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FINAL OFFER: WAR INSURANCE

*A Comprehensive Analysis of How to Strengthen Swedish Resilience by Analyzing the
Interconnection of State War Insurance and Access to Ships in Times of War*

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PREFACE

I would like to acknowledge everyone who has contributed with knowledge, guidance and support in order for this thesis to be written. First of all, I would like to thank my superadvisor senior lecturer law Abhinayan Basu Bal at School of Economics, Business and Law at Gothenburg University, for your extensive expertise and for the feedback given throughout my writing. Secondly, I would like to thank my dear colleagues at the Swedish Orient Line. You deserve my biggest thank you for the endless support, trust and guidance you had given me throughout the process. Finally, I would like to express my gratitude to all respondents for participating and sharing your knowledge, opinions and thoughts. I would like to express my thankfulness to all of you for your kindness and endless inspiration. Without the support and guidance from all of you, this thesis wouldn't have been possible.

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ABSTRACT

It is emphasized that state war insurance plays a central role and is essential for Sweden's government preparedness. Sweden's ability to ensure its transport capacity during war is reliant on availability of insurance, as well as ships. Although the need for state intervention is unlikely since the insurance market has during the last two decades proven capable of handling risks, it is of importance for the State to have prepared frameworks for transitioning the risks in times of war. Although state war insurance is considered to be the '*final offer*', there is a need to clarify the organizational structure and coordination between the authorities and the commercial market. The development and maintenance of state war insurance and bareboat registry law is important for the resilience of the Swedish maritime sector. Both its public and private functions rely on a functioning shipping sector. It is assessed that state war insurance and requisition of ships becomes an integral part of the Government's preparedness in times of war for the operation and ensurement of continued supply. To provide a deeper and a more comprehensive understanding, the analysis is based both on a literature review and on interviews conducted with key stakeholders within the Swedish insurance market. Overall, state war insurance is a prerequisite and a preparedness measure, necessary for the resilience of the Swedish maritime sector.

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1. INTRODUCTION

1.1 Background

Due to its geographical location, Sweden is dependent on shipping. Embossed by a lower degree of self-sufficiency and a decreasing number of registered Swedish ships, it is proven that Sweden has become more sensitive to disturbances, even without there being war or conflict in its immediate area.¹ Although Sweden has not been directly involved in any war for more than two centuries, legal and practical preparedness taken is necessary to accommodate its dependence on shipping for trade and supplies.

Notably, the Swedish system for war insurance was established as a response to the conditions experienced during the two World Wars. Particularly, under the First World War, Sweden's maritime transportation virtually ceased because of the increased risks, which limited the shipowner's access to insurance, while the reinsurance market with foreign institutions became seriously restrained.² However, the need of state intermediary, both in direct insurance and through reinsurance during wartime remains since. It is important from a total defence perspective, although the significance varies depending on the context. Maritime transport forms an essential part of sustaining the supply chains and fostering preparedness.³ However, this reliance makes Sweden vulnerable to disruptions in the modes of transportation. To maintain vital transportation for both public and civil supplies, it has been considered necessary for the State to have the ability to intervene as an insurer or reinsurer in the event of war.

The Swedish War Insurance Act was last updated in 1999. After the time the legislation was applicable, the conditions for conducting insurance business have changed due to its international presence (much due to new and EU-aligned regulatory frameworks, but also due to the evolved framework and conditions regarding the total defence). The shipping industry depends on a functioning insurance market regardless of the prevailing level of preparedness. The purpose of the Swedish War insurance Act is to ensure that transports necessary for defence or public supply remain without interruption or disruption, even in situations where

¹ Schelin. J and Widlund. M, '*En svensk handelsflotta i krig och kristider?*' (Kungliga Örlogsmannaskapet, Sveriges marina akademi, Tidskrift i Sjöväsendet nr 3, 2023) 275-283.

² Swedish Government Official Report 2013:28 '*Försäkring på transportområdet i krig och kris*', 130.

³ Swedish Government Bill 2024/25:34 '*Totalförsvaret 2025-2030*', 122.

insurance is no longer available commercially, or where such insurance can only be obtained at premiums that in practice make continued transportation impossible.

Overall, the Swedish transport capacity relies on, inter alia, the maintenance of a functioning system for state war insurance, but also on the availability of ships. The functioning and interconnection between insurance coverage and ship registration is a prerequisite for a reliable shipping industry. But, how would it be affected by war? In times of war, the need for access to ships becomes particularly pressing. Are there enough Swedish-flagged ships? Notably, the Swedish fleet has decreased by roughly 60 percent over the past 50 years.⁴ Sweden faces a decreasing number of registered ships and a legal framework that may be inadequate to ensure access to ships. Can the implementation of a bareboat register be a way to strengthen the Swedish merchant fleet?

This reflects a dependence on the conjunction of both state war insurance and ship registration. After all, it remains unclear how Swedish and foreign shipowners as well as insurers, who play a crucial role in insuring essential transports to and from Sweden, will choose to act if Sweden was to enter into war.⁵ Altogether, the question is not *if* but *how* state war insurance and bareboat registry law should be applied to ensure maritime resilience during times of war.

Key words: shipping, transportation, preparedness, war, insurance, ship availability, resilience.

1.2 Purpose and Research Question

The legal discussion connected to the provision of state war insurance is both complex and versatile. The purpose of this thesis is to impart a collected legal and practical discussion and analysis of the framework of state war insurance in Sweden. A way to reflect this is to investigate the Swedish ship registry and to whether the establishment of the bareboat registry alongside its traditional ship registry could secure ships under Swedish jurisdiction and disposal. Nonetheless, it is essential to analyze the interlinked connection between the two areas of law. By exploring this interconnection, this thesis seeks to explore conditions for

⁴ Measured by the number of ships. See Strokirk. C et al., *‘Nyttan med svenskflaggade fartyg och betydelsen av en ökad inflaggning för Sverige’* (Lighthouse - Swedish Maritime Competence Center 2022) 9.

⁵ Erlandsson. E et al., *‘Omvärldstrender 2023, Försäkring i en orolig tid’* (Svensk Försäkring Rapportskrivning 2022).

state war insurance and the availability of ships, the legal issues they could imply and ultimately, examine how Sweden could strengthen its legal frameworks to secure its maritime transport capacity in times of war. The purpose is to explore the benefits of such inclusion, possible interpretative dilation, and alternative approaches. The thesis aspires to clarify both how the current legal order is and how it ought to be. In order to strengthen Sweden's transport and defence capability, the level of preparedness has to be increased. The following question is to be addressed:

- How can the legal and practical implementation of Swedish state war insurance and bareboat register law be interlinked to ensure maritime resilience during times of war?

1.3 Method and Material

This thesis adopts a doctrinal methodology with a qualitative focus, particularly examining primary and secondary legal sources, including treaties, international conventions and academic literature. In this thesis, legal acts of most importance for analyzing the main precepts of state war insurance law and the accessibility of ships have been the Act (1999:890) on Insurance Operations during War or Danger of War etc. (Lag 1999:890 om försäkringsverksamhet under krig eller krigsfara m.m.) and the Expropriation Act (Förfogandelagen, 1978:262). Additionally, former discourses of great importance have been the Government Official Report of 2013 (SOU 2013:28 '*Försäkring på transportområdet i krig och kris*') and the Government Bill from 2025 (Prop 2024/25:178 '*Förenklad in-och uthyrning av skepp*'). Case law will also be recited, but will only have an illustrative effect when applicable.

The study aims to have an overall coverage of the most important legal aspects of war insurance and ship registry. The first two chapters will cover the legal aspects of marine and war insurance, the regulation of ship registration and requisition as well as bareboat registry law. Initially, there will be a description of the international regulations, continuing with the aspects of national regulation in the area.

Moreover, existing literature exposes that a reduced national flagged fleet could create disturbing long-term implications for Sweden and implies that there is a need to increase the size of the Swedish-flagged fleet. Due to the complex context regarding state war insurance,

there is a lack of clear evidence regarding the benefits and importance of an increased national merchant fleet for Sweden during times of war. To broaden the perspective, the analysis in the fourth chapter of the essay is thereby mainly based on an empirical legal study with maritime experts from the Swedish defence and insurance sector. Every State's provision of state war insurance is specific and constrained by balancing different aspects, which indicates and requires information both from a governmental and commercial view.

The analysis will be mainly based on the interviews conducted with key stakeholders, primarily concerning the area of war insurance. The interviews were conducted with representatives from the Swedish Armed Forces (Svenska Försvarsmakten), the Swedish Shipowners' Association (Svensk Sjöfart), the War Insurance Board (Krigsförsäkringsnämnden), the Swedish club, the Swedish Orient Line (Svenska Orient Linien) and with the MF Shipping Group. The public and commercial outlook gained from the interviews are aimed to broaden the understanding of the conditions for the Swedish merchant fleet during wartime. The purpose of the interviews is to enhance the normative influence of state war insurance. The interviews are not intended to provide exhaustive answers, but rather to conduct a better insight and understanding into what the different actors and stakeholders in the industry think about the Swedish war insurance system and ship registry.

