



Company News

Global or local? A message from Rolf Thore Roppestad, Chief Executive Officer

Despite it being the beginning of the summer – a time to kick back and relax, the political and economic challenges we face do not seem to be taking a holiday! Looking around us, it is hard not to feel that that globalisation and co-operation, things that are fundamental to the development of our industry, are increasingly not being reflected in the world in which we live and work.

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The recent EU referendum in the UK and the increasingly heated debate in the US Presidential elections demonstrate a growing sense of protectionism – a desire to retreat behind national borders. Indeed there is evidence of a rising tide of protectionism which is undermining global trade and threatening economic growth. Governments introduced 539 protectionist measures in the first 10 months of 2015, compared to 407 in the same period in 2014. These numbers are clear evidence that continuing globalisation is under threat.

Shipping is however, by its very nature, a global business – and the insurance industry that supports it has to be too. We know that, in order to help our Members and clients to manage risk and its consequences, we need to be able to offer predictability and stability. The ability to do that requires a combination of understanding local environments and differences, while also trying to build international consensus - especially around sharing best practices when society at large can benefit.

Accidents at sea do not recognise national borders. Major casualties require tremendous efforts from all the stakeholders: the owners, insurers, service providers, as well as national and local governments. A successful response is based on clear chains of command, access to physical resources, multidisciplinary expertise and close co-operation based on clear division of tasks and mutual understanding of roles.

The UK's SOSREP (Secretary of State's Representative for Maritime Salvage and Intervention - SOSREP) provides a strong model for other national authorities. The ultimate decision-making authority is delegated to one person – this makes the decision process effective, clear and dynamic. More importantly, the role is deliberately designed so that political authorities cannot intervene in the handling of the accident. In our view this combination of expertise, political neutrality and ability to create a strong response team in crisis situations makes SOSREP very effective.

At Gard, we work every day with risks related to operations on and in the sea – that gives us a tremendous bank of experience on which to draw, and we believe that sharing that experience and expertise is vital. This is one of the reasons we have built an outreach programme to connect to government authorities and other casualty stakeholders in key jurisdictions around the world.

We believe that we should have relationships with the important salvage and counter-pollution authorities around the world – before an incident happens. Of the 20 largest IG casualties between 2002 and 2012, involving SCOPIC and Removal of Wreck, in 10 of those cases significant extra costs were incurred because of government intervention. By building relationships based on mutual understanding and communication, we are able to prepare for a more effective and co-ordinated response should serious incidents occur.

We look at being a responsible, global corporate citizen not just in what we do in our business world. Our core values: Friendliness, Adaptability, Integrity, and Result-oriented (FAIR), are the principles that guide our behaviour in all our processes, and also more broadly across society. As a part of this, we are working to support the UN Global Sustainable Development Goals (SDGs). These outline a blueprint for development priorities until 2030 covering 17 goals covering a broad range of sustainable development issues, from ending poverty and hunger to improving health and education, reducing inequality, and combating climate change. No business or industry is an island – and we are committed to working internationally to help society in ways which fit best with our core competencies. We aim to limit the consequences for the society when an accident happens, and consequently reducing the costs for our shipowner Members.

In a political environment trending against increased globalisation, we absolutely know that the world we live and work in is better when we are sharing our competence and experiences. We are 100% committed to making a positive contribution to the industries we serve by offering our knowledge, energy and experience for the greater good.

Rolf Thore Roppestad Chief Executive Officer

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