Breakthrough on the roof of the world

On the Rohtang Pass in the Himalayas, India is building one of the world's highest-altitude tunnels.

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Dear Reader,

Industry faces major challenges worldwide. Nowadays, keen competition and dependence on global supply chains, as well as an increasingly critical public, make any ambitious project a venture whose outcome is difficult to calculate. The situation is exacerbated by the huge debt problems of many western industrialised countries and the related uncertainty on the capital markets.

How to react? Fear or panic is no solution. On the contrary, it is necessary to keep a cool head. We should continue to grasp opportunities, but at the same time never lose sight of the risks. Comprehensive risk management is therefore one of the key elements for successful and sustainable corporate development. Munich Re is a proven partner here, with our combination of financial security and capacity and excellent all-round risk expertise. Our core qualities also include the provision of primary insurance and reinsurance under one roof. So, as our clients you obtain the whole range of insurance solutions for your challenging projects from one source and simultaneously gain financial security that makes your investment more attractive for banks and capital providers.

In our recently established operating field of Risk Solutions, we pool our primary insurance activities for industrial and corporate clients. We thus offer you an extensive programme of highly specialised risk solutions for a wide range of requirements. In future, you can gain a picture of this from our new magazine Topics Risk Solutions, the first issue of which you are holding in your hands. I wish you a stimulating read.

Munich, January 2012

Dr. Torsten Jeworrek
Member of the Munich Re Board of Management and Chairman of the Reinsurance Committee

NOT IF, BUT HOW
Tunnel construction at altitude

The construction work on the Rohtang Tunnel can only take place during the summer months. And even then, the climatic conditions are a challenge for man and machine.
At the beginning of September 2011, Greg Barats took over as President and Chief Executive Officer of HSB Group Inc. He joined HSB in 2002 after a successful career in international energy consulting and environmental management. More recently, Greg Barats led HSB’s engineering operations and fee-based businesses and chaired HSB’s efforts in developing opportunities in the renewable energy sector. Greg is known as an entrepreneur, as well as an accomplished executive, who has a clear vision of how to combine Munich Re’s financial strength, superior risk management expertise, and worldwide presence with HSB’s identity and market leadership.

Corporate Insurance Partner (CIP) is the name borne by business units within various Munich Re companies offering individual solutions for medium-sized and large industrial clients in the following classes of business: property, energy, engineering, liability, specialty and special enterprise risks. We have offices in the USA, London, Munich, Paris, Hong Kong, Singapore, São Paulo and Australia. In early September 2011, we opened our first liability hub in the Chicago branch, shortly to be followed by further hubs in our branches in San Francisco and New York. We offer solutions for high-excess casualty business for industrial clients located in the USA.

In the light of increasing investment in renewable energies, CIP has joined forces with external partners to develop the first-ever performance guarantee cover for photovoltaic modules.

It gives PV manufacturers, in the event of unexpectedly large claims from performance warranties, sufficient liquidity to meet their obligations – for up to 25 years. This performance guarantee insurance is available to PV manufacturers around the globe. In connection with major photovoltaic projects, we can also grant risk-approved manufacturers additional and direct guarantee insurance coverage. The added insurance solution can greatly facilitate the financing of large-scale solar parks.

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**Natural catastrophes worldwide in 2011**

**Percentage distribution**

- **820 loss events**
  - Geophysical events (earthquake, tsunami, volcanic eruption) 37%
  - Meteorological events (storm) 37%
  - Hydrological events (flood, mass movement) 17%
  - Climatological events (extreme temperature, drought, forest fire) 9%

- **27,000 fatalities**
  - Geophysical events 25%
  - Meteorological events 62%
  - Hydrological events 11%
  - Climatological events 2%

- **Overall losses**
  - US$ 380bn
  - Geophysical events 17%
  - Meteorological events 61%
  - Hydrological events 19%
  - Climatological events 3%

- **Insured losses**
  - US$ 105bn
  - Geophysical events 13%
  - Meteorological events 47%
  - Hydrological events 37%
  - Climatological events 3%

*In 2011 values

Source: Munich Re, Geo Risks Research

NatCatSERVICE – As at January 2012
Complex transport chains, high risk: besides insurance cover, anyone transporting valuable industrial goods needs plenty of experience in order to be able to assess risks early on and respond quickly in an emergency. This was illustrated by the transportation of a complete wind power plant from Germany to Azerbaijan, which was partnered by the experts of KA Köln.Assekuranz GmbH.