The interviews were semi-structured. The interviews were based on previously formulated questions aimed at addressing the research objective, but depending on how the interviews were elaborated, there were changes in terms of order, exact phrasing or additional questions to the flow of the conversation.⁶ This form of interviews was chosen to be able to interact with the respondents and to be able to deepen the discussion by delving into unforeseen issues. Furthermore, it was chosen to better know the practical effects of the law and because of the limited existing literature.⁷ For this work, it was of essence since the interviews also aim to better understand the participants perspectives of the state war insurance system. The questions were formulated in regard to the theoretical framework in order to enable comparison. In order to conduct a comprehensive and comparative analysis, similar interview

⁶ Bryman and Bell, *'Business Research Methods'* (Oxford University Press, third edition, 2011).

⁷ Adeoye - Olatunde. O. A and Olenik. N. L, *'Research and Scholarly Methods: Semi-structured Interviews'* (JAACP: Journal of the American College of Clinical Pharmacy, vol. 4, no. 10, 2021) 1358–67, <<https://doi.org/10.1002/jac5.1441>>.

guides were used for the two different groups of respondents.⁸ The interviews were conducted with central representatives, both representing the public and private sector within or connected to the Swedish maritime and insurance industry. The interviews which were carried out with Swedish representatives have been translated with the help of AI tools. Altogether, the objective is to enhance the understanding of Swedish war insurance and bareboat registry law.

Lastly worth mentioning, there is no clear division between the descriptive and analytical parts of the thesis. This is to enable a more comprehensive understanding of the subject by giving a direct analysis of a descriptive text. This mainly applies to the reflections sections.

1.4 Delimitation

The purpose of the essay is to evaluate the interrelated legal and practical implications and functions of the Swedish law for state war insurance. To be able to provide a better understanding of the subject and a more comprehensive analysis, I have chosen to also describe the legal aspects of ship registry and the legal complexity of bareboat registry. In this regard, the main focus will be to examine their interrelations. Other aspects of the discussion will therefore not be included in this thesis.

Thorough, there will not be any depiction or provision of a detailed historical study of Swedish war insurance, since it is beyond the scope. It will rather be a demised historical background to contribute to the understanding of the need of state war insurance. The aim is to provide a relevant depiction of the subject. The same applies to the private legal functions of ship registration, which is only mentioned in context and towards the effects on the commercial market of imposing government war insurance. It will not be examined in this essay beyond some single remarks when required. Additionally, this thesis does not seek to consider all aspects regarding the law of state aid, but to concrete it in the maritime context and especially in relation to state intervention which is obligated under the current Swedish War Insurance Act.

However, there will be a detailed study of state war insurance law, its permeating principles and regulations. The focus will be to analyze the legal and partly practical implications and

⁸ See under Section 'Appendix B'.

challenges for Swedish state war insurance. However, the analysis will not go into the proposed legal changes of the current law and interrelated legislation, such as within the Swedish Maritime Code, but rather to analyze the overall functioning of the system. It will neither analyze it from an institutional aspect, nor provide an economic analysis of the consequences of providing war insurance. What will be observed and analyzed is the relationship between the flag State and the maintenance of state war insurance.

1.5 Disposition

To enable the analysis, the thesis has been divided into six chapters. Since war insurance constitutes a multifaceted term and as the shipping sectors differ, the different aspects such as marine insurance and ship registration have to be viewed individually. Particularly, when the different sections are extensive, the focus has been to provide a comprehensive but compact description. All six chapters have been considered as necessary to fulfill and answer the research question.

Chapter 2 analyses the existing legal framework for state war insurance and gives a literature review of the importance of marine and war insurance.

Chapter 3 examines the Swedish merchant fleet by analysing the right of requisition for ships as well as the importance of jurisdiction, ship registration and the enforcement of a bareboat register in Sweden.

Chapters 4 – 5 expand the previous sections by discussing and analyzing both the theoretical and empirical findings which were gathered through a literature review and of the interviews conducted with public authorities, shipping companies and external actors within the shipping sector. This section aims to connect and compare the theoretical framework with the empirical findings.

Chapter 6 summarizes and concludes the legal and practical complexity of and the enabling of state war insurance in Sweden, as well regarding the future prospects of and possibilities in implementing a bareboat registry in Sweden.

2. THE LEGAL ASPECTS OF MARINE WAR INSURANCE

2.1 The Importance and Need of Insurance

The ability to forge connections and networks of global reach is essential for the maintenance of the Swedish shipping sector. Enabling transportation by sea is a decisive element in Sweden's preparation for the defence and public supply, serving both military and civilian needs. The need for tonnage persists even without an immediate military threat to Sweden. Whatever the situation, marine insurance is of importance in order to proceed with transports. Especially, in times of war, the State may need to take part of the risks in order to secure essential transports. An effective way of taking over such risks is through direct insurance or reinsurance.

2.1.1 What is marine insurance?

Marine insurance is essential for the maritime and trade industries, making an overall understanding of marine insurance law of the most important essence. Marine insurance refers to a way of transferring the risks and of which maritime transports are covered. Insurance is a contract by which the insurer undertakes to indemnify the assured against loss or damage caused by an insured risk. Hence, the engagement within international commerce requires a legal recourse of management of risks.⁹ Marine insurance itself is closely reconciled with international maritime law, trade and shipping.¹⁰

Although marine insurance by its nature is international, there do not exist any international instruments regulating the matter. The practice is highly standardized, universal and dominantly based on English law and practice. Even if the contractual terms and definitions are up for the insurer and assured to decide, the relationship is generally governed by the English Marine Insurance Act 1906 and 2015 and, in particular, standard form contracts (if incorporated).¹¹ The Acts serve as the leading statutory statements of the principles and rules of marine insurance, which correspondingly have had substantial influence internationally.

⁹ Klopott, M, 'Cargo insurance in conflict zones: Navigating risks and limitations' (European Research Studies Journal Volume XXVII, Special Issue B 919-931, 2024) DOI: 10.35808/ersj/3691.

¹⁰ Tenold, S, et al., 'Global Shipping in Small Nations: Nordic Experiences after 1960' (Palgrave Macmillan 2012) 1.

¹¹ Rose, F. D et al., 'Marine Insurance: Law and Practice', (Informa Law from Routledge, 2nd edition 2012) 5.

The second type of judicial instrument regulating marine insurance is the principal contracts, more specifically the policies regulating the contract terms.¹²

Marine insurance can be divided into two main categories: insurance taken out by the shipowner and corresponding insurance taken out by the cargo owner. A shipowner requires insurance for both property and for liabilities which may arise in connection to maritime transportation. In this context, two types of insurance are of essence; such as the Hull and Machinery (H&M) insurance covering the hull and machinery, and Protection and Indemnity (P&I) insurance covering liability.¹³ However, neither of the insurances cover all accidents at sea. In addition to these insurances, a shipowner may take out supplementary policies, (excluding from the above discussed forms of policies), to cover various types of losses that may arise from shipping operations such as damage or loss caused by acts of war. Conversely, losses or damages resulting from war and other forms of social disturbance are often excluded from coverage, making it difficult for shipping companies to pursue transportation in times of war. Under normal circumstances, war insurance may be provided by the commercial market. However, in times of war, the primary responsibility for providing such coverage normally lies with the State.¹⁴

Overall, a contract of marine insurance does not guarantee that the subject matter insured will arrive safe and sound at the destination, but rather aims to indemnify the assured against the results of certain risks.¹⁵ Marine insurance is a choice in action and cannot pass the risk by merely the assignment of the subject matter insured.¹⁶

2.1.1.1 The concept of risk

The risks covered by marine insurance are diverse and could, due to its geographical wideness, rise beyond the assumptions upon which the insurance is based.¹⁷ Risk is a multifaceted concept, which changes directly and indirectly over its objectives, and thereby challenges the undertakings of the insurance. However, there is a need for insurers to

¹² *ibid.*

¹³ Government Official Report 2013:28 (n 2) 93.

¹⁴ Mandaraka - Sheppard. A, *'Modern Maritime Law Vol. 2 Managing Risks and Liabilities'* (Informa Law, 3. ed, 2013) 8-9.

¹⁵ Ozlem. G, *'Marine Insurance Law'* (Routledge, 3rd Edition, vol. 1, 2023) 341, <<https://doi.org/10.4324/9781003031895>>.

¹⁶ *ibid* 21.

¹⁷ Ozlem. G, *'Research Handbook on Marine Insurance Law'* (Edward Elgar Publishing, 2024) 17.

undertake the full multifaceted nature of the risks that a ship could face during its voyage.¹⁸ The term *risk* is used to indicate the overall level of risk associated with a specific voyage, location or state. It is understood as “the possibility of harm or loss” related to an activity or “the likelihood of an incident happening” that may result in a loss.¹⁹ Moreover, the technical complexities of modern societies have entailed and required a more further interpretation of risk as something included in a variety of aspects. The need of mitigating risks via insurance, and the first instances of reinsurance transactions, have become a common practice within shipping. After all, risks are insurable but uncertainties (such as the unbreaking of war) are deemed to be less so. Mostly, the understanding of risk associates to the process through which uncertainty is made fungible.²⁰ However, the assessment of risks by one performer could differ from that of another, unless the interest upon which risks are calculated coincide “exactly”.²¹

The coordination of marine insurance as a strategic resource, particularly in times of war, requires that the Government not only balance and consider the competing demands of the private and public sectors, but also to manage the inherent complexity of risks. This involves anticipating large-scale and uncertain losses, integrating national security needs and market limitations, and being able to formulate a strategy that mobilizes marine insurance as a strategic resource.

