous evolution of competitive Nordic marine insurance conditions in collaboration with customers, brokers, legal experts, trade associations and other relevant parties.
2. Make available appropriate statistics from the Nordic Marine Insurance Statistics (NoMIS) database to support the activities of the individual members and the general objectives of the Association.
3. Influence the industry's framework conditions.
4. Contribute to the provision of educational programmes, securing adequate competence development and expertise among our members.

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



THE 2017 CEFOR YEAR IN REVIEW



The 2017 Cefor year in review

There has been a high level of activity within the Association's four main function areas; conditions, statistics, industry policy and education. Activities are carried out in a collaborative effort between Cefor members, in particular through the eight member forums, with the involvement of public and other private stakeholders when appropriate to gain knowledge and find practicable solutions.

Preferred insurance conditions

Nordic Plan – a fair and balanced set of conditions

The Nordic Marine Insurance Plan (the 'Plan') is the preferred solution for shipowners and operators of mobile offshore units in the Nordic countries, and increasingly among owners and operators in other nations. Based on the all-risks principle, the Plan is recognised by all parties as a fair and balanced set of conditions for protecting shipowners' interests through a comprehensive co-ordinated solution for all standard non-P&I marine and offshore insurances. The Plan is tailor-made for the well-known Nordic claims handling model. Clients around the world favour this service model due to the active support and co-operation a Nordic claims leader offers to shipowners.

The Plan is published on www.nordicplan.org, with the latest version also uploaded to the Nordic Plan App for smartphones and tablets. Translations into four Nordic languages, printed versions, guidance notes, and an introductory brochure are also available.

The Plan is regularly updated to offer clarity and certainty. All amendments are agreed and drafted by a committee

with strong Nordic shipowner participation, often supported by their Nordic brokers. This ensures a fair and balanced approach, focusing on the practical needs of the assured and avoiding any gaps in cover with other insurances.

The next version of the Nordic Marine Insurance Plan will come into effect on 1 January 2019. Cefor and the other signatory parties to the agreed document presented their proposals to the Plan's Standing Revision Committee before the 1 June deadline in 2017. Deliberations have since taken place to further strengthen contract certainty and secure a practical and efficient system.

Coastal and fishing vessels clauses

The insurance conditions for commercial vessels smaller than 15 metres were revised and issued in October 2017 as Cefor Form 277.

Leading provider of statistics

Cefor and its members are constantly striving to further enhance the quality of the up-to-date claims trend data for ocean and coastal hull provided by the Association.

Specific Nordic Marine Insurance Statistics (NoMIS) reports for ocean and coastal hull claims trends, including mid-year updates, were compiled and published on the Cefor website. The 2017 hull claims trends and more detailed information about the NoMIS database are presented in a separate section starting on page 15.

To give more specific background information on casualties, Cefor members agreed on a revised extended set of three-level claims codes for reporting. Conversion to the new codes started in the autumn 2017.

To secure the highest possible level of data quality, annual checks are performed by all reporting members.

Cefor also fulfils a vital role on the Facts and Figures Committee of the International Union of Marine Insurance (IUMI). In 2017, this included the Cefor Actuary's traditional responsibility for compiling data and presenting the 'Global Marine Insurance Report' at the annual IUMI Conference in Tokyo.

Building competence

The marine insurance industry is highly specialised. 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 high demand from the industry. This is done in co-operation with members who contribute with lecturers, examiners and other know-how to make the education the highest ranked of its kind in the Nordic region.

In-demand training - one-year programme

The comprehensive Nordic Marine Insurance Education Programme is designed to give students a good general understanding of the many 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. Upon completion, a certificate documents the student's understanding of relevant terms and conditions as well as the basic principles behind them. Experts from Cefor member companies, Nordic law firms and an average adjuster serve as lecturers during the six sessions.

Twenty-six students were accepted into the 2017-2018 programme. Nineteen students from previous

programmes received their certificate of completion in 2017.

Practical Nordic Plan guidance courses

Cefor and Skuld Marine Agency (SMA) offer two 3-day training courses specifically targeting the Nordic Marine Insurance Plan. Both courses are held on an on-demand basis.

Two courses were organized in the reporting year. The Nordic Plan training course was held in Oslo in October, while a training course in adjusting was held in November. The participants represented insurers, owners, brokers and lawyers with a broad geographic spread from the Nordic as well as other markets.

Influencing framework conditions

The overall objective of Cefor's framework-related activities is to promote legislation and industrial policies that are conducive to a sustainable and prosperous Nordic marine insurance market.

To operate efficiently and provide a level playing field, the international marine insurance and shipping industries depend upon a global regulatory framework. Cefor is a strong supporter of the 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 Political Forum, chaired by Cefor's Managing Director, is regularly updated and published by IUMI and on the Cefor website.

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

Incoterms©2020

The International Chamber of Commerce (ICC) began the process of revising the Incoterms©2010 rules in late 2016. Incoterms is an agreement between seller and buyer relating to the formalities and obligations concerning the tasks, costs and risks involved in the delivery of goods. The terms chosen for the transfer of risk will have a direct impact on the cargo insurance obligations.

An International Drafting Group is responsible for drafting of the new Incoterms, which will come into effect in 2020. Stakeholders and national ICC committees were invited to submit views throughout the reporting year. Cefor took part in the consultation process through the Norwegian ICC committee and IUMI.

Sweden – Financial tax

The Swedish Government announced in a press release 24 February that it had abolished the idea of a tax on the financial sector and would now focus on banks only. Cefor and The Swedish Club participated in the consultation that took place January-February.

IACS Fuel treatment recommendation

Challenges related to fuel treatment systems and low sulphur fuels were first raised by Cefor more than seven years ago.

An international ISO standard addressing the quality of marine bunker fuels, including specifications for the maximum limits of various characteristics, components and contaminants, has existed since 1987: ISO 8217. One main concern is the discrepancy that exists between the ISO fuel standard for cat fine content in bunker fuels and the content recommended and anticipated by engine manufacturers. Without effective filtration, purification and fuel management on board, cat fines may enter the engine combustion space when fuel is injected. The damage caused to engine components can incur significant costs.

Cefor representatives have met independently, and on behalf of the International Union of Marine Insurance (IUMI), with individual classification societies and the International Association of Classification Societies (IACS) to address this concern. As a result, in July IACS published its Recommendation No. 151 on petroleum fuel treatment systems for marine diesel engines. The Recommendation aims to improve the operational safety of the vessel. The requirements cover the complete fuel treatment system from bunker fuel connection to the interface with the oil fuelled machinery; this includes fuel tanks, the fuel cleaning equipment and the fuel condition equipment.

Autonomous vessels

In March, Cefor became a member of the Norwegian Forum for Autonomous Ships. This new forum was

formed in 2016 at the initiative of the Norwegian Maritime Administration, the Norwegian Coastal Administration, the Federation of Norwegian Industries, and MARINTEK (now SINTEF Ocean).

Throughout the year, Cefor was involved in discussions and held several presentations on autonomous vessels, explaining the challenges and risks from an insurance perspective. New types of failure modes may be introduced due to lack of knowledge and unforeseen interdependencies in the system design, operation complexity and possible cyber-attacks. Unmanned vessels also raise some legal and liability issues that must be resolved.

In June, the Maritime Safety Committee of the International Maritime Organization (IMO) agreed to undertake an exercise to determine the extent of the need to amend the regulatory framework to enable safe, secure and environmental operation of Maritime Autonomous Surface Ships (MASS) within the existing IMO conventions. The exercise is due for completion in June 2020. It is not until after this date that IMO may consider work on a possible amendment of the existing rules or a separate code relating to MASS.

Meanwhile, new project plans were announced for domestic trade, with Denmark, Finland and Norway among the countries at the forefront. National rules will consequently emerge while the IMO is still conducting its exercise for international trade. This will hopefully not lead to a national fragmentation of rules, but rather as input to a future international harmonization of the regulatory framework.

Cyber security guidelines

In July, a second edition of industry guidelines on cyber security onboard ships was published with the inclusion of a new paragraph on insurance cover. IMO made a reference to the industry guidelines in the Organization's new Guidelines on maritime cyber risk management that were circulated to IMO Member States.

The Maritime Safety Committee also adopted a resolution on maritime cyber risk management in Safety Management Systems. It was decided that cyber risks shall be appropriately addressed in Safety Management Systems no later than the first annual verification of the company's Document of Compliance after 1 January 2021.

Safety of RoRo ferries

Following several incidents with fires on RoRo ferries, a two-step approach was approved by IMO's Maritime Safety Committee to enhance the safety regime:

- 1) the development of Interim Guidelines, and
- 2) the development of amendments to SOLAS and associated codes.

The frequency of fires on RoRo vessels was also highlighted in Cefor's Annual Report for 2014, and subsequently included among the current issues addressed by IUMI on behalf of the global marine insurance industry.

Cefor forums

A considerable part of Cefor's activities takes place within the eight forums listed on page 45. While each forum has its own area of responsibility and focus, additional value is generated from cross-forum consultation and co-ordination.

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 promoted among all appointed officials. Through a new sign-off procedure, all member representatives that are appointed to positions within Cefor are required to affirm they have knowledge and will abide by the rules.

EU Insurance Block Exemption Regulation

The EU Insurance Block Exemption Regulation (IBER) expired 31 March. The exemption concerned agreements with respect to joint compilations, joint tables and studies, and common coverage of certain types of risks (co-insurance or co-reinsurance pools). The EC clearly states that these forms of co-operation remain lawful in accordance with the guidance offered in the 2011 Horizontal Guidelines on how to conform to the antitrust rules.

In December, the Association completed a self-assessment of the NoMIS collaboration. No amendments to Cefor practices were deemed necessary to comply with the applicable competition legislation. This conclusion was also supported by an external legal opinion.



Units laid-up under an arrangement for prolongation of survey intervals.
Photo: Dolphin Drilling

REACTIVATION OF MOBILE OFFSHORE UNITS



Reactivation of Mobile Offshore Units

By: Georg Nygaard, Norwegian Hull Club and Chair of the Cefor Offshore Energy Forum

In 2016, the Cefor Offshore Energy Forum focused on risks related to Mobile Offshore Units (MOUs) in lay-up. In order to increase the awareness of requirements and practices related to the insurance contract, a Best Practice Guidance for lay-up of MOUs was prepared.

During 2017 we have seen incidents with laid-up units involving water ingress, breakage of moorings and sea fastening, which have led to damages to both own property as well as other units and surrounding infrastructure. This confirms the importance of safe, well-planned and organised lay-ups. As a reminder, please note that the insurers must be advised if there are any changes to the lay-up plan or arrangements during the lay-up period.

More information can be found at www.cefor.no under *Nordic Plan/Guidance notes*.

