



Sustainable Ocean Principles – a collective industry response to a global challenge

Speaking as part of the Sustainable Trade Group during the launch of the Sustainable Ocean Principles in New York last week, Rolf Thore Roppestad, CEO of Gard, believes that making change happen is best done collectively where all stakeholders collaborate for a common goal. Gard's Vice President for Sustainable Business, Live Jacob Sydness, sets the scene.

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It was my privilege to attend, with Gard CEO Rolf Thore Roppestad, the launch of the Sustainable Ocean Principles which took place on 23 September as part of the UN General Assembly and the UN Global Compact Leaders Summit in New York.

Gard is a member of the [UN Global Compact's Sustainable Ocean Business Action Platform](#) . The Action Platform in consultation with more than 300 stakeholders worldwide, developed the Principles in order to emphasize the responsibility of business to take the necessary actions to secure a healthy and productive ocean. Work is ongoing to develop guidelines for the various ocean industries. Gard is participating with the guidelines for shipping.

The half-day launch event was attended by about seventy people, invited from supporting governments and companies who worked to elaborate and agree on the Principles. Among the other leaders attending were Lise Kingo, CEO and Executive Director, UN Global Compact

Alastair Marsh, CEO, Lloyds Register, Patrick Pouyanné, CEO, Total, Eldar Sætre, CEO Equinor, Kitack Lim, Secretary General, IMO, Michael Logde, Secretary General, International Seabed Authority and Andrew Forrest, Chairman, Fortescue Group.

Norway was well represented with His Royal Highness, Crown Prince Haakon of Norway and Consul General Harriet Berg in attendance. Crown Prince Haakon was not the only royal in attendance. Her Majesty, Queen Noor of Jordan gave an impressive speech.

United Nations, industry and NGO representatives were invited to speak at a panel session moderated by Sturla Henriksen, UN Global Compact's special advisor on the Ocean. The panelists were divided into four groups under the themes:

- “Sustainable Ocean Business, expectations and drivers in the private sector”;
- “Sustainable Trade Growth and Ocean Logistics”;
- “Managing New Frontiers and Resources” and
- “Planet Ocean – how land and ocean industries impact ocean health and productivity”.

Rolf Thore participated in the Sustainable Trade Growth group which included Capt. Sareer Antia of Tata NYK, and Patrick Verhoeven, Managing Director of International Association of Ports and Harbors (IAHP). The group panelists were asked to respond to the question:

There is a need for increased growth and a lower footprint. The Ocean Industries are Global in Nature - How can the private sector in partnership with global institutions lead the way?



We had advance notice of the question and were prepared. The session was only 20 minutes and was not recorded but below Rolf Thore sets out some of his thoughts about Gard's contribution to sustainable ocean development.

As a leading mutual insurer, it is our experience that making change happen happens best when it is done collectively. By its very nature, insurance is a collective enterprise. Risks are too big to be taken alone – insurers share those risks so that shipping and trade can take place safely and society can be protected. The same philosophy holds true for trying to increase production from the maritime industries or protecting the ocean. Multi-stakeholder collaboration is key.

Tackling global challenges

Safety at sea is one of the foundations that will help us to make the ocean healthy and productive, and we work with other insurers and classification societies to make that happen. In the first instance the classification societies set technical standards for building and operating ships and offshore structures such as oil platforms. They certify that vessel building complies with relevant IMO and other standards and regularly survey ongoing construction work to ensure continuing compliance. Marine insurers then work with them to ensure compliance with relevant international standards set by the global institutions. Insurers require vessels to maintain Class standards as a condition of the insurance. Failure to maintain Class certification can result in loss of insurance cover.

This a powerful financial incentive to maintain the standards that are necessary for the safe and environmental sound operation of a ship. Together with the 12 other mutual insurers making up the International Group of P&I Clubs, we provide liability insurance for more than 90% of commercial shipping. The IG Clubs provide the insurance cover and guarantees under IMO conventions, such as the Civil Liability Convention and Bunker Convention covering oil spills and the MLC convention which provides wages and repatriation for abandoned seafarers.

Being there in times of need

Prevention is a vital part of what we do but accidents will always happen, and co-operation is a critical part of preparing for and handling casualties. Gard has vital experience when it comes to co-operation between authorities and the maritime industry to build good processes that serve to both prevent environmental losses and to enable efficient handling of casualties when they happen. The Gard Outreach Program with coastal authorities around the world is one initiative which creates value by reducing insurance costs for Members and clients, as well as reducing the consequences of major marine casualties through efficient clean-up and wreck removal operations and streamlining the funding of those entitled to compensation.

Looking to the future

The final element is working together to manage new risks as they emerge. Our industry has always evolved - from sail to steam, from oil tankers to vast container ships and we are now all looking at what autonomous and fully electric vessels might mean in the future. Gard supports the vessel Yara Birkeland which will be the world's first fully electric and autonomous container ship, with zero emissions.

Another most immediate challenge with which we are assisting our Members and clients is the MARPOL global sulphur cap on marine fuel, which comes into force in January 1, 2020. The IMO reckons that the cap will reduce sulphur emissions from ships by close to 80% which will significantly benefit human health by preventing premature death from stroke, asthma, cardiovascular disease, lung cancer and pulmonary disease. We are helping to prepare our members and clients for the change through sharing knowledge and experience to prevent losses, legal advice to prepare for new contractual terms and new insurance products for different risks. We will take the same proactive approach with our members and clients and with industry stakeholders and public governmental entities as we work together to reduce greenhouse gas emissions.

The launch of the Principles is a catalyst for change and an example of how global institutions and the private sector can collaboratively set shared expectations industry wide. I am confident that the Principles will help all of us to create frameworks for responsible business practices in the ocean, as well as transparency around disclosure of practices. For us, this is a natural extension of what we do every day to prevent and handle environmental and human loss, enabling our Members and clients to focus uninterrupted on the development of their business to meet the evolving requirements of our society.

Gard encourages relevant stakeholders [to sign the Sustainable Ocean Principles](#) .