



# Non-International Group P&I Market

December 2019

## Non-IG Market Highlights

Continuing the trend from the previous year, the Non-International Group “Non-IG” market has undergone considerable restructuring and further consolidation. The insurers considered in our analysis are markets outside of the International Group offering cover to owners worldwide. The available markets have reduced in number to 9, from 13 providers two years ago.

In line with Lloyd’s of London’s strategic review of all lines of business, numerous global marine insurers have withdrawn capacity from the Non-IG market. Insurers are expected to rebalance their portfolios through recalibrating ratings and becoming increasingly selective in the type of risks underwritten.

Consequently, the variance in size of insurers has continued to increase within the Non-IG market. British Marine, Thomas Miller Speciality, MECO group and MS Amlin Marine account for 79% of the market in terms of premium income.

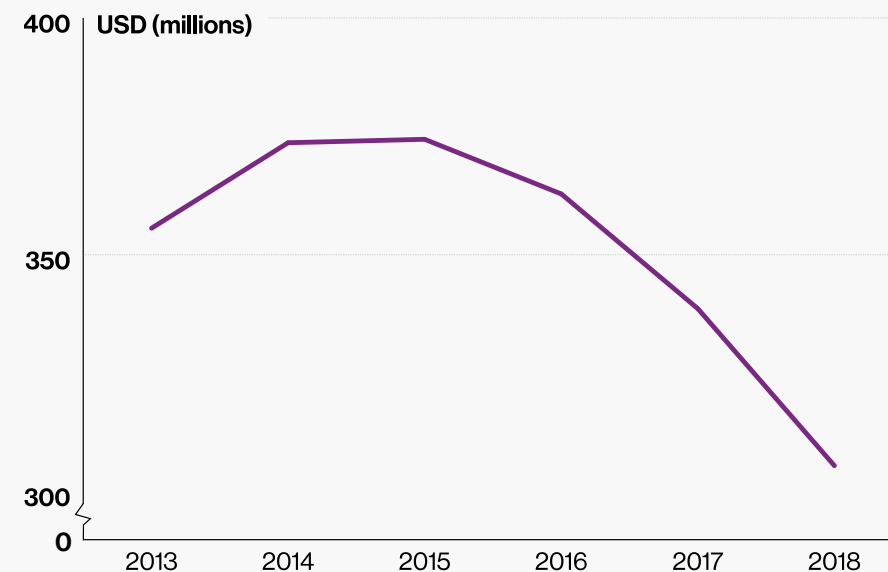
Overall premium income in the last 12 months has reduced by over 10%, with the combined P&I and Charterers Liability for the Non-IG market totalling USD 305 million. The chart displays the premium income of the Non-IG market since 2013.

On a five-year comparison (2013-18) there has been a 14% reduction in premium income.

Within the overall contraction there is variation in premium results between the different insurer models. Insurers writing on their own company (or a parent company) security recorded an 11% reduction in premium income. By contrast there was a 20% reduction in premium income during the same period for agencies underwriting on behalf of external security providers.

The following pages provide a brief overview and analysis of each Non-IG insurer.

Total premium income of the Non-IG Market 2013-2018



“ Overall premium income in the last 12 months has reduced by over 10% ”

## Market Developments

### The MECO Group acquire Carina

Following a strategic review of its operations, Tindall Riley sold Carina, its fixed premium P&I Managing General Agent, to The MECO Group.

### Thomas Miller Speciality integrate Osprey, Navigators P&I and Hanseatic and acquire Lodestar

In 2019 Thomas Miller Speciality integrated all three Non-IG insurers under the name of Thomas Miller Speciality P&I (“TMS”).

In December 2019 it announced consolidation of another Non-IG insurer with the acquisition of Lodestar Marine. (Lodestar began 2019 without underwriting security following the withdrawal of RSA and requested not to be included separately in the report).

