



Sustainable Blue Economy Finance Initiative Progress Report 2020



**American
Hellenic Hull**
Insurance Company



Highlights

American Hellenic Hull Insurance Company Ltd (AHHIC) is a private marine insurance company, which covers hull and machinery and war risks. The company is 100% owned and financially backed by the American P&I Club and exclusively managed by Hellenic Hull Management.

Registered in Limassol, Cyprus offers localised services through affiliated offices in Piraeus, New York, Houston, London, Shanghai and Hong Kong. Its operations commenced on 1st July 2016 and it is the first marine insurance company licensed in Cyprus under the requirements of the Solvency II regime. The vision is to establish a leading global player in the international blue-water marine hull insurance market.

Reporting on sustainability

The 2020 Sustainable Blue Economy Report of American Hellenic Hull aspires to describe the actions undertaken to meet the Sustainable Blue Economy Finance Principles, endorsed by the European Commission, WWF, the World Resources Institute and the European Investment Bank (EIB) and hosted by UNEP FI as part of the Sustainable Blue Economy Finance Initiative.

The Sustainable Development Goals (SDGs) are the blueprint to achieve a better and more sustainable future for all. Thus, we are prioritizing the SDGs at all levels of our company's activity.

As a marine insurer, AHHIC provides hull and machinery services to the international shipping industry that is currently called upon to adapt to a wide range of challenges, such as the reduction of industry's impact on the environment and new risks related to sustainability.

Blue growth, as the strategic, innovative approach to improving the use of aquatic resources, plays a pivotal role to the maritime adventure as it depends on the simultaneously increase of social, economic and environmental benefits for insular communities.

“Through collaborative actions with all the stakeholders involved, we should develop mechanisms that prevent marine underwriters from insuring unsustainable practices.”

Ilias Tsakiris, CEO of AHHIC



The company is the first marine underwriter to enter United Nations family, as a member and signatory company of United Nations Environment Programme Finance Initiative (UNEPFI), Principles for Sustainable Insurance initiative (PSI), United Nations Global Compact Initiative and UNEPFI Sustainable Blue Economy Finance Initiative (SBEFI). Being part of United Nations' community, the company is committed to incorporate the social, environmental, and business emerging issues into its sustainable and holistic approach.

We have participated in the development of two pioneering guidance papers that act as a toolkit for companies' sustainability strategies aiming to tackle Environmental, Social and Governance (ESG) risks: “Managing Environmental, Social and Governance risks for non-life insurance business”, launched by UNEPFI PSI and “Turning the Tide: How to finance a sustainable ocean recovery” launched by UNEPFI SBEFI.

Sustainable Blue Economy Finance Initiative is the first pioneering step towards blue economy and the finance sector, quantifying threats and opportunities for a sustainable shipping industry. At American Hellenic Hull, we support the UNEP FI Sustainable Blue Economy Finance Initiative, and we adopt all fourteen (14) of the Principles for Sustainable Blue Economy.

We believe in being proactive to achieve a more sustainable future. This is particularly important in our sector, given the essential role of insurance and the importance that maritime transport plays in global sustainability.

Being a proud member of United Nations' family, AHHIC aspires to contribute to the development of the sustainable blue growth strategy for the marine insurance industry. We as marine underwriters, we should invest in sustainable best practices for blue economy, invest in education and training of our executives, the shipping community and younger generations. Through collaborative actions with all the stakeholders involved, we should develop mechanisms that prevent marine underwriters from insuring unsustainable practices.



72.3%



62.4%



59.2%



54.3%



80.6%



64.2%



51.2%



100%



77.2%



78.6%



61.3%



73%



100%

AHHIC supports the United Nations Global Compact community adopting the SDG Action Manager. The SDG Action Manager is a tool that enables organizations to assess their impact relative to the various Sustainable Development Goals and to help them improve. We serve 13 out of the 17 goals.

