
Ocean Hull Workshop

Ocean Hull Committee Update

Ilias P. Tsakiris – CEO American Hellenic Hull

Chair of Ocean Hull Committee

19th September 2023

Current Lineup

Ilias Tsakiris
Chair OHC

CEO
American Hellenic Hull
Insurance Company

Cyprus



Paul Fry
Vice Chair OHC
Head of Hull
Skuld

UK



Neil Roberts
Secretary
Policy Forum Liaison
Head of Marine Aviation at
Lloyd's

UK



Rama Chandran
Former Chair OHC
Head Of Marine
QBE Singapore

Singapore



Qi Ge
COSCO Shipping Captive
Insurance Co., Ltd

China



Jenny Groeneveld
Lead Underwriter
HDI Global SE

Netherlands



Paul Hill
Global Technical Director,
Maritime ABL Group

UK



David Sungjin Kim
Director, KRUL
Manager
Korean Re
London Office

South Korea



Anneke Kooiman
Executive Committee
Liaison
Dep. Director DUPI
Underwriting Agencies BV

Netherlands



Jeffrey Loechner
Vice President
Sompo International
Merrick NY

USA



Xavier Lozac'h
Regional Head
Marine Hull
Allianz (AGCS)

France



Jonny Moss
Senior Underwriter
Norwegian Hull Club

UK



Richard Neylon
Partner
Head of Complex
Environment
HFW

UK



Dimas Ortuzar
Senior Underwriter
Vice President
Swiss Re

Italy



Lone Scheuer Larsen
Nordic Director
Marine Hull UW
Codan Forsikring

Denmark



Tomoyuki Takeuchi
Manager
Tokyo Marine & Nichido
Fire Insurance Co., Ltd

Japan



Steven Zhao
China Taiping Insurance
(HK) Company Limited

Hong Kong



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OHCommittee Workshop agenda

Chair's Report & Introduction, Ilias Tsakiris

Presentation IPP: Applying lessons learnt from other classes to marine hull

Suki Basi, Managing Director, Russell Group, UK-London

The maritime transformations in a world of Transition? - Trond Hodne, Maritime Business Director, DNV Maritime, NOR-Hovik

Ukraine beyond CTLs: current issues and complexities affecting insurers and owners 1.5 years on - Richard Neylon, Partner, HFW, UK-London

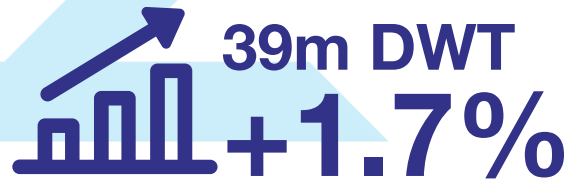
Views from a Surveyor - Paul Hill, ABL, Global Technical Director, Maritime

Panel Discussion / Q&A - Moderator: **Neil Roberts**, Head of Marine and Aviation, Lloyd's Market Association | Panelists: **Paul Fry**, Skuld, Senior Vice President, Global Head of Hull & Head of London Office - **Rama Chandran**, QBE, Head Of Marine, Asia. - **Tomoyuki Takeuchi**, Tokio Marine & Nichido Fire Insurance Co., Ltd. Manager, Marine Underwriting Dept.

Conclusion and Take Aways - Ilias Tsakiris

Current Status: Shipping Environment 1H2023

Current fleet



value of world fleet
approaching
\$1.4 trillion

S&P well above
trend

World Fleet Statistics | August 2023 / Source: Clarksons Research, August 2023. Note (1): Includes all vessels above 100 GT.

Current deliveries



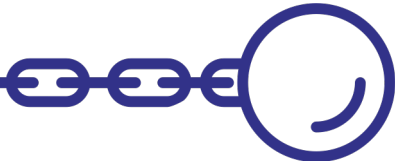
Shipbuilding deliveries

**Container
& gas carriers**



Demolitions
below trendline

ageing fleet

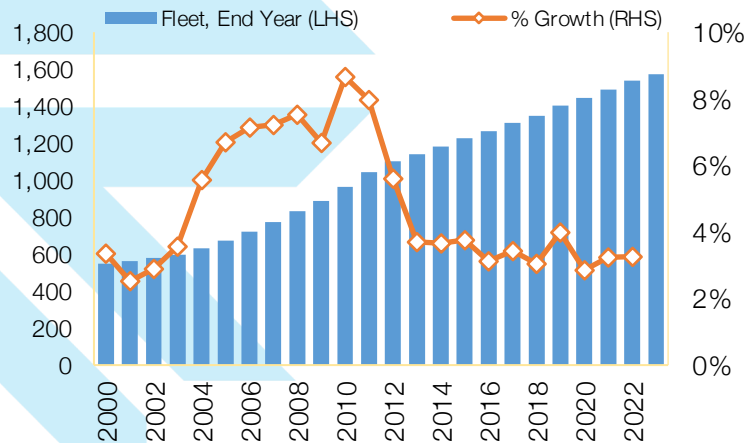
restrained
growth 

World Fleet Statistics | August 2023 / Source: Clarksons Research, August 2023. Note (1): Includes all vessels above 100 GT.