2.1.1.2 The managing and allocation of risk

The management of risks is highly important within direct insurance and reinsurance. With increasing globalization and systematic complexity, the allocation of risks has become more difficult to determine and define. Nonetheless, a single event could trigger a multiplicity of losses. Although there are various definitions of risk, the concept could be divided into three forms to better understand the inner connections, or in other words the interdependencies. According to Marano and Grima, it could be divided into the Known (K), the Unknown (u) and the unknowable (U) risk.²² What distinguishes these three stages of risk is that the first and second one can to some extent be quantifiable, even if the uncertainty lies in the time of

¹⁸ Marano. P, and Kyriaki. N, ‘*The Governance of Insurance Undertakings: Corporate Law and Insurance Regulation*’ (Springer 1st Edition vol. 6, 2022) 34, <<https://doi.org/10.1007/978-3-030-85817-9>>.

¹⁹ Mandaraka - Sheppard (n 14) 5.

²⁰ *ibid* 6.

²¹ Lobo - Guerrero. L, ‘*Insuring War: Sovereignty, Security and Risk*’ (Routledge 2012) 98.

²² Marano and Kyriaki (n 14) 35.

occurrence. The third stage, however, indicates situations where the timing, location and extent of the event are far more difficult to quantify, and if not impossible, to manage the unknowable risks. The management of such risks requires a legal framework, made flexible to ensure variable costs and cover of risks which diversifies across areas and over time.²³

2.1.1.3 Risk and finance

It takes a great deal for an insurance shortage to arise in the transport sector. However, the costs for covering certain risks may increase sharply due to the risks being of large scale or for risks being unknowable (U) (as emphasized above), such as those arising from war. Since the risks are unpredictable, it makes it hard to price the insurance for losses that could occur with low probability. The size of the premium, nevertheless, depends on the degree to which it is classified as a high risk. When the risks of transportation, whether involving damage to the ship or cargo, increase severely under times of war, the costs of obtaining insurance (if available at all) inevitably increases. Thus, unknowable risks (U) create significant challenges for predictability and operational stability.

For the risks that are highly uncertain and where risk assessments may suddenly change, the insurer often includes clauses in the contract, giving him the right to amend the terms such as to raise the premiums or terminate the insurance. The insurance includes typically a 7-day cancellation clause, giving the insurer the right to cancel the insurance within seven days if a war situation deteriorates.²⁴ This sort of disturbance influences the price setting of the insurance. After all, the insurers generally impose additional costs to cover the heightened risks associated with shipping through some regions exposed to war-related risks.²⁵

2.1.2 What is war insurance?

Marine war insurance is a specialized branch of marine insurance, offering protection against risks arising from warlike events. This kind of coverage is typically provided as an optional addition rather than a standard form of marine policy. Indeed, without any contractual or legal obligation, there is no obligation of the insurer to provide war risk insurance. The availability of these clauses to include under the policy is not universal but depends on the discretion of individual insurers.²⁶ Thus, they are not automatically included in all policies, regardless of

²³ *ibid.*

²⁴ Schelin and Widlund (n 1).

²⁵ Klopott (n 9).

²⁶ Rose et al. (n 11) 289.

the vital functions they could provide. The availability of war cover is typically contingent on the mode of transport.

Additionally, most war clauses provide protection for risks encountered at sea connected to war or warlike events, but do not cover nuclear damage of any kind or damage that have occurred from major wars.²⁷ If any of the two of the following States – France, the United Kingdom, the United States, the Russian Federation, or the People’s Republic of China enter into war, the insurance is terminated automatically.²⁸ Put in a broader perspective, the meaning of the clause has increased in importance. In relation to the current security order, there is a heightened risk that Sweden could be drawn into, or be affected by, war in its vicinity. This is particularly due to Sweden’s membership with the Nordic Atlantic Treaty Organization (NATO). The chance of Sweden becoming involved in war has increased in proportion to that Sweden, pursuant to Article five of the North Atlantic Treaty, will be obligated to participate in collective defence.

2.1.2.1 Definition of war

If insurance is not provided, it creates a gap in the protection against insurable risks.²⁹ In the case of war insurance, the gap could be aggravated by the inherent indecency of defining *war*. Whether an event qualifies as war, armed conflict or any related disturbance, it is not only a legal question, but is also interrelated to a financial and operational evaluation. Without any clear definition of war, the risk allocation can be contested and the preparedness measures can thus be undermined.

Whether or not war insurance could be provided, it has to be determined what the definition of *war* contains. War is defined in the Oxford English Dictionary as an: “Armed conflict between nations, States, or rulers, or between groups in the same nation or State (cf. civil war), typically characterized by a campaign or series of campaigns conducted over a period of time; involvement in such conflict, or the activities associated with it”.³⁰ It could, within

²⁷ Government Official Report 2013:28 (n 2) 96-97.

²⁸ See, eg, Institute War and Strikes Clauses (01/11/95), cl 5.11 and cl 6.2.1. The listed States are the five permanent members of the United Nations Security Council. See United Nations Security Council, Current Members, <<https://www.un.org/securitycouncil/content/current-members>> accessed 17 October 2025.

²⁹ Klopott (n 9).

³⁰ Oxford, ‘*Oxford English Dictionary*’ (Oxford University Press, 2000).

this context, be interpreted more narrowly than *warlike operations*.³¹ However, there is no formal definition or any binding authority. Accordingly, the specific facts of any case have to be considered.³² Nonetheless, the meaning of the word war is controversial and embodied with an international character, which at the same time embraces a domestic complexion.³³

In *IF P&C Insurance Ltd (Publ) v. Silversea Cruises Ltd*, the Court of Appeal considered what constituted an *act of war* or an *armed conflict*. It was discussed whether the definitions could be of broader effect than the word *war*, insofar they could arise within a state of war being present. In the same case, it was also reaffirmed that public international law concepts of *armed conflict between sovereign states* did not provide any guidance to clarify the definition. Instead, it is argued that the word war in a commercial document, such as in an insurance policy, should be given its normal and common meaning and would only arise where there is a conflict between two or more States that includes military operations.³⁴

Nevertheless, the distinction between marine and war risks policies designates a complex difference in the nature of risks, which the insurers are expected to cover. Due to the complex nature of war risks, they are typically underwritten per voyage, and the period as well as the geographical region of its cover is typically limited to that specific voyage. This makes it, however, more important to assess the specificities of the risks involved in sailing in that specific area.³⁵

2.1.2.2 Reinsurance in the aspect of war insurance

Reinsurance is an extension of the notion of direct insurance, in the way it passes on part of the risk of which the first insurer is liable. The insurance policy amounts in marine insurance are often too large to handle by a solely insurance company without any additional cover. With reinsurance, the insurance company reduces its risk exposure and increases its capacity to handle larger claims.³⁶ Due to the complexity and size of risks, such as related to war, the

³¹ Davey. M, et al., '*Miller's Marine War Risks*'. (Taylor and Francis, Fourth edition 2020) 34, <<https://doi.org/10.4324/9781315229584>>.

³² *ibid* 35.

³³ See *Pesquerias y Secaderos de Bacalao de España S.A. v. Beer2 and Spinney's (1948) Ltd v. Royal Ins Co Ltd [1980]* Lloyd's Rep. 406 at 427, 429.

³⁴ Davey et al. (n 31) 44.

³⁵ Lobo - Guerrero (n 21) 115.

³⁶ Government Official Report 2013:28 (n 2) 93.

feature of reinsurance as an additional protection of the risks covered by the insurance policy, is typically a necessity.

The need to distribute the risk between several insurers is constantly present. The broader the risks are spread, the cheaper or capable they are to insure.³⁷ Consequently, with the function of reinsurance, the insurers are more able to mitigate the uncertainty and provide protection against abnormal financial losses.³⁸ The element of risk transfer in reinsurance, makes reinsurance a necessary element in the complexion of war insurance.

2.2 The Reliance of Maritime Transportation

Sweden is a small open economy that is not self-sufficient in terms of providing essential goods. It is dependent on transportation and its economic activity is to a large extent dependent on foreign trade. Sweden's geographical location on the edge of Europe entails extensive transport needs. Both its public and commercial functions rely on a functioning shipping sector. However, the trend of reduced stockholding has increased the State's vulnerability to disruptions in transport.³⁹ Moreover, the transport industries increasingly consist of private operations. Many of the former transport sectors that have been driven by the Government have been incorporated and operate on a commercial basis.