“We were able to design a customised marine insurance solution with our client, help draft the logistics contracts and provide direct assistance in preventing losses during transportation”, explains Rainer Koch, Head of Marine Underwriting at Köln.Assekuranz.

As the client was still looking for a reliable and competent logistics partner for this project, Köln. Assekuranz also helped it choose the right freight forwarding agent. “Together with our clients, we carried out assessments with potential logistics partners”, says Risk Service Manager, Thomas Ziehn. He himself and his team partnered the shipment from the manufacturer to the loading onto the ship in Denmark and then to its port of destination in the Black Sea.

Shortly before arrival, it transpired that owing to the lack of customs declarations the ship would have to dock at an unknown substitute port, which was not geared for major shipments of this sort. To enable the rotor blades to be transported away from the port, the port exit had to be converted and the necessary special vehicles procured. “Thanks to our presence on the spot, all the components were delivered to the construction site safe and sound,” concludes Thomas Ziehn.

>> More information at: www.koeln-assekuranz.com
Through the roof of the world

Tunnel construction is routine, but not in the Himalayas, where one of the highest tunnel projects in the world is being built beneath the Rohtang Pass in Northern India.

by Frank Ruopp

The Rohtang Pass in the Northern Indian state of Himachal Pradesh reaches a height of over 3,900 m above sea level and is therefore one of the highest motorable mountain passes in the world. It lies about 50 km north-east of the town of Manali on the Manali-Leh Highway, the only road link into the northern border region. In the winter months, the Pass is closed to traffic due to heavy snowfall and severe storms. During this time, settlements north of the Rohtang Pass are cut off from the outside world for at least four months, and often even six. As no vehicles can cross the Pass in the winter, food, medicines or mail can only be delivered to this region by air – weather conditions permitting. This severely tries the patience of the inhabitants of this extremely inhospitable region.

As long ago as the 1980s, the Indian government was therefore working on plans to create an all-year road link to the regions lying to the north, by building a tunnel under the Rohtang Pass. The project falls under the remit of the Border Roads Organisation (BRO), which was established in 1960. This government agency builds and maintains roads in the border regions of India, which are of strategic importance for the Indian Armed Forces. Through infrastructure projects, it also promotes economic development in the federal states in the North and North-West of India. In autumn 2009, the BRO awarded the contract for the construction of a tunnel just under 9 km long to a joint venture between the Austrian construction company STRABAG and the Indian construction company Afcon.

Driving time vastly reduced

A few months later, in June 2010, the construction work began. The tunnel should be open to traffic at the end of 2015, after a construction period of five-and-a-half years. From then on, two lanes will be available, each of them 4 m wide. An escape tunnel 3.6 m wide and 2.25 m high is to be found beneath the roadway. According to the BRO’s plans, 1,500 lorries and 3,000 cars will then be able to pass through the tunnel each day. The cost of constructing the tunnel and the roadway is around €250m.
The driving distance along the Pass from Manali in the south to Keylong in the north is currently 85 km. Because of the gradients and the winding route, even under favourable traffic and weather conditions the journey takes at least five to six hours. Construction of the tunnel will reduce the distance by 45 km and bring the driving time down to under an hour. This will improve living conditions and the possibilities for economic development on the northern side of the Pass quite considerably. However, the Rohtang Tunnel Project also involves major technical challenges.

Before a start could be made on actual construction of the tunnel, the entire infrastructure first had to be set up at the site. “With such an exposed construction site, you have to start from scratch. There was no electricity and no water supply, no mobile phone network, no accommodation for the workers. All these had to be operational before the work could start. It therefore took over a year to get the construction site ready”, explained Peter Reichenspurner, who as Area Director for International Tunnelling at STRABAG AG is responsible for the Rohtang Tunnel Project. Work on the tunnel started in October 2010. Adverse weather conditions mean that the tunnel’s higher-lying northern entrance can only be worked on during the summer months.

**Dynamite instead of tunnel-boring machines**

“There are basically two ways of building tunnels,” explained Reichenspurner. “On the one hand you have traditional tunnel construction, which involves blasting your way into the mountain metre by metre, and, on the other, tunnel construction using machines that cut out the full tunnel cross-section. With the Rohtang Tunnel there are two reasons why we cannot use tunnel-boring machines. Firstly, the main bearing of such machines weighs over 80 tonnes and has to be transported in one piece, as dismantling it would be very time-consuming and expensive. The bridges leading to the construction site are designed only for 35 tonnes, however.”

