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## CEFOR 2004 Annual Meeting

Grand Hotel, Oslo  
1st April 2004.

NEW CEFOR Board :  
Torleiv Aaslestad, Norwegian Hull Club,  
Bjørn Hildan, Bluewater,  
Kari Svenke, Codan  
Sven-Henrik Svensen, Gard,  
Harald Teige, Gjensidige NOR,  
Svein Arne Aas, If  
Skadeforsikring,  
Douglas Jacobsohn, Skuld,  
Carsten Mortensen, TRYG Vesta.

Presentations held by:  
Guestspeaker  
Clæs Isacson, Gard  
**The Gard Concept** and  
Tore Forsmo, CEFOR,  
**Market key figures**  
Please see: [www.cefor.no](http://www.cefor.no)

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member sections at  
[www.cefor.no](http://www.cefor.no), please contact:  
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*Dear Reader,*

*Summer is here and many of us are presently focusing on issues very distant from and much more important than marine insurance, issues such as the miserable summer weather and the possibility of a rain-in family vacation. A well deserved break from the everyday marine insurance life might still help to put focus on some of the core values in life, such as family and friends. We in CEFOR would like to take the opportunity to extend our summer greetings to all colleagues and friends in the marine insurance industry.*

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## Norwegian Shipping White Paper – (“Skipsfartsmeldingen” – St.meld. Nr 31, 2003-2004

The Norwegian Shipping White Paper was published on 2 April 2004 by Minister of Trade and Commerce, Mr. Ansgar Gabrielsen. The White Paper came after more than a year of preparatory work, where the entire Norwegian shipping cluster has been actively involved and where CEFOR also participated in the parliamentary open hearings.

The main objectives were to establish a long term maritime political framework for both Norwegian shipping ownership as well as operational location.

The deliberations in June 2004 of the Norwegian

parliament – the Storting - revealed a political dissension on long term maritime policy and the results as a whole were disappointing:

- All present support schemes for Norwegian seafarers will be continued; but
- Net Salary Scheme for seafarers on Norwegian passenger ferries in international trade will be discontinued from 1 January 2006.
- Trading area for NIS-ships is expanded to also include the Norwegian Continental shelf.
- The present tonnage tax scheme will be updated and harmonised with

current EU practice. Explicit details will be revealed in October 2004 in conjunction with the National Budget Proposal for 2005.

Another crucial issue in the securing of continued Norwegian maritime ownership is the capital tax and proposed modifications and possible discontinuation. The issue is subject to the parliamentary negotiations on the White Paper on Taxation, also presented this spring, and to be discussed in the coming months.

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## Norwegian Marine Insurance Statistics (NoMIS)

At the first CEFOR Statistics Forum meeting in February 2004, the annual NoMIS statistics published in the CEFOR Annual Report 2003 were discussed and agreed upon. Apart from the usual statistics update, the NoMIS articles this year focused on the pitfalls of basing premium calculations on 3 to 5 years fleet statistics. Statistical simulations, based on actual CEFOR claims data, illustrate this point.

By the end of 2003 NoMIS comprised the CEFOR members Gard, Norwegian Hull Club and Bluewater

Insurance ASA. In January 2004, Codan Marine Services and NEMI Insurance ASA were welcomed as new members of the Statistics Forum. Major tasks in 2004 will be: Integration of the new members' data into the Ocean hull database, a workshop to analyze and harmonize the members' claims and other coding, navigational related claims and the regular production of data. In addition, for the first time, in 2004 the CEFOR portfolio's exposure was analyzed based on the Paris MOU black-grey-white list of flags.

Regarding results, premiums are still on the rise, but a number of major claims were encountered in the 2003 underwriting year. An interesting observation is that a steadily increasing percentage of the complete claims amount payable is due to total losses and major claims. A number of statistics are available in CEFOR's Annual Report, and can be downloaded from the CEFOR website (Norwegian Marine Insurance Statistics as per 31.12.2003).