Overall, the Swedish shipping sector has become reliant on functional transportation routes. Marine insurance is needed for the goods to be transported, for the means of transport and for covering the liability of the carriers.⁴⁰ Hence, the operation of transporting goods to and from Sweden is considerably relying on insurance coverage, in particular during times of war when the risk exposure is high. In order to respond to the higher demand of transportation and ensure its continuity even during times of war, both statutory requirements and demands for insurance coverage have increased.

Several governmental inquiries indicate that, as a result of Sweden being a member in NATO, the State is expected to function as a logistical hub and expected to assume a collective

³⁷ *ibid.*

³⁸ Ozlem (n 15) 466-467.

³⁹ Government Official Report 2013:28 (n 2) 11-12.

⁴⁰ *ibid.*

responsibility to assist its allies.⁴¹ Accordingly, “Sweden’s geostrategic position and security policy interests shall form the basis for shaping Sweden’s role as an ally”.⁴² Sweden’s defence has shifted eastward and the sea has therefore gained increasing importance both as a transport route and as a support area for NATO. This development is likely to put a higher demand on Swedish merchant shipping, and inquiry Swedish flagged ships to both secure civilian and military supply. Hence, it is of importance to strengthen the transport capacity by the sea. As a consequence, Sweden has to embrace a broader perspective and adopt a more comprehensive strategy for its maritime operations.⁴³ Notably, NATO’s reinforcement operations and Finland’s welfare relies on functioning transport routes within the Baltic Sea.⁴⁴ In times of war or conflict, Sweden must secure transport routes from the North Sea to ports on the west coast, through the Baltic Sea entrances, and onward to the most important ports in the Baltic Sea, the Gulf of Finland, and the Bothnian Bay. Sweden, to an increasing degree, is expected to safeguard both Swedish and allied interests in the *global commons*.⁴⁵

To facilitate transportation in times of war, there exist laws and regulations that remain permanently in force, and become applicable if Sweden is at war. The purpose behind these enactments is to secure the proceedment of supply of goods for military and civil needs and for the securement of economic activity.⁴⁶

2.2.1 Swedish war insurance law – Current legal order

Firstly, the Act (1999:890) on Insurance Operations during war or Danger of War etc. (Lag om försäkringsverksamhet under krig och krigsfara m.m.), is a preparedness law which governs what measures during times of war that could be taken to ensure insurance for the means of transport. Its purpose is to ensure that transport essential to Sweden’s defence effort, civilian supply or business continuity can proceed without any interruption. If Sweden enters into war, the provisions of the Act automatically enter into force. Correspondingly, the Government may prescribe that the rules shall apply if Sweden is under the threat of war, if

⁴¹ One of them: the Ministry Publication Series 2023:34, ‘*Kraftsamling, Inriktningen av totalförsvaret och utformningen av det civila försvaret*’, 22.

⁴² Government Bill 2024/25:34 (n 3) 40.

⁴³ Edling, P and Widlund, M, ‘*Grunder för en svensk maritim strategi – det handlar om att ta kontroll*’ (Kungliga Örlogsmannaskapet, Sveriges marina akademi, Tidskrift i Sjöväsendet nr 5, 2024), 523-533.

⁴⁴ Government Bill 2024/25:34 (n 3) 218.

⁴⁵ Edling and Widlund (n 43).

⁴⁶ Government Official Report 2013:28 (n 2) 41.

there exist such extraordinary circumstances caused by war outside Sweden's borders, or by Sweden having been at war or under threat of war.⁴⁷

The legal framework is solely to be applied if Sweden is at war or in threat of war. The aim of state war insurance is to enable the State to act as a direct insurer or reinsurer in areas where the insurance market cannot prevail due to the conditions of war. In times of war, the risks increase and can result in the commercial market no longer being willing to offer insurance. Overall, there is a need for the State to act as a direct insurer as well as a reinsurer, in order to limit the State's exposure.⁴⁸

Instinctively, the need for state intervention is unlikely since the insurance market has proven capable of handling large risks. However, a prepared legal framework enables quicker and more effective measures. If the need for state measures arises, these have to be implemented at short notice. The enabling of state intervention authorizes the Government (Regeringen) to make financial commitments on the behalf of the State. In Sweden, such authorization means entrusting the Government to delegate the control of the public financing within the insurance of transport in times of war, which otherwise require parliamentary approval of the Swedish Parliament (Riksdagen). It grants the Government expanded powers in times of war, powers which in peacetime, belong solely to the Parliament. However, there is a necessity for such an authorization to be justified.⁴⁹

The War Insurance Board (Krigsförsäkringsnämnden) has by the assignment of the Government the responsibility to provide the insurance.⁵⁰ It is the responsibility of the Board to issue direct insurance or reinsurance, but only on the condition that it is essential for the interests of the State, such as for defence efforts, supply of goods or for economic activity.⁵¹ It may also provide war insurance in the transport sector against war risks for property stored abroad for import into Sweden or in connection with export from Sweden.⁵² Overall, there is no formal obstacle to providing insurance for foreign means of transport.⁵³

⁴⁷ The Act (1999:890) on Insurance Operations during war or Danger of War, Chapter 1, Sections 1 and 2.

⁴⁸ Government Official Report 2013:28 (n 2) 129.

⁴⁹ *ibid* 14-15.

⁵⁰ The Act (1999:890) (n 47) Chapter 4, Section 1.

⁵¹ *ibid* Chapter 4, Section 5.

⁵² *ibid* Chapter 4, Section 1, Subsections 1 and 2.

⁵³ Klopott (n 9).

However, state war insurance cannot be provided during all circumstances. In extraordinary circumstances, resulting in absence of a sufficient supply of insurances in the transport sector or in cases of serious disruption in that supply, the State may accept direct insurance and reinsurance only in situations where the market has failed. Higher costs for insurance (such as higher premiums) should not constitute sufficient grounds for state action. Nonetheless, there must be a need to insure risks for which the commercial market does not provide coverage, or where such severe disruption in the supply chain will imitate a market failure. War insurance is hereby only a temporary solution while the commercial insurance market does not function. Thus, the underlying purpose is to secure the continuity of transports essential to both public and private functions.

2.2.1.1 The former management of war insurance

The former Swedish Insurance Pool (Svenska Transportförsäkringspoolen), established in 1979, worked as a preparedness body for Sweden's maritime and transport insurance system. The intention behind the Pool was to create a cooperation and an entity between Swedish ships and Swedish insurance companies participating under prearranged agreements, providing both predictability and coordination in times of war. The Pool was intended to provide cover for both Hull and Machinery as well as P&I insurance. The division of risks were distributed in the Pool and damages exceeding a predictable deductible would be shared among the parties in the Pool. The risk exposure was thus distributed between the parties. Any exposure to losses or damages beyond the Pool's capacity were intended to be reinsured on the international insurance market, and if it overexceeded the reinsurer's capacity it was finally to be reinsured by the War Insurance Board. To ensure that the policies involving risks of war were implemented effectively, the Board had, through outbreak-of-war agreements, undertaken to assume full responsibility for all war risks related to *Swedish interests* and for which were borne by the insurance companies or which would have been terminated. However, it is still an opportunity for the War Insurance Board to conclude such agreements with insurers.⁵⁴

Nowadays, even without any war-outbreak agreements enforced, the definition of *Swedish interest* is of importance in determining when the War Insurance Board is allowed to provide insurance. However, a definition of Swedish interests does not appear in the law. The only

⁵⁴ The Act (1999:890) (n 47) Chapter 4, Section 6, Subsections 1 and 2.

statutory limitation of the Board's ability to provide direct insurance or reinsurance is that it must be of essential importance for supply, defence efforts or economic activity.⁵⁵ By having the definition of Swedish interest vague and up for interpretation, the framework introduces a layer of flexibility which could include the complexities of maritime commerce. Nonetheless, at the same time it could create a degree of operational and legal uncertainty.

2.2.2 Public and private contraction

Altogether, the enabling of uninterrupted transportation by sea following times of war, depends on insurance coverage against war risks and for such events being automatically provided. Commercial insurance alone is not always enough. The scale and unpredictability of losses and damage caused in times of war, can exceed the capacity and willingness of the insurance market to provide adequate coverage. A sufficient way to assume the risks is through state insurance and reinsurance, as emphasised above. Instead of buying means of transport and manning them, the State can assume the risks for the private actors who are willing to carry out the transports.⁵⁶ However, the provision of government insurance is supposed to be conducted on commercial principles. The purpose is not to generate profit for the State, but to exercise the utmost caution with respect to both the costs of the State in the form of capital losses and to the possible effects on foreign trade.⁵⁷

2.2.2.1. Formation of state aid

The conditions for provision of state war insurance under the Swedish War Insurance Act, should as far as possible be designed on a commercial basis and in a way that would avoid distortion of competition. The price for the insurance should be set in relation to the risks. Thus, the level of the premium must be balanced against the interest in ensuring the continuance of transportation. Nevertheless, the State should charge fees that should cover the State's financial risk and other costs associated with the matter. As emphasized, the purpose behind the law is not to generate profit for the State, but to cover its own costs. Because of this, the shipping and insurance companies should be treated in a competitive manner. In principle, the difference in premium with or without state intervenience, should pass to the State.⁵⁸

⁵⁵ Government Official Report 2013:28 (n 2) 145.

