



149th AGM SPECIAL

Team Piraeus: An exciting journey ahead
Forward Thinking: The future of shipping

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The Swedish Club

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Another virtual AGM

This year, the Swedish Club's Annual General Meeting - its 149th - was yet again digital. Last year was the first time ever that the AGM was conducted by virtual means, and we believed it would be a one-off occasion. Little did we know that circumstances would continue to prevent us holding a face to face event. The meeting was broadcast in real-time and followed by many members and business partners - substantially more than last year.

Preceding the corporate AGM, we welcomed a guest speaker, Anders Hansen, a respected medical practitioner, author and TV host who explained how we could be 'brainfit'. With little effort, we can develop our brain capability, memory and decision making. Physical activity on a regular basis is the trick. The activity level required to achieve the objective is no more than we can all easily fit into our day-to-day life. Worthwhile considering.

The Club is in constant motion, responding to insurance needs, claims and providing loss prevention advice. We

are proud to have produced a series of webinars covering key topics in claims and loss prevention during the spring. The annual Marine Insurance Course in Gothenburg, normally run for a whole week in May, this year delivered prerecorded lectures in conjunction with digital live workshops. These events attracted a large audience with a diversified outreach across countries and shipping segments.

Of course there is nothing like personal contact, and we look forward to meeting face to face at events in the future, whilst continuing our increasingly popular digital programme.

Earlier this year the Club celebrated ten years of active underwriting from our office in Norway. The story began when the Club made the decision to participate in the ever-expanding offshore energy industry, in which further continuity underwriting was needed. Today, the focus has widened to all Marine and P&I products backed up by the Club's all-in-one service.

It is time for changing the guard in the Piraeus office. Having served as Area Manager for eight years, Hans Filipsson has handed the reins to Ludvig Nyhlén, recently from the Gothenburg office. Ludvig has taken on the challenge of servicing members in the region with enthusiasm and commitment. I would like to thank Hans for his dedication during these years and wish Ludvig good luck in the years to come.

Many interesting topics and articles are featured in this edition of the Triton. There are never two Tritons alike. I hope you enjoy the reading and please stay safe. 🙏

Lars Rhodin
Managing Director



The Swedish Club's 149th AGM

For the second time in its history the Club's AGM was run virtually from Gothenburg, with members and business partners joining the event remotely. This closes a chapter for The Swedish Club, as plans are already fixed for the 2022 AGM, which will take place in Gothenburg and will be a celebration of the Club's 150th Anniversary.

This year, the Club's Chairman Lennart Simonsson; Secretary of the AGM Per Settergren; and Managing Director Lars Rhodin were able to share the stage and

broadcast live to Club members from the Clarion Hotel Post, ably moderated by Åsa Lindell.

Opening the event Lennart shared his wish that the Club would soon be able to resume business as usual at the 2022 AGM: "Let's hope that next year life is back to normal and that we can have the normal arrangements again," he said. "Next year's AGM will be special for all of us, as we will be celebrating the fact that The Swedish Club will have been in business for 150 years."

Introducing the keynote speaker Lars Rhodin emphasised that The Swedish Club is all about adding value. "We add value in the way we handle claims, in the way we support our members in minimising claims, and in our role as industry advisor in insurance related matters," he said. "We aim to follow this approach and, as always, go beyond the AGM with a small programme which will still be entertaining, inspirational and thought provoking."

Managing Director's Report

Opening with the Oscar Wilde quote, 'Experience is one thing you can't get for nothing', Lars Rhodin spoke about the importance of experience, and that whether it requires effort, or costs money, it will always be needed.

Recognising a black swan

"Marine underwriters are trained to expect the unexpected, and there is a high degree of statistical certainty that the unexpected will actually happen," he said. "But we don't know exactly when and we don't know for whom. The black swan is something completely different. It's not known, and therefore cannot be expected. The pandemic is not a black swan. It was known but it was not expected. We know about pandemics, but we choose to forget them."

Our unsung heroes

Rhodin paid tribute to the seafarers and shipping companies that kept the world moving during the pandemic. "They faced travel bans, restrictions, and quarantine requirements" he said. "They have not been regarded as essential workers. They have stayed on board away from their families just to keep the world moving. They are our unsung heroes."

Volatility, resilience and business development

"In underwriting we had many pool claims and also retained claims. On the investment side we have now almost forgotten what happened in March," he explained. "At the end of the first quarter equity markets were in freefall, and at that point the Swedish regulator approached every insurer in Sweden demanding an

updated solvency statement within 24 hours. This needed to contain our assessment on the likely exposure to the Club of COVID-19 and a worst-case scenario. We demonstrated resilience and we had a strong capital buffer, and of course our business development continued."

At the end of the year the Club was happy to report a profit of 3 million USD. However during the course of the year the aggregated return in investments showed a swing of 50 million. "Now we're talking about volatility," remarked Rhodin.

For 2020 the underwriting result, a combined ratio of 123%, was the highest the Club has seen in 20 years. Lars explained that both pool claims and retained claims made a significant contribution. On the plus side however, the Club's free reserves are standing at an

all-time high level, with a return on the Club's own capital of 5% over five years.

Stability

At the end of the year the Club's ratings were affirmed as A- with a stable outlook, which was viewed as extremely positive considering that ratings agencies are currently taking a negative view on the industry due to underwriting and pool claims. The Club also continues to show a strong combined ratio average in the industry, in the seven years 2013 to 2019.

Key issues in 2020

Green issues - Before the pandemic fully broke, the sulphur cap was the hot topic. "It was all about availability, quality and the price differential between low sulphur fuels and HSF0s," said Lars. "From the point of view of claims, the issue had very little effect. However, the issues of climate and emissions remain very much alive."

Pool claims - In 2020 the *Golden Ray*, which capsized off the coast of Georgia, USA the previous year, became the second largest P&I claim in history, costing just short of 800 million USD. "These costs are very much driven by where the casualty occurs, says Rhodin."

Loss of containers - "Within four months, from November 2020 to February 2021, 3,000 containers were lost overboard. The *One Apus* lost almost 2,000 containers – how can that happen?" asked Lars Rhodin. "We have new ships, high container stacks and we hear about parametric rolling."

Fines - Rhodin raised the question as to whether fines should be insurable. He illustrated the point with the *MSC Gayenne*, where in 2019 customs officers discovered a record quantity of cocaine - 20 tonnes, and the operator was forced to post 50 million USD to obtain release.

Sanctions - The Club spends a great deal of time making sure that the Club and the fleet that it insures is on the right side of sanctions, explained Lars. "We get messages every day highlighting vessels entering areas which are considered high risk for sanctions, and it is a very complicated area for all of us."

The International Group

Hailing the International Group's pooling, Hydra and reinsurance systems, Lars Rhodin described the benefits of being part of the group, with a stronger voice, collaboration and sharing of data.

"It's a very robust organisation that can stand the shock of the kind of major claims we have seen," he said. "But the main issue is that the market premium isn't really there to cover the sort of exposure that we have seen for the last three years - a record level. You will see corrections going forward."

The Club

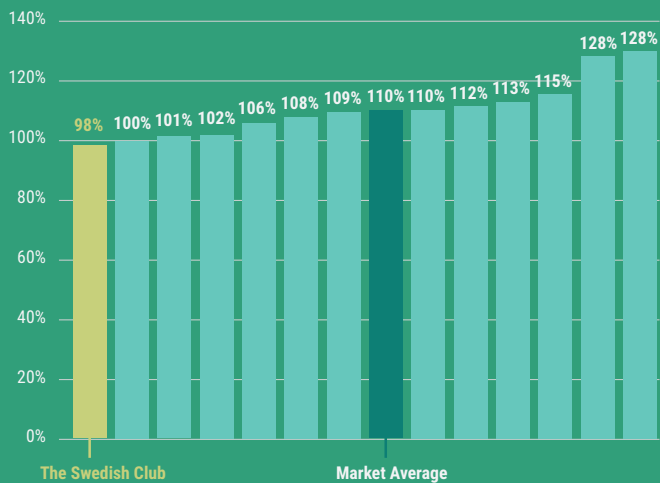
"There are now more than 5,000 vessels tracked through the Club's Trade Enabling Loss Prevention (TELP) system," said Lars Rhodin. "TELP now provides alerts on claims hotspots and piracy hotspots, as

"We add value in the way we handle claims, in the way we support our members in minimising claims, and in our role as industry advisor in insurance related matters."



