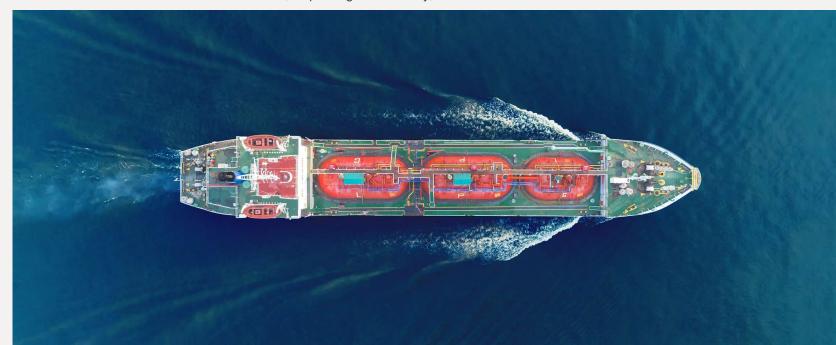


Shipping Carbon Insurance Perspectives

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Marine vs. Non-Marine Insurance

- Non-marine insurers handle "land installations"
- Focus on what takes place "at sea" = marine/offshore insurance





Marine insurance



Property (value of offshore unit and ship)



Income (offshore unit operating loss or shipowners' loss of hire)



Liability (to third parties)



Liability framework

Regulation of CO2-shipping as part of CCS chains is under development

Globally there is no existing regime specifically designed to regulate CO2-transport at sea

Currently regulation:

Lack of certainty regarding basis for liability and the outcome of third-party claims

Future focus on ETS Allowances for CO2 leakage/loss during sea transport, as part of a CCS chain

EU/EEA Directives (as implemented into national laws in the Member States)

Usual (convention based) national maritime law including limitation and insurance requirements

HNS Convention (not in force)



Offshore Unit

- Permit holder(s) + operator(s) to take out bespoke offshore insurance and arrange security
- Typical considerations:
 - National insurance requirements if/when the offshore unit is stationary
 - Storage permit financial security and other financial requirements
 - Strict liability regardless of fault (permit holder(s) + operator(s))
 - Recourse against tort feasor limited (to e.g. intend or gross negligence)
 - Potential reduction of liability (if e.g. force majeure)



Photo: Speipner Vest, Aftenbladet.no, 13 November 2007



Gas Tanker



Photo: Knutsen NYK Carbob Carriers, kn-cc.com

- Usual P&I and H&M/LOH/War insurances taken out by the shipowner/registered owner
- Typical considerations:
 - Check Charter Party, as typically bespoke long term
 - Conditions of Use/Port Facility
 Agreement for calling
 terminals/installations (C/P: "subject to
 such agreement do not prevent obtaining
 appropriate P&I cover"),
 - Specialist operations/taking part of "production"
 - Onerous clauses
 - Knock-for-knock
 - (Leakage of CO2 during seatransport)





Supply Ship

- Usual P&I and H&M/LOH/War insurances taken out by the shipowner/registered owner
- Typical considerations:
 - Check if usual supply time or similar
 - Specialist operations/taking part in "production"
 - Onerous clauses
 - Knock-for-knock





Contact



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Rest assured.