Activity will pick up

Although it is early days and many companies still find the market extremely difficult, there are some signs of optimism. The price of oil and gas has developed positively, especially the oil price. Plans for new development are being presented, new projects are being initiated, and slowly we see activities picking up.

From the point of view of insurers, we are pleased and welcome the signing of new contracts, but we also

appreciate the challenging reactivation process many units must go through.

With more than one third of all MOUs in the world currently laid-up, some cold, some warm, with equipment and systems maintained and preserved in various ways, it is clear that reactivations will vary a lot in scope, cost and time.

In relation to the insurance, when starting to reactivate a unit, the lay-up period ends.

There is no specific reference to reactivation in the Nordic Marine Insurance Plan (the Plan). However, as per Clause 3-14, prior to sailing and start of any operation, all overdue class and statutory surveys will have to be completed and operational class status reinstated.

The scope of the class reactivation survey will depend upon several factors such as time in lay-up, maintenance and preservation measures taken, survey status and the type, condition and age of the MOU.

Notification of reactivation

The reactivation period will involve increased risks and needs to be well planned and prepared. Compared to being in lay-up, the reactivation process may be considered an alteration of risk, ref. the Plan Chapter 3, Section 2. Similar regulations apply for P&I.

For this reason, and for the insurers to review what terms and conditions shall apply, insurers must be advised as early as possible when a decision is made to reactivate the MOU. Such notification should include a description of the reactivation plan, involvement and follow-up by third parties and the conditional status of the unit, including maintenance and preservation measures taken during the lay-up.

Desktop review by third party of the reactivation plan

At the insurers' discretion, the owner of the MOU may be asked to have the reactivation plan reviewed by an independent third party. The scope of the review will be agreed on an individual basis, but will normally be limited to cover the reactivation process of the primary groups following the SFI Group System.

Condition survey by third party on board the unit

At the insurers' discretion, the owner of the MOU may also be asked for a condition survey onboard the unit that will be reactivated. The scope of such a survey will be agreed on an individual basis, but will normally be limited to cover the reactivation process of the primary groups following the SFI Group System. Special focus may be placed on systems that are outside the class scope or not covered by the operator's test regime.

The aim of a reactivation survey is to mitigate the potential for physical damage arising during and immediately after reactivation.

As per the Plan Clause 3-23, the insurer has the right to ask for a survey of an insured unit at any time. In addition, many insurance contracts today include a separate reactivation clause. This clause usually expresses a daily limit of consecutive days in lay-up before a surveyor shall approve the reactivation process. An example of such a reactivation clause is:

'No unit shall commence operations following a lay-up, stacking or mothballing period of more than 180 consecutive days unless the assured has arranged for a surveyor approved by the leading insurer to approve the recommissioning of the unit and has carried out any repairs or requirements recommended by the surveyor.'

It should be noted that the term 'reactivation survey' has the same meaning as 'recommissioning survey' in this context. Furthermore, a distinction is made between a class reactivation survey and an insurance reactivation survey.

Overall assessment and insurers' confirmation

If the insurers are satisfied with what is presented, and the reactivation process is acknowledged by the insurers, and/or additionally verified by a desktop review and/or an on-board survey by a third party, there are normally no further requirements from the insurance side.



Perspectives on reactivation of MOUs from classification society DNV GL

By: Henning Carlsen, Fleet Director DNV GL Maritime, Offshore Class

Classification of Mobile Offshore Units during lay-up

When Mobile Offshore Units change status to 'laid up', the regular annual class survey requirements are replaced with a minimum annual lay-up survey scope covering the following items:

- watertight integrity
- bilge system
- fire hazard
- equipment in use

Covering the minimum scope as indicated above, the Mobile Offshore Unit remains valid in class during the lay-up period while class and statutory certificates become dormant when regular annual surveys are not carried out during the lay-up period. For units, which are running a more advanced maintenance and preservation regime during lay-up, classification may also be involved in the review and follow-up of preservation and maintenance work, if this is expected to be accounted for at reactivation. Such a regime is typically introduced

when rigs get acceptance for prolongation of survey intervals by class and flag state due to the effective preservation measures taken on board. This means that the class clock effectively is 'frozen' during the lay-up period.

Classification during reactivation

The extent of work related to reactivating Mobile Offshore Units after lay-up is strongly dependent on some key parameters including the following:

- age and condition of unit
- length of lay-up period
- condition at lay-up site (temperature, weather exposure, salinity etc.)
- preparation for lay-up, preservation and maintenance work during lay-up

The minimum requirement from the classification society at reactivation is to cover all outstanding surveys which have become overdue during the lay-up period. This would normally cover all marine and safety critical

equipment and systems covered by class and statutory certificates, involving both survey and testing activities.

The scope may be further extended with respect to function and safety testing depending on the key parameters listed above. An inspection and test plan should be agreed upon before start of the reactivation.

The classification society will verify the reactivation of technical equipment/systems which are covered by the unit's class notations. An example notation string can be as follows:

*IAI Column-stabilised Drilling unit Well
intervention unit 2 Crane DRILL DYNPOS(AUTRO)
HELDK(S, H) POSMOOR(ATA)*

For this column-stabilised unit, DNV GL will typically include the equipment covered by the additional notations into the recommissioning scope, ref. table below.

Well intervention unit 2	Equipment for well intervention is surveyed and tested
Crane	Cranes are inspected and function tested as per class requirements
DRILL	Drilling equipment is surveyed and function tested
DYNPOS(AUTRO)	Dynamic positioning system (power supply, thrusters etc.) is surveyed
HELDK(S, H)	Helideck is surveyed
POSMOOR(ATA)	Position mooring equipment is surveyed

The general survey and test scope for a unit is described in the DNV GL rules, while the actual condition of the unit and findings during survey and testing may affect the work to be carried out before a successful recommissioning campaign is completed.

It is worth noting that the Class's focus is in the end result. Changing the Class operational status from 'Laid-up' to 'In Operation' is done through a thorough reactivation process where the classification society's aim is to confirm that the Mobile Offshore Unit is in compliance with the rules and ready for service upon issuing a new Class Certificate.

The Cefor Marine Insurance Market 2017

Market shares, all sectors

Gross premium income, direct insurance 2017: USD 1,644.5 million

USD 1= EUR 0.8859	EUR mill.	USD mill.	%
Hull	506.3	571.4	34.7 %
P&I	845.1	953.9	58.0 %
Offshore energy	87.8	99.1	6.0 %
Cargo	17.8	20.1	1.2 %
Total	1,456.9	1,644.5	100.0 %

Hull ¹			
Gard	155.2	175.2	31.3 %
Norwegian Hull Club	129.5	146.1	26.1 %
Skuld	50.3	56.8	10.1 %
The Swedish Club	38.7	43.7	7.8 %
Codan	29.6	33.5	6.0 %
If	29.2	33.0	5.9 %
Alandia Insurance	27.5	31.1	5.5 %
Gjensidige ²	19.6	22.2	4.0 %
Møretrygd	7.4	8.4	1.5 %
Fender Marine	5.8	6.6	1.2 %
Tromstrygd	3.3	3.8	0.7 %
Total	496.3	560.2	100.0 %
DNK (war risks)	9.9	11.2	

Offshore energy			
Gard	36.1	40.7	42.1 %
Norwegian Hull Club	24.2	27.3	28.2 %
Skuld	21.9	24.7	25.5 %
The Swedish Club	3.3	3.8	3.9 %
If	0.3	0.3	0.3 %
Total	85.7	96.8	100.0 %
DNK (war risks)	2.1	2.3	

P&I			
Gard	481.8	543.9	57.0 %
Skuld	261.5	295.2	31.0 %
The Swedish Club	88.5	99.9	10.5 %
Norwegian Hull Club ³	7.2	8.1	0.8 %
other Cefor members ⁴	5.8	6.6	0.7 %
Total	844.8	953.6	100.0 %
DNK (war risks) ⁵	0.2	0.3	

Cargo⁶	17.8	20.1	
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¹ Hull, hull interest, freight interest, loss of hire, builders' risks and fishing (catch & gear)

² Includes coastal marine clubs

³ Charterer's Liability

⁴ Alandia Insurance, Codan, Fender, Gjensidige, If, Møretrygd, Tromstrygd

⁵ Cruise vessels only; for other vessel types, P&I coverage is included in hull war premium

⁶ Norwegian income Cefor members only



THE NORDIC MARINE INSURANCE STATISTICS (NoMIS) 2017



When the vessel's owner or flag changes

Change of owner

Among insurers, it is a well-known fact that management and company culture have an influence on the claims frequency and cost. On average, each year 6% of the vessels in the Nordic Marine Insurance Statistics (NoMIS) portfolio change owners. In this article we examine what to expect when a vessel changes ownership¹.

In general, vessels with a change in ownership during their lifetime have a higher claims frequency than vessels where the owner has remained the same. One would assume a reduced effect over the timespan the new owner has had the vessel, but this is not the case. There are some variations, but, for instance, for vessels that were taken over by new owners more than ten years ago, the claims frequency remains at a higher level similar to the year in which the change of ownership took place.

The age of a vessel has an impact on the claims frequency, which typically is lower for younger vessels. In addition, the older the vessels, the higher the share of vessels that have acquired a new owner during their lifetime. To minimize this age effect on the statistics, when analysing the claims frequency of vessels with a change in owner against those without, we split the NoMIS portfolio into three different age groups. Graphs 1a, 1b and 1c clearly illustrate that the difference in claims frequency between vessels with a change in owner and those without holds true for all age groups.

Claims frequency – Owner change versus no owner change, by underwriting year

1a: Vessels aged 5-10 years



¹ For statistical purposes, the vessel's owner is the 'beneficial owner' as registered by Lloyds List Intelligence, World Fleet update, at the time of exposure of the insurance coverages the reported claims attach to.

Ib: Vessels aged 10-20 years



Ic: Vessels over 20 years old



From the statistics alone, it is difficult to draw any firm conclusions as to why the claims frequency is higher in connection with a change in ownership. As exemplified below, there are probably several possible explanations:

Shipowners have different business models and strategies for their fleet management. Vessels that are built for a life-long purpose might be better designed, built, operated and maintained than vessels that are built or bought on speculation. This hypothesis is supported by the fact that even vessels that changed owner several years ago perform worse than vessels without owner changes. A strategy to replace vessels rather than maintain them might also result in an overrepresentation of poorly maintained vessels among those that have been sold. This hypothesis is supported by the fact that the claims frequency is high both in the years before and after the change of ownership.

Furthermore, the company management, culture and crewing strategy will have an impact on the risk for human errors. The new owner and crew may lack experience with the specific vessel type and design. Upgrades and maintenance in relation to the change of owner might also trigger claims. Ship records are often not passed on to the new owner, leaving the incoming crew and management with very little information of the condition of the ship and machinery. This was highlighted in a position paper by the International Union of Marine Insurance (IUMI) in September 2015 and is considered to be an increased risk for insurance claims. The exposure to risk may also change if the new owner moves the vessel to a different geographic area or trade. Finally, reactivation from warm or cold lay-ups before or at the time of change of ownership may also trigger claims.