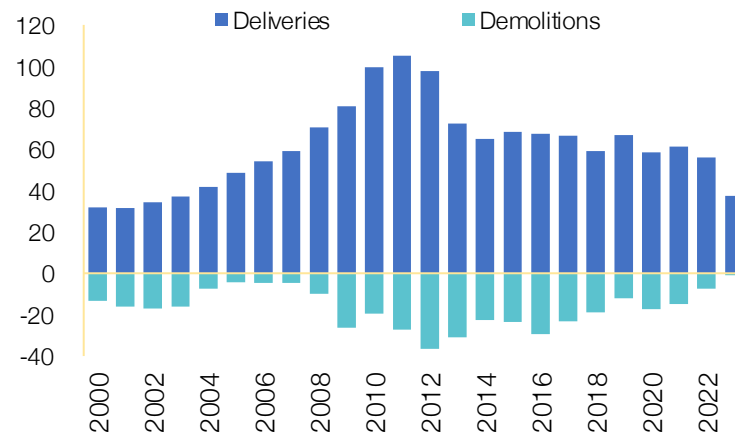
Global Fleet

Fleet Size, Deliveries & Scrapping...
Fleet growth trending c.2.1% (in GT terms)

Development of Global Fleet (million GT)



Deliveries & Scrapping of Global Fleet (million GT)



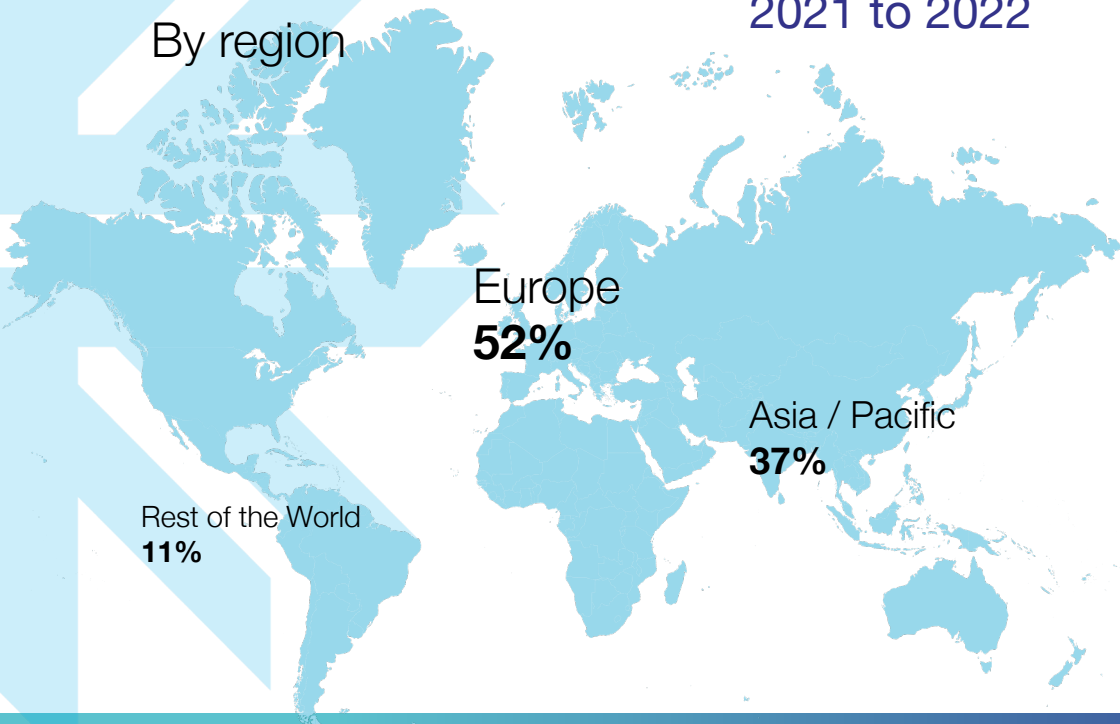
World Fleet Statistics | August 2023 / Source: Clarksons Research, August 2023. Note (1): Includes all vessels above 100 GT.