Sustainability Strategy

The company's services reduce sustainability risks, whilst they have a positive impact on ESG issues. Furthermore, AHHIC has been strengthening its commitment to serve the UN Sustainable Development Goals, encouraging its clients to adopt the SDGs. The company already serves the following SDGs:

- **SDG 1:** No poverty. At AHHIC we serve the SDG 1 aiming to end poverty in all its forms. For this reason, we are paying living wage to all our employees. Moreover, we are against forced child labour and we are committed to cooperate with clients and suppliers that share the same vision.
- **SDG 4:** Quality Education. At AHHIC we serve the SDG 4, aiming to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. For this reason, we have launched an institutional co-operation with the World Maritime University, founded by the International Maritime Organization striving for enhancing education in marine insurance & constant training of AHHIC's executives. Among the areas of the agreement of the Memorandum of Understanding between the two parties are a Post Graduate Diploma in marine insurance, Professional Development Courses and joined events.

- **SDG 6:** Clean Water and Sanitation. At AHHIC we serve the SDG 6 aiming to ensure availability and sustainable management of water and sanitation for all. We declare the respect of the rights to water and sanitation, we do monitor and manage water use in our premises and we commit ourselves to provide clean water and sanitation to all our employees.

- **SDG 7:** Affordable and Clean Energy. At AHHIC we serve the SDG 7 aiming to ensure access to affordable, reliable, sustainable and modern energy for all. We commit ourselves to manage renewable energy usage in our worldwide offices.

- **SDG 8:** Decent work and economic growth. At AHHIC we serve the SDG 8 aiming to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Furthermore, we provide training opportunities to employees for professional development and we are committed to responsible innovation practices. Finally we provide policy advocacy to contribute to decent economic growth.



- **SDG 9:** Industry Innovation and Infrastructure. At AHHIC we serve the SDG 9 aiming to build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. We are striving to promote and enhance innovation in all aspects of our company's activity, committed to advance our research and development programs.

- **SDG 10:** Reduced Inequalities. At AHHIC we serve the SDG 10 aiming to reduce inequalities within and among countries. As we are a multinational company with offices around the globe, we fully respect the diversity, we have adopted a nondiscrimination policy and through our initiatives we contribute to reduce inequalities.

- **SDG 11:** Responsible consumption and production. At AHHIC we serve the SDG 11 aiming to make cities and human settlements inclusive, safe, resilient and sustainable, as we adopt a business model designed to contribute to responsible consumption and production.

- **SDG 13:** Climate Action. At AHHIC we serve the SDG 13 aiming to take urgent action to combat climate change and its impact. We are a proud member of HELMEPA, members of our Board of Directors play a pivotal role in NAMEPA and we adopt the anti-plastic strategy and the strategy against illegal fishing. Furthermore, we strongly support recycling, we operate in a paperless way and we monitor energy usage.

- **SDG 14:** Life below water. At AHHIC we serve the SDG 14 aiming to conserve and sustainably use the oceans, seas and marine resources for sustainable development. We support the actions to support marine protected areas, we have adopted the anti-plastic strategy and we do monitor the reduction of waste.

- **SDG 15:** Life on land. At AHHIC we serve the SDG 15 aiming to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss. Furthermore, we work with stakeholders to improve behaviour performance on SDG 15.

- **SDG 16:** Peace Justice and Strong Institutions. At AHHIC we serve the SDG 16 aiming to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. In addition, we provide more transparency by sharing publicly information, such as our financial performance and our social and environmental performance, while we support the stakeholders' engagement.

- **SDG 17:** Partnerships for the goals. At AHHIC we support initiatives and projects that protect the economic, social and governance framework whilst promoting sustainable development goals (UNEPFI Principles for Sustainable Insurance, Sustainable Blue Economy Finance Initiative, UN Global Compact).

Sustainable Blue Economy Finance Principles

Principle 1 Protective

As Sustainable Development Goals are at the forefront of the global interest and decision making, we firmly support initiatives and projects aiming to protect the marine environment and ecosystem whilst promoting SDGs. We are the first marine insurance signatory company of United Nation's Environment Programme – Principles for Sustainable Insurance and Sustainable Blue Economy Finance Initiative, we are members of the Ship Recycling Transparency Initiative and Net Zero Insurance Alliance, while we are aligned also with United Nations Global Compact.