Change of flag

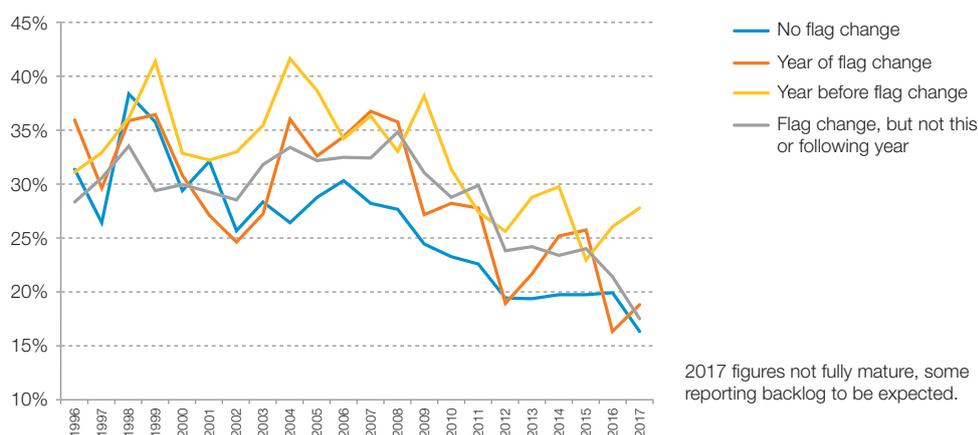
A change of a vessel's flag might from the outside be viewed as merely another named home port in the aft and new colours blowing in the wind. It is still the same steel sailing the oceans.

There are several reasons for a change in flag, including for example:

- A new owner adapting an acquired vessel to the rest of the fleet.
- Regulations and requirements that differ between flag states.
- To be able to employ a desired crew (number of crew members or nationality of the crew).

While the vessel as such is still the same, statistics reveal that vessels with a new flag have higher claims frequency compared to vessels maintaining the same flag². Graph 2 shows that vessels which never change flag in general have a lower claims frequency. It also reveals that the claims frequency in the year prior to the flag change most often is higher than in the year the change occurs. This is consistent for underwriting years 2003 through 2016. Generally, vessels with a flag change show a higher frequency both before and after flag change. A somewhat higher volatility in the years prior to 2003 may be related to a lower number of vessels registered in the NoMIS database on older years.

2: Claims frequency by status of flag change, by underwriting year

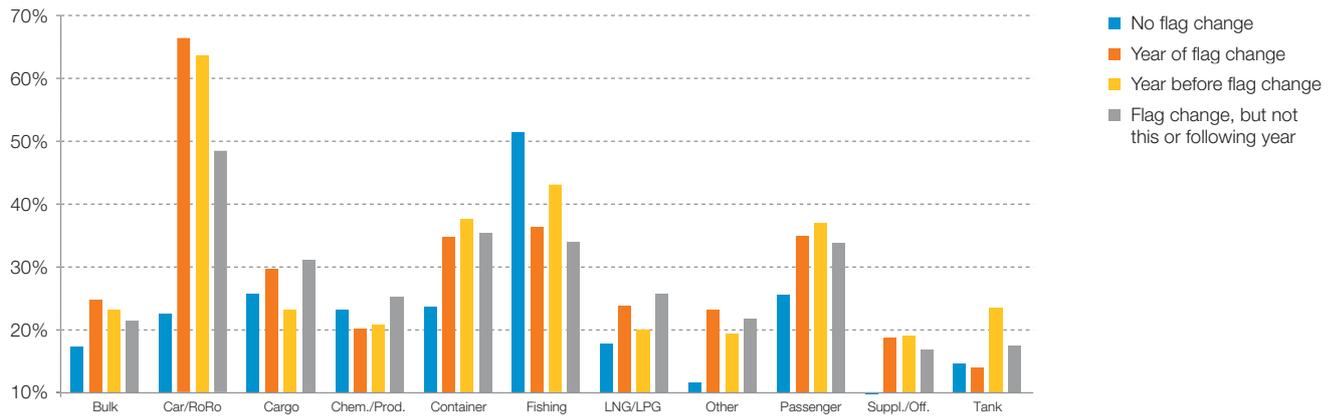


The increase in claims frequency is true for almost all vessel types and age groups. The only type of vessels with an opposite pattern is fishing vessels, for which a change in flag is quite uncommon. Two exceptions from the other groups are chemical/product vessels and tank vessels. These have a lower frequency in the year the flag changed compared to the vessels that never changed flag.

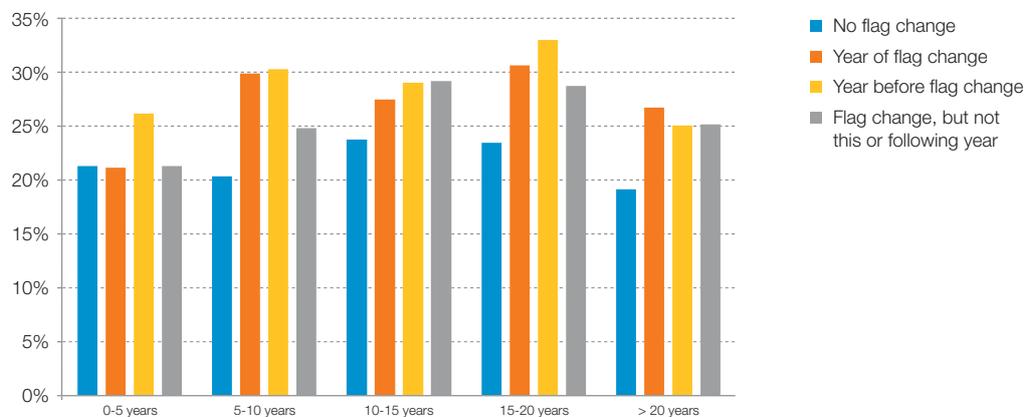
From an age perspective, only the newest vessels show no increase in claims frequency after a change of flag.

² According to Clause 3-8 of the Nordic Marine Insurance Plan, a change of management or flag is regarded as an alteration of risk, giving the insurer the right to cancel the insurance.

3: Claims frequency by vessel type and status of flag change, underwriting years 2008-2017



4: Claims frequency by age group and status of flag change, underwriting years 2008-2017



Since the hull and other basic properties of the vessel do not change with a change of flag, it is safe to conclude that the reason for the increased claims frequency lies with the management of the vessel. This brings us back to the same discussion as with a change in ownership, although a change in flag is not necessarily triggered only by a change in ownership. The statistics show an increase in claims frequency both among vessels that change flag as well as ownership, and among those only changing flag.

It is important to note that the increased claims frequency relates to a change in flag as such, not to the properties of a specific flag. This implies that the increase in risk is not due to a difference in flag state rules (for instance, manning) since vessels already trading under the same flag show a lower claims frequency.



OCEAN HULL TRENDS



Ocean Hull trends

Another year with a benign claims impact

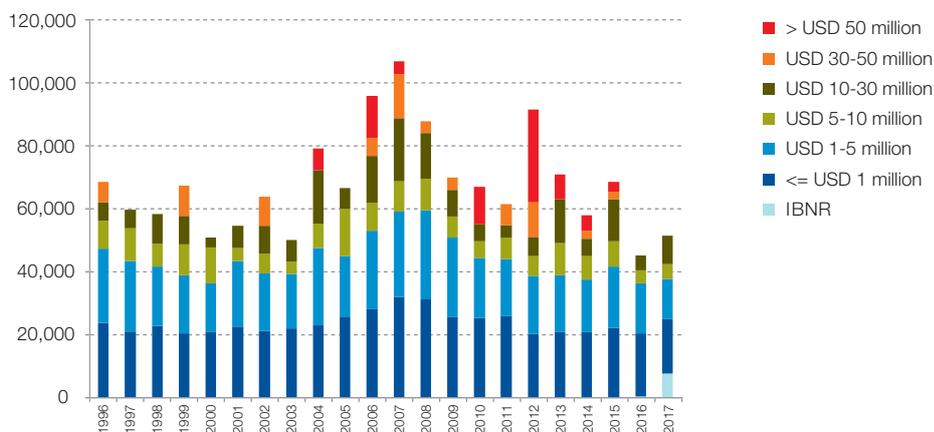
From a historical perspective, 2016 was a year with unusually low claims costs. 2017 followed in a similar vein with low claims cost to the books, although less so than in 2016. Once again, especially major losses proved their impact by the absence of claims exceeding USD 30 million for the second consecutive year. The degree to which even a few costly losses influence the total annual claims cost is highlighted from page 22.

Claim cost per vessel – low in a historical perspective

Graph 5 shows the claim cost per vessel by claim size. The 14% increase in 2017 is a modest change in a historical perspective. The annual claim cost per vessel is inherently volatile and largely dependent on the (non-)occurrence of more expensive claims within each period. It is quite exceptional that there were no claims in excess of USD 30 million during 2016 and 2017, as the ten previous years all experienced such claims. The increase in the claim per vessel in 2017 was mainly caused by a doubling in the cost of claims between USD 10 million and USD 30 million. In 2017, there were eight claims in this interval, three more than in 2016.

For claims below USD 10 million, the trend is more stable. Including IBNR¹, the expectation is that the cost of claims below USD 10 million will end at the same level in 2017 as in 2016.

5: Claim cost per vessel (USD) by claim size, by date of loss



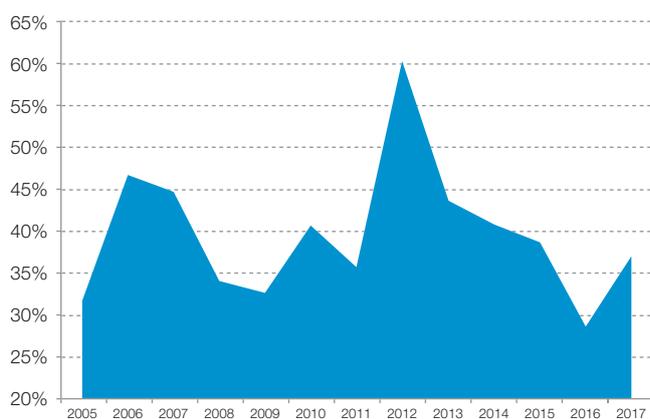
¹ IBNR = Incurred But Not Reported = reserve for claims adjustments and registration backlog.

The top 1% most costly claims

Severe hull claims are rare but have a large impact on the overall claims cost. For several years Cefor has emphasized the significance of the very large claims on the performance of the insured portfolio. Ranking all claims by cost and analysing the top 1% gives us a clear insight into their disproportionate impact.

