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Press release

Lloyd's approves new specialised syndicate to insure transportation of COVID-19 vaccine to emerging economies

Lloyd's, the world's leading specialist insurance and reinsurance market, today announced the creation and in principle approval* of its newest "syndicate in a box," Syndicate 1796, set up to insure the storage and transportation of a COVID-19 vaccine once developed to emerging economies. This important initiative forms part of Lloyd's response to the far-reaching impacts of the pandemic, following the publication of its recent [Report](#) and open source frameworks**.

Syndicate 1796 has been developed by Parsyl, an insurance technology company and Lloyd's Lab alumni, in close partnership with Ascot as managing agent, and in cooperation with AXAL XL, McGill and Partners and Gavi, the Vaccine Alliance. The Syndicate forms the foundation of the new Global Health Risk Facility (GHRF) at Lloyd's, which aims to provide comprehensive insurance and risk mitigation services to support the manufacturing and distribution of COVID-19 vaccine development efforts. It aims to start writing business from 1 October 2020.

In the GHRF, Syndicate 1796 will be backed by development finance capital, allowing it to share risks with leading cargo syndicates, making better, fairly priced cargo coverage available. The GHRF will offer 'All Risk' cargo coverage for transit and storage risks on all global health products related to COVID-19 and any other infectious disease control and prevention programs.

Led by Ascot, the GHRF will take a portfolio approach, focusing primarily on global distribution of products to low income countries supported by global public health agencies, such as Gavi, the Global Fund to Fight AIDS, TB and Malaria, PEPFAR and UNICEF.

The GHRF will also offer coverage via direct insurance or reinsurance, for in-country distribution risks to ensure vaccines and other commodities are protected as they are stored in central warehouses and travel through health systems. Eligible insureds will include private manufacturers, procurement agents, logistics companies, Ministries of Health and other public agencies supporting the distribution of COVID-19 vaccines and other lifesaving products to low income countries.

John Neal, CEO, Lloyd's of London said: "There is broad consensus that life can only return to normality after a vaccine is developed, distributed and administered around the world. Lloyd's has an important role to play in insuring the many risks associated with this global medical response and we are delighted to approve a new innovative syndicate that will provide effective cover for local vaccine distribution supply chains. This unique partnership is a real demonstration of the value and ingenuity the Lloyd's market can bring to help address a global health emergency, as we share risk to support the brave efforts of those racing to develop and distribute a COVID-19 vaccine."

Ben Hubbard, CEO of Parsyl said: “We’ve seen Lloyd’s stand behind risks to some of the world’s greatest achievements and innovations. We asked, why not find a way to stand behind the largest vaccine campaign in human history. The Global Health Risk Facility will do this by sharing risk and leveraging new data to unlock insurance solutions for high stakes vaccine distributions around the world.”

Andrew Brooks, CEO, Ascot Group, said: “The GHRF is an excellent example of how the insurance industry is addressing previously uninsured risks. Ascot and the wider insurance market has the underwriting expertise, but to put together a facility such as this requires syndication, infrastructure and market collaboration which Lloyd’s is uniquely placed to deliver. Such a facility is enabled by high quality new entrants such as Parsyl who have the ideas, technology and data to deliver this positive humanitarian solution.”

Steve McGill, CEO, McGill and Partners said: “We are proud to support this critical initiative and be part of the largest movement of medical vaccines in history. At McGill and Partners, we are delighted to have worked on this audacious venture that combines innovative insurance and data and technology driven solutions to help dramatically improve supply chains and ultimately save lives.”

Sean McGovern, CEO, UK & Lloyd’s, AXA XL: ““The Covid-19 crisis has escalated the need to improve the already challenging global distribution of vaccines. By sharing data and through innovative risk mitigation, this facility will play a crucial role in ensuring that vaccines travel safely through the global supply chain to all corners of the world. This is another example of the insurance industry working in a public private partnership to address critical public health issues. AXA XL, in line with AXA Group's commitment to contribute to the equitable distribution of vaccines, is proud to be a part this initiative.”

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* Syndicate 1796 has received in-principle approval from Lloyd’s Council. The decision to grant permission for the syndicate to underwrite is contingent on completion of a number of relevant operational workstreams; this work will be concluded through August.