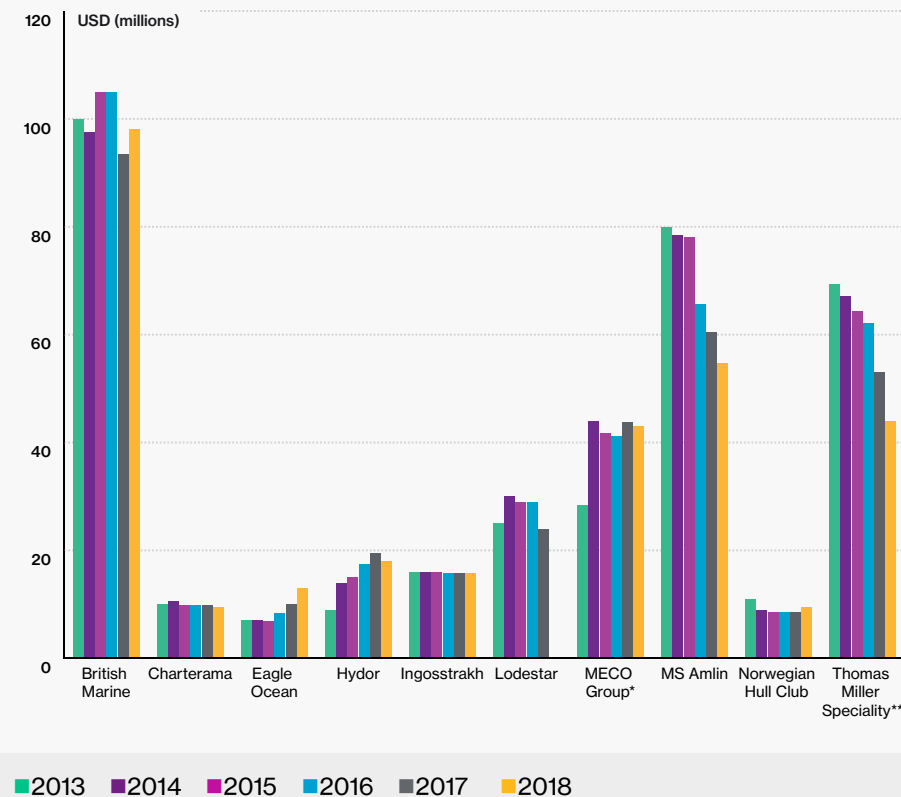
### Norwegian Hull Club establish a Fixed Premium P&I product

Norwegian Hull Club has now complemented its existing Marine and Energy insurance offering with a fixed premium P&I cover. It will be provided by underwriters who have moved to NHC from an International Group Club.

### North of England P&I Club venture into Fixed Premium market

International Group P&I Club, North of England, established a Non-IG Fixed premium facility with an experienced “fixed premium” underwriting team.

Premium income of Non-IG Insurers



\* Legacy Carina and The Charterers P&I Club figures are included under the MECO Group heading

\*\* Legacy Hanseatic, Navigators and Osprey figures are included under the Thomas Miller Speciality heading



Overview of Non-IG insurers					
	Non-IG P&I facility (Owned)	Maximum P&I limit (USD)	Annual written P&I premium (USD)	Standard & Poor's Rating	Website
1	British Marine	1 billion	98,100,000	A+ (QBE Insurance (Europe) Limited)	<a href="https://www.britishmarine.com/">https://www.britishmarine.com/</a>
2	Charterama	500 million	9,450,000	A (RSA)	<a href="http://www.charterama.com/">http://www.charterama.com/</a>
3	Eagle Ocean	500 million	12,900,000	BBB- (American Club)	<a href="http://www.eagleoceanmarine.com/">http://www.eagleoceanmarine.com/</a>
4	Hydor	1 billion	18,000,000	A+ (Lloyd's)	<a href="http://www.hydor.no/">http://www.hydor.no/</a>
5	Ingosstrakh	1 billion	15,800,000	BB+	<a href="https://www.ingos.ru/eng/corporate/">https://www.ingos.ru/eng/corporate/</a>
6	Lodestar	1 billion	-	A (RSA)	<a href="http://www.lodestar-marine.com/">http://www.lodestar-marine.com/</a>
7	MECO Group	500 million	43,000,000	A+ (Lloyd's)	<a href="https://www.themecogroup.co.uk/">https://www.themecogroup.co.uk/</a>
8	MS Amlin	1 billion	54,700,000	A (MS Amlin)	<a href="https://www.msamlin.com/en/insurance/marine-and-aviation/p-i.html">https://www.msamlin.com/en/insurance/marine-and-aviation/p-i.html</a>
9	Norwegian Hull Club	500 million	9,500,000	A	<a href="https://www.norclub.com/">https://www.norclub.com/</a>
10	Thomas Miller Speciality	500 million	44,000,000	A+ (Lloyd's)	<a href="https://www.thomasmiller.com/companies/insurance/specialists/thomas-miller-specialty/">https://www.thomasmiller.com/companies/insurance/specialists/thomas-miller-specialty/</a>
<b>Total</b>			<b>305,450,000</b>		



## British Marine

British Marine is a wholly owned subsidiary of the QBE Group, offering P&I cover for limits of up to USD 1 billion per incident for vessels up to 30,000 gross tons. It can also provide FD&D and ancillary covers.

In conjunction with Lloyd's QBE Syndicate 1036, British Marine offers Hull & Machinery and War covers on a 100% basis.