Ocean Hull Committee: Market Conditions

Current Status: Hull Premium

USD 8.4B
+5.7%
2021 to 2022

By region

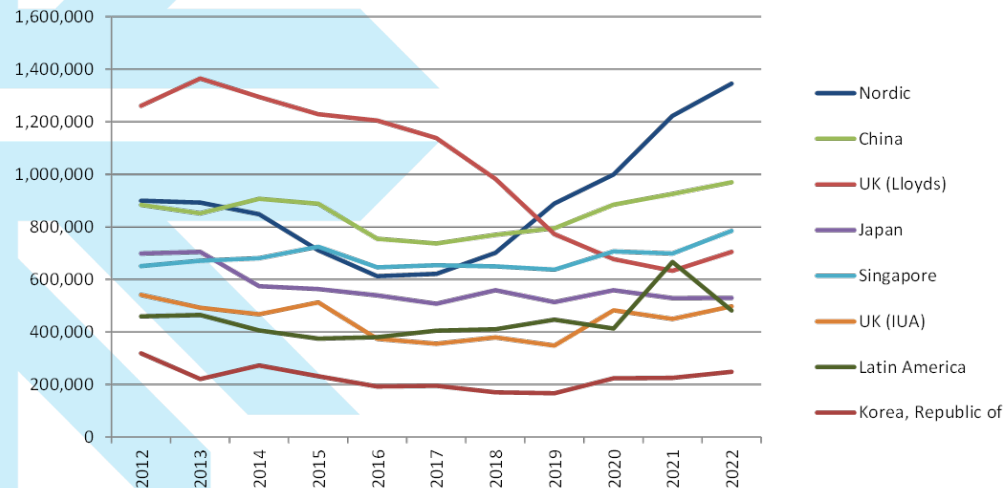


By market

Nordic	16.0%
China	11.5%
Singapore	9.3%
UK (Lloyd's)	8.4%
Japan	6.3%
UK (IUA)	5.9%
Latin America	5.7%
Italy	5.1%
USA	3.7%
Korea, Republic	3.0%
Netherlands	2.7%
Spain	1.5%
France	1.0%
Other	16.7%

Current status: Capacity

Hull premium trends - major markets




New insurance capacity


(UK / private equity / mutual)



New MGA's emerging

Current Status: Rates

Despite rising  and higher  **reinsurance costs rates remain flat**

Certain  Underwriters are tempted to **write for income**

Underwriters' margins remain extremely tight 
no room for + reductions!

 Deductibles remain **unchanged**



Profitability isn't an option for underwriters; it's a necessity for survival

Current Status: Conditions

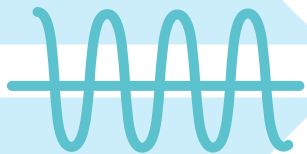
1. Sanctions
2. 2023 Nordic Marine Insurance Plan
3. AIS and RUB clauses





Before we continue...

Current Status:
Claim Trends



**Stable
frequency**

but



**Increase in
severity**

Kodiak Enterprise

April 2023

circa US\$150m



Skandi Buzios

June 2023

circa US\$ 250m





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EDINBURGH | 17-20 SEPTEMBER

20 KM/H 12 MPH
DECK LOAD 60T/M
MAX AXLE LOAD 10T

GRANDE COSTA D'AVORIO

PALERMO

IMO 9465382

Grande Costa D'Avorio

July 2023

Circa US\$ 40m



Fremantle Highway

July 2023

circa USD ??

Current Condition: War

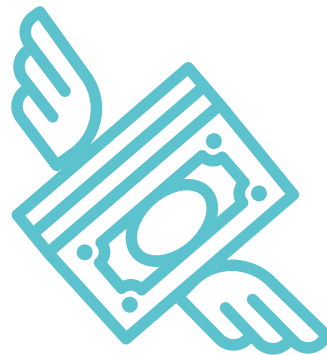
- AP's volume back to normal
- BT claims resolved



Current Condition: Concerns

Impact of inflation on:

- Claims payable & Claim Reserves 5% to 10%
- Claims management
- R/I Cost
- OPEX
- Social



Current Condition: GHG 2050

- New Building projects –mainly **dual fuel**
- Sustainable **Ship Recycling**
- Underwriters are **embracing relevant initiatives** UNEPFI PSI, PPMI



Current Condition: MEPC80

Target year	Levels of ambition (as of 2018)
2030 (compared to 2008)	<ul style="list-style-type: none"> To reduce CO₂ emissions per transport work by at least 40%
2050 (compared to 2008)	<ul style="list-style-type: none"> To reduce CO₂ emissions per transport work by at least 70% To reduce total annual GHG emissions by at least 50%
Within this century	<ul style="list-style-type: none"> To reach zero GHG emissions

Target year	Levels of ambition and indicative checkpoints (as of 2023)
2030 (compared to 2008)	<ul style="list-style-type: none"> To reduce CO₂ emissions per transport work by at least 40% To reduce total annual GHG emissions by at least 20% (striving for 30%) Uptake of zero GHG emission fuels etc. to represent at least 5% of the energy used (striving for 10%)
2040 (compared to 2008)	<ul style="list-style-type: none"> To reduce total annual GHG emissions by at least 70% (striving for 80%)
2050	<ul style="list-style-type: none"> To reach net-zero GHG emissions by or around 2050 at the latest

Current Condition: Emerging Risks (1)

- Hastening of implementation of **new technologies regarding decarbonization**, especially fuel blends with biofuel content and current engines.
- Fuel providers and engine makers need to **assume their responsibilities**
- **LNG/Hybrid engines**



Current Condition: Emerging Risks (2)

- Crew **training**
- **Container fires** (work in progress)
- Transport of **alternative fuel vehicles & li-ion batteries** (work in progress)



The risk of Dark Fleets



Pablo

May 2023





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Standing Resilient





Thank
you all!

Ilias P. Tsakiris – CEO American Hellenic Hull



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