⁵⁶ *ibid* 191.

⁵⁷ *ibid* 18-19.

⁵⁸ *ibid*.

In the European Union, *state aid* is referred to “an advantage in any form whatsoever conferred on a selective basis to undertakings by national public authorities”.⁵⁹ The state aid rules have the purpose to ensure that competition is not distorted by controlling the imposing of regulations and measures of its Member States.⁶⁰ Sweden, as a Member State within the European Union, has to follow the rules that place a restriction on the State’s ability to provide aid. The rules on state aid are set out in Article 107 of the Treaty on the Functioning of the European Union (TFEU). There is a general prohibition of State aid in Article 107(1) of the TFEU followed by some exceptions which are either exceptions to the prohibition, which are permitted automatically under 107(2), or authorized in certain circumstances under Article 107(3). By not examining the rules in detail, it is, however, useful to consider the concept of state aid. State aid refers to financial support provided by a Member State to undertakings which meet all four criteria set out in the TFEU.⁶¹ Any aid granted by a Member State or through state resources, which distorts or threatens to distort competition by favouring certain undertakings, is incompatible with the internal market, insofar it would affect the trade between Member States.

Accordingly, in the CJEU in *Belgium v Commission*⁶² (the TSE case), state aid is referred as:

“For the purposes of the present appeal, it should be borne in mind that, for a national measure to be categorised as State aid within the meaning of Article 107(1) TFEU, there must, first, be an intervention by the State or through State resources; second, the intervention must be liable to affect trade between Member States; third, it must confer a selective advantage on the recipient and, fourth, it must distort or threaten to distort competition.”

The objective of state aid is to ensure that government interventions do not distort competition nor intra-community trade. Aid is not defined under the Treaty, which due to the absence gives the European Commission and the Courts a considerable degree of discretion. Thus, aid may be the form of any financial support. Aid compatible with the internal market could include, inter alia, situations of an exceptional nature in which Member States may be

⁵⁹ European Commission, ‘*State Aid Overview*’, <https://competition-policy.ec.europa.eu/state-aid/overview_en> accessed 25 September (2025).

⁶⁰ Power. V, ‘*EU Shipping Law*’ (Informa Law, Third edition., vol. 1 2018) 603, <<https://doi.org/10.4324/9781315626147>>.

⁶¹ *The Treaty on the Functioning of the European Union* [2012] OJ C 326, Article 107(1).

⁶² Case C-270/15 P, ECLI:EU:C:2016:489.

forced to take measures that may depart from the obligations under the Treaty.⁶³ In particular, the Treaty provides possibilities to allow state aid under special provisions, including inter alia, aid for public transport and aid that is vital for undertaker services of general economic interests.⁶⁴ Thus, not all state aid is forbidden, rather, they provide an order for the “development of a system for the evaluation of the compatibility of each individual aid scheme”.⁶⁵ It is nevertheless up to the European Commission and the Authority to ensure that the Member States comply with the state aid rules.

2.3 Reflections – A Balancing Act

This chapter has been devoted to discuss how the marine and war insurance schemes have become a strategy to ensure domestic order, economic security and international trade. What has been discussed is how state war insurance, as an effort, could control shipping by enabling marine insurance under the conditions declared to war. The Swedish War Insurance Act allows Sweden to provide direct insurance and reinsurance in times of war. Those means have been deemed necessary to ensure the maintenance of the insurance industry to encourage merchant shipping during times of war.

The security situation of Sweden is considered as changeable, transnational and complex.⁶⁶ During crises and especially in times of war, the risk environment of marine insurance transactions changes rapidly and radically. The assessment of risks is hard to determine. Within marine insurance, an immense number of factors must be taken into consideration to be able to make the correct risk assessment, in comparison to other nonlife lines of insurance.⁶⁷ Nonetheless, the insurance system has shown to be resilient, not only withstands disruptions but also adapts and converts to current situations, enabling provision of marine insurance coverage for the maintenance of transport operations. It is most essential to sustain during times of war, since it underpins the military defence and civil supply. Thus, the adaptivity and flexibility of the commercial insurance system is not only a financial safeguard, it also becomes an integral part of the Government's preparedness in times of war.

⁶³ Government Official Report 2013:28 (n 2) 125.

⁶⁴ The TFEU (n 61) Article 107(3).

⁶⁵ Lavdas. K.A and Mendrinou. M.M, ‘*Politics, Subsidies and Competition: The New Politics of State Intervention in the European Union*’ (Edward Elgar 1999) 50.

⁶⁶ Swedish Government Bill 2008/09:140 ‘*Ett användbart försvar*’ and Government Bill 2024/25:34 (n 3).

⁶⁷ Lobo-Guerrero (n 21) 115-116.

However, certain risks are not covered by the commercial insurance but require special insurance in the form of war insurance as emphasized. Nonetheless, for risks which are difficult to assess and which could change quickly, there is a need for constitutional preparedness. Historically, Sweden had war-outbreak agreements as a preparedness measure to ensure continued coverage even during times of war. However, they are no longer available. One of the main reasons is the changing nature of the insurance market. More and more shipping companies in the maritime sector, as well as insurance companies, operate in a more global manner. Consequently, this progress leaves a gap in Sweden's preparedness framework. Without clear set frameworks for transitioning the risks in times of war, the Swedish maritime sector could face disruptions. Reassessing the arrangements that connect the commercial market to the State, perhaps through new forms of cooperation, could uphold and reinsure vital maritime transport to be sustained even during war. This could be conducted through new agreements and terms sustaining the cooperation between the War Insurance Board and insurance companies based on international standards. Overall, the cooperation between the Board and the insurance companies forms a key function of the activities taken by the Board to expand Sweden's defence.

Notwithstanding, the correlation between the State and the private insurance sector is deemed necessary for supporting the war effort. Thus, the interaction between them is a necessity for providing and being able to proceed with the necessary transportation. However, the market interaction must be preserved as far as possible, as to also maintain the liberal polity of the State. The commercial market must be upheld, making the requirement of state intervention only allowed under certain circumstances. Once the State becomes the direct insurer or re-insurer, what results is a sovereign form of private insurance.⁶⁸ The State should only intervene when the insurance market has failed, to fall within the permissible framework of the EU's state aid rules under the TFEU. It is only to be considered in exceptional cases.⁶⁹ When there is sufficient insurance capacity and the insurance market functions, there is no need for state involvement.

Opposed to the assumption that commercial interests in the time of war naturally align with national interests, it is questioned whether merchants and commercial actors might instead relocate their expertise and capital abroad. It is an important aspect to reconsider when

⁶⁸ *ibid* 79.

⁶⁹ Government Official Report 2013:28 (n 2) 212-213.

analyzing the provision of state war insurance.⁷⁰ The shipping industry is distinguished by the concept of the traditional freedom of the shipowner to devote his tonnage in whatever trade and to whatever purpose he wishes.⁷¹ If Sweden is to preserve its liberal status, at least in its domestic market, it has to ensure that the war insurance conforms to both interests of the State and commerce. Marine insurance by being by definition international, making it essential to assess to what extent Swedish or foreign insurers insure Swedish-registered ships, as compared to foreign ships. In this context, it is however a long-standing issue of securing sufficient tonnage capacity, given the development of Swedish ships increasingly being registered abroad. The current Act primarily covers Swedish-registered means of transport, while a large number of transports, both to and from Sweden are carried out using foreign registered means of transport.

⁷⁰ Lobo - Guerrero (n 21) 92.

⁷¹ United Nations Convention on the Law of the Sea (adopted 10 December 1982, entered into force 16 November 1994) UNTS, Article 91.

3. THE LEGAL ASPECTS OF SHIP REGISTRY

3.1 Jurisdiction in International Law

The ship by being mobile, making the aspects of nationality far more complex in shipping than in other industries. The increasing nature of the sector emerges new forms of governance. However, the current legal order lies in the concept of jurisdiction, which according to case law lies in a State's sovereignty.⁷² It is mostly referred to as a "method of application of international law".⁷³ It is thoroughly an ability of the States to act in order to achieve a legal effect.⁷⁴ However, the creation of a judicial link between the State and the object could differ.⁷⁵

3.1.1 Nationality of means of transportation as jurisdictional link

The link between a flag State and a ship flying its flag is of fundamental importance. It signifies the ship's affiliation with a specific State. A ship's nationality connects it to a State with authority to exercise control and jurisdiction, such as determine the law governing the ship.⁷⁶ Hence, a ship's nationality subjecting it to the exclusive jurisdiction of the flag State, which comprises both legislative and enforcement jurisdiction.

The nationality of a ship is determined by the flag it is flying according to Article 91(1) of the United Nations Convention of the Law of the Sea (UNCLOS). An interpretation of Article 92(2) of UNCLOS makes it prohibited to fly two or more flags, but conversely, not for the entitlement to several nationalities. One interpretation implies that Article 91(1) of UNCLOS does not prevent ships from having different nationalities and that the ship correspondingly under Article 92(1) only could use one of the nationalities at any one time. Hence, it should be "seemed to proscribe deceitful uses of nationality and not multiple nationalities per se".⁷⁷

⁷² The Steamship Lotus, (1927), P.C.I.J. Series A, No. 10; 2 Hudson, W.C.R., 23, Permanent Court of International Justice.