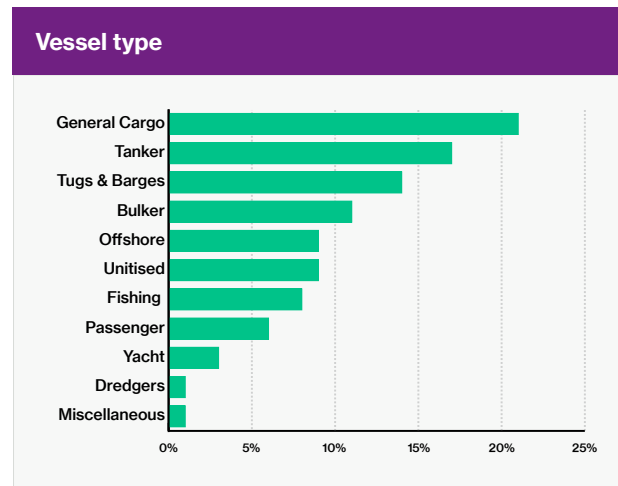
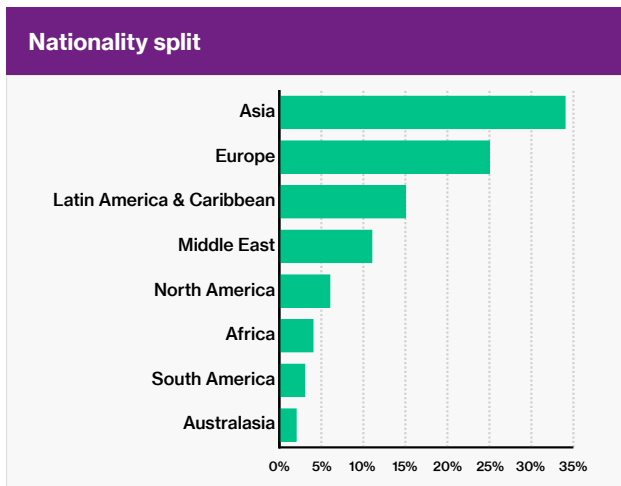
For the most recent year there was an increase in premium income to USD 98.1 million despite a decrease in tonnage by 7%.

British Marine (including QBE Asia P&I) remains the largest Non-IG insurer insuring over 11 million gross tons.



Annual written premium (USD)

**98.1m**



## Charterama

Charterama is an underwriting agency which provides Charterers Liability and Charterers Defence cover. Underlying security has changed from RSA London to RSA Luxembourg to continue the RSA Insurance Group's involvement.

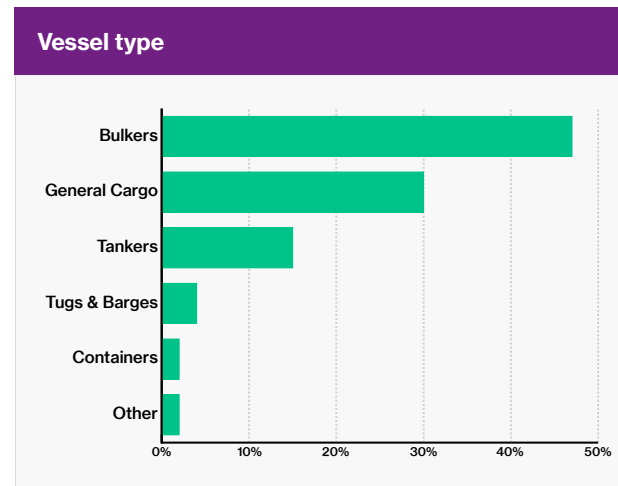
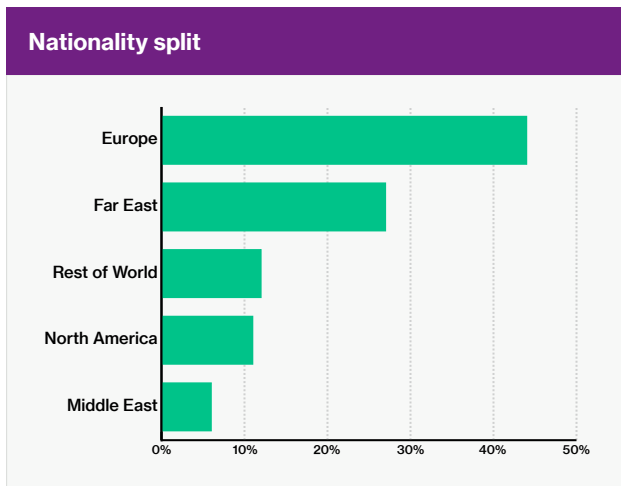
Charterama, which offers limits of liability up to USD 350 million, operates from offices in Rotterdam, Paris and Hong Kong with a focus on northern European and East Asian domiciled assureds.