Graph 6 illustrates the cost of the top 1% most expensive claims in relation to total claims costs. For example, in 2012, the top 1% accounted for 60% of the total claims cost. Possibly even more interesting is the evident impact of the 1% most expensive claims in those years when very large claims are absent. Even in a benign year such as 2016, the top 1% accounted for almost 30% of the total claims cost. The threshold for when a claim in the NoMIS portfolio qualifies to be part of the top 1% varies but is typically at USD 4 million.

6: The 1% most expensive claims as share of the total annual claims cost, by date of loss



This knowledge is useful to remember when observing a fleet of vessels, or not least, when the classic, but disingenuous, burning cost calculation² is carried out. While the extremity of the top 1% claims is to some extent driven by the spread in size and value in the NoMIS portfolio, the high influence of the 1% claims is also evident when looking at more homogeneous ship groups and sizes, with an increasing impact for more expensive vessels. The observations are thus relevant in a fleet perspective. A fleet of 100 vessels is expected to have about 100 claims in 4-5 years. For this big fleet the very important top 1% boils down to one single claim! For smaller fleets it would normally take more than 4-5 years to experience the top 1%. In other words: a typical five-year fleet statistic will often not reveal the inherent risk of such major losses occurring.

Claims frequency – a stable development

Since 2012 the claims frequency has remained stable at about 23%. The low volatility in the past six years compared to earlier years is partly due to the fact that there were 35% more vessels in the NoMIS portfolio in the period 2012-2017 compared to the period 2006-2011. Is the absence of an upwards or downwards trend the new normal or is it just a coincidence with several circumstances acting together? Explanations can be found in developments such as higher deductibles, reduced vessel utilisation due to overcapacity, and slightly younger but bigger vessels in the portfolio. In addition, a strong US dollar against most major currencies made repair costs less expensive. One effect of this is fewer casualties reaching the deductible threshold. Part of the exchange rate impact is due to repairs often being carried out and paid in countries with currencies other than the US dollar, while the agreed currency of ocean hull coverages, and thus the premium income, often is US dollar. For the Nordic Marine Insurance Statistics, claims costs are converted to US dollars at the time of the payment.

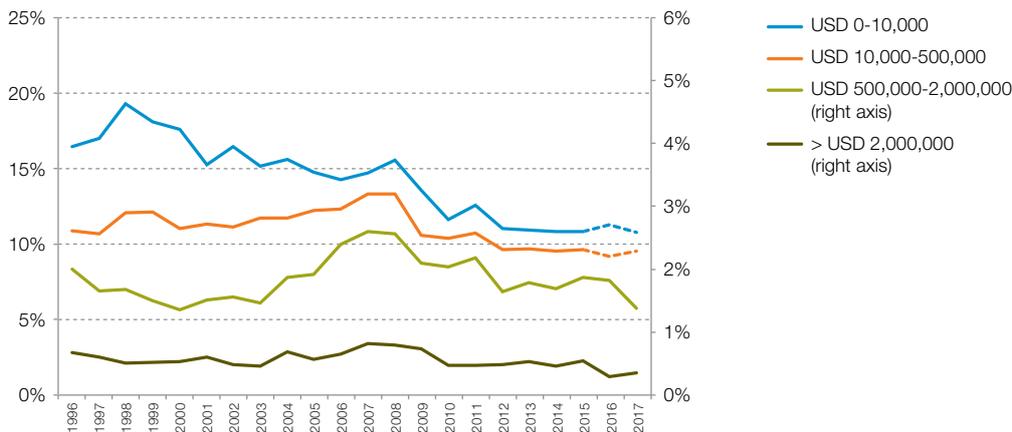
² Burning cost is a calculation based on historical claims from a shipowner's fleet, with the purpose to calculate the average claim cost per vessel.

7: Claims frequency, by date of loss



While the overall claims frequency was stable, there were some changes in the frequency of claims in certain intervals. For claims below USD 500,000, there was a small decrease for the least expensive claims below USD 10,000, and a small increase in the claims interval between USD 10,000 and 500,000. The frequency of claims between USD 500,000 and 2 million decreased from 2016. For claims above USD 2 million, the level remained historically low, although slightly higher than in 2016.

8: Claims frequency, by intervals of claim cost, by date of loss

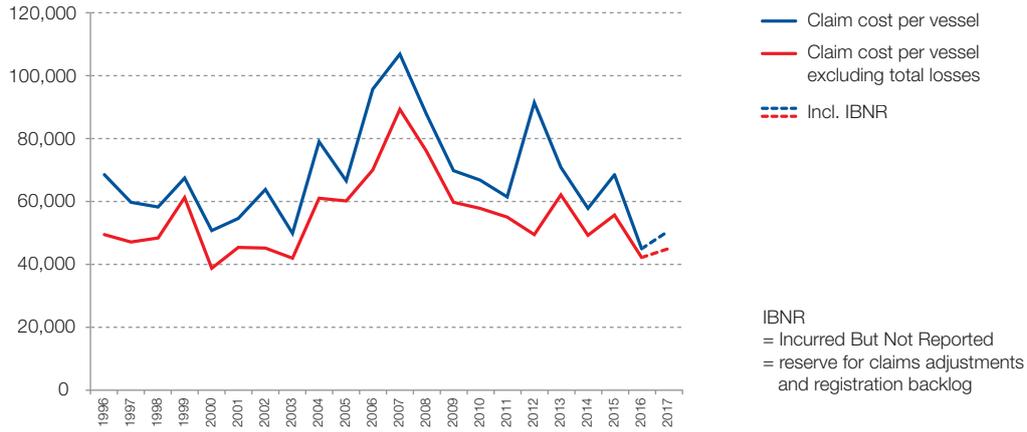


Low impact of total losses³

Similarities to 2016 can also be found in the low impact of total losses on the total cost. In 2017, the frequency of total losses increased slightly, but was still below 0.1%. Due to their low sum insured, these total losses had a low impact on the claim cost per vessel. The most expensive total loss had a sum insured of USD 26 million. The frequency of partial claims was around 22%, which is similar to the last 5 years.

³ The Cefor Statistics Forum includes in its total loss statistics all claims exceeding 75% of the sum insured, to cater for currency conversion issues. According to Clause 11-3 of the Nordic Marine Insurance Plan, a constructive total loss (CTL) is defined as a claim exceeding 80% of the sum insured (www.nordicplan.org).

9: Ultimate partial and total claim per vessel (USD), by date of loss



10: Long-term frequency of partial and total claims, by date of loss



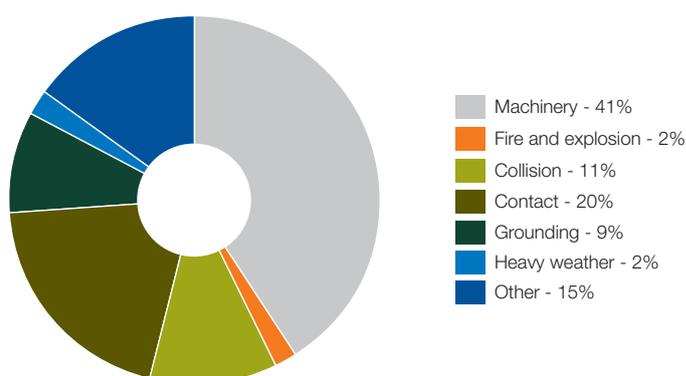
Claims by type of casualty

In terms of frequency, machinery claims are the most frequent individual claim type and account for nearly 40% of all claims. The combined total of all nautical-related claims (grounding, collision, contact) accounts for another 40% of the total number of claims, with contact claims (i.e. one vessel colliding with another 'non-vessel' object) showing the highest frequency.

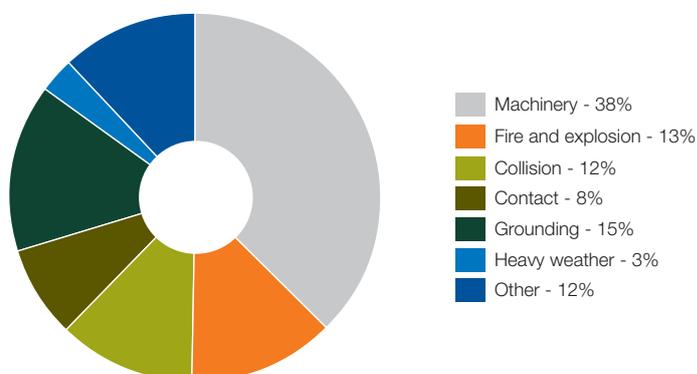
In terms of cost, the breakdown among claim types is more volatile. Since engine-related claims include many minor claims, their relative impact on the cost is lower. Fire/explosions, whilst low in number, represent relatively expensive claims.

Breakdown of claims by type of casualty, by date of loss

I Ia: Numbers (%), 2013-2017



I Ib: Cost (%), 2013-2017



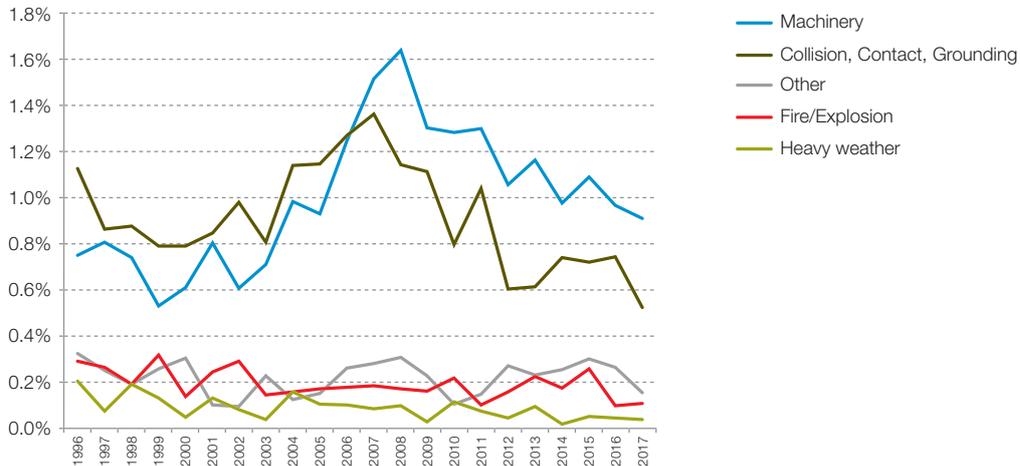
Minimal impact from hurricanes

2017 was a year when the insurance and reinsurance industry experienced severe losses from several natural catastrophe events. Devastating category 4+ hurricanes like Harvey, Irma and Maria left behind them human suffering and enormous damages to properties, and could also have had a bearing on commercial shipowners. Analysing claims in the NoMIS database - from which yachts are exempted - it can be concluded that the hurricanes barely had any impact on commercial hull & machinery policies. This indicates that shipowners handled the hurricanes with a high degree of care to avoid the potential damage caused by these extreme events.