Combined Ratio

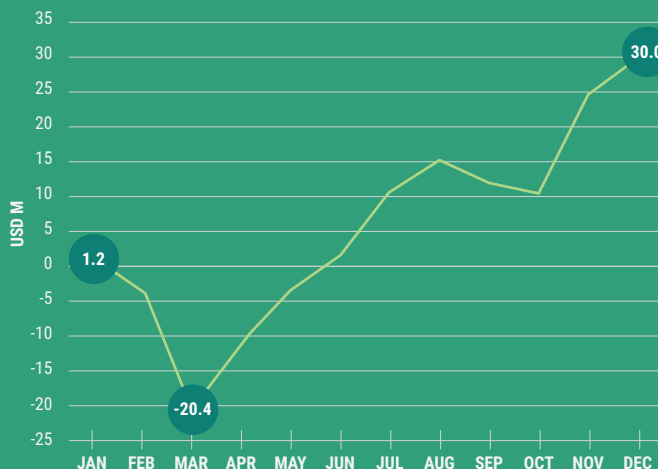
7 year averages, 2013-2019



Source: Arthur J Gallagher, Marine P&I Pre-Renewal Review 2020 and TSC's accounts

Investment Results 2020

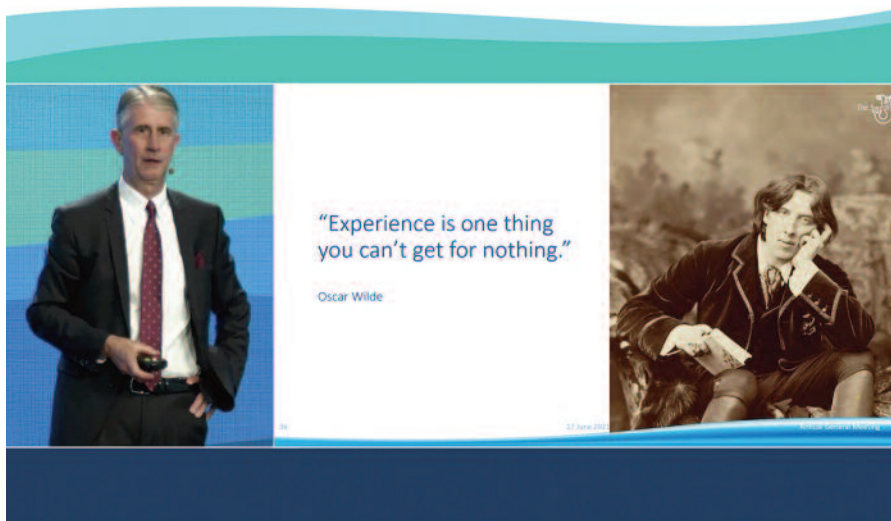
Aggregated return USD million



“The pandemic is not a black swan. It was known but it was not expected. We know about pandemics, but we choose to forget them.”

well as Bunker Alerts identifying potential issues with fuel, and Correspondents Advice giving up to date local information. More than 50% of members are now enrolled, and I urge all members to take advantage of the scheme which is unique to the Club and free to members.”

After discussing the Club’s commitment to sustainability Rhodin then talked about the Club’s plans for Asia. “The Club is expanding,” he said. “We are seeing a lot of growth in our Asian business generated through the Hong Kong office. Now is the time to complement that office with one in Singapore. We are currently seeking a licence from the authorities and our expectation is to be operational on 1 Jan 2022. Asia is a very dynamic region and we want to be part of that development.”



Finally, Lars introduced Safire – a new long term data project designed to support more efficient and informed decision making on the underwriting side and analyse claims more effectively.

Outlook

“There is no finish so love the journey,” quoted Lars. “Going into our 150th year we have a robust planning process with shared strategic and operational priorities. But we must never forget why we are in business, and that is the great importance of the Board. It reminds us of the ‘why’ – we are here to serve the needs of shipowners.

“We are a quality underwriter with a strong capital position; stable performance; a

“We are here to serve the needs of shipowners.”

seamless product range and unrivalled casualty response. We thank you for the opportunity to serve and look forward to meeting the challenges ahead together.”

Closing the meeting Club Chairman Lennart Simonsson expressed the hope that circumstances would allow members to be welcomed in person at the 150th AGM to be held in Gothenburg. “Looking forward to seeing you face to face soon,” he emphasised.



Are you brainfit?

Get moving – it will make you smarter! Psychiatrist, author and motivational speaker Anders Hansen had a simple message when addressing the Club’s AGM: Physical activity not only makes us feel better, but it improves our cognitive functions. It even seems to improve our intelligence.

“This is not something I made up myself but the result of numerous studies, many involving MRI scans,” he said. “The science has shown how extremely important it is for the brain that we move.”

The problem with memory

We even have the chance to improve our memory. “The hippocampus works as the GPS of the brain and is extremely important for memory. It reaches peak size when you are 25 to 30 and thereafter it starts to shrink, by about 1% a year. That contributes to the fact that memory is unfortunately reduced as we get older.”

Form new brain cells

It has been known for years that shrinkage of the hippocampus can be increased – by alcohol or drug use, for example, but to slow down shrinkage was thought to be impossible. Not any more. Researchers found that laboratory mice that ran on a wheel actually formed new brain cells in the hippocampus and improved their memory, when compared to mice who lazed about.

They then carried out the same test on 100 humans. Half carried out exercise that raised their pulse, three times a week, for

45 minutes. The other half carried out stretching exercises for the same amount of time. MRI scans after a year showed that the ‘stretching’ group’s hippocampus had shrunk by an average 1.4%. The walking/moving group’s hippocampus had actually grown an average of 2%.

“You might think ‘I don’t care about this stuff - it doesn’t affect how I function’. But it actually does,” explained Hansen.

The average growth was 2% – the hippocampus grew by 1% in some individuals in the walking group but by 3% in others. This 3% group also improved their memory the most – and they were the ones who had improved their cardiovascular fitness the greatest.

“So, if you are in your 50s, can you run your way back to your 25-year-old hippocampus? The answer is that no one knows,” says Hansen. “We do not know if this continues for ever – I don’t think it will, it is very unrealistically biologically speaking. It probably levels off at some point.”

Exercise and feel better

Hansen has written books about how the brain functions, including ‘The Real

Happiness Pill’ which explains in detail how exercise can benefit the brain. “We all know we feel better if we exercise,” he said.

“There are a number of neurotransmitters that affect our mood, the most important being serotonin, which connects to the feeling of harmony and inner strength – having too little is connected to anxiety and obsessiveness; norepinephrine, which keeps us alert; and dopamine, which motivates us to do things.

Antidepressant drugs increase the level of these neurotransmitters in the brain, he said. “But if I go for a run, I also increase the level of these neurotransmitters in the brain – all three. And that, together with endorphins, creates this feeling of wellbeing.”

In short, exercise can have the same effect as antidepressant drugs when it comes to mild depression, said Hansen. “I have a lot of patients who ask what actually works apart from medicine. I always say that psychotherapy works, cognitive behavioural therapy (CBT) works, and exercise works. I don’t want to downplay these drugs – they can be vital. But there is an alternative. It is not just either/or – a combination is often best.”

Dealing with stress

And there is more: Hansen explained the mechanics of stress and the way in which cortisol is released, making your heart beat stronger and faster, mobilising energy for fight or flight.

“When our ancestors were facing a lion, they had to make a decision: ‘Fight or run’ – there was no time to produce an Excel sheet with pros and cons, otherwise they would probably be out of the gene pool. Now we don’t face these immediate life-threatening situations, but we experience the same stress – often for months or years. That seems to be dangerous to some people, and it is no coincidence that long-term stress causes depression.”

The answer again: exercise. “What happens if I go for a run or a swim? The cortisol levels in my bloodstream will increase. But when I have finished, then the cortisol levels drop and fall to a lower level than before exercise. Then, when I get stressed for other reasons, I do not respond with such a high increase in cortisol if I am in good shape.”

In other words, regular exercise teaches the body not to react too strongly to stress, regardless of the cause, he said.

He threw out some more impressive facts and figures. Children aged ten were given a maths test to do under pressure, in a study which also involved activity trackers. The more steps the child took, the better they could handle the stress. “Some did not increase cortisol levels at all – and these were the ones that did the most steps.”

Maximising your IQ potential


Pre-military service tests of 18-year-old males in Sweden showed that the individuals with better cardiovascular fitness also had a higher IQ – even when comparing identical twins.

Disappointingly, that does not mean everyone can run until they become Einstein, said Hansen. “But everyone is born with an IQ potential and you push yourself down from that potential if you sit down too much. You could do better.”

Hardwired to eat

There is a catch (there always is!). We are lazy by nature, we like eating and we should not feel guilty about that, he said. That’s because calories were really hard to come by for our ancestors, with starvation a huge threat. We are hardwired to eat when food is there and to save our energy. Every weight loss is interpreted by the body as threatened starvation, making us want to eat more.

“Eating every calorie you can find has worked well for most of our history – but that’s a terrible idea in MacDonald’s!”



“Everyone is born with an IQ potential and you push yourself down from that potential if you sit down too much. You could do better.”

Evolved for exercise

In fact, he said, the benefits of exercise have always been known. Hippocrates said 'Walking is Man's best medicine' but the advance of modern medicine has pushed that knowledge into the background.

"We humans have used our smart brains to build exercise out of our lives. But we have lost something important along the way."

Forget the marathons, the sporty lifestyles, the health magazines, he said.

"But please do something. Move in some way. It is about having a body and brain that functions as well as possible. Ideally you should try to raise your pulse three times a week, 45 minutes every time. It doesn't have to be going to the gym or running a marathon. It might be walking or taking your bike to work, taking the stairs instead of the elevator. We are evolved for exercise and we will function and feel better if we just do that little bit more." 🏃

"Ideally you should try to raise your pulse three times a week, 45 minutes every time. It doesn't have to be going to the gym or running a marathon. It might be walking or taking your bike to work, taking the stairs instead of the elevator."

Connecting brain & body



Interview with AGM keynote speaker **Anders Hansen**.

Born in Stockholm in 1974, Hansen studied economics before switching to medicine. He started writing for a newspaper in order to finance his way through medical school and found he enjoyed presenting science to people in a way they could understand. He trained as a psychiatrist and after many discussions with a colleague about the effect of exercise, wrote his first book, 'Prescription for Health'.

"The book did well in Sweden and had very positive feedback," he says. "I then decided to write about the effects of exercise just on the brain."

'The Real Happiness Pill' was published five years ago, and Hansen followed up with a radio programme and TV series about the topic. He describes himself as a 'science communicator', apart from his job as a psychiatrist – he spends half of his time in clinical work.