Annual premium income and insured vessels remains constant at USD 9.45 million and 11,000 respectively.



Annual written premium (USD)

**9.45m**





## Eagle Ocean Marine

Eagle Ocean Marine is an appointed underwriting agent for the American Steamship Owners Mutual Protection and Indemnity Association.

Eagle Ocean provides P&I and FD&D cover for smaller vessels, offering policy limits of up to USD 500 million and USD 2 million respectively.

It reported an increase to its insured tonnage and that premium income has increased to USD 12.9 million in the last 12 months.

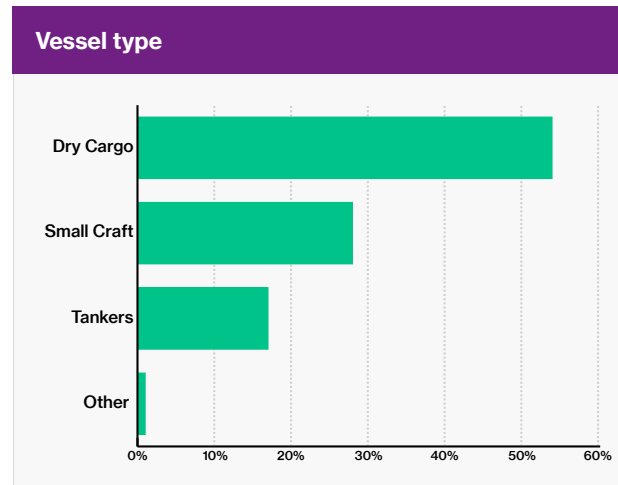
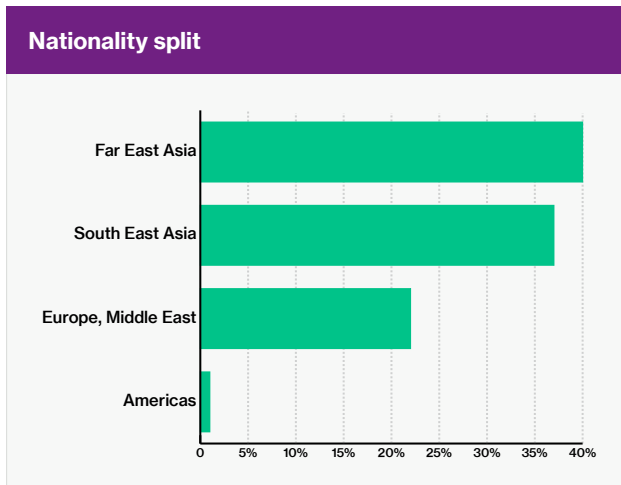
Eagle Ocean utilise the American Club's network of correspondents and expertise for marine adjusting, claims handling and surveys.

Dry cargo ships represent over half of the insured tonnage in the Far Eastern and Southeast Asian domiciled insureds occupying a strong presence within its portfolio (77% of its insureds are domiciled in the region).



Annual written premium (USD)

**12.9m**



## Hydor

Hydor, based in Oslo, is an underwriting agency that offers fixed premium P&I, Charterers Liability and FD&D covers for vessels of up to 45,000 gross tons.

In addition to offering P&I and FD&D cover with limits of up to USD 1 billion and USD 5 million respectively, Hydor also offers Energy cover for Norwegian domiciled companies.

