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About the Group

• Comprises 13 mutual marine insurance associations ("Clubs") which between them;

• insure and pool third party liabilities relating to the use and operation of ships

• cover over 90% of world ocean-going tonnage

• and over 95% of ocean-going tankers
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Poolable Club Cover

Includes third party liabilities such as:

• Pollution, loss of life/personal injury, crew, wreck, collisions, cargo loss/damage

• Property e.g. Hull and Machinery cover is separate

Excludes certain liabilities including those arising from:

• War risks, nuclear risks, offshore production and exploration and other specialist activities, non-approved certificates or undertakings and sanctionable activities. War cover purchased separately

• Technical/safety entry requirements
Pooling And Reinsurance

• Highest level / limit of cover ($1bn oil poll / $2bn passengers / $7bn non oil (approx.)
• Most comprehensive extent of cover
• Cover “at cost” (mutuality = no profit)
• Ensures prompt and certain compensation
• Financial security recognised by governments and maritime authorities worldwide
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International Group of P and I Associations
General Excess of Loss Reinsurance Contract Structure
Owned and Chartered Entries
(including Overspill Protection, Hydra Participation, Pooling
and Individual Club Retentions)
12 months at Noon GMT 20th February, 2011

Protection and Indemnity

- Collective Overspill Protection
- One Reinstatement
- Third General Excess Unlimited Reinstatements
- Second General Excess Unlimited Reinstatements
- First General Excess Unlimited Reinstatements
- Coinsurance 25%

Oil Pollution

- Protection and Indemnity and Oil Pollution

Owners

- US$ 3,060m
- US$ 2,060m
- US$ 1,060m
- US$ 560m
- US$ 30m
- US$ 22m
- US$ 8m

Charterers owners

- US$ 290m
- US$ 30m
- US$ 22m
- US$ 8m

UNIDROIT Presentation Nov.2011
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Group liaison and consultation roles

• Inter-governmental bodies such as IMO, IOPC Funds, UNCTAD, UNCITRAL and OECD.

• National governments and agencies such as the UK MCA and USCG, and EU organisations and agencies, USCG, NPFC, NOAA and DOI

• Other industry organisations such as BIMCO, ICS, Intertanko, Intercargo, OCIMF, ITOPF, IACS, IUMI, LMA and IUA.

• Promoting and encouraging industry positions on practical and legislative issues and providing technical advice and input in the drafting of new legislation, regulations, conventions and protocols.
Increased claims severity

- Large claims becoming significantly more expensive
- Very significant escalation in wreck removal costs
- Athens Convention Protocol passenger/crew limit increases
- CLC/Fund regime
- Bunkers, HNSC, Wreck Removal
- LLMC limits
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Summary of benefits provided by the Group system

- Unparalleled range and limits of cover provided at cost
- Guaranteed prompt security / payment of compensation to victims
- Experienced and effective casualty and claims management
- Assistance to States and IGOs in legislation/regulation drafting and promotion/implementation of ship standards and safety measures
In conclusion

• The Group is a well-established, effective and unique organisation

• Product of choice for the majority of world shipowners

• Proven to work in the interests of its membership and the public at large

• Well structured to address and adapt to the challenges of the future