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The Central Union of  
Marine Underwriters  
(CEFOR) was  
founded 15 August  
1911 by Norwegian  
and foreign insurance  
companies. The  
Committee of Mutual  
Marine Insurers  
(GSK) was founded 5  
June 1885

The object of CEFOR  
is to strengthen and  
develop the basic  
concepts of the  
Norwegian marine  
insurance market and  
unite and coordinate  
its members around  
key issues for the  
marine insurance  
industry.

See us also at:

[www.cefor.no](http://www.cefor.no)

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## IUMI Spring Meeting & Annual Conference 12th-15th Sept 2004, Singapore

The IUMI Spring Meeting was held on 21 – 22 March 2004 in New Orleans. The purpose of the meeting was for the Technical Committees and the Executive Committee to plan and harmonise the programme of the IUMI Annual Conference, this year to be held in Singapore from 12 – 15 September.

The theme of the 2004 IUMI Conference is “Navigating to sustained profitability” and CEFOR is represented in the

following Technical Committees:

- Ocean Hull Committee: Ole Wikborg (NHC)
- Energy and Offshore Committee: David Cooper (Gard)
- Legal and Liability Committee: Haakon Stang Lund (WR/CEFOR)
- Inland Hull, Fishing Vessels and Yachting Committee: Harald Teige (Gjensidige NOR)
- Loss Prevention Committee: Per Esten

Gjølmesli (Bluewater)

- Facts and Figures Committee: Tore Forsmo / Astrid Seltmann (CEFOR)

For more information on the IUMI Singapore Conference, see [www.iumi-singapore-2004.com.sg](http://www.iumi-singapore-2004.com.sg)

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## Nordic Pool Annual General Meeting, June 2004

The Annual General Meeting of the Nordic Marine Insurance Pool took place in Torshavn on the Faroe Islands 12 – 14 June 2004. The Marine Insurance Branch of the Danish Insurance and Pension Association was host. Danish, Finnish, Norwegian and Swedish hull, cargo and liability underwriters participated.

Various workshops made up the main part of the Annual General Meeting. The joint workshop focused on the reforms to the York-Antwerp Rules for which were agreed upon during the CMI Plenary Session in Vancouver this year.

The themes for the Hull Committee workshop were “The Nordic market for hull insurance in five to ten years ahead – increase or decline” and “Joint Nordic hull clauses – vision or utopia”. As an introduction to the first theme Senior Partner and Managing Director of NorthEdge, Mr Tom Midttun presented some interesting views on the future of Nordic hull insurance. Professor Hans Jacob Bull of the Scandinavian Institute of Maritime Law gave a comprehensive introduction to the various Nordic hull clauses at the workshop on joint Nordic hull clauses.

The themes for the Cargo Committee workshop were “Courier forwarding” and “High risk areas for war or strike risks”. The Liability Committee workshop focused on safety regulations in liability covers for freight forwarding. The joint theme the Cargo and Liability Committees was Identification.

The papers and presentations from the Nordic Pool General Meeting will be found on CEFOR’s website as soon as they are made available.

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## Economic measurements for ships

At the International Maritime Statistics Forum 2004, held on 18 – 20 May 2004 in Vancouver, ideas were presented to create economic measurements for ships, substituting the usual tonnage approach. The intention is to measure ships according to their actual “earnings capacity” rather than by the traditional terms of size and tonnage.

From the point of view of insurance this is interesting, as e.g. NoMIS statistics show a much stronger increase in the average insured value of the ship as in average tonnage in recent years. Even if part of this is due to an increase in the number of high value ship types, such as passenger vessels, it may also be related to a good shipping market and

increased earning possibilities. Therefore it will be interesting to follow up the work done and be able to relate NoMIS insurance results to a new “economic” ship measurement in addition to the “classics” premium, insured value and tonnage.

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