



Working for change

As we all look forward to a summer break, I am pleased to say that Gard has maintained its support of and services to our Members and clients, and continues to develop and future-proof our operations.

Published 02 July 2021

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The Covid-19 pandemic continues to profoundly impact the world and the maritime industries is no exception. Outbreaks of the virus on board are still frequent, and ship operations continue to be challenged by restrictions hampering crew changes. Sadly, even dignified treatment of deceased crew has become difficult with ships being passed from port to port awaiting permission for a transfer to shore and subsequent repatriation.

The importance of shipping for world trade was aptly illustrated by the supply chain difficulties earlier this year with the brief blockage of the Suez Canal. Fortunately, swift and effective response freed the ship from the bank, but the extraordinary claims that followed have given rise to concern throughout the industry. There is no doubt that outlier, national laws and regulations and failure to adhere to international conventions put pressure on both shipowners and marine insurers, including their reinsurers. The reasonable legal predictability that comes with international unity of law has contributed to increased efficiency of shipping and flow of trade for decades, and it needs someone to make that case.

At the end of the first quarter of our 2021 financial year, our results were acceptable. Investment income was as expected while the technical result was again impacted by more Pool claims than expected at the start of the year – a trend which seems to have continued after the end of the quarter. The higher severity of large claims impacts the entire marine insurance industry and is a reminder of the need for a robust capital position.

This spring we published our second [Sustainability Report](#) to sit alongside our [Directors Report and Accounts](#). The range of topics covered illustrates how far we have progressed with the integration of sustainability in our core business activities. Key highlights include:

- Signatory to the UN Principles for Sustainable Insurance (PSI): Through this initiative Gard will, in collaboration with other insurers, seek to better understand, prevent, and reduce environmental, social and governance risks, and optimise opportunities to provide quality and reliable risk protection.
- Renewables: Offshore wind now constitutes 17.1 per cent of the total premium earned in the Energy segment for the financial year ending February 2021 and continues to increase.
- Responsible recycling: Last year, Gard supervised the removal and recycling of five wrecks, all in compliance with the Hong Kong Convention or the EU Ship Recycling Regulation.

Through risk prevention, risk reduction and risk sharing we help protect the lives and livelihoods of seafarers and make the oceans cleaner and safer. Striving for sustainability is a shared responsibility for everyone in Gard. By enhancing our focus on sustainable business operations, we are future-proofing our business while creating long term value for our Members. As a leading marine insurance group, we have an important responsibility, as well as an opportunity, to influence the transition to a more sustainable maritime industry.

Meanwhile, our main priority remains, as always, to deliver first class service to our Members and clients on a daily basis. This is the fundamental part of our business and we strive to excel at it, whether facing a pandemic or not. With this, I wish you all a good summer and hope to see more of you wherever you are later in the year, when we are vaccinated and some travel has resumed. I think we all yearn for that. Meanwhile, stay safe!

****Rolf Thore Roppestad****