



International Group tells market Ever Given settlement will not hit reinsurance tower: report

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The International Group of P&I Clubs is reported by Insurance Insider to have to told the market that the ULCV **Ever Given** (IMO 9811000) settlement between owner Shoei Kisen, mutual liability insurer UK Club, and the Suez Canal Authority.

All sides have been remarkably cagey when it comes to revealing how large the settlement was, with the only reliable numbers available being the last public offer from the owner/UK Club (about \$150m) and the amount demanded by the SCA (about \$550m). Even though Shoei Kisen's ultimate owner is privately held and is thus less obliged to make its figures public, the annual reports of UK Club, the SCA and the International Group eventually will give the public some idea of the final figure.

Insurance Insider said that sources had estimated that the settlement would have had to hit \$200m to hit the lower layers of the tower, indicating that the final settlement was far closer to the shipowner's initial offer than to the SCA's initial \$950m-plus demand.

Losses to individual clubs of more than \$10m head into the pool, meaning that for \$90m the loss is shared among the other P&I Clubs (with the bigger clubs taking a larger share). From \$100m up to \$750m (ie, the area in which part of this loss sits) is 30% allocated to private placements (10% each) and 70% to the reinsurance markets. The Group's reinsurance captive Hydra continues to support the Group through its risk retention at the primary part of the Group's reinsurance structure.

Hydra retains a \$100m annual aggregate deductible (AAD) within the 70% Market Share in Layer 1, hence the \$200m settlement requirement before the reinsurance market takes a hit.

Meanwhile, the Ever Given will not be making its normal call at the port of Hamburg due to concerns surrounding navigation safety, operator Evergreen said on Friday July 16th.

The cargo planned to be discharged from the of the 20,388 teu vessel in Hamburg will instead be unloaded in Rotterdam and transshipped to the destination port by the 5,652 teu, 69,246 gt **Ever Utile** (IMO 9188154).

Evergreen said that “while Ever Given is en route to her destination ports in Europe, the vessel needs to follow the guidance outlined in its seaworthiness certificate to sail at lower speeds and to call only Rotterdam and Felixstowe”.

The company said that it was coordinating with the terminal operators regarding berth arrangements and that it expected to unload the cargo set for Hamburg at Rotterdam Euromax Terminal on August 2nd. Ever Utile is scheduled for a Hamburg port call on August 8th.