⁷³ Higgins. R, '*International Law and the Avoidance, Containment and Resolution of Disputes. general course on Public International law*' (1991-V) 230 Recueil des course de L'Academie de droit international 9, 89.

⁷⁴ See eg. The S.S Wimbledon (France, Italy, Japan and United Kingdom v Germany) (Judgment), 1923 PCIJ Ser. A, No 1, 15, 25.

⁷⁵ Cogliati - Bantz. V. P, '*Means of Transportation and Registration of Nationality: Transportation Registered by International Organizations*' (Routledge 2015) 10.

⁷⁶ Pejovic. C, '*International Maritime Law and Practice Comparative Law in Context*' (Informa law from Routledge 2025) 58-59.

⁷⁷ Cogliati - Bantz (75) 44-45.

3.1.2 The importance of registration – Public and private functions

Registration, per se, in the context of shipping is a means of which a ship could be conferred nationality.⁷⁸ It has been considered as a precondition but also as an essential stipulation for the ship's capability for operating. Nonetheless, the ship carries out the sovereignty of the State whose flag it flies.⁷⁹ Registration of ships encompasses important functions in both public and private law aspects. It is, inter alia, considered as an "important state function".⁸⁰ The registration register emphasizes the legal situation of a national merchant fleet and serves as an assurance of public control over transactions made with ships.⁸¹ Its public law function pertains to national interests. It fulfills important functions as for, in case of war, determining the application of rules to a ship or for determining the engagement of merchant ships for remedial services.⁸² However, it is important to have a clear conception of the definitional significance of the different processes for ship registration, which in turn affects the capability of the State of usage of the ship.⁸³

Today, different States have confronted the change of registry in a variety of ways. The reliability of registration, as a mode of proving nationality of a registered object, is argued to be found in "...the universality of its use".⁸⁴ Shipowners have absolute freedom to choose where to flag their ship, to decide the nationality of the ship and correspondingly the flag State to determine the conditions for granting its nationality to the ship.⁸⁵ This principle has been acknowledged in *the 1905 Muscat Dhows case* by the Permanent Court of Arbitration, which established that the registration process has taken different directions among States.⁸⁶ Thus, shipping nations' share of world tonnage not only differ among States, but also have varied materially over time.

⁷⁸ *ibid* 202.

⁷⁹ Mansell. J. N. K, '*Flag State Responsibility: Historical Development and Contemporary Issues*' (1. Aufl., Springer-Verlag, 2009), xvii–xvii, 91 <<https://doi.org/10.1007/978-3-540-92933-8>>.

⁸⁰ Wendel. P, '*State Responsibility for Interferences with the Freedom of Navigation in Public International Law*' (1. Aufl., Springer-Verlag, vol. 11 2007), <<https://doi.org/10.1007/978-3-540-74333-0>>.

⁸¹ Watt. E and Coles R. M. F, '*Ship Registration: Law and Practice*' (Informa Law from Routledge, third edition 2019) 58.

⁸² Cogliati - Bantz (n 75) 9 and 202.

⁸³ Mukherjee. P. K and Brownrigg. M, '*Farthing on International Shipping*' (Springer 4. ed., 2013) 178-179.

⁸⁴ Cogliati - Bantz (n 75) 51.

⁸⁵ Mansell (n 79).

⁸⁶ See *Decision of the Permanent Court of Arbitration in the Matter of the Muscat Dhows of 8 August 1905*, 2 A.J.I.L. 293, 294 (1908).

3.1.2.1 The variety of registries

Historically, the purpose of registration was to ensure a close operational and economic connection between a ship and the State of its registration. There was therefore little need to investigate the extent to which international law required a substantive link between the State and the ship whose flag it flew.⁸⁷ Based on many years of maritime administration, during which time different frameworks have been established for the regulation and administration of ships, the national registry has developed into a strategic instrument. Since every State has the right to form and grant its nationality to ships, it is up for each State to form the conditions for such grant. Each State has the discretion to conclude the conditions for granting its nationality to ships and for their registration in its territory.⁸⁸

As stated in Article 91 of UNCLOS “there must exist a *genuine link* between the State and the ship”. The concept of genuine link derives from the *Nottebohm case Liechtenstein v. Guatemala (1995)*, *I.C.J. Rep. p. 4*. Whether what constitutes a genuine link in the maritime context remains unclear. There is uncertainty whether a genuine link is a decisive requirement for the grant of nationality.⁸⁹ The concept is somehow evasive.⁹⁰ In an absence of any clear jurisprudential definition, flag States tend to interpret the term in a way that best suits their national needs and interests.⁹¹

Moreover, it becomes difficult to understand the meaning of a *genuine link* according to Article 91(1) of UNCLOS when it only entails the requirement of registration. One interpretation of the provision could imply that registration is of importance for establishing the legal relationship of nationality between the flag State and a ship. However, the link between the two must entail more to be accounted as genuine.⁹² What elements that will constitute *genuineness* is hard to determine, since it often would appear to be within the position of the State, or group of States. In other terms, it has been evaluated to be a requirement not per se for the establishment of the legal relationship of nationality, but as a requirement for the flag State to ensure a sufficiently close link between it and the ship to be able to fulfill its obligations under international law. For this reason, according to Vrancken,

⁸⁷ Mukherjee and Brownrigg (n 83) 205.

⁸⁸ UNCLOS (n 71) Article 91.

⁸⁹ Vrancken. P, ‘*State ocean jurisdiction*’ (Taylor and Francis, 1st ed., vol 1, 2023) 82–83 <<https://doi.org/10.4324/9781003383871>>.

⁹⁰ Mukherjee and Brownrigg (n 83) 201.

⁹¹ *ibid.*

⁹² Vrancken (n 89).

the requirements of genuineness are to be defined in relation to the duties of the flag States, including those mentioned in Article 94 of UNCLOS.⁹³

3.1.3 The political international context of a new scheme

Although the *genuine link* should be ensured by the registration, there exists no uniformity in the registration requirements for ships. Various national legislations provide different sets of requirements and criteria for a ship to obtain nationality. The different approaches of providing nationality and imposition of requirements could be categorized into two main groups. One group by containing more strict criteria and the other by allowing more favourable conditions for ship registration.⁹⁴ Today, cross-registration has become more of a common feature, working as a subject of guarantee of the establishment of a legal bond towards the State of registration.⁹⁵ It has turned into *secondary*, *open* and *international* registers being a more common feature in individual States, with ships flying the national flag in the same way as those in the counterpart registries. Similarly, the existence of bareboat charter registration allows a bareboat or demise charter to register the ship under a flag of its choice.⁹⁶

What is common and defines these systems is that the registration is more seen as a service provided for a fee, and less as an insistence of national sovereignty through its fleet of ships.⁹⁷ Compared to previous *traditional* registrations, which were based on nationality and where the size of a national fleet was essentially the number of ships owned and registered in the flag State, the concept of *open* registries has made it gradually becoming more common for a part of the national fleet to be registered elsewhere.⁹⁸ Within this view, the choice of the flag is, however, not only dependent on nationality but rather embraces choices that are complex, involving legal, political, commercial as well as moral considerations.⁹⁹ A majority of commercial ships intend to trade under flags differing from the flag of the State in which the

⁹³ *ibid.*

⁹⁴ Pejovic (n 76) 68.

⁹⁵ Mukherjee and Brownrigg (n 83) 206.

⁹⁶ See next Section 3.2.4 about bareboat registry and Mukherjee and Brownrigg (n 83) 206.

⁹⁷ Mukherjee and Brownrigg (n 83) 206.

⁹⁸ *ibid* 208.

⁹⁹ Watt and Coles (n 81) 58.

owner is located.¹⁰⁰ A development, which is also confirmed by the International Chamber of Shipping (ICS).¹⁰¹

The development of *open* registries has forced more *traditional* registers to adopt strategies associated with such registries. It has often involved countries being willing to open up for *bareboat*, *international* or *second* registers, to mitigate the loss of their ships and to be able to protect their shipping industries.¹⁰² Sweden, with a *traditional* shipping registry, has lost ground to such registries, by maintaining the requirement of nationality, stricter governmental oversight and not allowing any form of dual nationality registration. However, the embracing of a more comprehensive registry doesn't have to affect the tonnage owned by the State. It may instead be improved due to benefits from dual registration. Instead, this variability may provide valuable additional information on the performance of national shipping.¹⁰³

3.1.4 Bareboat registry

A judicial definition of a bareboat charter is “that the legal owner gives the charterer sufficient of the rights of possession and control which enable the transaction to be regarded as a letting – a lease or demise, in real property terms”.¹⁰⁴ More precisely, it involves two parties (the owner and the charterer), and two States (the State of registration of the owner and the flag State of the charterer), which in turns creates a regime of dual or parallel registration.¹⁰⁵ In terms of operation, it is defined as a situation in which a ship is registered in a second State in the name of the charterer. In the course of the period of bareboat charter registration, the ship loses the right to fly the flag of the owner's State, but does have, however, the right to fly the flag of the charterer's State.¹⁰⁶ The registration that is in effect is the one of the second State. The ship is therefore only subject to the jurisdiction and control of the second State whose flag it flies. This indicates that a bareboat registry is not any

¹⁰⁰ Maritime Transport 2020 (UNCTAD 2020) 41.