The second reason is that, on a geological scale, the Himalayas are relatively young mountains. “In the fault zones there are therefore very high pressures acting, which lead the rock to deform in the direction of the cavity. Machines can only absorb a limited amount of deformation, however, as otherwise there is a risk of them getting stuck. It would not be the first time that something like that had happened in the Himalayas,” said Reichenspurner, who can draw on 25 years’ experience in tunnel construction in Europe, Africa and Asia.

As tunnel boring machines cannot be used, blast holes are drilled into the rock and filled with explosives. “In good ground, the blast holes can be up to three metres deep. With two blasting rounds in 24 hours, we advance about five to six metres a day”, Reichenspurner reckons. The cavity is then secured with a lining of quick-setting concrete. In a second operation, the vault is smoothly and neatly lined with an inner shell of concrete.
In the Himalayas, it is difficult to predict how the rock around the main tunnel will behave during the construction work. We do know that the rock in the area of the tunnel consists mainly of slate and migmatite. The construction companies expect to encounter three fault zones and squeezing rock in the course of the works. With rock conditions of this kind, the New Austrian Tunnelling Method (NATM) has proved its worth. This method involves securing the exposed areas with shotcrete, rock bolts, steel arches and other components. In this way, the surrounding rock is used to transfer the load. Deformations are possible within certain limits, allowing stresses from the overburden pressure to be reduced.

In order to be able to monitor the elastic and plastic behaviour of the surrounding rock, elaborate measuring systems are being used in the Rohtang Tunnel during construction work. Markers are fastened to the tunnel walls at 15-m intervals and measured at least twice a day with precision instruments. The deformation behaviour of the rock can be read from the shift in the measuring points. If the deformation slows down over time, there is no danger. In unfavourable cases in which the rate of deformation increases, however, workers and machinery must quickly be taken to safety, as there may be a risk of collapse.

Fast track

The tunnel reduces the distance from Manali to Keylong by 45 km and shortens the driving time by five hours. At the end of 2015 it will be open to traffic.

- Tunnel already built
  (Status: November 2011)
- – Tunnel still in planning phase
- – Rohtang Pass

Source: NASA
Risk management on tunnel projects

Despite all the safety measures, the use of explosives poses a permanent threat to people and machinery. Besides the risk of collapse and an inrush of water, there is also the risk of a fire breaking out in the tunnel during the construction phase, which can also have devastating consequences. Although, with tunnel projects especially, companies should practise particularly careful risk management, the situation is often further aggravated by tight schedules and tight budgets.

Major loss occurrences during the construction of tunnels in the 1990s meant that the insurance of tunnel construction projects became increasingly unattractive. In order to ensure that tunnel construction continued to be insurable, in 2005 the International Tunnelling Insurance Group (ITIG), a grouping of insurers and construction industry representatives, drew up the Code of Practice for Risk Management of Tunnel Works. The aim of this Code was to introduce and apply sophisticated risk management measures in every project phase, in order to avert loss occurrences or minimise their extent.

European insurers present locally

Assessing the risks of tunnel construction is a complex task requiring a great deal of experience and expertise. The contract framework must be redefined jointly with the policyholder for each project. In cooperation with HDFC ERGO General Insurance Company Ltd., a joint venture between the Indian HDFC Ltd. and ERGO International AG, CIP (Corporate Insurance Partner) was able to offer the construction company STRABAG SE a tailor-made insurance solution for the Rohtang Tunnel Project.

CIP’s services include an extensive service package which is available during the project stage. Munich Re’s experts visit the construction site at regular intervals in order to get an idea of how potential risks are dealt with in construction operations. They help the team on site to identify impending dangers at an early stage and to take adequate countermeasures. The professional assessment of how the probabilities of occurrence of certain risks change in the course of the construction period, and at what stage what additional new risks arise, is also an important aspect.

It therefore became possible to offer the availability of local contacts. From the client’s point of view, this eliminates any interface problems during negotiations and at the time the insurance policy is issued. Smooth internal communication between HDFC ERGO employees and experts at Munich Re ensures short response times and prevents the loss of important information.

OUR EXPERT

Frank Ruopp, Civil Engineer and Construction Underwriter with Corporate Insurance Partner (CIP), also heads Munich Re’s Construction Topic Network.

fruopp@munichre.com
“From a single source”

Especially for construction projects outside Europe, Juliane Klein-Walbeck knows how important it is for an insurer to have a functioning network.