Our executives

Our utmost priority is the human rights engagement within our company, thus through our policies, we aim to protect health and safety of our executives in respect of human rights. Our business strategy encourages openness, transparency, accountability, integrity and non-discrimination of any kind. Especially with reference to the Covid-19 pandemic outbreak, our sustainability strategy has proven to be more than proactive.

Since March 13th 2020 all functions of American Hellenic were conducted off-site, an initiative that protected health and safety of our executives, while prevented business disruptions.

This was achieved by investing in state-of-the-art technology, as of 2016, we have launched the vertical solution "Navins" which is based on Microsoft Dynamics, and allows our operations to be conducted remotely.

Our clients

We pride ourselves on providing secure and innovative solutions for our clients, tailored to the characteristics of each relationship. We stand ready to support our valuable partners anytime around the globe, as the team's decision-making is guided by a long-term view of the maritime adventure and a firm belief in the sustainability of the shipping industry.

During Covid-19 pandemic outbreak through our business and innovation strategy we provided safety to our clients and their needs. Our business continuity plan was set into force with an immediate effect preventing business disruptions. We stand by our clients through transparent and risk management procedures, we support our clients anytime around the globe.

Principle 1

Protective

The ecosystem

Aiming to protect our company, our clients and the marine ecosystem, we have adopted series of sustainable, strict underwriting criteria.

Our vessels need to be members of the International Association of Classification Societies, whilst they need to fly white listed flags and their age need to be no more than 15 years old.

During our underwriting process we involve other insurance professionals that are privy of our sensitivity to the sustainable insurance. At the same time by keeping our independence we are not subject to pressures for profiteering by insuring sub-standard vessels which could potential harm the environment of become a health hazard for their members of the crew. In our view sub-standard vessels should become uninsurable.



Principle 2

Compliant

Our top priorities are the establishment and application of suitable procedures for the purpose of achieving a timely and on-going compliance of the Company with the existing legal and regulatory framework.

We are in constant dialogue with regulatory authorities, the shipping community and the International Maritime Organization, we continuously invest in protecting our business from disruptions, adopting best practices for our clients and constantly monitoring Environmental, Social and Governance risks that might affect our sustainability strategy.

Compliance with regulatory frameworks is our top priority as we aim to achieve integration with our sustainable approaches. Furthermore, all individual employees share the responsibility of compliance with applicable laws, regulations and business standards. To this effect, Senior Management ensures that all staff in their respective departments has knowledge of applicable compliance policies, and understand the regulations, standards and best practices associated with the discharge of their respective duties, as well as the compliance risks involved and managing of such risks.

Principle 3

Risk aware

The insurance industry plays an important role in promoting Environmental, Social and Governance (ESG) issues, which pose a shared risk to marine insurers and the shipping community. ESG risks are arising out of climate change, violation of human rights, pollution, along with risks related to health and safety of the onshore and offshore employees in the shipping industry.

At AHHIC we embrace a holistic approach in risk management, assessment and mitigation. We continuously stress test our ability to withstand adverse scenarios which incorporate environmental, social and governance issues.

Through our effective risk management mechanism, we design and implement sustainability strategies, monitoring processes and transparent reporting, while we review carefully and apply risk management procedures to new products, market business and renewal terms.

Principle 4

Systemic

We adopt a systemic approach to our activities, bearing in mind that marine insurance is a commodity and should be considered as a vital part of the maritime cluster. Therefore, we examine impacts related to Environmental, Social and Governance issues.

Furthermore, our systemic approach is based on integrating, complying and implementing policies, rules and regulations is liaised to internal processes, state and international law. With regards to Solvency II requirements, AHHIC has demonstrated adequate solvency, strengthening its position in the global insurance market. Therefore, our company provides reliability, enhances transparency, and creates a more trustworthy – competitive- environment for insurance companies to be part of.

Principle 5

Inclusive

We are prioritizing Sustainable Development Goals at all levels of the company's activity, whilst safety, protection and risk awareness are at the heart of our underwriting, finance and claims processes.