Exercise and not competition

Hansen is passionate about the benefits of moving, but wants to move away from fixation on sportiness, performance and competition.

"You have to build exercise into your life – walk to work, cycle to work, walk up the stairs," he says. "I know how hard it is – and it should be hard, because we are lazy by nature. That is not a flaw in us, it is a feature in us."

He doesn't like the 'just do it' slogan – even though he runs and likes to play football and tennis, he knows it isn't that easy.

No more excuses

"I am a very good negotiator when it comes to negotiating my way out of finding excuses – my leg, my ankle, my knee, it's raining. I do run – I don't like it, but I do it anyway. I have periods when I feel down and then I realise that I haven't been running for two weeks. But if I make it social, I don't skip it. You don't want to be the person who always makes the call to cancel. That is a tactic I would recommend."

It is most important to find an activity that you can and want to do, he says, and he is also dismissive of the 'elite' element in sport. "It is putting many people off. We make it into crazy stuff like a 40-year-old man doing the Ironman."

Surely most of us know by now that exercise is important for health and reducing physical illness – but, he says, that knowledge doesn't necessarily motivate us. It can feel too remote. "However, the cognitive effects are here and now – that is what it is important to emphasise. Exercise can deliver a substantial creativity boost – if that could be shown for a medicine, it would be on everybody's shelves by now."

"We are a biological species; we evolved under conditions that are very different to the ones we live in today."

Positive emotions

His next book will focus on emotions and how they are constructed, and what we can do about depression and anxiety. "We need a deeper understanding of how we evolved. We have forgotten about our biology. We are a biological species; we evolved under conditions that are very different to the ones we live in today. There are certain things that send signals to the brain that it is safe, and then we feel good.

"We have divided the brain and body too much in our thinking, when they are closely connected, he warns. "Our experience of wellbeing is created in an organ – the signals from our brain and body are very closely integrated and extremely important for our emotions, but that is something we have forgotten about." 🧠

The Club welcomes two new Board members



A senior economist, Ms Yu studied international transportation for her degree and holds an MBA from Peking University. She joined the COSCO group in 2004 and served as Deputy General Manager of COSCO Logistics and then Deputy Managing Director of COSCO Container Lines before being appointed to her current roles.

"As Deputy Managing Director, Board Secretary and Chief Legal Counsel, the

Interview with Yu Tao

Deputy Managing Director, Chief Legal Adviser and Board Secretary of COSCO Shipping Lines

regulatory framework and risk monitoring are my priorities," she says.

What led her into the shipping industry? "The maritime industry has a long history and the shipping network has made global destinations closer," she says. "I was deeply aware that the development of the shipping industry was the key to our national policy of opening-up at that time, and so I chose this career with no hesitation.

"I love the vision of shipping – making the flow of goods smooth and global, just like the slogan of COSCO Shipping Lines – 'We Deliver Value'."

COSCO Container Lines first entered two vessels with The Swedish Club for P&I cover in 1994. "That was the start of our

relationship with the Club," said Ms Yu. "Since then, many more ships have been entered with the Club for P&I insurance from COSCO Shipping Lines, including the former COSCO Container Lines and China Shipping Container Lines. A number of companies in the COSCO Shipping Group have also had a business relationship with the Club for a considerable period of time."

Ms Yu says she was very pleased to be asked to join the board of The Swedish Club. "COSCO has worked closely with the Club for many years and values the relationship it has built up with such a friendly and professional organisation. We do feel very much part of The Swedish Club family," she says. 🇸🇪

The Swedish Club has also appointed Andrew Hampson, Chief Executive Officer, Tufton Investment Management Limited, to the Board, and we will feature an in depth interview with Andrew in the next issue of Triton.



Andrew Hampson

Chief Executive Officer, Tufton Investment Management Limited

Andrew Hampson initially joined Tufton in 2001 to assist in the development of its corporate finance business and subsequently to build up Tufton's position as a dedicated fund manager in the shipping asset space. Before joining the company he worked at Theisen Securities, a private maritime corporate

finance house, where he primarily focused on providing debt related advisory and arranging services to a variety of worldwide shipping companies and debt providers.

Andrew began his career with Bank of America in 1978, where he graduated through the bank's internal MBA level lending program. In addition to his role as Chief Executive Officer, Andrew is a member of the investment and advisory committees for various of Tufton's asset backed funds. 🇸🇪

“There is a great deal happening in Norway on the green agenda today. Its unique geography and concentration of forward thinking organisations make it a hub for innovative and cutting edge developments in the maritime sector. We take this opportunity to give you a roundup of the latest initiatives from our members and business colleagues in the region.”



Tore Forsmo,
Area Manager, Team Norway

Charting the course to automation

Interview with **An-Magritt Tinlund Ryste**, Product Director Next Generation Shipping, Kongsberg Maritime and **Øystein Engelhardtson**, Group Leader Ship Autonomy, DNV

Discussions about autonomous vessels frequently seem to take an 'all or nothing' approach. Are we really poised for an abrupt change from fully crewed vessels one day to something like the *Mary Celeste* crossing the oceans the next? Hardly. The advance of autonomy, and the potential for unmanned vessels, is an incredibly dynamic area but it is also a story of steady progress – evolution rather than revolution.

in congested areas with houses, schools, etc., while the ocean was just next door to their production site so they made the decision to make more use of it.

The 79.5 metre, 120 TEU YARA Birkeland, due start operation with reduced crew, and on schedule to be unmanned by the end of 2024, will be the world's first fully electric and autonomous container ship. It will sail within 12 nautical miles of the coast, between three ports in southern Norway.

Kongsberg is responsible for development and delivery of the enabling technologies for the vessel, including the sensors and integration required for remote and autonomous ship operations, as well as the electric drive, battery and propulsion control systems.

Electric barges

Kongsberg Maritime is also working with Norwegian grocery distributor ASKO, developing two unmanned electric barges to cross Oslo Fjord, carrying electric grocery supply trucks between a warehouse on one side and a distribution site on the other. The vessels will be equipped with the technology required for zero emission and unmanned operations by Kongsberg Maritime, while Massterly will ensure ship management and safe operations from its shore-based Remote Operations Centre. The vessels will operate with a reduced crew at first, before moving towards unmanned voyages.

"ASKO has sites on either side of the fjord and relies quite heavily on the Oslo Fjord tunnel. However, the tunnel is often closed at night and disrupts their logistics, so they were looking at alternatives to the very long road diversion," says Ryste.

"Neither YARA nor ASKO were traditionally involved in maritime at all; in both cases, it

Norway is leading the way in developing the technology around autonomous vessels and/or unmanned vessels. This effort is supported by close collaboration with government, the maritime authority, the coastal administration and class societies says naval architect An-Magritt Tinlund Ryste. As Director of Next Generation Shipping in Kongsberg Maritime, she heads up the company's autonomy initiative focusing on vessels subject to class and statutory requirements.

A gradual evolution

Kongsberg's 'journey' in this regard began as far back as the 1960s and 70s with a gradual automation of onboard systems. She points out: "It is not like the industry is going straight from completely manual and very conventional to full automation. However, in terms of remote operations and unmanned vessels, this work started in the middle of the 1990s, when we were piggybacking on previous experience with dynamic positioning and satellite communication, bringing that together with remote operations."

At that point, Sea Launch, the remotely operated platform for launching rockets into space, provided a testbed for Kongsberg's remote control technology – pairing this with advancements in the military sector contributed to great strides for civilian application, says Ryste.

"However, since 2017 we have seen a real shift in the remote control and autonomous area, with much more interest in the potential for commercial vessels, and that side has been racing ahead. We are using a lot of our knowledge, confidence and proven systems involving coastal cargo barges and vessels, towage and unmanned surface vessels for patrolling, surveillance and maintenance in wind farms, for example."

Logistics as the driver

Kongsberg is focusing on autonomous shipping through Massterly, a joint venture with Wilhelmsen. Ryste says much of the drive for autonomous technology isn't coming from 'traditional' shipowners. "In the maritime sector, some of the first movers in remote and autonomous were more the companies that had a desire to reduce the CO₂ footprint of their logistics chains."

The YARA Birkeland

Fertiliser company YARA is a prime example. They recognised that they had many lorries using small roads in Norway

"Much of the drive for autonomous technology isn't coming from 'traditional' shipowners."

FORWARD THINKING

was 'why not transfer the goods from road to water and have more control of the logistics chain?'

A holistic approach

DNV, the Norwegian classification society, started specific research into ship autonomy and remote control nearly ten years ago. "As a class society, it is not DNV's role to develop the technology in these systems. Instead, we focus on what will be required for such systems to operate safely and how this can be verified and documented.

"DNV started looking at the technologies required for such operations and their potential impact on risk and safety, and we quickly realised that assuring safety for such systems is a complex task as it can affect safety barriers on many different ship functions," says senior researcher Øystein Engelhardtson, based in Oslo.

The ReVolt concept ship

DNV has developed the ReVolt concept ship, which although never intended for production, demonstrates to the industry what is possible if you take things to the extreme. At the time it was introduced autonomous and unmanned shipping was not high on the agenda, and so it gained a great deal of attention.

"Gradually we have seen more focus on this topic and that is not detached from what is happening elsewhere in the industry. It is very much related to the general trends towards digitalisation, connectivity and decarbonisation. It is also related to developments within safety assurance, such as remote inspections and run time assurance."