Development of claims over USD 500,000 by type

From 2007 to 2017, there has been a continuous reduction in the frequency of navigational-related claims in excess of USD 500,000. Machinery claims in excess of USD 500,000 have shown the same downwards trend, although from 2008 to 2017 their frequency was higher than for navigational-related claims. The positive downwards trend of such costlier claims continued in 2017.

I2: Frequency of claims > USD 500,000 by type of claim, by date of loss

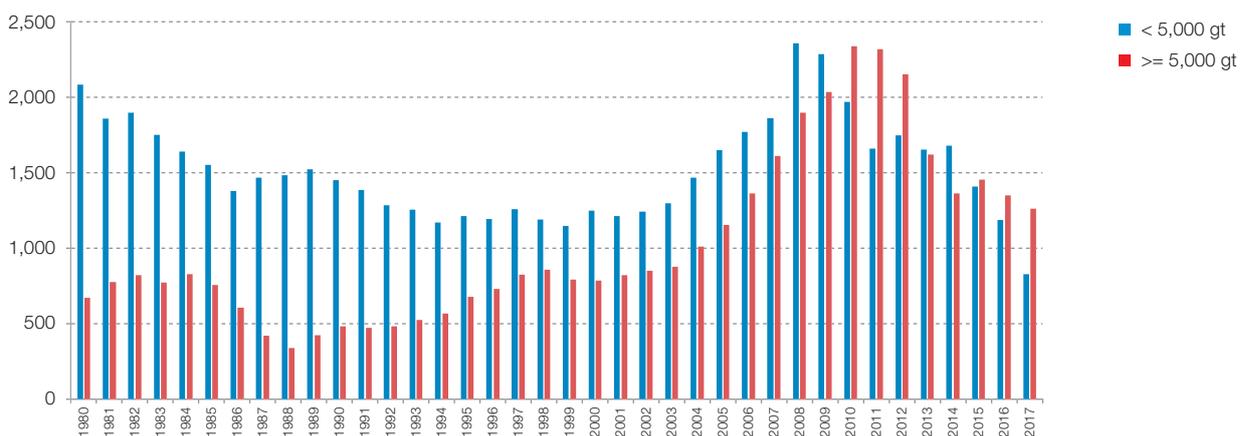


Fewer newbuilds but average size on a steady rise

An increasing number of newbuilt vessels entered the portfolio from 2007 to 2009. The outlook for seaborne trade was bright, and capital poured into the market. The influx of newbuilds continued to influence the NoMIS portfolio even after this shipping boom. From 2001 to 2012, the average age of a vessel decreased from 14.1 to 11.7 years. Strongly correlated, the average sum insured constantly increased, eventually peaking in 2011.

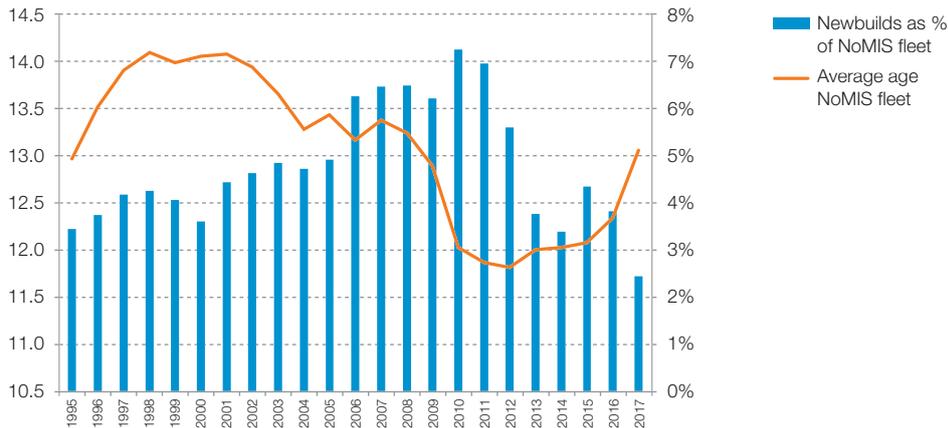
World shipbuilding activity slowed down significantly from 2011 due to the financial crisis and settled at a long-term low level from 2012. Vessels ordered before the crisis continued to be delivered in the following years. This built up even more overcapacity, but the number of new vessels entering the oceans has been on a steady decrease since then. For the NoMIS portfolio, this means that the influx of more modern and younger vessels has slowed down. The average value of the vessels decreases due to the ageing of the fleet and general market conditions, and vessels entering the portfolio today have lower values than comparable vessels had before 2012. At the same time, the average gross tonnage in the NoMIS portfolio is increasing. This is due both to the scrapping of older and smaller tonnage, and the fact that newbuilt vessels entering the portfolio have grown in size in recent years.

I3: World fleet: Deliveries, by year of build



Source: Lloyds List Intelligence 'World Fleet Update', vessels with IMO-no., all vessel statuses, as of January 2018.

I4: Average age and newbuilds as % of NoMIS fleet

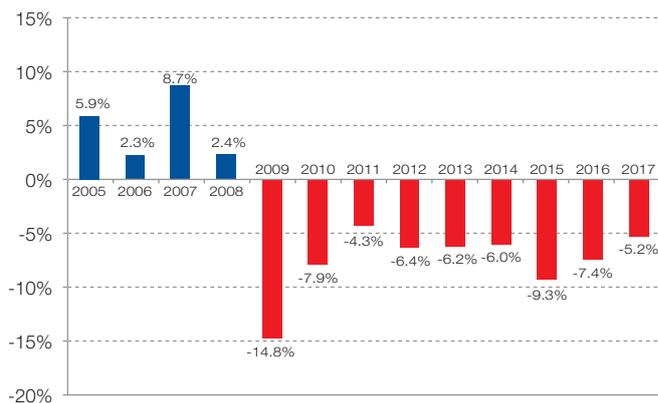


Decrease in insured values continues, but slows down

Relevant factors when a shipowner assesses the value of the vessels in the fleet for renewal are the market value of the hull, the mortgage value, the value of the charter party, and the cost of reconstructing the vessel. Graph I5 illustrates the annual change in insured values looking purely at renewed tonnage (thereby excluding newbuilds and new entries that drive up the average sum insured). In stable market conditions, a slight reduction in the sum insured per vessel due to the ageing factor is expected. Since values plummeted in 2009, the reduction has been higher than what would be expected from the ageing factor alone. In 2017, insured values reduced by 5.2%, which is an improvement compared to recent years. It is also the second lowest fall since the financial crisis set in.

The reduction in insured values varies between vessel segments. Bulk and supply/offshore vessels have had a particularly negative trend, with a double-digit percentage drop in insured values in both 2015 and 2016. In 2017, the bulk sector showed signs of recovery with a drop in insured values of only 3.3%, indicating a better trading environment in this segment.

I5: Average annual change in insured values on renewed vessels



Is offshore bottoming out?

For the supply/offshore segment, the steep drop in insured values continued with a 10.4% decrease in 2017. This represents a small improvement on the two previous years when the drop in values was up to 14%. Graph 16 shows that the change in sum insured generally correlates with the oil price. With a higher oil price and signs of an increased offshore activity, a smaller reduction in insured values might be anticipated in 2018.

16: Change in average sum insured (supply/offshore) on renewal & oil price (Brent)⁴



⁴ World Bank Commodity Price Data: <http://pubdocs.worldbank.org/en/561011486076393416/CMO-Historical-Data-Monthly.xlsx>



THE NoMIS PORTFOLIO



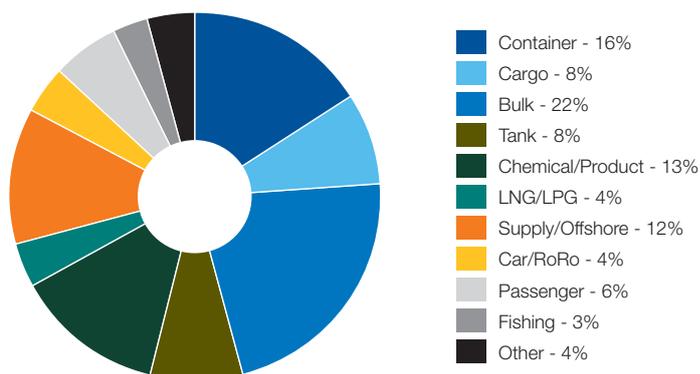
The NoMIS portfolio

Since 1985, leading members of Cefor have compiled and analysed statistical information relevant to their hull and machinery insurance portfolio. By the end of 2017, the Nordic Marine Insurance Statistics (NoMIS) database comprised 262,853 vessel-years and 73,404 claims for vessels with a registered IMO number. Including small coastal vessels, the total number amounted to 432,793 registered vessel-years and 95,096 claims. These figures encompass the underwriting years from 1985 to 2017. In 2017 alone, NoMIS members covered 15,950 vessels with a registered IMO number (29,205 including small coastal vessels).

Portfolio characteristics

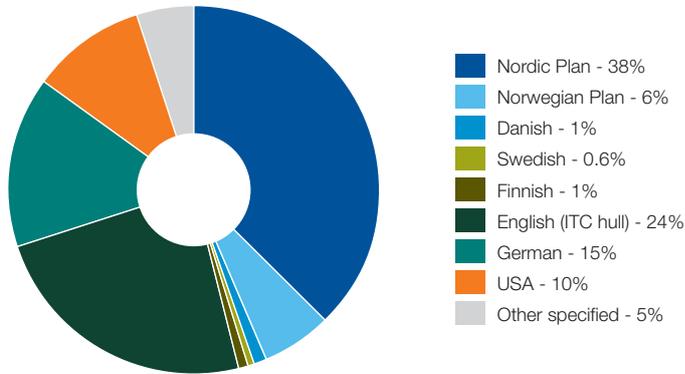
Cefor members underwrite a wide range of tonnage. Coastal hull vessels account for about half of all vessels registered in the NoMIS database. Due to the somewhat different characteristics of the ocean and coastal hull segments, Cefor issues separate statistics for international ocean-going vessels with an IMO number and for the Nordic coastal segment.

17: Breakdown of the ocean hull portfolio by type of vessel, year of exposure 2017



Since its introduction in 2013, the Nordic Marine Insurance Plan has received massive support. For the Cefor ocean fleet, it constitutes the most commonly used insurance conditions with a share of 38%. Other Nordic insurance conditions are used for another 8.6% of the fleet. Of the rest, 24% are insured on English, 15% on German, and 10% on US conditions (graph 18).