We embrace an inclusive growth approach to our business model, through identifying and mitigating risks in co-operation with all stakeholders in the maritime adventure.

In addition, as sustainability is considered the new smart way of business operations, investments and projects, marine underwriters should endorse ESG issues in their business and investment activity, whilst investing in projects and initiatives that identify and disclose unsustainable practices, providing guidance to inclusive growth.



Principle 6

Cooperative

To implement sustainability strategies and pioneer in new business models that embrace ESG risks, we need to invest in partnerships. Therefore, at AHHIC we cooperate with financial institutions, regulatory and governmental authorities, along with International Organizations and Universities, to implement Sustainable Blue Economy Finance Principles.

Further to UNEPFI's Principles for Sustainable Insurance and Sustainable blue Economy Finance Initiative we encourage all initiatives towards sustainable blue economy, resilience, protection of endangered species, sustainable investments and financial tools, as mentioned in the "Turning the Tide: How to finance a sustainable ocean recovery" guidance paper, such as EU Taxonomy, Taskforce on Climate-related Financial Disclosures (TCFD), Taskforce on Nature-related Financial Disclosures (TNFD), Ocean Risk and Resilience Action Alliance (ORRAA), Coalition for Private Investment in Conservation (CPIC), IUCN Blue Natural Capital Finance Facility, Willis Towers Watson Global Ecosystem Resilience Facility and Capitals Coalition.

Principle 7

Transparent

Integrity and transparency are the cornerstones of our operation as a leading marine insurer. At AHHIC we adopt transparency in all aspects of our business activity.

At AHHIC, we are committed to transparency and accountability through regular public disclosures. Thus, we publish an annual Solvency and Financial Condition Report. Especially with reference to the ESG issues, we disclose sustainability reports and publications towards the implementation of the Principles for Sustainable Insurance and Sustainable Blue Economy Finance Principles on an annual basis.

Principle 8

Purposeful

We support projects towards the Sustainable Development Goals, aiming to quantify the SDGs for the marine insurance industry. We aim to endorse a heat map for the 17 SDGs enabling the global insurance industry to react in a responsible way.

Principle 9

Impactful

We believe in lifelong education to minimize sustainability related risks and raise awareness on sustainable blue economy and ESG issues. We seek interdepartmental dialogue and adopt a horizontal approach of implementing our sustainability strategy. To achieve this, we invest in lifelong education.

Therefore, we have signed a MoU for cooperation with the World Maritime University, aiming to launch a Post Graduate Diploma in marine insurance. We co-operate with National and International Universities, adopting an extensive internship and training program. In addition to the professional trainings adjusted to our executives, we launched a pioneer online training program for all our employees. We support initiatives, alliances and projects that provide social, environmental and economic benefits for our ocean.

Furthermore, in March 2021 our executives from our Underwriting and Claims Departments have successfully passed International Union of Marine Insurance Hull Tutorial Exams, broadening their knowledge and expertise in the area of underwriting, risk assessment and claims management.

Principle 10

Precautionary

Assessment is the cornerstone of our activity.

We are fulfilling the promise that to settle a covered loss is the essence of insurance. Consequently speedy and diligent handling of valid claims is essential so that any loss, disruption or inconvenience is minimized for our clients.

We believe in being hands-on and in addition we can draw on an extensive network of competent surveyors, salvors, solicitors and other resources that may be required in order to provide fast and efficient management of claims, even in the most complex cases. We are focused on improving speed, efficiency, understanding and reassurance to our clients.



Principle 11

Diversified

Our scope is to make the difference in sustainable blue economy, through inspiring and encouraging the marine insurance industry to embrace sustainability related initiatives and act in a responsible way.

For this reason, we are committed to extend our network of co-operations with regards to] sustainable development projects, whilst participating in international fora raising awareness on the topic. Part of our marketing strategy is also committed to meet the ESGs KPIs and enter into new institutional and non-institutional co-operations to achieve the inclusive blue economy targets.