Engelhardtson describes autonomous shipping as very multidisciplinary, with a particular issue being the human-machine interaction. "Although certain vessels are intended to be operated fully unmanned, some human involvement will be required for all of these systems, and there will be a combination of operators and systems that have to work together, either from a control centre ashore or on board the vessel. The challenges related to this should not be underestimated."

Regulations

Regulations play an important role in this because they determine whether you are able to operate or not, he says. "Operating an unmanned vessel within one country's national waters is more feasible in the short term than crossing a range of international waters. At that point you need regulations to be developed and ratified at IMO level and this is expected to take many years to complete."



Øystein Engelhardtson, Group Leader Ship Autonomy, DNV





“International regulations, data connectivity and the question of commercial viability remain big challenges in the journey to autonomous/unmanned vessels.”

This explains why the first major demonstrators of unmanned vessels will be in national waters, he says. “We still expect to see examples of autonomous and remotely operated systems in international waters that can operate within current regulations; where you still have crew present, but they may be assisted in or relieved of some of their tasks. This can be seen as a continuation of a trend that has been going on for centuries, where technology has taken over more and more functions on board.”

Having said that, much of the current focus of DNV’s research is related to implementing automated functions to support navigators in their work – for example, to detect dangers – rather than cutting crew numbers. The same technologies that would be considered for unmanned vessels can be useful also on fully manned vessels, he says.

An-Magritt Tinlund Ryste agrees. “International regulations, data connectivity and the question of commercial viability remain big challenges in the journey to autonomous/unmanned vessels.

“You can prove that the technology is capable and carry out a demonstration of that, but the international regulatory landscape is not really ready to cope until we have regulations that are internationally ratified,” she says. “So at present we are relying on agreements and approvals within national waters, with individual flag states and classification societies. Technically it is easier for an unmanned vessel to cross the open ocean than navigate in busy harbour waters – but the regulatory issues mean it is not currently possible.

Connectivity

“The cost of connectivity links is also an issue when crossing the ocean,” explains

Ryste. “You could rely on the smart vessel being able to handle any kind of situation – but what if something should go wrong mid-Atlantic? You need continuous connectivity to have continuous control, and that can be costly. However, we expect to see many more actors and tremendous developments in the next ten years to provide satellites and communications, and prices will drop.”

The Bastø 6

DNV’s SIMAROS project (Safe Implementation of Autonomous and Remotely Operated functions on Ships) is aiming to develop tools, methods, rules and regulations to ensure a safe autonomous ferry crossing.

The developed system has been implemented and demonstrated on the Bastø Fosen ferry Bastø 6, operating on the Horten-Moss service. Combining various inputs, including camera, radar and AIS, the



ship forms its own situational awareness, presented to navigators on the bridge. The solution automates the AI rationalisation, and response to, radar and camera capabilities for positioning and collision avoidance, including in reduced visibility conditions. The ferry is using new optical sensors for situational awareness developed from Kongsberg Maritime's advanced systems, while continuing to carry a full complement of crew.

Other developments being progressed by Kongsberg/Massterly include the Seashuttle project with Samskip, which is aiming to bring to market emissions-free, autonomous container ships that also operate at a profit.

Inadequate safety framework

The systems required to enable autonomous functionality of vessels are much more complex than we have traditionally seen on ships, says Engelhardtson. "It is the opinion of DNV that the industry lacks tools and processes for safety assurance that are fully capable of capturing the complexity in these systems meaning that new tools and processes must be developed to test and assure these systems."

Trickledown effect

While much recent industry focus has been on fully unmanned ships, "we have the impression that the focus has shifted –

More automation on board will relieve the stresses and strains on crew and reduce accidents."

attention has increased to using the technology to support regular manned operations. We are starting to see a lot of the benefits that can bring, such as avoiding collisions with the pier, increasing safety and allowing for more optimised operations," adds Engelhardtson.

Automated but not unmanned

DNV envisages autonomous functions that can operate independently but require humans on board to monitor and intervene if necessary. "Automation of navigational, cargo handling and engineering functions could deliver a lot of small improvements that together make a significant impact. Ship autonomy and remote control is much more than just unmanned ships, and the major industry impact is likely to be related to manned ships in the years to come."

Unmanned vessels will happen, he says, but it will be a gradual rollout, with a steady decrease of crew on board as has been the

case throughout history. "Where you can reduce the complexity, for example one vessel carrying one specific cargo from one port to another in a very limited area, that is where we expect it can be possible to operate unmanned."

Race to market

Ryste says she has seen a great shift during the four years that her work has been focused on remote control and automation. "It started with one or two projects. Now we see projects in every maritime company, a lot of government funding going into this in different regions and multiple projects. There is a race to get to the market with these kinds of solutions," she says.

"Ultimately, it isn't so much about testing the building blocks but about making it commercially available and profitable for operators to take into daily operations. But overall, I don't foresee that we will have a massive amount of unmanned vessels. It will be a more automated approach, leading to a reduced crew, better rotation for crew, more focus on safe navigation and support going in and out of critical areas, and more shore-based assistance than we have had before. More automation on board will relieve the stresses and strains on crew and reduce accidents."

A more integrated future

What would she predict for 20 years' hence? "I think environmental requirements will drive new vessel designs and new types of vessels. We will be building a lot more smartness into vessels. Some segments will be more automated than others."

Autonomy is not really the 'end goal', she insists – just the means to achieve something else.

"We will start looking at vessels in another light, not just as workhorses but as an integrated part of a much larger logistical chain. There will be more collaboration and sharing of data. We will start optimising in a much broader scope than we do today. We will take a holistic view, perhaps with 'highways' on the water and smaller vessels going into port. And everything will be a lot more connected." 🌐

Norway's Green Shipping Programme

Interview with **Anders Mikkelsen**, Regional Business Development Manager, DNV and **Chalotte Bjørn**, Head of Communications North Europe, DNV, Maritime



There are no quick fixes when it comes to zero-emission vessels – but innovative projects can certainly advance at speed when all sides work together. That very much sums up Norway's position in the development of zero-emission vessels.

"Norway is leading the way in this area. It is a complete shipping cluster with investors, funding mechanisms and policymakers – and that make this possible," says Anders Mikkelsen, Regional Business Development Manager for maritime in North Europe at DNV. "You also need to have rules and guidance in place regarding the application of these new technologies, and DNV has been at the forefront of that."

The classification society has been working closely with industry to establish

class rules on everything from LNG to batteries and hybrid technologies, and it has been the lead on a number of green shipping projects in partnership with others.

Action Plan for Green Shipping

The Norwegian government set out its commitments in a comprehensive Action Plan for Green Shipping published in 2019. Within this, it stated: "The Government's green shipping policy has been developed

in close cooperation with the business sector. It will be vital to build on this constructive cooperation to speed up the pace of change in the maritime sector in the period up to 2030."

The Green Shipping Programme

Among the initiatives, the Green Shipping Programme is a private-public partnership that was established in 2015 on the initiative of DNV GL, since renamed DNV.

The Action Plan states: 'The vision for the programme is to establish the world's most efficient and environmentally friendly coastal shipping fleet. The programme's studies and pilot projects are helping to identify and develop zero- and low-emission solutions that can be put into practice rapidly.'

The Green Shipping Programme is divided into four phases. The potential for battery and gas-based maritime transport in Norway was assessed in the first phase, starting 2015, and business cases were developed in phase two, starting in 2016.

The third phase, which started in 2018, is focusing on eliminating barriers to zero- and low-emission solutions in shipping,

“The Green Shipping Programme is very special to Norway – in six to seven years it has generated tremendous innovation and commercial capabilities in shipping in Norway, and it is also exporting great ideas.”

and the development of detailed implementation plans. In the fourth phase, up to 2030, stakeholders will seek to scale up the solutions that have been developed through pilot projects.

Mikkelsen says DNV is involved in a number of zero-emission pilot projects linked to the Green Shipping Programme, and is also taking the lead in other joint industry projects that are outside the programme.

“The Green Shipping Programme is very special to Norway – in six to seven years it has generated tremendous innovation and commercial capabilities in shipping in Norway, and it is also exporting great ideas.”

The programme is all about running pilot projects focusing on the ‘green shift’ and decarbonisation, he says. Initially it has mainly looked at coastal shipping, but now it is also expanding to the deep sea sector.

“It is a really fascinating programme, involving shipping companies, designers, manufacturers, shipyards, operators and landside infrastructure. And it is an integral part of what we do.”

Pilot projects

Among the pilot projects there is huge variety – and there are numerous partners. For example, in the Logistics 2030 pilot project, which seeks to reduce truck transport by developing a sea-based logistics structure between Norway and Europe, the pilot owner is the grocery group ASKO, and the participants have been Flowchange, Seatrans, DFDS, Grieg Star, Hydro, Norwegian Ports, the ports of Stavanger, Oslo and Bergen, the Norwegian Ministry of Climate and Environment, the city councils of Oslo and Flora, the University of South-Eastern Norway, SINTEF, Menon, the Norwegian Coastal Administration, the Norwegian Maritime Authority, Enova and DNV.

Other projects have been built around the shipment of aggregates and grain in electrically powered bulk carriers, the transfer of cargo from road to sea, hydrogen as a ship fuel, and sea drones – to name just a few.

The hydrogen alternative

Mikkelsen says that where tenders going out for ferry services in Norway used to specify ‘low emission’ ferries, now the government is

pushing for zero-emission. “The government is pushing suppliers and shipping companies to come up with carbon neutral alternative fuel solutions. Hydrogen ferries are what we are talking about now – and they are coming.”