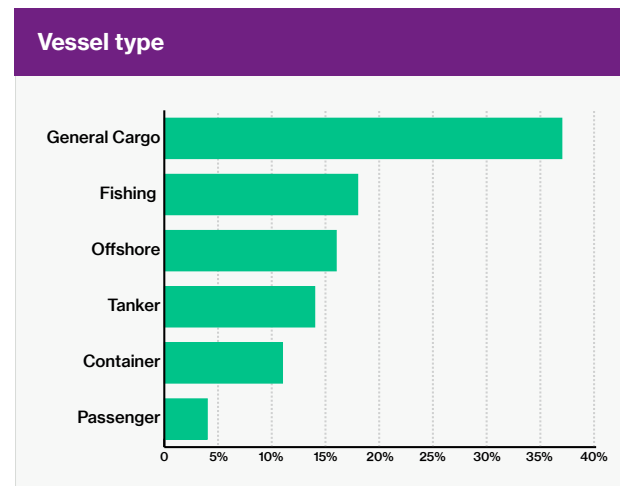
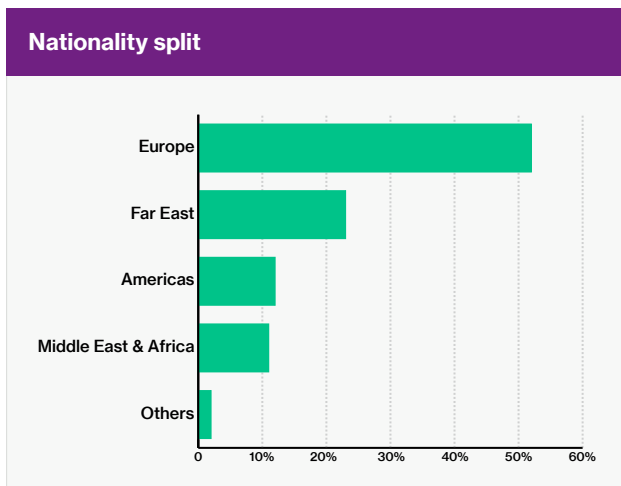
Hydor's premium income reduced by 8% to USD 18 million in the latest year. The majority of insureds originate from Nordic and European countries. It provides cover for a wide range of vessel types, notably general cargo, fishing and offshore support vessels.

Security is provided by Markel International and Lloyd's syndicates Acapella 2014 and Ascot 1414 following the withdrawal of AmTrust last year.



Annual written premium (USD)

**18m**





## Ingosstrakh

Ingosstrakh Insurance Company is a large multi-line Russian domiciled insurance company, originally founded in 1947. Ingosstrakh is headquartered in Moscow, with offices across Russia and representative offices in Ukraine, Azerbaijan, Kazakhstan, Uzbekistan, India and China.

Premium income for the last year remained stable at USD 15.8 million.

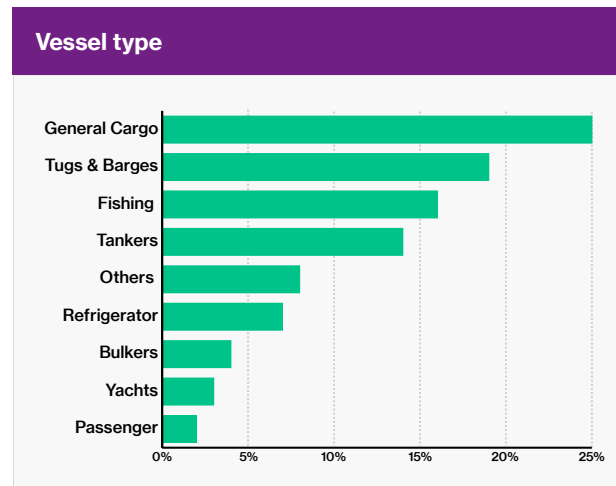
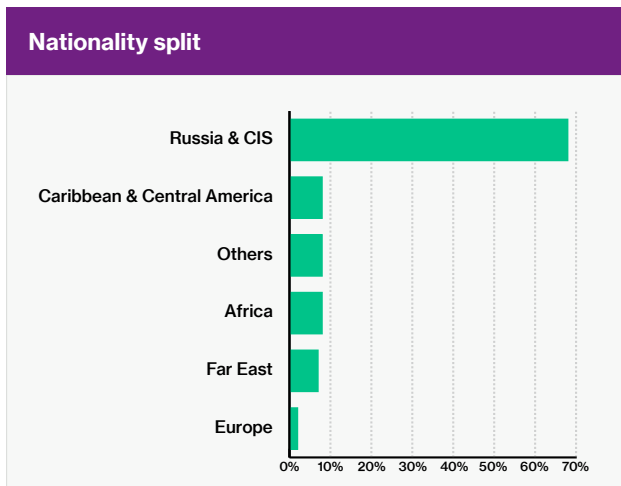
Ingosstrakh's portfolio is largely focused on domestic tonnage, with approximately 68% of its insureds domiciled in Russian and CIS states. Insured vessels mainly consist of tugs and barges, general cargo and fishing vessels.

Most vessels insured by Ingosstrakh are less than 5,000 gross tons; however it will consider dry cargo vessels of 20,000 gross tons and greater. In the exception cover up to a maximum USD 1 billion limit of liability is available.



Annual written premium (USD)

**15.8m**



## MECO Group (Carina)

In 2019, the Carina facility was acquired by MECO Group from Tindall Riley. It now operates within the MECO network, with offices in Dubai and Shanghai alongside affiliates The Charterers P&I Club and Transmarine.