¹⁰¹ International Chamber of Shipping, ‘*Shipping industry Flag state performance table 2020/2021*’ (ICS 2021) 3.

¹⁰² Girvin. S, et al., ‘*Maritime Organisation, Management and Liability: A Legal Analysis of New Challenges in the Maritime Industry*’ (Hart Publishing, an imprint of Bloomsbury Publishing 2021) 30 and 34-35.

¹⁰³ Watt and Coles (n 81) 9.

¹⁰⁴ *The Giuseppe di Vittorio* [1998] 1 Lloyd's Rep 136 at 156.

¹⁰⁵ Wiswall. F (ed.), ‘*Bareboat Charter Registration, Legal Issues and Commercial Benefits*’ (International Chamber of Commerce, 1988 and *infra*) 33.

¹⁰⁶ Ademuni - Odeke, ‘*The National and International Legal Regime of Bareboat Charter Registrations*’ (Ocean Development and International Law, vol. 28, no. 4, 1997) 329–67, <<https://doi.org/10.1080/00908329709546109>>.

dual-registration which is forbidden by UNCLOS, but rather referred to as a parallel registry. The Convention does not require that the first registration to be deleted, but rather to be suspended. Hence, it enables shipowners to flag out and then charter back ships that have been de-registered.

The flexibility of a bareboat charter registry is an attractive form of registry for a State. However, the principal objection of a bareboat registry is that it creates a risk of legal indecency for the rights of both the shipowner and charterer as well as could imply a potential risk of overlapping jurisdictions by two States. Thereby, not all States permit the practice while some States only permit flagging in or out ships.¹⁰⁷

Shipping, like any other industry, has been forced to evolve under changing political, legal, economic and technological conditions, which for most part has been evident for ship registration. The conceptual approach to bareboat registry is, however, not uniform among the various States which permit the practice.¹⁰⁸ In most jurisdictions, but not in all, a *demise* charter is defined by the charter undertaking the management of the ship, and a *simple* charterparty by giving the shipowner the right to retain the management of the ship. A charterer from another State can register the former, but not the latter type of charterparty.¹⁰⁹ This is due to the bareboat charter registration being a question of flying a flag and not, in essence, a question of registration of a ship. In general, the registry of the ship remains unaffected by the change of flag.

In Sweden, bareboat chartering is not mentioned in the Swedish Maritime Code, but is more likely to be dealt with in the legal writing under the terms of ship lease.¹¹⁰ Current legislation in Sweden appears to be less well adapted to the development towards an increasing use of bareboat chartering. Fundamentally, the Swedish Maritime Code is based on a *closed* registry, but has the possibility to embrace a bareboat register. Within the Government Bill from 2025¹¹¹, it is discussed that one way to face the decreasing number of registered Swedish ships and to facilitate access to the Swedish-controlled merchant fleet in the event of war, would be for Sweden to establish a bareboat register alongside its ordinary ship register. It

¹⁰⁷ Girvin et al. (n 102) 36 and Watt and Coles (n 81) 62.

¹⁰⁸ Watt and Coles (n 81) 68.

¹⁰⁹ Ademuni - Odeke (n 106).

¹¹⁰ Tiberg. H and Schelin. J, '*Transport Law in Sweden*' (Wolters Kluwer, fourth edition. 2020) 54.

¹¹¹ Swedish Government Bill 2024/25:178 '*Förenklad in-och uthyrning av skepp*'.

could promote the State to arrange arrangements with a number of Swedish shipping companies that control the flagged-out ships, and could require that the ships be primarily registered in the Swedish register before being flagged-out to foreign registers through so-called bareboat registrations.

In times of war, the shipping companies could be, under such agreements, obliged to deregister the ships from the foreign registers, and in practice reflagging them to the Swedish fleet. It would reconcile the need for the Swedish shipping companies to compete on the international shipping market, while still making it possible for the Swedish Government to demand requisition of the ships in the event of war, since they would already be registered within the Swedish register. Overall, a bareboat register could be used to charter and reflag foreign ships when necessary. Nevertheless, chartering foreign ships appears to be a more uncertain way of securing a fleet under the Swedish flag than concluding agreements with Swedish shipping companies regarding Swedish-controlled ships.¹¹² The concern lies in the inclusion of foreign ships may lead to claims over the ships in question.

3.2 Ships Sailing Away

Sweden can assume a number of roles in the maritime context dependent upon its location and sovereignty for its relationship with ships registered or not under the Swedish flag. Ship registration serves as a significant reflection of a State's maritime transport capacity. Registration serves as a legal institution, creating a link between the ship and the State.¹¹³

Since the mid 1970s, the Swedish flagged merchant fleet has decreased. Total *registered* ships in 1975 was 613 ships of at least 100 gross register tons, with a capacity of 7,7 million gross register tons.¹¹⁴ This however, has decreased in number to 296 ships in 2022, with a total of two million gross register tons. This number was caused by most of the ships being sold or re-flagged abroad. However, the *controlled* merchant fleet comprised 302 ships with a total of 7.6 million gross register tons, which indicates that the controlled fleet was thus three times larger than the Swedish-flagged fleet.¹¹⁵ In 2024, the total exploitation of merchant ships under Swedish management (of at least 100 gross tonnage) increased. However, of the total

¹¹² *ibid* 38.

¹¹³ Mukherjee and Brownrigg (n 83) 204.

¹¹⁴ Schelin and Widlund (n 1).

¹¹⁵ *ibid*.

capacity, Swedish-registered ships accounted for 26 percent and the remaining 74 percent of foreign-registered ships. 17 percent of the ship capacity under Swedish management in 2024 was chartered to foreign companies, corresponding to an increase of five percent in comparison with previous year. Subsequently, these were not available to Swedish operators.¹¹⁶ According to Trafikanalys, the current Swedish merchant fleet (of at least 100 gross tonnage) constitutes 0,15 % of the world merchant fleet measured in gross tonnage, with 313 ships.¹¹⁷ Of these, 116 are at least 500 gross tonnage.¹¹⁸ It is foremost those ships that are exposed to international competition.¹¹⁹

3.2.1 Disposal of ships

Through disposal, a State may by compulsion, use ships or require shipowners and/or non-operating ship owners to perform transportation. Since such a right could inflict an intrusion into an individual or another State's rights, a State's ability to exercise it is limited in several respects.

3.2.1.1 The Swedish Expropriation Act

The Swedish Expropriation Act (Förfogandelagen, 1978:262) is another preparedness law that becomes applicable automatically if Sweden goes into war, or upon a decision by the Government if the country is in danger of war, if there are such extraordinary circumstances caused by war outside Sweden's borders, or if there is a risk of shortage within the realm of property essential to the total defence or the supply of the population.¹²⁰ The Act grants the Government certain possibilities to forcibly decide on the requisition of ships, provided that the conditions are met. However, the right of requisition of ships is limited. It can only be evoked considerably when there is a shortage or a risk of shortage of property vital to the total defence or to the unavoidable needs of the population for property or services that cannot otherwise be satisfied without difficulty.¹²¹

¹¹⁶ Trafikanalys, 'Fartyg 2024 – svenska och utländska skepp i svensk regi' (2025) <<https://www.trafa.se/globalassets/statistik/sjotrafik/fartyg/2024/fartyg-2024---svenska-och-utlandska-fartyg-i-svensk-regi.pdf>> accessed 30 September.

¹¹⁷ *ibid.*

¹¹⁸ *ibid.*

¹¹⁹ Swedish Government Official Report 2010:73 'Svensk sjöfarts konkurrensförutsättningar: Betänkande av Utredningen om sjöfartens konkurrensförutsättningar', 53.

¹²⁰ The Expropriation Act (Förfogandelagen, 1978:262), Sections 1 and 2.

¹²¹ *ibid* Section 2, Subsections 2 and 4 first period. Also see Swedish Government Bill 1977/78:72, 'om förfogandelag m.m.', 88.