** Lloyd’s [Supporting global recovery and resilience for customers and economies: the insurance response to COVID-19](#) Report proposes a number of ways the insurance industry could fast-track global economic and societal recovery from the far-reaching impacts of COVID-19. These include three open source frameworks (ReStart, Recover Re and Black Swan Re), that could help build future resilience through innovative partnerships and products together with a Centre of Excellence to better understand, model and provide insurance for systemic catastrophic events.

Notes to Editors

1. In partnership with the GHRF and Syndicate 1796, a Risk Management Accelerator (RMA) will be created to provide risk engineering services for loss prevention and reduction in order to strengthen supply chains for existing vaccines and prepare countries for COVID-19 vaccine distribution. RMA services and activities will leverage the global presence and risk

management capabilities of GHRF partner AXA XL and will pull from a range of technology solution providers with experience operating in emerging markets.

2. The Syndicate has been given the number '1796' in honour of the year physician Edward Jenner carried out his first experiments in what would become the smallpox vaccine, the world's first vaccine and the only disease the world has ever eradicated through vaccination.
3. Syndicate in a box encourages new, accretive and innovative business and talent to come to Lloyd's. You can read more about this in [the Future at Lloyd's Blueprint](#)
4. Lloyd's studio is available for TV and radio broadcasts
5. More news and information available from loyds.com

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About Lloyd's

Lloyd's is the world's leading insurance and reinsurance marketplace. Through the collective intelligence and risk-sharing expertise of the market's underwriters and brokers, Lloyd's helps to create a braver world.

The Lloyd's market provides the leadership and insight to anticipate and understand risk, and the knowledge to develop relevant, new and innovative forms of insurance for customers globally.

It offers the efficiencies of shared resources and services in a marketplace that covers and shares risks from more than 200 territories, in any industry, at any scale.

And it promises a trusted, enduring partnership built on the confidence that Lloyd's protects what matters most: helping people, businesses and communities to recover in times of need.

Lloyd's began with a few courageous entrepreneurs in a coffeeshop. Three centuries later, the Lloyd's market continues that proud tradition, sharing risk in order to protect, build resilience and inspire courage everywhere.

About Parsyl

Parsyl is an IoT supply chain data platform that combines supply chain insights with pioneering cargo insurance solutions for shippers of perishable goods. Parsyl's combined hardware and software solution helps shippers understand, mitigate and insure risks to goods as they move through the supply chain. Parsyl is an approved Coverholder with Lloyd's of London and offers its ColdCover™ cargo insurance products backed by A-rated insurers. Parsyl is based in Denver and can be found at parsyl.com

About Gavi, the Vaccine Alliance

Gavi is a public-private partnership that helps vaccinate half the world's children against some of the world's deadliest diseases. It also plays a key role in improving global health security by supporting health systems as well as funding global stockpiles for Ebola, cholera, meningitis and yellow fever vaccines. It brings together developing country and donor governments, the World Health Organization, UNICEF, the World Bank, the vaccine industry, technical agencies, civil society, the Bill & Melinda Gates Foundation and other private sector partners. Learn more at www.gavi.org

About Ascot

Ascot Group is a global specialty insurance and reinsurance group with a record of underwriting excellence and superior claims service. Founded in 2001, Ascot provides a broad range of property and casualty products to customers worldwide through its Lloyd's and Bermuda market platforms. In the United States, Ascot provides specialized insurance products to small and mid-sized business as well as offering underwriting services to high-quality carrier and syndicate partners through its MGU, Ethos Specialty.

About McGill and Partners

McGill and Partners is a boutique specialist (re)insurance broker focused on clients with complex and/or challenging needs. Launched in 2019, the firm has significant backing from funds affiliated with Warburg Pincus, a leading global private equity firm. McGill and Partners is a British based firm headquartered in London with an international presence in New York and Miami.

About AXA XL

AXA XL, the property & casualty and specialty risk division of AXA, provides insurance and risk management products and services for mid-sized companies through to large multinationals, and reinsurance solutions to insurance companies globally. We partner with those who move the world forward. To learn more, visit <http://www.axaxl.com>.