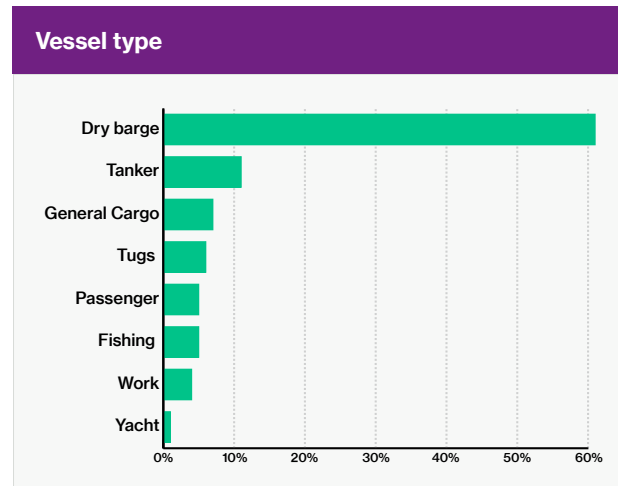
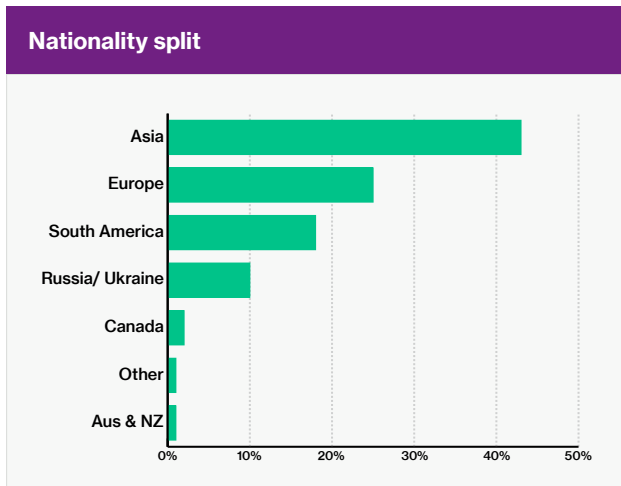
Carina continues to act as an underwriting facility offering P&I and Legal Defence covers on behalf of various Lloyd's syndicates. It provides P&I cover for fleets with average vessel sizes up to 6,500 gross tons, with a maximum limit of liability of USD 500 million.

Insured tonnage increased by 36.4% and premium income increased by 14.9% to USD 17 million in the latest policy year. Dry cargo vessels account for over two thirds of the insured tonnage.



Annual written premium (USD)

**17m**





## MECO Group (The Charterers P&I Club)

The Charterers P&I Club provides Charterers Liability and FD&D cover to charterers for limits of up to USD 500 million and USD 5 million respectively.

Annual premium income reduced by 10.3% to USD 26 million in most recent year.

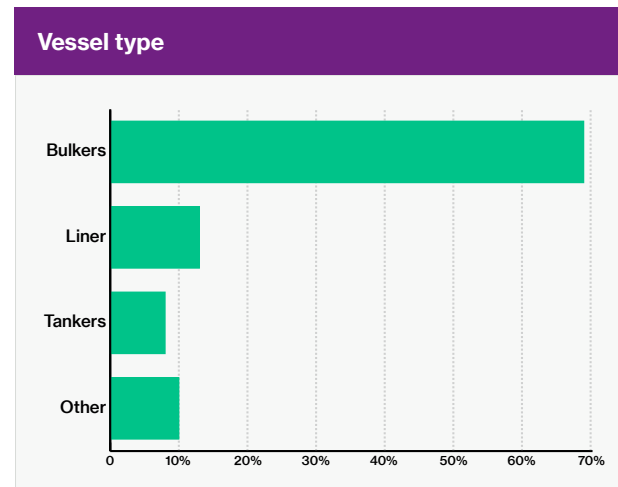
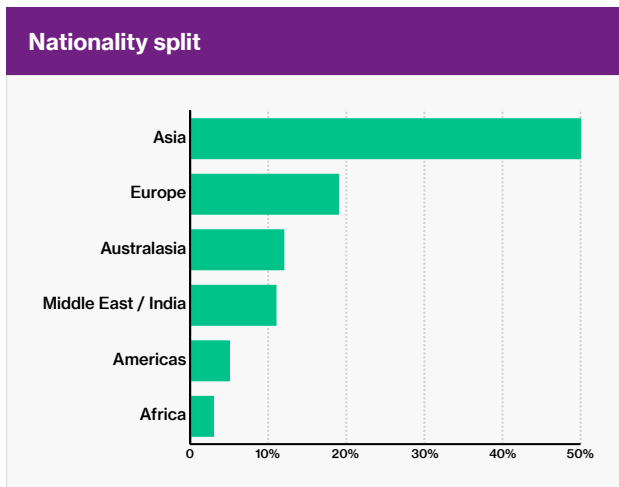
Bulkers and vessels on the liner trade represent 82% of chartered vessels. Asia, Australasia and Middle East insureds represent 73% of The Charterers Club portfolio.

