

Poseidon Principles for Marine Insurance enter into force

By admin On May 6, 2022 In Insurance Marine News, Keep, Political Risk, Credit & Finance

The Poseidon Principles for Marine Insurance are now entering into force, following AXA XL and Navium Marine joining as Signatories. At the recent founding meeting of the PPMI, Gard CEO Rolf Thore Roppestad was elected Vice Chair of the PPMI Association.

The PPMI is a global framework for measuring and publicly reporting the climate alignment of insurers' hull and machinery portfolios. At least eight signatories were needed for the framework to enter into force.

The Signatories will now be required to report their climate alignment scores on an annual basis. The first reporting will take place at the end of 2022.

As part of the PPMI founding meeting on April 27th, 2022, the members established the PPMI Association and elected members to its Steering Committee, the governance body that will coordinate the Association on behalf of its members. Patrizia Kern-Ferretti of Swiss Re Corporate Solutions was elected Chair of the Steering Committee and Gard CEO Rolf Thore Roppestad was elected Vice Chair. The founding members of the Association include Swiss Re Corporate Solutions, Gard, Hellenic Hull Management, SCOR, Victor Insurance, Norwegian Hull Club, Fidelis Insurance, Navium Marine, AXA XL, Willis Towers Watson, Cefor, EF Marine, Cambiaso Risso, Lockton, and International Union of Marine Insurance (IUMI).

The PPMI will apply to vessels that fall under the purview of IMO DCS where the Hull & Machinery (H&M) claims leader is a signatory to the PPMI.

Gard said that, as the PPMI was now in force, Gard would seek to include a standard wording clause into H&M policies affected by the initiative. The purpose of this clause will be to allow Gard to approach its clients for their IMO DCS submissions (CO2 emissions data) and Statement of Compliance, in order to fulfill our obligations under the PPMI.

For policies where such a clause has not been included, Gard will send policyholders a letter of consent that will serve the same purpose as the clause.

The Poseidon Principles are built on four pillars:

- Assessment of climate alignment,
- Accountability,
- Enforcement,
- Transparency

These pillars are shared with the Poseidon Principles for Financial Institutions and the Sea Cargo Charter. Established under the auspices of the Global Maritime Forum, these three initiatives aim to increase the transparency of environmental impacts within global seaborne trade, promote industry-wide change, and support a better future for the industry and society.