18: Breakdown of the ocean fleet by type of insurance conditions, 2017



For the coastal fleet, the picture is very different. Since a major part of the coastal fleet consists of fishing vessels and local ferries in Nordic waters, 94% of the coastal fleet is insured on Nordic terms.

A comparison of the current Cefor fleet with the world merchant fleet indicates the following market participation:

Cefor share of World fleet (with registered IMO Number)¹:

	Year of build	Gross Tonnage				Grand Total
		1,000-3,999	4,000-6,999	7,000-10,000	>10,000	
Cefor share	2012 - 2017	13.7%	24.0%	16.9%	45.4%	35.2%
	2007 - 2011	13.5%	23.7%	35.4%	48.2%	34.3%
	2002 - 2006	11.8%	19.6%	36.1%	54.6%	34.1%
	1997 - 2001	17.7%	19.6%	25.3%	46.9%	31.8%
	1992 - 1996	9.5%	11.1%	15.2%	30.4%	16.2%
	1987 - 1991	6.7%	11.5%	15.1%	23.9%	10.9%
	<1987 or unknown	3.9%	4.3%	6.5%	15.1%	5.3%
World fleet	2012 - 2017	2,754	1,059	576	8,058	12,447
	2007 - 2011	3,350	1,492	1,202	8,026	14,070
	2002 - 2006	2,047	710	590	4,166	7,513
	1997 - 2001	1,541	767	349	2,755	5,412
	1992 - 1996	1,744	616	287	1,274	3,921
	1987 - 1991	1,840	509	196	548	3,093
	<1987 or unknown	7,877	1,685	549	1,371	11,482
Total Cefor share		9.5%	16.1%	24.8%	45.1%	25.9%
Total World fleet		21,153	6,838	3,749	26,198	57,938

As can be seen from the table, the Cefor members' participation is highest for the largest and youngest vessels. In the segment for vessels above 10,000 gross tons, NoMIS members participate in 45% of the 26,198 vessels of this size in the world fleet.

Cefor members also write a significant portfolio of Mobile Offshore Units. These are not included in the NoMIS database. The members participate in about half of the world fleet of Mobile Offshore Drilling units.

¹ 'Cefor share' calculated as the number of vessels partly or wholly covered by Cefor members during the last two underwriting years, divided by the total number of vessels with registered IMO number in the world fleet. World fleet numbers according to Lloyd's List Intelligence 'World Fleet Update' as of January 2018.

Data

The article on p. 20 concerning ocean hull trends is based on vessels with an IMO number. The coastal hull trends (article p. 35) are derived from vessels defined as 'fishing' and any other vessel up to 5,000 gross tons or 15 metres in length.

100% shares: All figures are adjusted to 100% of the vessel to provide as objective a picture of the claims trends as possible. The figures are thus independent of the share underwritten by one single insurer or the combined Nordic market share for the vessel.

Date of loss perspective (accident year): Unless otherwise indicated, all claims graphs reflect the date-of-loss perspective, i.e. claims are grouped by the year in which the loss occurred, also called the accident year, as opposed to grouping claims by the underwriting year. The date-of-loss perspective allows a more up-to-date picture of recent claims trends and more exact estimation of the ultimate expected claims amount for the latest year.

IBNR² adjustments thus represent only the expected adjustment of outstanding claims reserves for claims incurred by 31 December, and no additional reserves for claims that will incur in 2018 but are attached to the 2017 underwriting year.

Exchange rates: All figures in this report have been converted to USD, with the exception of the coastal segment (article p. 35), in which figures have been converted to NOK. Paid claims have been converted into USD (NOK) at the exchange rate in the month of payment. Outstanding claims reserves have been converted at the December 2017 exchange rate.

NoMIS and the Cefor Statistics Forum

Nordic Marine Insurance Statistics (NoMIS) as presented in this report comprise data from:

Cefor member	Joined NoMIS in:	Data included for underwriting years:
Alandia Insurance	2012	2005 – 2017
Bluewater Insurance	2004	2002 – 2008 (run-off)
Codan	2005	2001 – 2017
Gard	Co-founder of NoMIS (then as Storebrand, Vesta)	1985 – 2017
Gjensidige – ocean	Co-founder of NoMIS	1985 – 2001 (run-off)
Gjensidige – coastal	2009	2000 – 2017
If	2008	1996 – 2017
NEMI	2004	2002 – 2009 (run-off)
Norwegian Hull Club	2003	1995 – 2017
Skuld	2016	2011 – 2017
The Swedish Club	2006	1995 – 2017
Tryg	2009	2003 – 2008 (run-off)
Zurich Protector Forsikring	Co-founder of NoMIS	1985 – 2002 (run-off)

Cefor members report data for the entire commercial fleet underwritten by their Nordic offices.

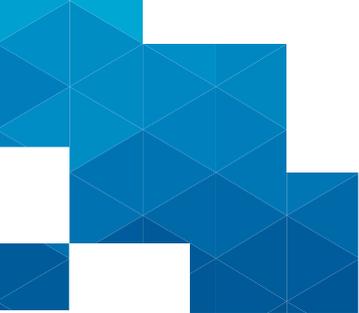
² IBNR = Incurred But Not Reported = reserve for claims adjustments and registration backlog.

Further statistics:

In addition to this report, 'The 2017 Cefor NoMIS Ocean Hull Report' and 'The 2017 Cefor NoMIS Coastal Hull Report' are available from the Cefor website, with breakdowns of claims trends by e.g. vessel type and age group. Half-yearly claims trend updates and other specialised analyses are also available at www.cefor.no/statistics.

Statistics Forum 2017:

Mathias Brunnsberg, Alandia Insurance (Chair)
Roald Osland, Codan
Jun Lin, Gard
Kari Opsjøn, Gjensidige
Petteri Lahtainen, If
Christian Irgens, Norwegian Hull Club
Otto Rendedal, Skuld
Anders Hultman, The Swedish Club
Astrid Seltmann (Cefor Analyst & Forum Secretary)



COASTAL AND FISHING VESSELS SEGMENT



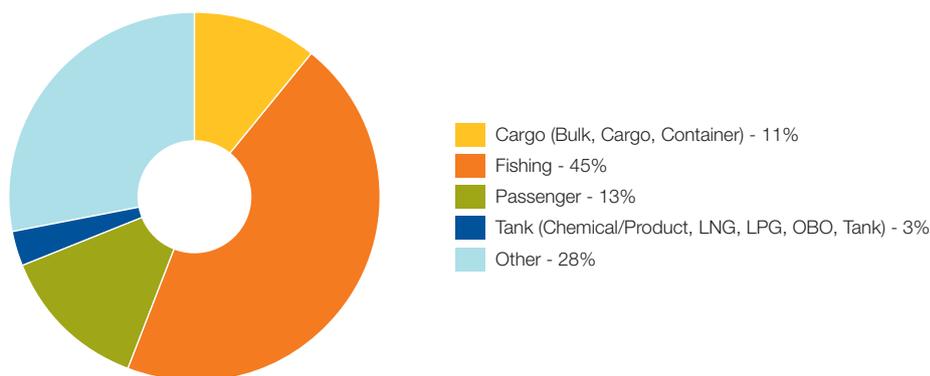
Coastal and Fishing vessels segment

Alongside the hull statistics for large ocean-going vessels, coastal hull statistics are a specific area of interest for NoMIS members. For statistical purposes, the 'coastal' portfolio includes all vessels classified as fishing vessels and any other vessel up to 5,000 gross tons or up to 15 metres in length. Supply/offshore vessels are not included in this segment since these are part of the ocean hull statistics.

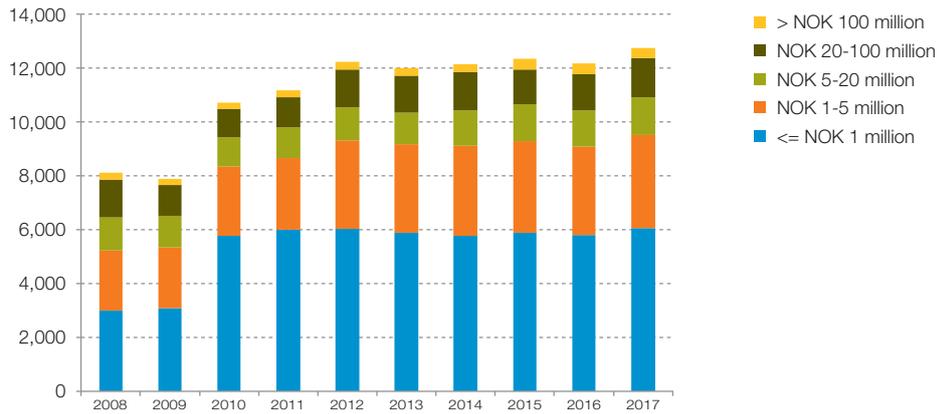
Portfolio characteristics

A total of 164,573 vessel-years and 30,659 claims were registered over the underwriting years 1985 to 2017 for the coastal segment. 12,833 vessels were covered in the underwriting year 2017 alone. Of these, fishing vessels comprise the largest component with 5,845 vessels, representing 45% of all vessels in this portfolio. The bulk of the coastal segment originates from Gjensidige, If, Codan and Alandia, but all other NoMIS members also contribute to this portfolio.

19: Coastal portfolio – Breakdown of vessels by type (%), year of exposure 2017



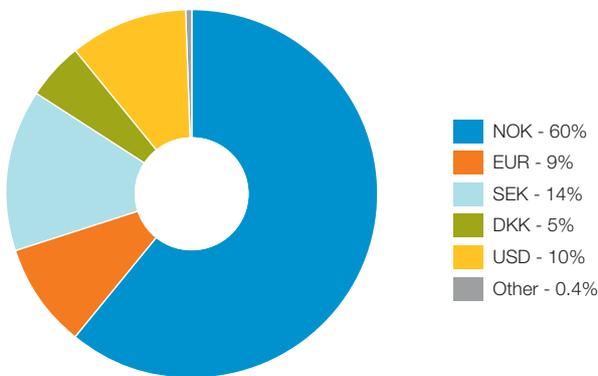
20: Coastal portfolio – Number of vessels by sum insured layers, by underwriting year



After the inclusion of more detailed data for small coastal vessels from year 2010, the reported number of vessels in the coastal segment stabilized slightly above 12,000 vessels per year. 75% of these are vessels with values below NOK 5 million (graph 20), the majority being fishing vessels covered by Norwegian coastal mutual clubs.

The coastal segment is dominated by Nordic, particularly Norwegian, small craft business, in contrast to the global nature of the ocean hull portfolio. To give a realistic picture of the claims trends for this portfolio without distortions caused by exchange rate variations (graphs 21 and 22), all graphs in the coastal section are shown in Norwegian kroner (NOK) instead of USD.