Established in 1986, the agency is managed by MECO Group, a managing general agent with 40 years of experience in marine insurances. Underlying security is provided by Great Lakes Insurance SE's UK Branch, a wholly owned subsidiary of Munich Re, the global reinsurance company.



Annual written premium (USD)

**26m**





## MS Amlin Marine N.V.

MS Amlin Marine N.V. (previously trading as RaetsMarine) is a wholly owned subsidiary of the insurer MS Amlin. It offers P&I and Charterers Liability covers for limits of up to USD 500 million on its company security and up to USD 1bn with support from the Lloyd's market.

MS Amlin Marine N.V. remains the second largest Non-IG insurer by premium income despite a USD 3 million reduction. Its insured tonnage increased in latest year by approximately 1 million gross tons to a total 15.1 million.

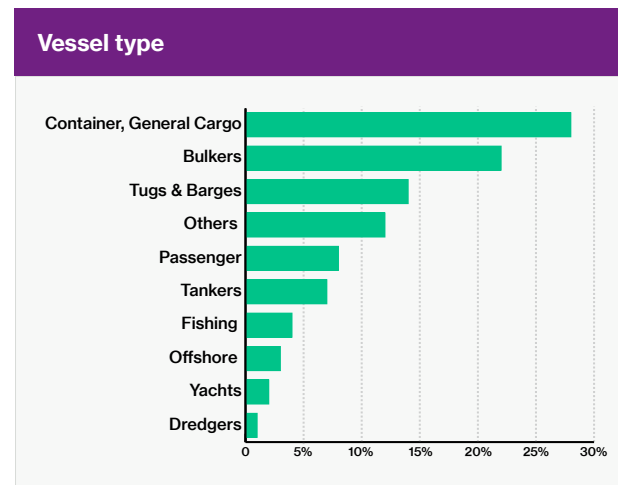
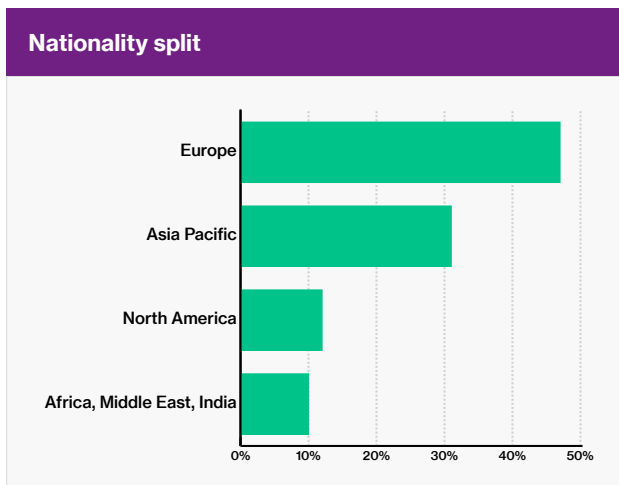
Cover is available for vessels of up to 40,000 gross tons in size and there are no specific restrictions on age, class or type of vessel. Most insured vessels however are below 10,000 gross tons.

MS Amlin Marine operates through its network of offices based in Rotterdam, London, Paris and Singapore, with their portfolio heavily focused within Europe and the Far East (78% of insured tonnage).



Annual written premium (USD)

**54.7m**



## Norwegian Hull Club

Norwegian Hull Club “NHC” is a global, mutual Marine and Energy insurer which offers Charterers Liability cover for limits of liability of up to USD 1 billion. Norwegian Hull Club charterer insureds are typically domiciled in Europe and Asia Pacific, which accounts for 83% of its book.