Principle 12

Solution-driven

We adopt an innovative strategic approach in our business aiming to foster best practices for the marine ecosystem, with a firm belief that best practices start from within.

As part of AHHIC's innovation strategy, we invest in cutting-edge technology, best practices, training and education and in institutional co-operations with International Organizations and Universities.

Furthermore, we adopt anti-bureaucratic procedures and we communicate our initiatives with all stakeholders related to the maritime adventure.

In addition, following bottom up procedures, we encourage interdepartmental dialogue through which each executive may propose new initiatives that ameliorate company's functions and operation. As part of our communication strategy, we share in public and via our media and digital media channels all innovative actions undertaken by AHHIC. Moreover, we encourage all stakeholders to take part in our innovative projects aiming to share knowledge and expertise.





Principle 13

Partnering

We encourage institutional co-operations with public, private and nongovernmental entities to promote Sustainable Blue Economy adopting an inclusive approach to all our business scenarios.

We are in close co-operation with the Insurance Association of Cyprus, actively participating in its committees aiming to enhance the dialogue within the institutional organization of the insurance industry in Cyprus. We co-operate closely with the Cyprus Shipping Chamber (CSC) and our CEO, Mr. Ilias Tsakiris is a member of the (CSC) marine insurance committee. Finally, we are in close co-operation with the Greek Shipping Chamber and the Greek Maritime Cluster, so as to develop integrated ESG risk management approaches in the Greek shipping community.

In December 2020, Mr. Ilias Tsakiris, CEO, of AHHIC was elected member of the Ocean Hull Committee of International Union of Marine Insurance, representing Cyprus for the first time on the international body. Therefore, he is committed to advance the sustainability agenda within Committee's members and IUMI's initiatives.

At AHHIC, we intend to enhance the dialogue with the intergovernmental and non-governmental organisations. Thus, we promote the dialogue within the UNEP FI Sustainable Blue Economy Finance Initiative, in order to serve the Sustainable Development Goals. Furthermore, we are a proud member of the Hellenic Marine Environment Protection Association (HELMEPA) and the North American Marine Environment Protection Association (NAMEPA) supporting the action against climate change.

As members of the Greek Shipping Hall of Fame Academy, subscribers of the UK Average Adjusters, members of the American Hellenic Chamber of Commerce and the British Hellenic Chamber of Commerce we aim to introduce more stakeholders into the dialogue towards sustainable development.

Our scope is to enhance the co-operations with Academia and the Scientific Community to foster research and developmental programmes on ESGs, through our co-operation with World Maritime University (WMU), University of Piraeus (UNIP) and other key scientific and academic institutions.

Principle 13

Partnering

Ilias Tsakiris, CEO of American Hellenic Hull , has been elected as a member of the prestigious Ocean Hull Committee of the International Union of Marine Insurance (IUMI), the first time a Cyprus-based insurer has been represented on the body.

IUMI can trace its roots as a forum and a voice for the international marine insurance industry back to the 19th century. IUMI's mission is to enhance marine insurance standards through activities that include research and reporting, education and training, networking among members, and lobbying. The Ocean Hull Committee identifies risk trends and issues, whilst raising awareness of global threats and opportunities for the marine hull and machinery insurance sector.

A strong believer in sustainability, Mr Tsakiris has also led AHHIC to become the first marine insurer to sign up to the United Nations Environment Programme Finance Initiative Principles for Sustainable Insurance as well as the first in its sector to sign the UNEPFI Sustainable Blue Economy Finance Principles. AHHIC was the sole dedicated marine insurance company that participated in the development of UNEPFI's first global guide to managing ESG risks in non-life insurance sectors.

Recent pioneering steps have included a partnership with the World Maritime University to launch a postgraduate diploma in marine insurance.



Principle 14

Science-led

Our main priority is to foster education and to provide young leaders, professionals and other stakeholders with educational and professional skills in order to serve the maritime adventure in a sustainable way. We embrace education aiming to endorse the industry with relevant skills, upscaling marine insurance within the maritime cluster.