Topics: For STRABAG, what were the decisive reasons for working with Munich Re on the Rohtang Tunnel Project?

Juliane Klein-Walbeck: One of the reasons we decided to work with Munich Re Corporate Insurance Partner (CIP) on this construction project was that Munich Re is represented locally in India by HDFC ERGO.

How important is “one-stop shopping” for you as an insurance buyer?

Very important! We need well-coordinated insurance coverage from a single source. The parallel interests of the two companies also allow fast handling times, thanks to short distances and flexible processing. On top of this, we have worked well with Munich Re for many years. They regularly make extensive underwriting capacity available to us and meet our requirements as regards insurers’ financial security.

On what criteria do you base your decision when insuring construction projects of this kind?

When insuring all our construction projects, we ensure amongst other things that we choose insurers who can offer an adequate rating and a sound market position. The insurer should also already have extensive experience in dealing with construction projects of comparable size and in claims handling. Additional services like risk analyses and risk management tools which support clients in their day-to-day operations are also becoming increasingly important.

In the case of construction projects outside Europe, we also attach great value to the leading insurer having a functioning network. In our experience, here it is very important to have a local representative office in which the insurer should at least have a substantial involvement, in order to be able to carry out the necessary coordination locally.

STRABAG SE

STRABAG SE’s subsidiary Dywidag International GmbH won the contract in 2009 to build the Rohtang Tunnel in the Himalayas.

One of Europe’s leading construction groups with around 73,600 employees, STRABAG SE posted an output volume of €12.8bn in the financial year 2010. Operating from its core markets of Austria and Germany, the group is present via numerous subsidiaries in all the eastern and southeast European countries, in selected markets of western Europe, on the Arabian Peninsula and in Canada, Chile, China and India.
Extended plant layup – More than a shutdown

You can’t just turn off the lights and lock the doors. An extended plant layup plan can help make sure your equipment works properly when you need it again.

Preventing corrosion is particularly important when a plant is laid up. This picture shows the wrapping-up of a forged steel roller, a machine for pressing metal into the desired shape.
Market forces and uncertainty in the world economy have prompted many companies to shut down an industrial or commercial facility or a major piece of equipment for an extended period. The owners may intend to reopen the plant and restart the equipment when conditions improve, but what will happen to that property and equipment over the months or years? Will time and neglect cause corrosion and other deterioration? Might vandals and thieves damage or steal property? How long will it be before the stored equipment is obsolete?

Managing the risks of idle machinery and equipment

When considering an extended layup, the goal is to decommission, store and eventually re-commission the equipment and the facility in a cost-effective manner. The time and cost associated with a layup must be carefully weighed against the potential time and repair cost that would result from simply shutting down the equipment and doing nothing. To be effective, an approach should be based on an examination of the major issues and best practices for extended preservation of equipment.

Keep it practical and convenient

When executing an extended plant layup, a detailed plan should be prepared for each major piece of equipment or system. This plan might include: inspection, cleaning, isolation, occasional operation of components, required repairs or maintenance, corrosion protection and ongoing long-term storage requirements.

Documentation should be kept on the design, installation, operation and maintenance of the equipment. The plan should also identify required safety precautions, including lockout/tagout, an industry standard process that safely isolates equipment and machinery for maintenance and service. The goal of the lockout/tagout process is to document the steps taken to isolate the equipment, to prevent the unintended release of hazardous energy, and to warn personnel that the equipment should not be operated or touched.

Layup procedures must be not only effective, but also practical and convenient to implement – complicated and difficult layup procedures are often simply ignored by plant personnel. The key to a successful layup is the involvement of employees from across the company: operations, management, maintenance, engineering, environmental, health and safety. Plant personnel will gain knowledge and experience from repeated layups that can improve efficiency and effectiveness and help prevent recurring equipment failures during outages.

Putting plans into action

Once an extended plant layup is executed, it is critically important to monitor the condition of the plant and equipment and follow through on any scheduled maintenance or other work. Based on the plan for individual components, an inspection surveillance checklist should be prepared with items for daily and monthly review.

Typical daily checklist items may include monitoring dehumidification equipment, humidity levels and pressures at key points in a system, checking heaters, and looking for leaks and the accumulation of moisture or water. Monthly checklists might involve running fans, blowers and pumps, checking components and surfaces for signs of moisture and corrosion and testing lube oil and hydraulic oil samples for contaminants.