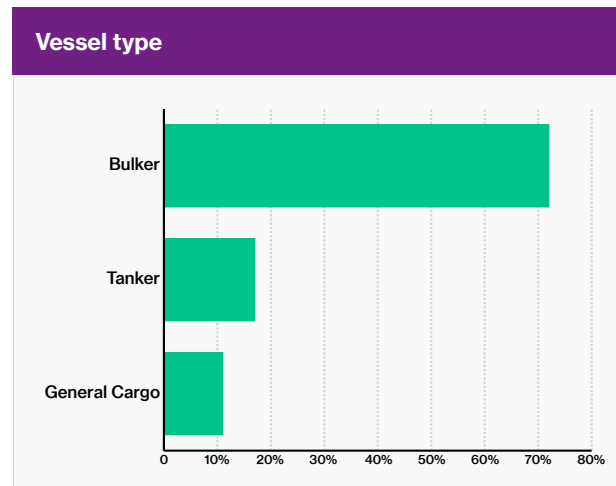
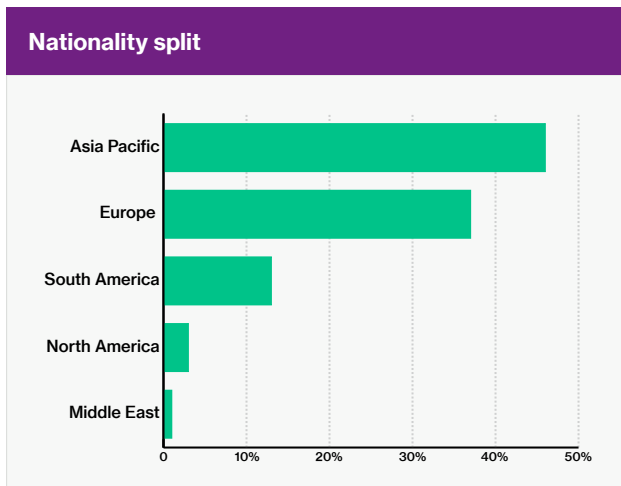
In 2019, NHC launched an Owners P&I insurance cover for vessels up to 25,000 gross tons, with liability limits up to USD 1 billion. It focuses on Northern Europe and Scandinavian assureds, but will consider other areas and has an appetite for a broad range of vessel types.

Its insured base remains stable against the previous year, with 6,800 vessels insured and approximately USD 8.6 million of premium income.



Annual written premium (USD)

**8.6m**





## Thomas Miller Specialty


Thomas Miller Specialty “TMS” is an underwriting agency which provides marine covers including P&I, Hull & Machinery and Kidnap & Ransom insurance covers.

It offers P&I cover for vessels of up to 10,000 gross tons (but 25,000 for dry cargo vessels). Security is provided by AIG for USD 50 million, with higher limits of up to USD 500 million offered on Lloyd’s security.

Thomas Miller Specialty was established in 2015 following the acquisition of ‘Osprey’ and continued consolidation of the Non-IG P&I market through acquisitions of Navigators P&I and Zeller Associates (Hanseatic) in 2018 and Lodestar Marine in late 2019.

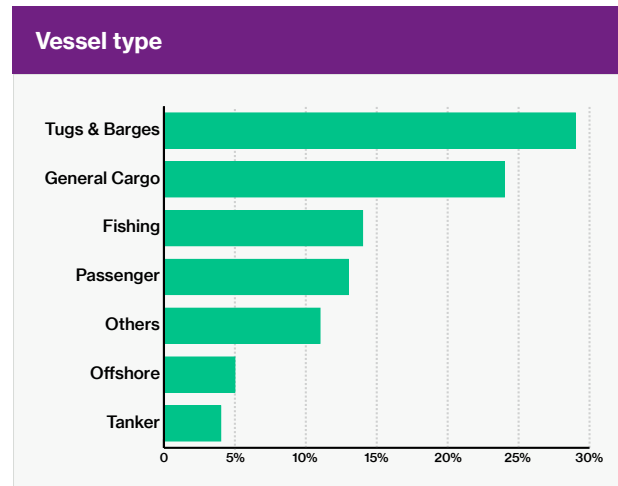
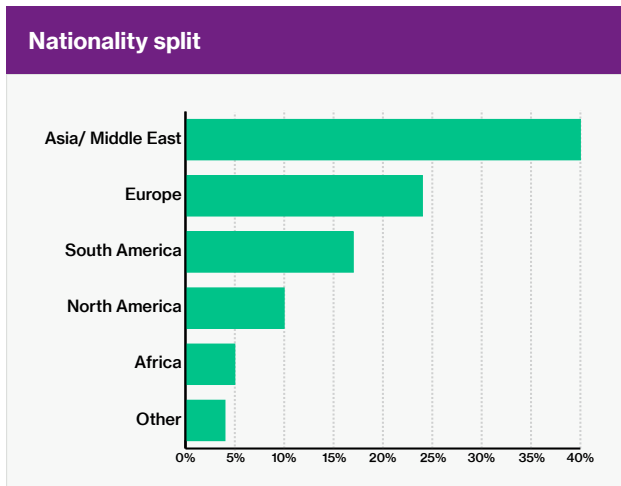
The combined agency operates from offices in Hamburg and London. Insured vessels are mostly tugs, barges and general cargo.

Premium income is USD 44 million, a notable contraction from USD 62 million premium income for the three companies prior to consolidating into TMS.



Annual written premium (USD)

**44m**





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