



Sustainable ship recycling after total loss – the Gard P&I cover

‘Green’ ship recycling products are emerging in the marine insurance market, leading to questions and sometimes confusion around which policies are needed or not, and what is already covered elsewhere. In this article, Gard’s Head of Environmental Claims, Andreas Brachel, outlines Gard’s position, adding that ‘green’ add-ons are not always worth the hype.

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What Gard covers

For Gard, sustainable ship recycling is already an integral part of our P&I cover, so no extra products are needed.

“When we remove wrecks on behalf of our Members under their P&I cover in Gard, we make sure that the removal is done in line with the Member’s obligations and [our statement on sustainable ship recycling](#) . This means that for EU-flagged vessels, we will cover the extra cost and travel necessary to make sure the vessel is recycled in line with EU regulations. We will assist the Member in the planning phase, appoint contractors, and pay for the full operation,” says Andreas Brachel, Gard’s Head of Environmental Claims.

Go the extra mile

When dealing with vessels which are flagged outside of EU, Gard will make sure – as far as practically possible – that recycling is undertaken by a yard complying with the Hong Kong Convention as a minimum requirement.

“When evaluating yards available for the job, we will put emphasis on whether the yards are making efforts to operate sustainably *over and above* the standard set by the Hong Kong Convention. In other words, sustainability is one of the key factors when deciding which yard will be the successful bidder. This will encourage yards which are not on the list of EU-approved yards to go the extra mile.”

Case examples

Andreas Brachel finishes by saying that for Gard, sustainability is not an ‘added element’ or something we sell on its own – it is an integrated part of how we want to operate.

“We are now implementing a series of sustainability measures throughout our value chain and in our claims handling,” he adds.

Recent wreck removals conducted by Gard in line with our ship recycling principles, include the Kaami and the Hoegh Xiamen. The latter suffered a fire in Jacksonville, Florida in June 2020, and was subsequently towed to an EU-approved shipyard in Turkey. In March 2020, the bulk carrier Kaami grounded off Scotland and was towed to Kishorn Port & Dry Dock for sustainable recycling. You can learn more about the Kaami case in our article [on the casualty](#) .

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