21: Breakdown by currency, underwriting years 2013-2017



22: Index of exchange rates for Nordic currencies against USD



Breakdown of claims by type of casualty

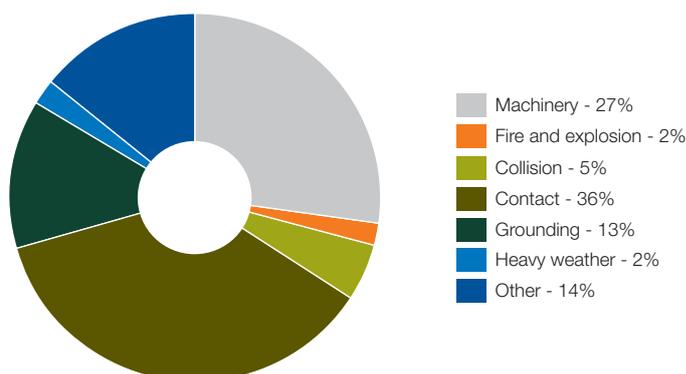
A high number of 'high frequency-low severity' contact claims is typical for the coastal fleet. This is mainly due to the high representation of fishing vessels that are liable to claims arising from their gear when fishing. However, despite representing 36% (46% for fishing vessels) of all claims, contact claims do not account for more than 10% (9% for fishing vessels) of the total claims cost.

Machinery claims account for 27% of all claims in terms of numbers, but a higher share (33%) of the total claims cost. This is mainly due to the high share of contact claims, which have far less impact on the cost. Groundings and fire/explosion claims usually follow the same pattern as the ocean hull fleet, with a relatively low frequency and a higher percentage of the cost.

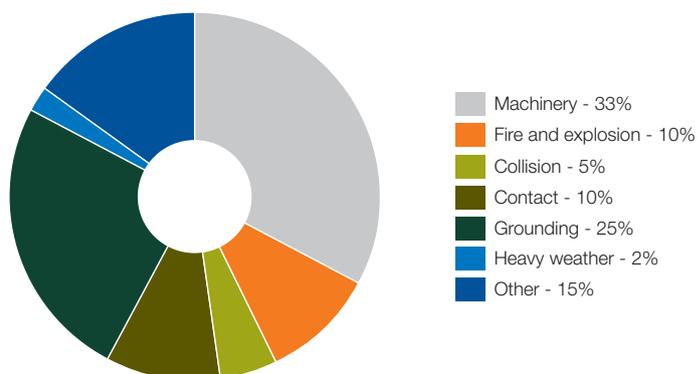
The typical major claim in the coastal portfolio does not exceed NOK 20 million, and only very rarely NOK 50 million. In this respect, 2014 and 2016 were exceptional years, with one grounding with a cost of almost NOK 300 million in 2014, and two claims exceeding NOK 100 million in 2016, a yacht and a LNG/LPG vessel. In 2017, there were two claims exceeding NOK 20 million, a cargo and a chemical/product vessel, but no claim exceeding NOK 40 million.

Coastal portfolio: Breakdown of claims by type of casualty, by date of loss

23a: Numbers (%), 2013-2017



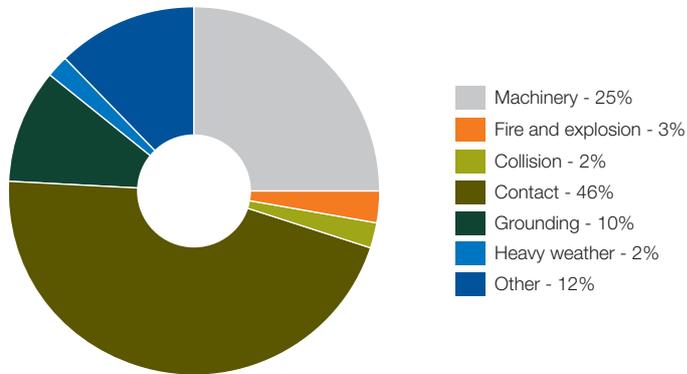
23b: Cost (%), 2013-2017



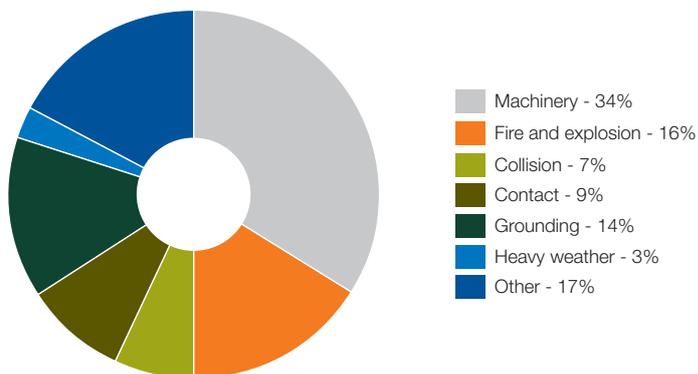
Looking specifically at fishing vessels (graph 24), fire/explosion combined with machinery damage accounted for about 50% of the claims cost.

Fishing vessels: Breakdown of claims by type of casualty, by date of loss

24a: Numbers (%), 2013-2017



24b: Cost (%), 2013-2017



Claims frequency: Overall positive trend, stable for small craft

The overall claims frequency for this segment shows a long-term positive trend, decreasing from 27% in 2003 to a level of 14% from 2012. The frequency has remained relatively stable since then, with even some further decrease especially for vessels with higher values. The increased share of small coastal tonnage since 2010 contributed to the low claims frequency, which is a typical feature for smaller tonnage (see graphs 25 and 26 and the extensive coastal hull report at www.cefor.no/statistics). Not only is the claims frequency for vessels with values below NOK 5 million generally lower, it is also more stable than for vessels with higher values.

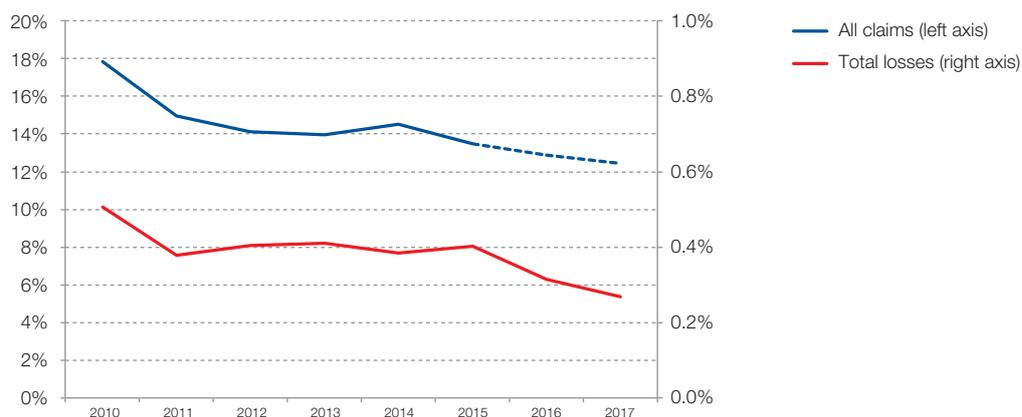
Generally speaking, several factors may have an impact on the claims frequency, including deductibles, weather conditions, economic framework and portfolio-related factors such as vessel types and sizes.

25: Claims frequency per sum insured layer, incl. IBNR, by date of loss

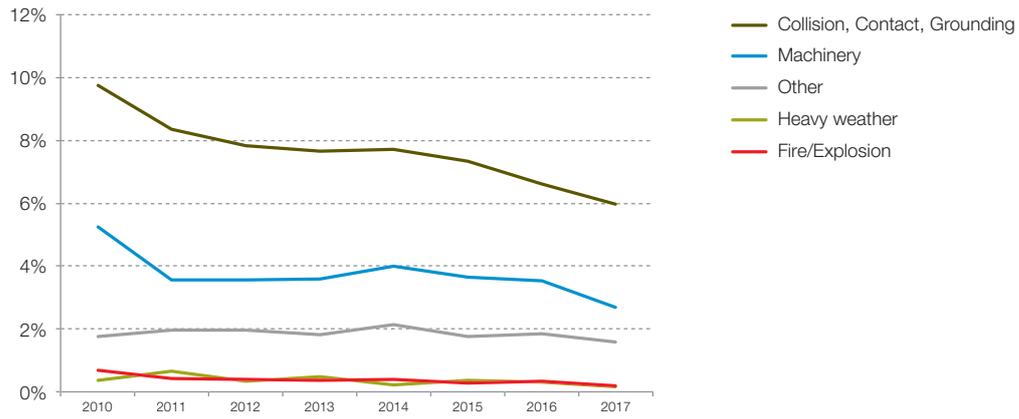


For the coastal segment, unlike ocean hull, the frequency of total losses has been quite stable in recent years (graph 26), and has even improved somewhat from 2015 to 2017. Compared to the ocean hull portfolio, it is characteristic that the coastal portfolio has a substantially higher total loss frequency.

26: Overall and total loss frequency, incl. IBNR, by date of loss



27/28: Claims frequency by type of casualty, by date of loss



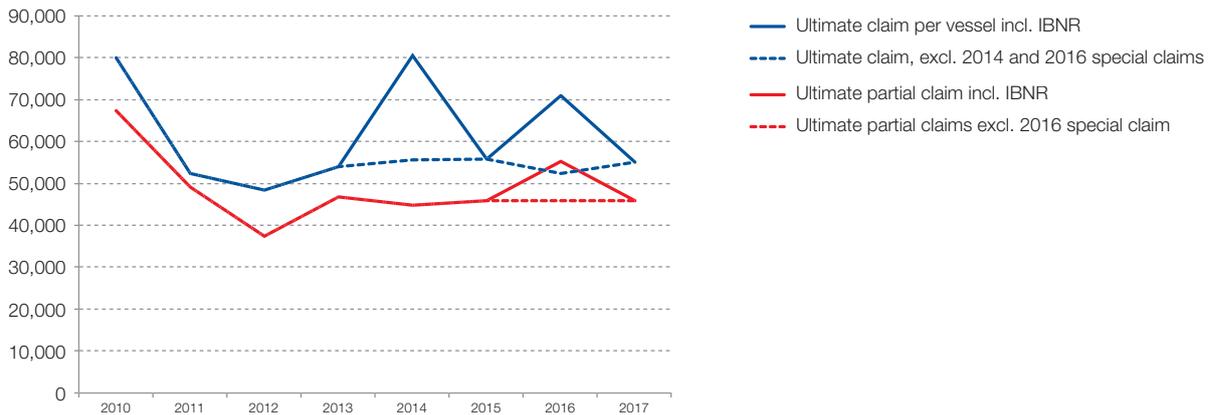
The frequency by type of casualty has improved over time for all types of claims. This is also the case for fire/explosion claims, which have a different fire pattern than the ocean hull fleet.

Claim cost trend

The decreasing claims frequency, partly caused by the large number of smaller vessels in the portfolio from 2010, has resulted in a positive trend for the overall claim cost per vessel.