We encourage Research & Development projects for Hull & Machinery insurance arising directly out of the industry and driven by the industry in co-operation with educational institutes, other key stakeholders and public entities. Through various educational toolkits such as marinfographics, social media campaigns, articles, internal tutorials, internships, guides, papers and publications we develop innovative solutions for the new generation of marine underwriters.

In addition, we disclose and develop data on potential ESG risks, whilst being transparent and sharing in public information related to Sustainable Blue Economy.

Furthermore, we aim to support the inclusion of ESG issues in professional education. AHHIC and World Maritime University (WMU), founded by International Maritime Organization, signed the first of its kind Memorandum of Understanding in marine insurance.

We decided, among other initiatives, to launch Professional Development Courses and a Postgraduate Diploma in marine insurance. We are committed to include ESG issues in the Professional Development Courses and the Postgraduate Diploma. The WMU, founded by the IMO, embraces and promotes the Sustainable Development Goals.

Thus, together with the WMU, we will work to advance the SDGs in the marine insurance industry.







Underwriting

The insurance industry plays an important role in promoting Environmental, Social and Governance (ESG) issues, which pose a shared risk to marine insurers and the shipping community. ESG risks are arising out of climate change, violation of human rights, pollution, together with risks related to health and safety of the onshore and offshore employees in the shipping industry. AHHIC integrates the Environment, Social and Governance issues into risk management, underwriting and capital adequacy decision – making processes.

Unsustainable practices come at a serious cost to all insurance companies balance sheets, and insurance capacity is not limitless and comes at a considerable price both for the insurance industry. In order to Implement sustainability strategies and pioneer in new business models that embrace ESG risks, AHHIC has invested in partnerships towards this direction.

In our business operation, we implement strict, sustainable underwriting criteria in order to maintain the quality we wish to share with our client shipowners and ship managers.

Our strategic network of seven international offices provides us with the local insight and service capability to respond to the needs of shipowners in major maritime centers around the world.

We have built up an exceptional reputation in the international market and participate in many major accounts. AHHIC has an international portfolio currently consisting of almost 3,200 vessels, with an extremely high renewal ratio.

Our underwriting team is comprised of highly skilled professionals, with over 40 years of experience in underwriting and claims handling. We are dedicated to providing our clients and brokers with first-class service and maintaining relationships built on trust for a sustainable and mutually beneficial future.

Claims

We are fulfilling the promise that to settle a covered loss is the essence of insurance. Consequently speedy and diligent handling of valid claims is essential so that any loss, disruption or inconvenience is minimized for our clients.

This is the heart and soul of what AHHIC does. Integrity and transparency are the cornerstones of our operation as a leading marine insurer.

AHHIC's Claims Department maintains a continuous dialogue with the client, always seeking solutions rather than exclusions. Our pragmatic approach leads to swift and prompt settlement of all valid claims, and we are proud of having one of the speediest claim processing records in the market.

Claims risks related to ESG issues

- High risk appetite for unsustainable practices such as plastic pollution and illegal fishing, climate change related emissions and decarbonization.
- Direct risk appetite for air pollution, greenhouse gas emissions, and transition risks.

Fouling – Ocean Pollution

Since the company's inception, numerous cases were reported to us involving entanglement of fishing nets and ropes, in ships' compartments, and more particular at ship's propeller.

In the same vein, a great deal of cases was notified to us where the propeller, or other parts of ship like stabilizer fin, made contact with submerged object, which led to consequential damages. It is worth noting that this type of claims can result to substantial losses for the Assured, the amount of which can exceed the USD 2 million. Although we are unable to describe the nature and composition of submerge objects, their existence undoubtedly is a threat for the oceans.

Fishing nets are mostly made from nylon, a plastic material that can withstand the intended use. Due to their composition, fishing nets never decompose and continue to serve their purpose even after being discarded, meaning the trapping of marine life and flora. Gladly, there are some efforts/initiatives towards the production of less harmful fishing nets with the use of new sustainable materials, like Econyl.

Ropes and lines are used for mooring operations and derelicts of them have been detected in the marine environment on many occasions. Those are made again from synthetic materials so they can serve their purpose and combat the strengths and stresses over them.