As he points out, zero-emission ferries are a really big deal for a country like Norway, where there are about 300 ferry legs that are an integral part of the national road network and administration. “Norwegian fjords are very long and driving around them can take up to 10 hours – hence there are a lot of ferry crossings. We have been working closely with the road administration on how to set up tender processes, how to understand the technology choices, and how these changes will affect operations.”

However while he sees hydrogen as an ideal fuel for shortsea and coastal operations, “I don’t see that easily on deepsea vessels.”

Alternative fuels

“Of course you already have LNG, LPG and methanol for deepsea, and these are really good transition fuels to zero. Further ahead, we are more likely going to see ammonia, and potentially other green fuels that will come after 2030. Hydrogen isn’t a quick fix to solve it all – it is heavy and requires way too much storage, so a deepsea vessel might end up carrying more hydrogen than cargo. But overall, I am sure we will see a broad mix of fuels, including different types of biofuels.”

Different ship segments and trades will require different solutions – that’s logical. But also, he says, shipowners may have good connections to specific customers which will influence their access to particular fuels. “If you have a trade that can easily get access to a particular fuel at a fair price, that is a good option.”

Shipowners need to do their research, says Mikkelsen. “We have a lot of interesting conversations with them. Their risk appetites are not the same. Some will sit and watch before taking a decision. Others are making a few bets now. Some are looking at fuel cells – others are not because they feel that the technology is too complicated.”

Safety

There is, of course a big safety aspect in all of this. To some extent, there are safety requirements in place today that could be too constricting because they are based on 20-year-old technology, he points out.

“Certain requirements actually mean you are not able to make use of all your new technology and fuels – which means you are forced to burn more and emit more, because of the current safety rules. There is a balance to be found, and that has not necessarily been discussed yet.”

Chalotte Bjørn, DNV’s Head of Communications North Europe stresses: “Safety is at the core of everything we do, and we are very close to the industry in developing rules. For example, we have our ammonia-ready notation which was launched in July. We will have rules in place for all these new fuels to make sure the safety aspect is covered.”

Fuel flexibility

Mikkelsen explains: “You can build vessels to our guidelines on ammonia as a fuel. These first orders are being placed now – probably the vessels will go into service in two years’ time. At that point they will be ‘ammonia ready’, which means they will convert a few years later when prices are low enough and the supply chain is built to manage that fuel.”

“The government is pushing suppliers and shipping companies to come up with carbon neutral alternative fuel solutions. Hydrogen ferries are what we are talking about now – and they are coming.”

Fuel flexibility is very important for shipowners, he adds. “They don’t want to have all their eggs in one basket – then find the price of their chosen fuel is too high, or it’s not available.”

Catching up

While DNV can change its class rules, which are updated every six months, as a classification society it is not, of course, able to change actual regulations. “There are a lot of statutory requirements and legislation that shipping companies must adhere to – some of them are probably ripe for updating, but that is not in our hands. However, the work we undertake with IACS and the Maritime Technologies Forum (MTF) helps shape and influence global regulation drafted at the IMO.”

Equally, ports need to catch up in terms of providing onshore power or new fuels. A ship using hydrogen, for example, will need to make regular port calls where it can be confident of a supplier, because the onboard tanks will be relatively small.

“It is all about numbers,” says Mikkelsen. “There is so much happening, including research into fusion as well as ammonia. Once we have understood the bigger picture around biofuels and what land areas can be used for these, then more biofuels will come.”

“I am very optimistic. We have seen a significant push over the past two years, and a belief from the shipping company side. Where two or three years ago people were more shaking their heads and saying these were impossible ambitions, today they see that this will happen; they are asking, how will we manage this, and they are setting ambitions and targets.”

“In Norway, the funding structure is drawing money in from the shipping industry and putting it back – for example, money from the NOX tax goes back into innovative tech solutions. There are a lot of really well working mechanisms on the funding side here, and the industry is benefiting.”

Preparing for the extraordinary - the Alfa Lift

In the drive for decarbonisation, the world is shifting from offshore oil & gas to renewables. A company that perfectly reflects that transition is Club member OHT.

Not so long ago, 80% of Oslo-based OHT's business was serving the oil & gas sector. Now the company is committed to exiting that market altogether by 2026, with the exception of decommissioning. The focus is entirely on offshore wind developments, and OHT has invested an extraordinary 500 million USD in support of its work.

Demonstrating commitment

The symbol of OHT's new direction is big – very big indeed. Next year, the company will take delivery of the unique Alfa Lift, a heavy lift crane installation vessel now under construction at the China Merchants Heavy Industry (CMHI) yard in Jiangsu. With a deck the size of one-and-a-half football fields (10,000 square metres plus) and a crane with 3,000 tonnes capacity, the Ulstein design vessel is being built specifically in response to the increasing demand for efficient transport and installation solutions in the rapidly growing offshore wind market.



Interview with **Tom Jebsen**, Chief Financial Officer, OHT Management AS



OHT has also signed a contract with CMHI for the construction of the first of two next-generation self-propelled jack-up turbine installation vessels, being built specifically to install future-generation offshore wind turbines and giant monopiles, but with significantly reduced environmental footprint. This first unit is due to arrive in 2023.

A change of direction

“Traditionally OHT has been a heavy lift company – for example, lifting enormous oil rigs,” says CFO Tom Jebsen. “We consider the number of vessels within the heavy lift segment to be only 30 to 35, and we have five of them. A few years ago, we saw that there was going to be enormous development of offshore wind. Some 98% of the world’s offshore wind is bottom-fixed – floating wind is now being developed, but we believe it is still ten or 15 years away before it will be very competitive.”



“A few years ago, we saw that there was going to be enormous development of offshore wind.”





“The unique Alfa Lift will be delivered in 2022. The Swedish Club will be one of the main insurers of that unit.”

“So we focused on the fact that with our technology in handling huge weights, combined with dynamic positioning (DP) systems, we could create an ‘animal’ that would be much more productive than the jack-ups that have typically handled foundation installation. That was in 2015; in 2016 we developed the unique Alfa Lift, which will be delivered in 2022. The Swedish Club will be one of the main insurers of that unit.

Straight to work

OHT already has a contract lined up – the Alfa Lift will be put to work installing 190 foundations on the Dogger Bank. The smaller jack-up arriving in 2023 will take care of ‘above water’ installation work – the tower, blades and turbine.

The two vessels together represent an investment of 500 million USD. OHT was listed in order to raise the finance required. “It was very important to get the Dogger Bank contract,” says Jebsen. Initially it was with Equinor and SSE; then a third player, Eni, took a share.

“We start in July-August next year. Installation of the foundations will take 18 to 24 months, depending on the weather. The marshalling port for the foundations will be outside Rotterdam – the reason is that these foundations are huge steel piles, with diameters of 8-10 metres and 80 to 100 metres long.”

The Alfa Lift can accommodate at least 10 of these at a time, lying across the deck in purpose-designed cradles. The 3,000-tonne

capacity crane will pick each one up and lower it to the seabed; each piece will be driven into the seabed by a 750-tonne hydraulic hammer provided by the German specialist Menck.

Keeping the fleet busy

OHT is confident that its five older open deck semi-submersible heavy transportation vessels, named Hawk, Osprey, Albatross, Falcon and Eagle, will be kept busy in the renewables business. “Traditionally they have been transporting oil rigs. But we are now seeing offshore wind developing from very small fields where all the products or components were manufactured fairly close by, to really large fields where you can industrialise the process – which we have already done,” says Jebsen. “Last year we picked up 48 foundations on six voyages from the Middle East, around the Cape of Good Hope up to Scotland.”

What next?

The question is, what will follow the Alfa Lift? Probably something bigger, longer and with a larger crane, says Jebsen. But it will not be built speculatively, he says – OHT

wants to see some commitment from developers in advance.

“With this current 500 million USD investment programme we made the decision to build the first two units completely speculatively. We now have a contract – but we didn’t when we started to build. Field developers must now commit themselves before we order more. We have both turbine and foundation installation vessels on the drawing board, so we can move quickly.”

Early days

Offshore wind service and support is a typical ‘new’ industry in that it has started out with fairly small players compared to how the market is going to look, he says. “In the next two years you will start seeing consolidation in the industry, on the services side. Meanwhile in the field developer side, oil & gas companies and utility companies all need to become greener – and we can also see it could be a very profitable area. Offshore wind and

solar are going to be given primary access to the grids. We see lots of new participants coming in, and the targets of various governments will require another 250 GW of wind power by 2030 – but we don’t think there is going to be the installation capacity to handle that kind of growth.”

Handling growth

OHT is certain that there is a ‘tremendous undersupply’ of installation capacity which could make the government targets simply not achievable. “But nobody has been willing to come to us and give an assurance that if we built the necessary

vessels, they will rent for the first five years. If that was the case, we would have been able to place another order in the shipyard. It is taking two-and-a-half years to build the Alfa Lift, so if we ordered another today it would not be ready until 2025.”

Only a few years ago, OHT had a team of 15 involved in offshore wind – that has increased to 65 people, not including the seafarers who are typically recruited through agencies. “We will continue to recruit more people because when we do these large projects, quite a number of people are involved onshore to make sure the logistics and all the technicalities are handled properly,” says Jebsen. 🇳🇴

“What happens is that everything becomes bigger – we are talking about blades that are higher than the Eiffel Tower.”