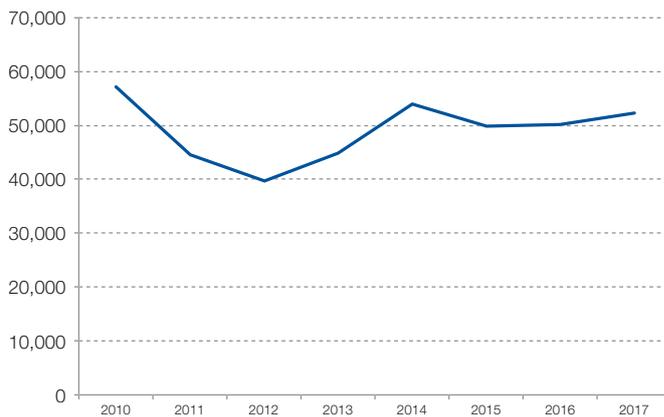
Despite one costly grounding claim of almost NOK 300 million in 2014, and two claims exceeding NOK 100 million in 2016, this type of claim is not typical for the coastal segment. Excluding these exceptional claims, the partial and the total claim cost per vessel have remained fairly stable from 2012 to 2017 (graph 29 dotted lines).

29: Ultimate partial and total claim cost per vessel (NOK), by date of loss



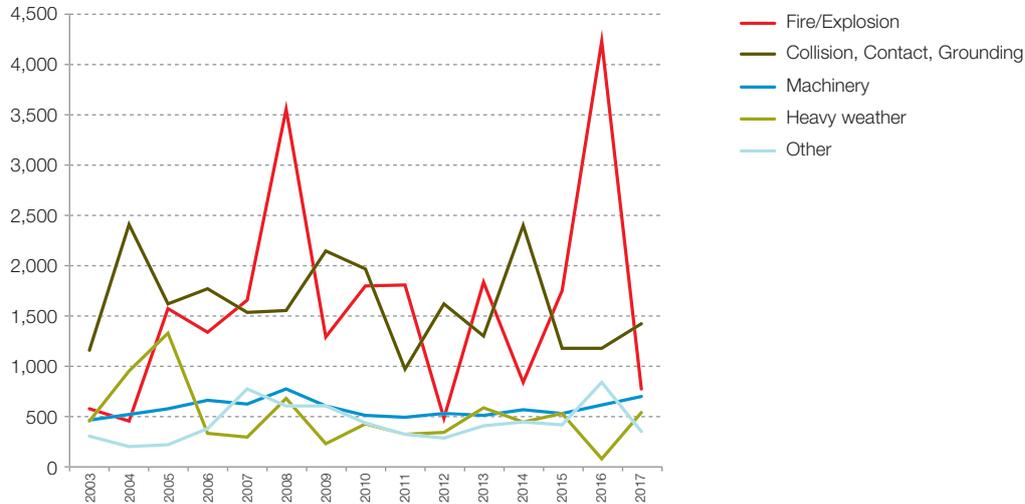
In recent years we have noted an increase in the average claim cost per vessel for smaller claims below NOK 20 million. This development could be related to an increase in the import prices of materials necessary for vessel repairs in the Nordic countries, partly due to the strengthening of the US dollar. As the currency graph 22 shows, the Nordic currencies recently strengthened against the USD. Parallel to this, the claims cost per vessel for claims below NOK 20 million has stabilized (graph 30).

30: Claim cost per vessel, claims below NOK 20 million, by date of loss

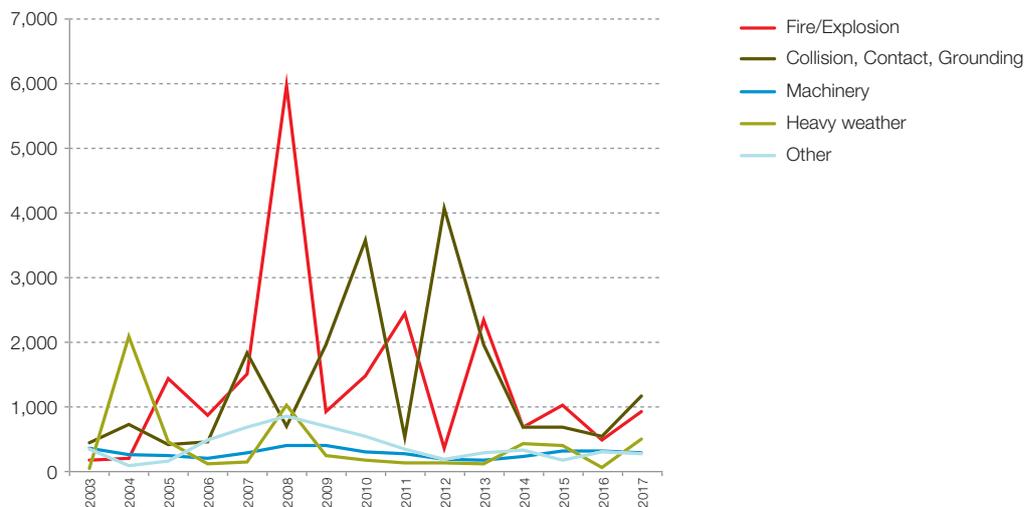


The average claim cost per type of casualty is far more volatile than the claim cost per vessel. Major claims can strongly influence the average cost in individual years, particularly fire/explosions and nautical-related claims such as groundings and collisions. The situation for machinery claims is more stable. Following a historic peak in 2008, the average claim cost relating to machinery claims decreased slightly, but since 2015 it has been on the rise again.

31: Coastal portfolio: average claim cost per type of casualty (NOK 1,000), by date of loss



32: Fishing vessels: average claim cost per type of casualty (NOK 1,000), by date of loss

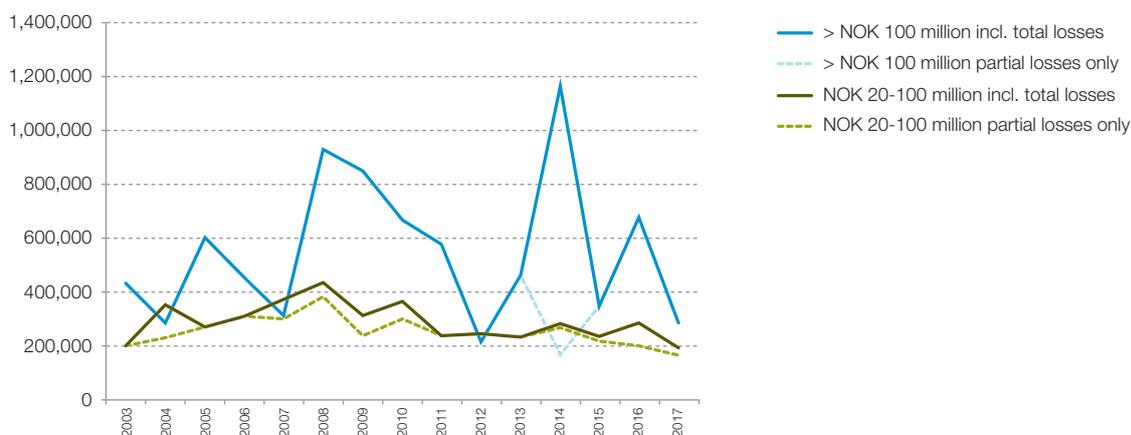


The average cost of machinery damage for fishing vessels is less than half the average cost for the coastal portfolio as a whole. However, the impact of collisions and groundings on the average cost is stronger in the fishing vessel fleet than for the total coastal portfolio.

Claims trends need to be interpreted in relation to the characteristics of the underlying portfolio. To illustrate this, graphs 33 and 34 show the partial claim cost per vessel split into sum insured layers. For vessels with insured values below NOK 5 million, the average repair cost has been quite stable over time. For vessels with higher insured values, the cost per vessel is far more volatile, in particular when including total losses in the claims cost. With relatively few high-value vessels in the coastal portfolio, single extraordinary costly claims, such as the aforementioned grounding in 2014 and the two major claims in 2016, strongly affect the total claim cost per vessel in the year that they occur.

The partial claim cost per vessel for vessels with insured values below NOK 100 million has shown a positive trend since 2010. The largest positive leaps occurred between 2010 and 2013 for vessels with values between NOK 5-20 million. In the years 2014 to 2017, the partial claim cost per vessel was slightly higher, but still far below the levels prior to 2012.

33: Claim cost per vessel per sum insured layer (NOK)



34: Partial claim cost per vessel per sum insured layer (NOK)



A more detailed report on coastal hull claims trends is available at www.cefor.no/statistics.



Organisation & Members

As at 31 December 2017

Board of Directors

Anne Systad, Chair
Area Manager - Marine, Codan

Svein Buvik, Deputy Chair
Chief External Affairs Officer, Gard

Anna Erlandsen
SVP, Head of Oslo Office,
Norwegian Hull Club

Arne Gangdal
Head of Marine Practice, Gjensidige

Jonny Gangstad
Head of Commercial Marine Norway, If

Anders Hovelsrud
Insurance Director,
Den Norske Krigsforsikring for Skib

Jan Linnell
Director, Alandia Insurance

Claes Lindh
Executive Vice President, Skuld

Tord Nilsson
Director, The Swedish Club

Administration

Helle Hammer
Managing Director

Viggo Thomas Kristensen
Legal Counsel

Astrid Seltmann
Analyst / Actuary

Hilde Spro
Office Manager

Forums

Cargo Forum *Chair: Finn Eriksen, Codan*

The Forum discusses general market issues relating to cargo insurance during transport and storage, and actively participates in the Nordic Cargo Coordination Committee (NCCC).

Claims Forum *Chair: Carl Morten Sundin, Norwegian Hull Club*

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

Coastal and Fishing Vessels Forum *Chair: Eirik Fosland, Tromsrygd*

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

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: Mathias Brunnsberg, Alandia Insurance*

The Forum is responsible for the Nordic Marine Insurance Statistics (NoMIS) database. For more information, see article on page 15.

Technical Forum *Chair: Steinar Sivertsen, Norwegian Hull Club*

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

Underwriting Risk Forum *Chair: Line Dahle, Gard*

The Forum works to enhance the knowledge and understanding of existing and emerging risks that are affecting the shipping and offshore energy industries.

Members

- Alandia Insurance
- Codan
- Den Norske Krigsforsikring for Skib (The Norwegian Shipowners' Mutual War Risks Insurance Association)
- Fender Marine
- Gard
- Gjensidige
- If
- Industriforsikring
- Møretrygd
- Nordisk Skibsrederforening (Nordisk Defence Club)
- Norwegian Hull Club
- Skuld
- The Swedish Club (Sveriges Ångfartygs Assurans Förening)
- Tromsrygd