



International Group of P&I Clubs

www.igpandi.org

The International Group

The Group

- Comprises 13 mutual marine insurance associations (“Clubs”) which between them;
- insure and pool third party liabilities relating to the use and operation of ships
- cover over 90% of world ocean-going tonnage
- and over 95% of ocean-going tankers

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The Group Clubs

- Origins date back to 1850s
- True mutual structures
- Not for profit-at cost cover
- Owned and controlled by shipowners
- Vary in size from c.15m to c.135m GT
- Cover all types and sizes of vessels

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Current principal underwriting Group members

- American Steamship Owners Mutual Protection and Indemnity Association, Inc
- Gard P&I (Bermuda) Ltd
- Assuranceforeningen Skuld
- The Britannia Steam Ship Insurance Association Limited
- The Japan Ship Owners' Mutual Protection & Indemnity Association
- The London Steam-Ship Owners' Mutual Insurance Association Limited
- The North of England Protection and Indemnity Association Limited
- The Shipowners' Mutual Protection and Indemnity Association (Luxembourg)
- The Standard Steamship Owners' Protection and Indemnity Association (Bermuda) Limited
- The Steamship Mutual Underwriting Association (Bermuda) Limited
- The Swedish Club
- United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited
- The West of England Ship Owners Mutual Insurance Association (Luxembourg)

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Club Cover

Includes ***third party liabilities*** such as:

- pollution
- loss of life/personal injury
- wreck removal
- damage to fixed/floating objects
- collisions
- cargo loss/damage and SCOPIC

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- co-ordinate claims under Pooling Agreement
 - excess of the individual club retention (\$8m)
- arrange collective reinsurances for the Group clubs
 - in excess of US\$ 60m

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Group organisation

- The activities of the Group are co-ordinated through the Group secretariat based in London.
- The work of the Group is carried out by the secretariat and by club managers in sub-committees and working groups which formulate policy recommendations for consideration by boards.
- The Group managers meet three times each year to co-ordinate the work of its sub-committees and working groups.
- Policy and ultimate control in hands of shipowners

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More than 90 sub-committees and working groups, including:

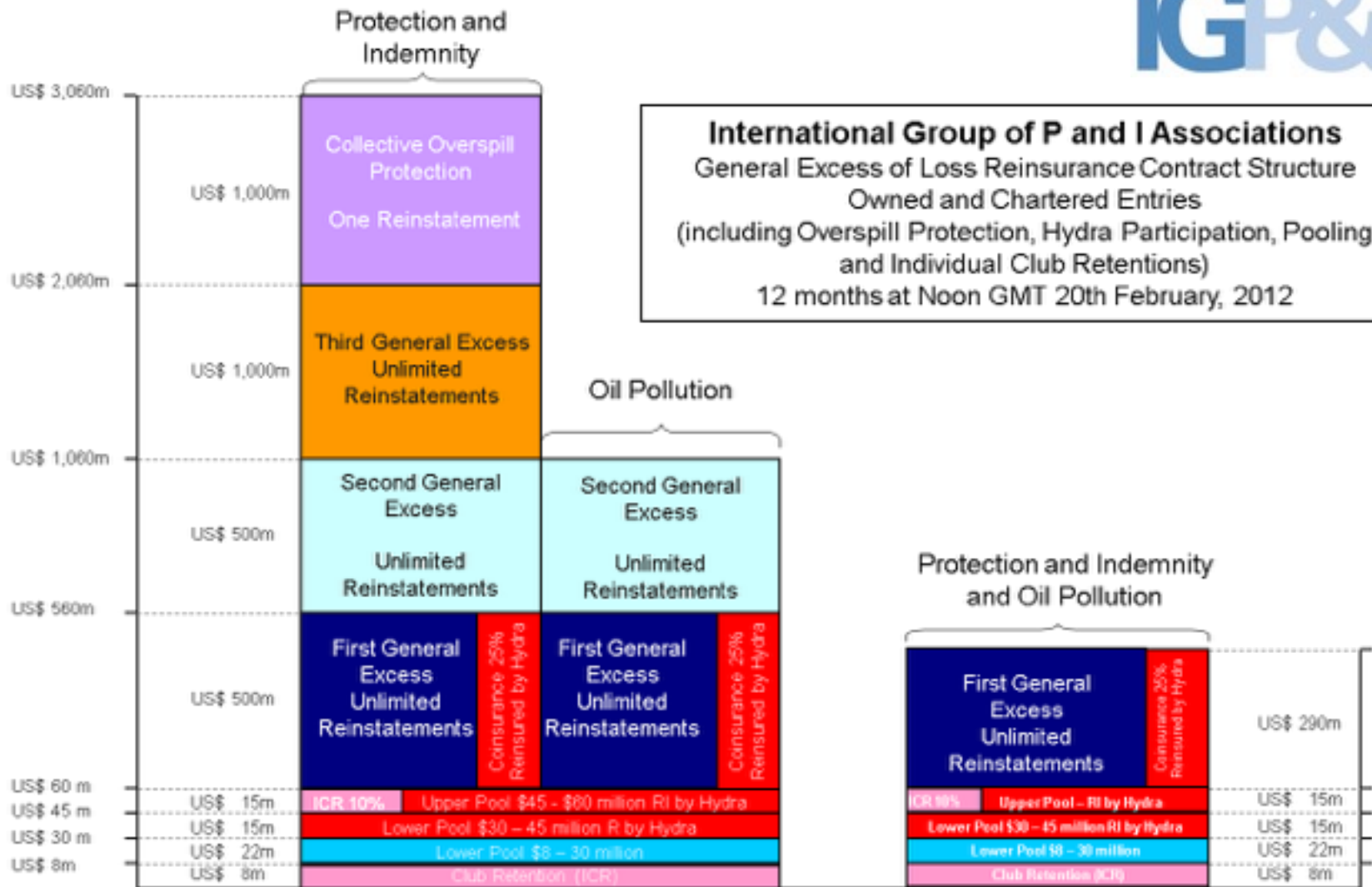
- Bills of lading
- Claims Co-operation
- Compulsory 3rd Party Liability Insurance
- Capital Adequacy
- Maritime Security
- Blue Cards
- Personal Injury
- Pilotage
- Pollution
- Regulatory Affairs
- Reinsurance
- Representation
- Salvage
- Ships' Standards
- Ship Technical
- War and Terrorism

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Pooling And Reinsurance

- Limit of cover US\$1billion for oil pollution
- Comprehensive extent of cover
- Cover “at cost” (mutuality = no profit)
- Prompt and certain compensation
- Financial security recognised by governments and maritime authorities worldwide – “Blue Card” system

International Group of P and I Associations
 General Excess of Loss Reinsurance Contract Structure
 Owned and Chartered Entries
 (including Overspill Protection, Hydra Participation, Pooling
 and Individual Club Retentions)
 12 months at Noon GMT 20th February, 2012



Owned Entries

Chartered Entries

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Group liaison and consultation roles

- Inter-governmental bodies - IMO, IOPC Funds, UNCTAD, UNCITRAL and OECD.
- National governments and agencies - UK MCA and USCG, and EU organisations - EMSA, USCG, NPFC, NOAA and DOI
- Industry organisations - BIMCO, ICS, Intertanko, Intercargo, OCIMF, ITOPF, IACS, IUMI, LMA and IUA.
- Practical input on new legislation, regulations & conventions

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Increased claims severity

- Large claims becoming significantly more expensive
- Very significant escalation in wreck removal costs
- STOPIA/TOPIA exposure
- Continuing threat/challenges to shipowner Limitation rights
- LLMC limits review in IMO Legal Committee

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Summary of benefits provided by the Group system

- Unparalleled range and limits of cover provided at cost
- Prompt security & payment of compensation to victims
- Experience and “intellectual capital”
- Effective casualty and claims management
- Assistance to States and IGOs and promotion of ship standards