Plastic Pollution

In terms of plastic pollution, Hull and Machinery insurance industry faces a wide range of challenges related to claims arising out of plastic pollution.

We have seen many incidents and as plastic pollution is still at the top of the global climate agenda, we are prepared to face relevant incidents in the future. Plastic pollution is considered as a high risk for the battle against climate change.

What we should take under serious consideration, is that for H&M insurance, pollution causes severe losses affecting risk management, forcing insurance companies to re-consider their risk appetite and seriously increasing the cost for insurance buyers.



Alternative Fuels - IMO 2020

The new IMO2020 Regulation demands that ships will start burn fuels with 0.50% m/m (mass-by-mass) sulphur content, from 1st January 2020 onwards. This is a global limit and is supplemented by the already established limit for ECAs zones where maximum content is even lower, at 0.10% m/m.

IMO 2020 is old news for the sustainable planning of the IMO, but uncharted waters for the marine insurance industry. We have seen many claims arising out of the IMO 2020, which are related to scrubbers and non-compliant fuels. We noted that in 2020, 8.6% of all Machinery Related claims were connected with the IMO2020 new regulatory status, while in terms of Claim cost they comprised 12,6% of total costs of said incidents.

The aftermaths of IMO2020 are yet to be seen however some inferences can be drawn after one year in implementation, such as the necessity for crew training regarding the use of scrubbers-new fuel oil-lube oil combinations, in order to avert engine damages and the necessity for quality standardization of new fuels and update on ISO 8217.

Alternative Fuels - Green House Gas Emissions 2050

The GHG2050 goal, means that the future of shipping is multi-fueled. A broad spectrum of options awaits owners concerning the fuel used for marine propulsion. However, no golden rule exists for shipping companies regarding which fuel application is the best for the environmental performance of its vessels and the choice should be made on a multitude of factors. We will always encourage commercial decisions which provide for long term sustainability of the shipping industry.

It has to be noted that in order GHG 2050 goals to be achieved, the emerging green and sustainable technologies must become more commercially available and become a real option for the majority of shipowners.

To this view, we monitor and promote the necessity for investments in the field of renewable and sustainable marine propulsion resources, so as to eliminate the relationship between “greener” alternative fuels and increased costs for the entire shipping industry, which is an impediment to achieving said goals.

Ballast water management system

We encourage our clients to implement Ballast Water Management Systems, which aim to further minimize the uptake and subsequent discharge of organisms from one marine habitat to another. This long-standing & necessary practice often is the cause of invasive species to be moved from one marine ecosystem to another leading to disruptions of both environmental and economic nature.

We are pleased to note that our Department sees an increase in the implementation of Ballast Water Management Treatment Systems on vessels insured by our Company, while at the same time we are pleased to report that we have received no claims relevant to the systems fitted.



Turning the tide: How to finance a sustainable ocean recovery

This seminal guidance is a market-first practical toolkit for financial institutions to pivot their activities towards financing a sustainable blue economy. Designed for banks, insurers and investors, the guidance outlines how to avoid and mitigate environmental and social risks and impacts, as well as highlighting opportunities, when providing capital to companies or projects within the blue economy.

Five key ocean sectors are explored, chosen for their established connection with private finance: seafood, shipping, ports, coastal and marine tourism and marine renewable energy, notably offshore wind.

Combined, the guidance and recommendations provide a road map with a detailed breakdown of which client activities to seek out as best practice,

which activities to challenge, and which activities to avoid completely due to their damaging nature.

The guidance leverages best practice based on input from over 50 pioneering institutions and experts. It supports the implementation of the Sustainable Blue Economy Finance Principles, which are a keystone in the market for financing a sustainable blue economy.

The Guidance is a follow-up to the Rising Tide report which was launched in February, which mapped the ocean finance space and provided an entry point for financial institutions.

We are proud to have contributed to the development of the guide, as we consider sustainable blue economy of utmost importance for a sustainable maritime adventure.

UN 
**environment
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**Sustainable
Blue Economy**



Signatories to the