Meeting advances in technology

Wind turbines have grown tremendously in capacity, from 2-3MW in the early days to around 14-15MW for those likely to be installed in 2023-24. “What happens is that everything becomes bigger – we are talking about blades that are higher than the Eiffel Tower. You can’t expect whatever construction/installation vessel you build to last as long as a normal marine vessel - for 25 years or more. It may last only ten years. Understandably, people are reluctant to place an order without some guarantees of work.”

As for the wind turbines themselves, they typically have a life of 20 to 30 years. However, Jebsen says it’s been found that blades often have to be replaced much earlier. “So the older installation vessels that are too small to install the biggest new turbines could still have a useful life servicing or upgrading older wind farms and turbines.”

OHT announced on 8 July that it will combine with Subsea 7s bottom-fixed renewable business, in which OHT will be the surviving entity. The combination is expected to be completed by early October subject to regulatory approvals.

Safety scenario

Swept away by large wave



By Joakim Enström, Loss Prevention Officer

Each month the Club's Loss Prevention team issues a new safety scenario to assist members in their efforts to comply with international safety regulations and to follow best practice. Visit Swedish Club OnLine (SCOL) for more examples.

CASE STUDY

The vessel was at anchor awaiting further orders when the weather started to worsen, with a wind force of 5-6 with southerly winds and a south-westerly swell of about 3 metres.

The Chief Engineer was on deck and noticing that one of the mooring ropes was trailing in the water from the stern, he informed the bridge. Soon afterwards the Second Officer and three ABs, followed by the Chief Officer, came to help retrieve the rope. The Master was on the bridge and monitored the operation.

While the crew were retrieving the mooring rope the weather rapidly worsened bringing with it a squall. The Chief Engineer saw a large wave coming towards the vessel and immediately called to everyone to try to find something to hold onto. The wave was about 5 metres high and hit the

While the crew were retrieving the mooring rope the weather rapidly worsened bringing with it a squall.

open deck, carrying the Chief Engineer and one AB into the water.

The crew could see the Chief Engineer and the AB in the water about 25 metres astern. The crew could not find any lifebuoys on the stern as they had been taken to the deck workshop to be repainted. This meant that they had to run midship to find lifebuoys but none of these had a line attached. Three lifebuoys were thrown into the water, but they did not reach the Chief Engineer or the AB. The Master released the starboard MOB light from the bridge into the water. He broadcast a man overboard distress signal on DSC, MF/HF, VHF and Sat C. The coastguard was also informed about the incident and started to search for the lost crew members immediately.

The vessel launched its fast rescue boat, proceeding towards where the crew members were lost. The Master could see the MOB lifebuoy smoke signal in the water for about two minutes and then heavy rain and swell restricted the visibility. He now pushed the MOB button on the GPS and on the ECDIS. The Second Officer came to the bridge and started to fill out the MOB checklist. There was no sight of the two men.

A coastguard aircraft informed the vessel a couple of hours later that they had sighted a body a couple of miles away but lost contact because of poor visibility.

Lookouts were positioned on the bridge wings to watch out for the men. The vessel and coast guard searched for the two men for two days but without success. 🚢

Discussion

When discussing this case please consider that the actions taken at the time made sense for all involved. Do not only judge, but also ask why you think these actions were taken and could this happen on your vessel?

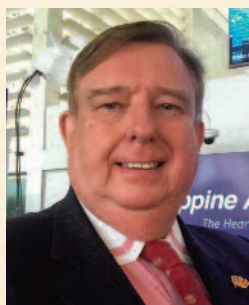
Ask yourself:

- What were the immediate causes of this accident?
- Is there a risk that this kind of accident could happen on our vessel?
- How could this accident have been prevented?
- What is the risk of this accident happening on our vessel?
- How could this accident have been prevented?
- What sections in our SMS, if any, were breached?
- Would our SMS have been enough to prevent this accident?
- If procedures weren't followed, why do you think this was the case?
- Do we have risk assessment procedures on board that address these risks?
- What do you think is the root cause of this accident?



Going home

Nigel Griffiths, Chairman of the Marine Advisory Medical & Repatriation Service, discusses the difficulties faced in repatriating seafarers suffering from mental health issues in the time of COVID.



Mental health has been challenged to the limits by COVID-19. More than one year after the pandemic began, the impact on the seafaring community continues to be felt. By the end of June 2021, worldwide total deaths due to COVID-19 had reached almost four million, yet maritime transport continued operating, serving the needs of the world's populations.

Seafarers have paid a high price for this success: travel restrictions have meant that they cannot leave their ships, be repatriated home or even receive urgent medical assistance. Other seafarers have seen their contracts unilaterally terminated or been quarantined on board their vessels for more than 14 days. Countries have put in place their own regulations and their own interpretations. Situations are now unimaginably complex.

It is clear from the increasing number of mental health cases that we have seen, that our time living with COVID has been one without precedence for its impact on the mental wellbeing of crew. Loneliness and social isolation have always been present, but this has been further enhanced by the cancellation of almost all shore leave. Depression arises from long hours and prolongation of contracts. Uncertainty fills the seafarer with formidable apprehension. In many instances he is powerless to take any action to lessen the impact of the situation in which he finds himself.

Fatigue continues to act as a major threat to both maritime safety and the mental health of seafarers. Insufficient rest, anxiety regarding family and sometimes the monotony of the work whilst at sea, can give rise to depression.

Problems with disembarkation

Pre COVID, a seafarer could more easily be disembarked and assessed for mental illness, but nowadays he must often continue to work aboard ship. If he is considered a risk, it may be necessary to allocate a fellow crew member to watch over him, placing an extra burden on his colleagues.

Mental health assessment is always difficult if the doctor and seafarer do not speak the same language and cultural differences may also interfere with the process.

Assessment and the language barrier

Even if a seafarer is eventually disembarked, it is often no easy task being hospitalised. The COVID screening test is challenging and often requires the seafarer to be isolated until his COVID status has been decided. Mental health assessment is always difficult if the doctor and seafarer do not speak the same language and cultural differences may also interfere with the process.

Fit to fly?

Psychiatrists are very often overly optimistic in respect of the potential for repatriation. Airlines set the criteria of fitness to fly, which generally requires the patient to be free of psychotic symptoms for a period of fourteen days prior to flight. This can be difficult to achieve, and if it cannot be attained in a reasonable time, then each case is considered on its merits by the airline's doctor.

Extra consideration must also be given to the possibility that the patient will need to be disembarked if he becomes too disruptive. The COVID regulations enforcing public health may well play an important part in decision making here, but if there are any concerns, the decision will always rest on the side of caution.

In a worst case scenario, the airline may feel it is more appropriate that the patient be transferred by air ambulance if it is considered that his behaviour would be too disruptive or have the potential to cause problems during the flight.

Finding flights

Once medical clearance is in place, by means of submitting the standard Medical Information Form (MEDIF),





the challenge of finding flights still exists. There are far fewer flights than before the pandemic, and often the number of seats available on those flights has been reduced, due to social distancing requirements. It is difficult to find seats and one has to be mindful of any regulations at connecting points.

Connections may be disallowed in some countries and in others may be restricted to certain carriers. The pre flight testing is also a challenge and must still be strictly conformed with. So many countries and so many regulations.

Medical escorts

The regulations apply equally to the medical escort if one is required. Some countries, including the Philippines, for example, have banned the issue of visas which means that escorts must be Filipino. Air ambulances have better access to countries as the doctors and nurses can enter as crew, but their situation has become more complicated due to additional requirements for permits.

We are certainly facing more challenges in repatriating seafarers, many victims of the stresses put on the seafaring

Loneliness and social isolation have always been present, but this has been further enhanced by the cancellation of almost all shore leave.

community by the pandemic. We will continue to use our best endeavours to help them return home to the care and support of their loved ones. 🙏

Important clarification of COLREGS

Evergreen Marine (UK) Limited v. Nautical Challenge Ltd (*Ever Smart* c/w *Alexandra 1*) [2021] UKSC 6

In February 2021 the Supreme Court handed down its decision in the first collision case to reach the highest appellate court in England in nearly fifty years. In this important ruling the Court provided essential clarification on the operation of the Collision Regulations (that is, the International Regulations for Preventing Collisions at Sea 1972, as amended, known as the COLREGs), particularly in the context of vessels sailing towards or out of a narrow channel.



Christian Dwyer
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Ince, London



James Drummond
Admiralty Manager,
Ince, London

The incident in question took place six years earlier outside Jebel Ali, UAE. The VLCC *Alexandra 1* was in a pilot boarding area moving slowly in an ESE direction towards a narrow channel which it was intending to use to enter the port. It collided with the *Ever Smart*, a large container ship, which was navigating in a NNW direction and emerging from the same channel. The collision occurred outside the narrow channel itself, but within the pilot boarding area. Prior to the collision *Ever Smart* was navigating slightly port of centre of the narrow channel, probably due to the effect of wind on the high-sided container vessel. A dispute arose as to which vessel was to blame.

Which Rule?

In the High Court the key question was which of the COLREGs applied: the Narrow Channel Rule, which obliges a vessel in a narrow channel to keep as near to its starboard outer limit as is safe and practicable (Rule 9) or the Crossing Rules (Rules 15 to 17). The Crossing Rules apply when two vessels are on crossing courses so as to create a risk of collision. The vessel which has the other on her starboard side is the 'give-way vessel' and must take

early and substantial action to keep well clear of the other. The 'stand-on vessel', that is, the other vessel, is to keep its course and speed.

