

EVENT /**Successful Rendez-vous in Cannes**

The *Rendez-vous de Cannes* looks set to occupy a regular place in the international marine insurance calendar following the second and very successful event held on the French Riviera early in May.

That ambition by the organisers, CESAM, the French maritime and transport insurance service organisation, received a ringing endorsement from Patrick de La Morinerie, Deputy CEO of AXA Corporate Solutions, when he closed the two-day conference and said "See you all again in 2011"

Just going from the number of delegates the event was a success. The first conference in 2009 brought 374 professionals together, and this year the total rose to 390, representing more than 35 countries.

Equally, the conference programme was an attractive mix of topical issues extremely relevant to marine and transport insurers, brokers and clients at a critical time in the cycle. High-calibre speakers and moderators discussed the subjects under the challenging title of 'Rough Seas Ahead?'

Opening the *Rendez-vous*, Patrick Le Cerf, chairman of CESAM, said the higher number of participants was proof that the event was moving in the right direction, and he also noted it was generating aviation interest.

Keynote speaker Philippe Chalmin, Professor of International Affairs at Paris Dauphine University, then gave a detailed overview of the conference theme against the current state of world trade. According to this highly regarded economist, world trade will remain volatile and uncertain, and at present is largely influenced by China, which has the world's second biggest economy, running on a 15% growth path. China continued to import huge amounts of iron ore and copper, as well as rubber, and this insatiable appetite would continue to drive shipping markets. He was optimistic about the USA, the biggest economy, where jobs were being created and investment, particularly in the high-tech industry, was rebounding.

On balance, he thought the world economy was growing but only in emerging countries – OECD states were lagging behind.

Over the two days the conference went on to consider, among other subjects, freight rates in a cyclical market; the derivatives market and the petroleum risk; new challenges for the maritime world in the 21st century (discussed by Francis Vallat, chairman of the Institut Français de la Mer and of the French Maritime Cluster); new sea routes, such as expansion of the Panama Canal; the French market's handling of marine claims; aviation insurance clauses; Solvency II; and maritime law.

No shipping or insurance conference these days is complete unless piracy is on the agenda, and in Cannes it was addressed by speakers from Paris, London, Munich and by Commander Rune Bratland from the Royal Norwegian Navy/Eunavfor Operation – showing enterprise by the organisers in getting a speaker who is at the sharp end in defending merchant ships.

A major highlight of day two was the first introduction of the French market's long-awaited new hull insurance policy. This was the end result of three years' detailed consultation with organizations representing marine underwriters, brokers, shipowners and adjusters as well as legal advisers. The new hull forms will be dated July 1, 2010, and have been set up by the French Federation of Insurance Companies (Fédération Française des Sociétés d'Assurances) with the co-operation of brokers (Union des Courtiers d'Assurance Maritime) and shipowners (Armateurs de France).

This is a package policy that breaks new ground compared with other hull markets since its four parts cover all risks hull and machinery; war, piracy, terrorism and similar risks; loss of income; and optional additional clauses which may be agreed between insurer and assured.

Denis Devey, Chief Hull Underwriting Officer of AXA Corporate Solutions in Paris and one of the main architects of the policy, said: "This is a full revamp of French hull insurance terms, which represent the best practices and scope of cover available today. As such they have some features which can be found in other clauses but also some innovations which we think will give the policy added value."

A final session in Cannes was devoted to various approaches to risk management, moderated by

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Franck Baron, Business Development Manager at AXA Matrix Risk Consultants.

This session provided a fascinating insight into how three major groups handle their risk management.

The Prysmian Group is a world leader in the energy and telecommunications cable industry; Lukoil Group is one of the world's largest private vertically integrated oil and gas companies. LVMH is a global leading luxury group that takes in, for example, Moët Hennessy and Louis Vuitton. Interestingly, as many of its products are high-end luxury items, wrapped into 60 prestigious brands and sold in more than 2,400 stores worldwide, some 60% are carried by sea, 30% by road, and only 10% by air.

Most of the presentations and graphics are available on www.cesam.org.

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