Controlling moisture and corrosion

Preventing corrosion is especially important, as it accounts for the highest percentage of failures in plant equipment that has been out of service for several months. Moisture is the biggest concern because it can affect the machined surfaces of metal components that are extremely susceptible to rust. Moisture and corrosion can be managed by eliminating corrosive agents such as oxygen and certain chemical or biological substances, separating dissimilar metals, protecting surfaces with wet or dry films and eliminating and managing the source of moisture and humidity.
A matter of time

**Short-term layup**
Also known as “seasonal layup”, this usually involves a period extending for three months or less. No equipment is dismantled and little or no maintenance is performed. All components are left ready to run.

**Extended layup**
This could last anywhere from three to 24 months and may be for an undetermined period. Of course, an approximate time-frame is essential for planning the decommissioning process. Typically, steps must be taken to prevent corrosion and air and moisture intrusion. Drainage may be necessary for fluids, temporary heaters or dehumidifiers could be required, and certain equipment may be isolated or disconnected.

**Mothballing**
This is similar to extended layup, but with an indefinite time-frame of well over 12 months. It would require major work and expense to restore operations. The owner may elect to sell off pieces of equipment, or the entire plant.

There are three principal layup methods that should be considered for preventing corrosion: dry layup, wet layup and Vapor Phase Corrosion Inhibitors.

- Dry layup preserves a system or piece of equipment in a dry condition. This usually means that all system fluids with the exception of lubricating oils are removed and replaced with a dry gas, such as dehumidified air or nitrogen. The unit is sealed and pressurised to prevent contamination, or, when sealing is not practical, kept under constant ventilation.

- Wet layup often uses the operating fluid or gas. The pressure and temperature of this fluid is lowered to something slightly above ambient. This reduces stress and minimises deterioration of seals and other pressure or temperature sensitive components.

- Vapor Phase Corrosion Inhibitors (VPCI) are commercially available in individually packaged products, such as cups, foams, bags and wraps. The chemicals sublime (convert from a solid to a vapour) into the surrounding enclosure at room temperature. In essence, the VPCI chemicals travel through the atmosphere and attach themselves to metal surfaces to form a thin molecular bond. When mixed with certain lubricants, the VPCI can change the lubricant performance, so the consultation of the lubricant supplier for specific VPCI that are compatible, is necessary.
During the restoration process after an extended layup, it is important to reverse the actions that were taken to lay up the equipment and to make sure no foreign objects are left inside critical pieces of equipment. In addition, systems must be properly lined up prior to restarting the equipment.

Depending on the facility, a company may protect equipment such as turbines, computers, telecommunications, chemical process equipment, boilers, air conditioning, transformers, electrical equipment, generators, pumps, compressors and fans. Some facilities have in-house machine shops with lathes, drill presses and other machinery. Diesel engines used for power generation, pumping, or mechanical drive need careful attention and proper fuel storage is critical to efficiency and engine life.

Whenever any equipment is removed from service for layup, the owner is well advised to consult the original equipment manufacturer (OEM) for their unit’s specific layup requirements. Most OEMs can provide guidelines on the maximum allowable shutdown interval before equipment requires protection. Key components of a layup plan include:

**Extended plant layup plan – Key components**

- **Duration**: The anticipated length of a layup often defines the type and extent of procedures that need to be considered.

- **Time and cost**: The time and cost required for a successful restart of certain components or systems must be weighed against its condition and remaining useful life. The following are relative costs, as reported in Guidelines for the Mothballing of Process Plants.

<table>
<thead>
<tr>
<th>Idle period duration</th>
<th>Relative cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 18 months</td>
<td>1.0</td>
</tr>
<tr>
<td>Ten months up to five years</td>
<td>2.5</td>
</tr>
<tr>
<td>Greater than five years</td>
<td>4.0</td>
</tr>
</tbody>
</table>

Conveyor belt in an empty warehouse.
- **Re-commissioning**: The limited amount of time permitted by a company’s business needs and operations to return a plant to service will often preclude the use of some preferred layup procedures. This time requirement can have a major impact on the type and extent of the layup procedures that are practical.

- **Plant design**: The design of the plant can affect the selection of the layup method for certain systems. It is essential that someone knowledgeable regarding plant design review the various layup methods considered for each plant system.