The Admiralty judge in that first instance hearing took the view that it could not have been intended that there should be two sets of rules with different requirements applying at the same time, i.e. for *Ever Smart* to keep to the starboard side of the channel (Rule 9) at the same time as maintaining her course and speed (Rule 17). On that basis he ruled that in this encounter the Narrow Channel Rule applied and the Crossing Rules did not. Further, it was ruled that although the *Alexandra 1* was on a crossing course with the *Ever Smart*, her course was not sufficiently defined so as to engage the Crossing Rules. The outcome was that liability was apportioned 80/20 in favour of *Alexandra 1*. This decision was upheld in the Court of Appeal.

Ambiguity in COLREGS

The *Ever Smart* interests appealed to the Supreme Court, arguing that the lower courts' decisions generated ambiguity as to the application of the COLREGs, potentially undermining their

ability to promote safety at sea.

The two questions taken to the Supreme Court were:

Question 1 - Whether the Crossing Rules are inapplicable or are to be disapplied where an outbound vessel is navigating within a narrow channel and has a vessel on her port or starboard bow on a crossing course approaching the narrow channel with the intention of and in preparation for entering.

Question 2 - Whether it is necessary for the putative give-way vessel to be on a steady course for the Crossing Rules to be engaged.

Question 2

Dealing with Question 2 first, the Supreme Court's answer was 'no': the give-way vessel does not have to be on a steady course to trigger the Crossing Rules. The Court recognised that the Crossing Rules ought to be given as wide a scope as possible because they operate to ensure safe navigation. To add in a question of assessment of the nature of the course a vessel is taking would introduce uncertainty as to the application of these fundamental rules.

If two vessels are both moving over the ground and are crossing so as to involve a risk of collision, then that is enough to engage the Crossing Rules, even if the course of the give-way vessel could be characterised as erratic. The Supreme Court also confirmed that the stand-on vessel need not be on a steady course to engage the Crossing Rules, although once they are triggered then she must keep her course and speed.

Question 1

In relation to Question 1 and the rules that are to be applied just outside the entrance to a narrow channel, the Court identified three broad groups:

1. Vessels which are approaching the entrance of the channel, heading across it, on a route between start and finishing points unconnected with the narrow channel.

The Crossing Rules apply: the approaching vessel in this scenario is neither preparing nor intending to enter the channel nor shaping to enter it.

2. Vessels which are intending to enter the channel and on their final approach, adjusting their course so that they enter the channel on its starboard side.

The Narrow Channel Rule applies to the exclusion of the Crossing Rules. Once the approaching vessel is shaping and adjusting her course to enter the narrow channel, her navigation is already being determined by the need to comply with the Narrow Channel Rule and enter the channel on its starboard side.

3. Vessels which are also intending and preparing to enter, but are waiting instead of entering.

This group covered the present case where *Alexandra 1* was waiting to enter the narrow channel in a designated pilot boarding area but not shaping and adjusting her course to enter the narrow channel. It was held that the Crossing Rules, and not the Narrow Channel Rule, apply. *Alexandra 1*, as the give-way ship, should therefore have kept out of the way of *Ever Smart*.


The Supreme Court made it clear that the Crossing Rules should be applied wherever possible and, in the absence of an express stipulation, should not be overridden unless there is a compelling reason to do so.

A welcome judgement

Having found for *Ever Smart* interests on both questions, the appeal was allowed. The case will now be sent back to the High Court for reapportionment.

The judgment has been welcomed by the maritime community. The Supreme Court was very conscious from the start of the judgment that the Collision Regulations must be clear and understandable to mariners of all types, both professional and amateur, in worldwide waters. The judgment gives helpful guidance as to how the COLREGS, as an international convention are to be interpreted (broadly, practically, in good faith and uniformly).

The judgment clarifies an important point which had been left uncertain by the Court of Appeal, and emphasises the primacy of the Crossing Rules. It is therefore to be welcomed for promoting safety.

Appellants were represented by Ince Gordon Dadds LLP in consultation with Stann Law. Counsel for the Appellants was Simon Rainey QC and Nigel Jacobs QC. 

An exciting journey ahead

Interview with **Ludvig Nyhlén**, new Area Manager for Team Piraeus

As Ludvig Nyhlén settles into his new role as Area Manager in The Swedish Club's Piraeus office, he is full of optimism for the journey ahead.

Working around COVID restrictions, shortly after his appointment on 1 May, he was able to make an initial trip from Gothenburg to spend a week in Piraeus. "During that period, it was very evident that we know the people that we do business with in Greece very well," he says. "We meet them on a regular basis, and I would say we have more than just business relationships – people really know each other and each other's businesses and how they work. That makes everything easier because you can have a very open dialogue."

A seamless transition

Ludvig is delighted to be taking over from Hans Filipsson, who will stay with the Club in a consultancy role – the two have known each other going back to Ludvig's university days.

"When I studied shipping at university in Gothenburg, Hans was my teacher for two courses. I am very well educated," he jokes. "Taking over from Hans is a luxury – having him staying

around in an advisory position is fantastic. I know that all he wishes for is a successful transition and he wants the best for the Club, for our members and for me. He has built up excellent relationships and is really good at introducing people, and I know I can rely on his support."

Ludvig joined The Swedish Club full-time in 2011 but his links go back further as he spent some periods working for the Club during his studies. After graduating, he started out as an underwriting trainee in Gothenburg. He

"We have the chance to start afresh, to work and develop together with our members and learn from the last 18 months."



moved to Oslo as part of the team that established the Club's Norway office, and stayed there for four years before moving back to Sweden in 2018.

Looking forward to normality

Undoubtedly the pandemic has had its impact and Ludvig is cautious in predicting the future, but he says: "If the positive developments continue, we would be hoping by the autumn to be back close to what we had before. That would be great – but we are making no firm forecasts!"

Getting to know the team

Getting to actually meet his new team was something of a challenge. He was able to meet some people physically during his visit, while others were still working from home so there were digital introductions.

"Of course, settling in with the team is a priority," he says. "But I will also be focusing on rebuilding the team spirit after the pandemic. Everyone's been out of the office and I don't think it's good for a team to be separated like we have been. Perhaps we can't spend 100% of our time in the office – if that's the case, we need to find a balanced way to spend more time in the office and meet on a regular basis, and get that interaction going again.

That is important both for creativity and for developing our business."

A quick lunch together or doing after-office activities together is all part of being a team and people miss it, he says. "Also, we are located in Greece because we want to be physically close to our members and be there for them when they need us. We want to meet our members and prospective members, to be able to provide them with all the support they deserve. Perhaps we will become better at these digital relationships – but for me, there is something lacking."

A once in a lifetime opportunity

When Ludvig was confirmed as the new Area Manager – a year after The Swedish Club celebrated the 40th anniversary of its operations in Greece – he described it as a 'once in a lifetime opportunity'.

"We have the chance to start afresh, to work and develop together with our members and learn from the last 18 months," he says. "I am very much looking forward to meeting members and

business partners face to face and being able to build upon the relationships that the Club has established over the years. The Greek shipping market is very special to The Swedish Club."

Looking ahead to the future

In fact, the move to Greece is one of two life-changing events for Ludvig in 2021 – he has also become a father for the first time. His fiancée Andrea gave birth to their daughter Dylan in June, hence the slight delay in relocating to Piraeus. Subject to medical check-ups, the entire family are preparing to make the move in July.

"It is going to be a nice place to raise a small child," says Ludvig. "This is an exciting move for all of us, although I am well aware that I have the easier part, knowing what I will be doing each day. My fiancée is taking the larger responsibility for our new-born while taking a break in her professional career as a fashion buyer, although she hopes to be able to continue her work from home in Athens." 🇬🇷

“The Greek shipping market is very special to The Swedish Club.”



Supporting the next generation

Interview with **Hans Filipsson**, former Area Manager, Team Piraeus

Stepping down for the next generation is a healthy thing to do and most organisations would benefit from it, says Hans Filipsson. After eight years as Area Manager for Team Piraeus, Hans is taking up an advisory role, supporting Ludvig Nyhlén as his successor.

"I think it is very positive to let the younger generation take up new positions and new challenges, instead of being a barrier to their careers. When you step down you are still around and you can share your knowledge and make sure there is a smooth transition," he says. "Just to stay on might result in a company losing the people that they really need to keep."

A successful eight years

Hans can look back with satisfaction on a successful eight years which included last year's 40th anniversary of Team Piraeus – a date which was notable for more than one reason.

"The very first time I was in Greece was as a deck boy on a ship in May 1980. The office opened in August 1980 and 32 years later that 18-year-old had become Area Manager for The Swedish Club!"



"Hopefully we will see a more balanced insurance market."

His time at the helm has involved some challenging times: "Since I came here in 2013, we have been struggling with a very tough market with very low premiums and in 2016 we reached the lowest levels ever. Lately a large number of players in hull and machinery have either closed or stopped writing Marine-related insurance, so hopefully we will see a more balanced insurance market."

“When you step down you are still around and you can share your knowledge and make sure there is a smooth transition.”

An important market

The Greek shipping market is second to none and it has everything, he says. “It is a huge market. There are about 800 shipping companies in Athens. A lot of things happen every day. Clients are all around you, everyone is here, and you are always busy with brokers and members.”

In love with Greece

There are so many good memories that it is difficult to pick one, says Hans. “One thing I will say is that Greece is now my home and I will stay here. Some people think that is because of the Greek climate but it is actually to avoid the worst of the Swedish climate

in the winter months! It is easy to fall in love with Greece, and I did.”

Stepping down is not doing nothing – it is doing less, he says. “Ludvig is a very good choice and I am sure he will do very well. Yes, he was my student before he joined The Swedish Club, but now he is my manager. I respect him as such and will be here and available if he wants to discuss things where my experience comes in.”

