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Nordic Plan 2013 Version 2023

Introduction



Nordic Plan – some characteristic features

- A comprehensive agreement covering
 - All relevant types of insurance
 - All relevant general rules
- Combined with Commentary
 - Explains the provisions and their purpose
 - Highly relevant in legal disputes
- Agreed document
- Long tradition, continued maintenance



**The Nordic Marine
Insurance Plan of 2013**
Version 2023

Based on the Norwegian Marine Insurance Plan of 1996, Version 2010

NP = Agreed document



- All interested parties participates in the negotiations
 - Cefor (The Nordic Association of Marine Insurers)
 - The Nordic Ship Owner Associations
 - The Nordic average adjusters
- Secretariat: Scandinavian institute of maritime law
 - Chair
 - Secretary
- **Result: Balance, fair solutions and cooperation**



Long tradition

- First Norwegian Plan dates back to 1871
- Norwegian Marine Insurance Plan 1964
 - Major revision
 - Structure and many provisions still in use
- Norwegian Marine Insurance Plan 1996
 - Several versions
 - Version 2010 basis for Nordic Plan 2013



Long tradition

- Today: NP 2013 Version 2019
- From October 2022: Version 2023
- Result:
 - Many provisions with long history
 - well established practice
 - = **few conflicts**



High maintenance – Nordic Plan Agreement

- Between the Nordic SAs and Cefor
- November 2010 with amendments 2013/2016/2019
- Purpose to regulate drafting and publication of NP
- Establish Standing Revision Committee to
 - Draft NP
 - Make amendments
- Timeframe - today every fourth year
- Proceedings



The revision process

- Parties presented their suggestions June 2021
- Negotiations from September 2021 to May 2022
- Hearing among interested parties July/August
- Hearing discussed – final amendments in August
- Negotiated result delivered Cefor 15 September



Brief overview of the amendments

- Extensive list in Preface
- Major amendment: ch. 16 on loss of hire insurance
 - Clarification of concepts
 - Strengthening cooperation
 - Some material changes
- Chapter 7 on co-insurance of mortgagees, cf. 9-2/9-7
 - Bridge between the Nordic and UK system
 - More shipowner friendly procedures



“Bits and pieces”

- 2-17: sanctions deleting France/USSR/China
- 5-4 (3): Interest set to US Prime Rate
- 5-23: Timelimit for notification extended from 6-12 months
- 8-2: Insurers subrogation against not co-insured third party
- 10-8 (d): Insurance on stranding conditions



Bits and pieces

- 12-12/18-29: Choice of repair yard – focus on sustainability
- 12-16: Machinery deductible - modernizing terminology
- 15-11/18-69: Time-limit for establish total loss 6-12 months
- Ch. 17/18/20: Mainly to conform to other amendments





Chapter 7 – general comments

- Norwegian concept of co-insurance of third parties
 - Automatic co-insurance part of general insurance legislation/NP
 - Ch. 7 provides automatic co-insurance for mortgagees under insurance effected by the owner.
- UK: No automatic cover. Third party may be protected
 - by separate policy covering the mortgagees economic interest in the vessel, cf. MIA 1906 Section 14 (1).
 - assignment of a policy covering the shipowner's interest, cf. MIA 1906 Section 50.

NP Ch. 7 – General comments



- Ch 7 provides
 - Automatic co-insurance for mortgagees
 - Protected regardless of any specific agreement /notification
 - But extended protection if the insurer is notified
 - Cl. 7-2. Amendments and cancellation of the insurance
 - Cl. 7-4. Payment of compensation
 - Not independent – the mortgagee is identified with the assured
 - But: Independent cover may be effected, Cl. 8-7.