- **Plant environment**: Hot, humid sites require extensive corrosion protection. Hot dry sites such as desert areas can be affected by sand and dust infiltration. In northern climates, freeze protection must be incorporated. Outdoor equipment may require extra protection. Certain locations may need additional security to prevent theft or vandalism. Potential rodent infestation and damage to wiring and electronics should be considered.

- **Documentation**: Since employees may leave a company over time, it is vital that the collected knowledge of the method of layup, the operation of the equipment and its condition be fully documented. Include up-to-date drawings, control settings, operating instructions, maintenance details, inspection reports and other notes and documentation. Store the data in a secure location and back it up off-site.

- **Regulatory requirements and environmental contamination**: Various laws and regulations may apply to an extended layup of equipment or a facility. Inspect for contamination and make sure that any cleaning or decommissioning activities do not create new hazards. Remediate any contamination that is found.

**Further information and initial steps**

It takes thorough planning, vigilance and persistence to complete a successful extended plant layup. A conscientious inspection and maintenance schedule will help keep equipment in good condition during long-term storage and often can reveal potential problems before they become serious. Each facility should develop its own layup procedure, which identifies the most effective sequence of equipment layup to save time and reduce costs.

For more detailed information, you may view HSB’s Recommended Practice for Extended Plant Layups which has been prepared by HSB engineers with a variety of equipment experience to help our customers plan for the temporary shutdown of industrial and commercial facilities.

>> More information at: [www.hsb.com](http://www.hsb.com)

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NOT IF, BUT HOW
Marine

Piracy is clogging the arteries of globalisation

Mark Watkins, CEO Watkins Syndicate
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Modern-day piracy has long been a feature of global shipping; it was not uncommon – but not widely reported – for cargo to be snatched in the South China Sea or the Straits of Malacca. In the meantime, the pirates are becoming more brazen, hostage times lengthening. Piracy is clogging the arteries of globalisation.

Public awareness has grown in recent years, however, owing to the new trend for violent and aggressive piracy in the Gulf of Aden. Here, the combination of protected waters and a high concentration of vessels heading to or from the Suez Canal makes an ideal hunting ground for Somali pirates. With no central Somali government and no social infrastructure, the lawlessness on land has expanded to lawlessness at sea. The country is currently experiencing critical drought and famine, and the pirates – better equipped, better funded and more knowledgeable than ever before – are also more desperate.

The reaction from the shipping community is becoming more vociferous; there has to be greater response from governments in their protection of innocent seamen, the vessel and her cargo. There is a growing and very welcome coalition force now operating in these waters but it still only comprises 18 to 20 naval vessels, covering an area that extends four million square kilometres. This is the equivalent of 20 police cars patrolling Europe at 25 km/h.

The shipping industry, in consultation with the combined naval forces, has produced a Best Management Document (BMP4) to offer shipowners and crew guidance in the most effective procedures and security measures whilst transiting high-risk areas. Nevertheless, these security measures alone may not be sufficient to prevent a boarding, and any additional preventative measures adopted by shipowners are largely encouraged by underwriters.

“A ship that cannot be boarded also cannot be taken by pirates.”

Recognising the key factor that a ship that cannot be boarded also cannot be taken by pirates, 160 security companies have swarmed into the market to offer armed guards for hire. This “guns for hire” approach was initially met with widespread resistance, but a regulatory framework has been initiated with the foundation of SAMI (Security Association for the Maritime Industry), which has assumed the role of accrediting security companies. However, the decision whether or not to arm rests with the shipowner and depends on compliance with the vessel’s flag state. Significantly, to date no vessel with armed guards has been taken.

Piracy cover is standard in a marine war policy. With regard to cargo interests, shipowners have declared general average after piracy events as standard practice, and cargo owners have been called upon to contribute to the release of a cargo. Watkins Syndicate therefore has a clear understanding of the underwriting issues associated with piracy.

Information is key in the underwriter’s assessment of each individual transit. Speed and freeboard of the vessel are the most influential components of the risk, but every preventative strategy employed is taken into account when rating the risk. The information available to the underwriter is also vast, ranging from individual navies to intelligence organisations.
Don’t wait until it is too late

The importance of electrical equipment maintenance in industrial and commercial facilities cannot be overstated. Electrical breakdowns are not only often costly, but also a major cause of fires, resulting in millions of dollars in property damage, injuries and loss of life.

>> You can also order Topics Risk Solutions as an e-mail newsletter at www.munichre.com/trs/en/newsletter