As for his ultimate goal, Hans hopes to spend more time on the island of Poros, where he has a house. “The sea has attracted me since the very early days and still I love to go fishing or swimming.” 🇬🇷



A turbulent time

“Also, when I arrived, we were in the middle of the country's economic crisis that started in 2008-09. In 2015, capital control was imposed, and we were not allowed to withdraw more than 60 euros a day from the ATM. There was political turbulence and a lot of talk about Grexit. We were seeing signs of the Greek economy coming back, but then the pandemic hit.”



“It is easy to fall in love with Greece, and I did.”



Successful rollout for first MIC Online

The Club has just completed a successful pilot delivering its popular Gothenburg based Marine Insurance Course online. Originally driven by COVID restrictions, MIC Online has in fact allowed more of the Club's members and business partners to take part in the course, and the Club is delighted to have seen a boost in attendance compared with previous years.

More than 70 delegates from around the world registered to attend MIC Online, reflecting the Club's global reach of members and business partners, including those from the USA, Vietnam, the UAE, Finland and the major maritime clusters. Indeed, due to time differences, a number of participants burnt the midnight oil in order to attend the live sessions.

"Necessity is the mother of invention, and the Club has worked very hard to



rise to the challenge of COVID and continue to deliver the high quality levels of service and support that we are known for," said Lars Malm, Director Strategic Business Development & Client Relations. "MIC Online is a prime example of that approach, and we have been delighted with takeup of the initiative.

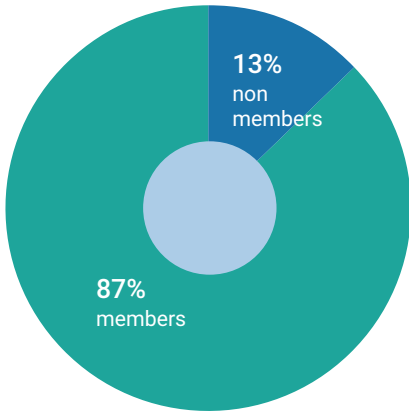
"Delegates have been able to participate in learning from their own locations, accessing many of the modules in their own time. Feedback has been positive and we are looking at ways to continue the programme, integrating MIC Online alongside the face-to-face event in future years."

The Swedish Club's Marine Insurance Training enables members and those working for shipowners, shipmanagers and marine insurance brokers to improve their knowledge of marine insurance, enhance their professional network, and learn more about what membership of the Club can offer.

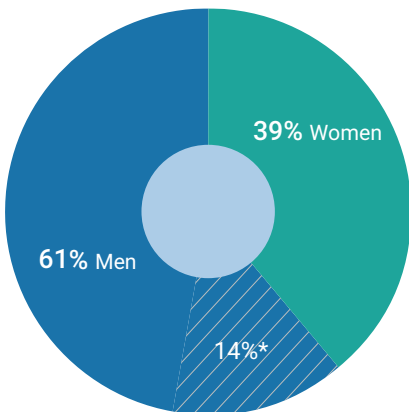
Participants learn about the key aspects of marine insurance, looking in detail at both the practical and legal aspects of the profession. They take useful knowledge and skills back into the workplace - ranging from the legal implications of terms and conditions to the practical handling of claims and loss prevention.

CLUB INFORMATION

MIC Online is open to members and business partners



Participants reflect the diversity in our sector



*percentage of men were Master Mariners

We welcome delegates from around the world

Countries	
China	5
Finland	1
Cyprus	1
Germany	6
Greece	4
Hong Kong	2
Netherlands.....	9
Portugal.....	1
Singapore	12
Sweden	4
Taiwan	1
Thailand.....	7
Turkey	3
U.K.	2
Ukraine.....	1
UAE	3
USA	3
Vietnam	6

“Thank you for the workshops which are well organised. The case studies make it much easier for us to understand the complex principles.”

MIC Online 2021 offered participants three key elements:

Presentations and support material

Top speakers provided an introduction to marine insurance and explored the various elements in detail. Delegates had four weeks to access and explore the presentations and the familiarisation material in each module, in their own time, prior to plenary sessions which were run live.

Live panel discussions

The second step of the programme enabled delegates to participate in a live session with a panel discussion featuring key speakers. Key issues arising from the modules were discussed by the expert panel, with the opportunity for Q&A.

Live workshop sessions

There then followed a choice of live workshop sessions where delegates could explore topics of specific interest with other participants, followed by breakout sessions allowing for detailed discussion. The workshops covered personal injury, collision, general average and salvage, pollution, FD&D and cargo liability. All proved popular.

Marine Insurance Courses are open to members and business partners of The Swedish Club. They are free for members. Unlike the Club’s face to face courses, the digital format allows us to welcome multiple delegates from one organisation. Information on 2022 courses will be available early next year. 🇸🇪

Notice board

The *Frio Dolphin* (Commercial Court 2021)

An insurer pursuing a claim for cargo damage sustained by its insured, whether by assignment or subrogation, is bound by the choice of forum in the bill of lading (B/L).

Ignoring the B/L choice of forum provision and pursuing the matter elsewhere may expose the insurer to an injunction of the English Court and require them to pay equitable compensation to the carrier under the B/L.

In a recent dispute over cargo damage to frozen fish/squid the cargo insurer ignored the English law and London arbitration provision in the B/L, instituting proceedings instead before the Spanish Courts.

In addition, those proceedings were brought against the wrong party – the vessel's manager/Charterers - not the registered owners.

As the Spanish proceedings were against the wrong party they were eventually dismissed but not all of the costs were recovered, so Owners commenced London arbitration to recover the unrecovered costs and the matter ended up eventually before the Commercial Court.

The Court held it was unable to award damages for breach of contract because the insurer was not a party to the B/L contract. The Court accepted, however, that equitable compensation could be awarded and that this was necessary to avoid a cargo claimant assigning its rights in order to side step the contractual choice of forum and forum shop.

Owners' recovery of costs incurred by their manager/Charterer was allowed on the basis of the principle of 'transferred loss' – a separate point.

Staff news

GOTHENBURG



Natalia Marquet Alonso

Natalia joined Team Gothenburg on 7 June 2021 as a Claims Executive P&I. Natalia holds a Master's in International Law and a Master in Maritime Law. She has work experience in law firms and as a claims agent with a container line company.



Per Flodberg

Per joined Team Gothenburg on 1 June 2021 as Senior Claims Executive Marine. Per is a Master Mariner with broad experience from shipping companies and most recently Salén Ship Management, where he worked as Head of Regulatory Compliance & Marine HR/DPA/CSO.



Oscar Holmqvist

Oscar Holmqvist has been appointed as Claims Executive Marine in Team Gothenburg.

GOTHENBURG



Ola Roos
Ola joined the Club's IT Department as a Systems Integration Engineer on 17 May 2021. He has previously been working as an IT consultant for another insurance company in Gothenburg.



Carina Rosén
Carina joined Team Gothenburg as Assistant Underwriter on 1 June 2021. Carina has a long career with the broker Marsh Marine & Energy, Gothenburg, where she has worked for 25 years.



Olof Tedenbrant
Olof joined the Accounting & Financial Reporting department as a Group Accountant on 1 June 2021. He has a Master of Science in Business Administration and has a broad and lengthy experience in various finance roles.

PIRAEUS



Hans Filipsson
Hans has been appointed Senior Marketing Manager in Team Piraeus as from 1 May 2021. Read more on page 36.



Ioanna Kafka
Ioanna joined Team Piraeus on 1 May 2021 as a Senior Claims Executive, Marine. She has acted as a marine surveyor and engineering consultant for the shipping and insurance market for the last six years.



Ludvig Nyhlén
Ludvig has been appointed as Area Manager in Team Piraeus as from 1 May 2021. Read more on page 34.

HONG KONG



Linda Law
Linda rejoined Team Asia on 16 June 2021 as Team Assistant.

Club Quiz

1. What is the method used to repair ruined line?

- 1 Sea knitting
- X Splicing
- 2 Mending

2. What is navigation by the stars called?

- 1 Celestial navigation
- X Latitude navigation
- 2 Polaris navigation

3. How many days did the containership Ever Given block the Suez Canal?

- 1 Two weeks
- X Six days
- 2 Eight days

Mail your answer to quiz@swedishclub.com The first correct answer pulled out of the hat will win a prize.

The correct answers to Club Quiz No 1-2021 are:

Winner of Quiz No 1 -2021

Jacob Claeson
Fiskeri AB Ginneton, Sweden



- 1 **Nautilus**
(What is the name of the first submarine to reach the North Pole?)
- 2 **Ferdinand Magellan**
(Which Portuguese explorer was the first to sail around the world?)
- 3 **2 yards**
(How long is a fathom?)



Club Calendar 2021

For the safety and wellbeing of our valued members, business partners and staff members, we have cancelled all face-to-face Club events until further notice.

We are running a programme of webinars, which you will find on our web <https://www.swedishclub.com/training/webinars/>

To take part, or to find out more, please contact webinar@swedishclub.com.

We all hope that you keep well, and we look forward to meeting again when circumstances permit.



The Swedish Club is a mutual marine insurance company, owned and controlled by its members. The Club writes Protection & Indemnity, Freight, Demurrage & Defence, Charterers' Liability, Hull & Machinery, War Risks, Loss of Hire insurance and any additional insurance required by shipowners. The Club also writes Hull & Machinery, War Risks and Loss of Hire for Mobile Offshore Units and FPSOs.

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