3.2.1.2 Restrictions and international restraints

In practice, the right of requisition could allow the State to overtake a ship for the means of the total defence, either temporarily or permanently. However, the legal effect of such requisition has an impact on the insurance. The requirement of the assured to have an *insurable interest* is prevailing. In relation to marine insurance, the requirement is statutory, but also based upon public policy principles enrolled in the legislation. The assured must have an insurable interest. No contract of marine insurance is valid unless the assured has an insurable interest in the insured object at the time of loss. According to Thomas, “the right exists only if it could be established that the assured has a legitimate concern in the subject-matter of the insurance, in the broad sense that the assured will suffer loss, prejudice, disadvantage or detriment in the event of the insured contingency occurring”.¹²² To be able “to meet the requirement of legal purposes, the contract must be supported by an insurable interest”.¹²³ However, the concept of insurable interest is in its generality complex. It is a means of identifying to what extent one has the right to insure. When the ship falls under the State, it is questioned whether the initial insurable interest stops to exist and thereby ceases the policy automatically.¹²⁴ What an insurable interest implies, is that it must adjure a particular relation between the assured and the subject matter insured. Only when there exists a relation between the *risk* potentially leading to a *loss*, “the assured is said to possess an interest in the subject-matter which is insurable”.¹²⁵

Another limitation is that the right of requisition must be balanced against the right and protection of property rights. Thus, a State may be limited by express treaty provisions. Sweden’s right to requisition of a ship constitutes a thorough interference with private property rights, which are protected under Chapter 2 Section 15 of the Swedish Constitution and Article 1 of the 1952 Additional Protocol of the European Convention on Human Rights. However, a deviation from the protection of the property rights may be made in order to satisfy public interests. Moreover, in the Expropriation Act¹²⁶, the reference to property is made generally as well as to owners and holders of means of transport. It could, however, not be interpreted as giving access to all ships of the Swedish Merchant fleet, that is, ships

¹²² Thomas. D. R, ‘*Marine Insurance: The Law in Transition*’ (Routledge, 1st ed., 2006) 16, <<https://doi.org/10.4324/9781003122784>>.

¹²³ Pejovic (n 76) 554.

¹²⁴ *ibid* 554.

¹²⁵ Thomas (n 122) 16.

¹²⁶ The Act (1978:262) (n 120) Section 5, Subsection 1, points 1, 2 and 5.

registered in foreign ship registers but over which Swedish shipping companies exercise indirect ownership. It is therefore restricted to only covering Swedish *registered* ships.¹²⁷ The property of foreign States cannot be requisitioned.¹²⁸ Application of public and administrative law provisions must only be exercised within national territory. A State is not allowed to impose its nationality on a ship that already has been granted the nationality of another. It follows from the rule of customary international law, codified in Article 92(1) of UNCLOS, which indicates that a ship shall only sail under one flag. In the event of war, Sweden “can hardly count on any other resources than Swedish-flagged vessels... Property located abroad therefore generally cannot be requisitioned, even if it is indirectly controlled by Swedish interests”.¹²⁹

3.3 Reflections – Domestic Transformation?

As previously emphasized, the attribution of nationality confers certain rights and obligations of the State. It could, nonetheless, inform the State's regulatory, commercial and defence capacity. As has been discussed, States when facing a shortage of tonnage under its flag, may accord temporary nationality for commercial, security, and defence reasons.¹³⁰

The State must secure access to shipping capacity. Requisition of ships is solely a subsidiary act. Given the increased globalization, it may nonetheless be questioned whether the right of requisition should be expanded. Without enough registered ships under the Swedish flag, and other States using their tonnage for their own purposes, leaves Sweden vulnerable. As mentioned earlier, the Swedish-flagged merchant fleet has diminished in size from the 1970s, mostly due to re-flagging. Without access to ships, the right of requisition remains ineffective.

Altogether, whether special rules apply, it is only the flag State that has the legal control over ships registered in the specific country. That State has the authority to requisition or otherwise dispose of the means of transport according to law. In times of war, Sweden has the right to dispose the ships registered under its flag but does not however have the right to (automatically) gain access of foreign-registered means of transport if the State of registration

¹²⁷ Swedish Government Official Report 2019:51 ‘*Näringslivet roll inom totalförsvaret*’, 63.

¹²⁸ Swedish Government Official Report 1952:50 ‘*Kristidspolitik och kristidshushållning i Sverige under och efter andra världskriget: Del II*’.

¹²⁹ Schelin and Widlund (n 1).

¹³⁰ Ademuni - Odeke (n 106).

opposes it. In such a case, there is no benefit for Sweden to insure means of transport that may be requisitioned by another State.¹³¹ Notwithstanding, the right of requisition is an important preparedness measure taken by the State to ensure access to means of transport in the event of war.

Most importantly, the question is whether and if so, what measures could be taken to enable Sweden to dispose foreign-flagged ships in terms of *Swedish interests* in the event of war. Under normal circumstances, Swedish-owned but foreign-flagged ships can operate without any obstacles. However, in the event of a war, uncertainty arises as to whether these ships can be disposed of and made available to the Swedish State, since they formally fall under the jurisdiction of another State. Even if the *Swedish-controlled* fleet exceeds the *Swedish-registered* fleet,¹³² Sweden cannot formally expand its right of requisition. Instead there is a need to increase the number of Swedish-registered ships in the Swedish merchant fleet to ensure national control and supply in times of war. The limit of Sweden's freedom of action undermines its ability to maintain essential transportation for private and public supply and defence. Instead, it presents the country's dependence on international actors and of decisions made outside its borders.

The proposed amendments in the Government Bill from 2025¹³³ seeks to make it more attractive for Swedish shipping companies to maintain primary registration in the Swedish register. It would enable the companies to compete in the international shipping sector while, by reflagging back to Swedish nationality in the event of a war, enable the State to get access to the ships. The insertion of a bareboat register could result in more ships flying the Swedish flag when a company charters ships from other countries and register it in the bareboat register. It could thereby strengthen the Swedish merchant fleet. Registered or not, there exists however uncertainty whether Sweden would be able to exercise control over the ships in the event of war. Underlying factors which reflect the uncertainty are, inter alia, the geographical location of the ships.¹³⁴

¹³¹ Government Official Report 2013:28 (n 2) 229.

¹³² Trafikanalys, Report 2024:11 '*Svensk sjöfarts internationella konkurrenssituation 2024*' (2024) 15, <<https://www.trafa.se/globalassets/rapporter/2024/rapport-2024-11-svensk-sjofarts-internationella-konkurrenssituation-2024.pdf>> accessed 2 Oktober.

¹³³ Government Bill 2024/25:178 (n 111).

¹³⁴ *ibid.*

Overall, maritime law does represent a mixture of public and private law elements. It must encompass the variety of the sectors and be adapted to the practical needs. However, legal assurance regarding the enacted legislation is crucial. Hence, it is of importance to provide a legal framework that corresponds with both legal certainty and practical challenges within domestic and international shipping. It must also align with the strategy-making of the shipping actors, since the selection of shipping registry is one of the main competitive elements in the shipping sector.¹³⁵ As a result, the core for reforming a ship registration system lies in the need to innovate and modify the conditions for registration.

¹³⁵ Thanopoulou. A. H, '*What Price the Flag? The Terms of Competitiveness in Shipping.*' (Marine Policy 22: 359–374 1998).

4. EMPIRICAL STUDY – CONCEIVED CHALLENGES

4.1 Interviews

The interviews have been carried out with key stakeholders within the Swedish insurance market and from a foreign market to broaden the view and analysis of the Swedish war insurance system. However, it was not possible to access all key stakeholders. To fulfill such gaps, secondary sources, inter alia, official reports and relevant literature have been used to provide complementary perspectives and to ensure that the analysis has remained comprehensive.

The inclusion of relevant stakeholders such as;

1. the Staff Officer of the logistic department with focus on maritime transportation at the Swedish Armed Forces Headquarters,
2. the Head of Maritime safety, protection and preparedness at the Swedish Shipowner's Association,
3. the Chairman of the War Insurance Board (Krigsförsäkringsnämnden),
4. the Senior Manager Underwriting at the Swedish Club and Board Member of the War Insurance Board,
5. the Chief Executive Officer and Co-owner of MF Shipping Group,
6. the Managing Director of TransProCon at the Swedish Orient Line and
7. the Senior Advisor at the Defence Logistic Organization (FMLOG),

have contributed with normative influence and to a comprehensive understanding of how Swedish war insurance is perceived in practice.

The Swedish war insurance system operates through the interaction of the insurer, the assured and the State. The chosen respondents for the empirical study, representing companies within the shipping and the insurance industry, as well as the governmental authorities, ensure the interaction of the market mechanisms and state intervention as well as highlight both operational challenges as legal configuration. Their perspectives have been valuable to help identify areas where the laws may require clarification.

4.2 Chosen Method

The research strategy chosen can be described to be both inductive or deductive.¹³⁶ Both of them have been used during different stages of the research. Initially, the deductive approach has been applied to collect and conclude secondary data in the legal background. However, this section is aimed to support existing theory and to propose new theory concluded from empirical findings through an inductive approach.¹³⁷ The objective is to investigate the permeating features which were similar or differing among the replies of the respondents in order to connect them to and compare with theoretical research.

Different stakeholders within the Swedish industry were chosen and enabled a comparable analysis. All interviews have been conducted on two different questionnaires, depending on whether the respondent works on a public foundation or on a private basis. However, the same questions have been conducted which have allowed for different comparisons and conclusions. The interviews conducted are aimed to provide normative input that serves as a complement to the legal background of the Swedish war insurance and bareboat registry framework. They offer practical insights on how the systems should be applied and designed in order to ensure effectiveness but most importantly, resilience during more severe disruptions. The normative findings disclose their professional evaluations but also their expectations of state war insurance and the maintenance of maritime transport capacity.

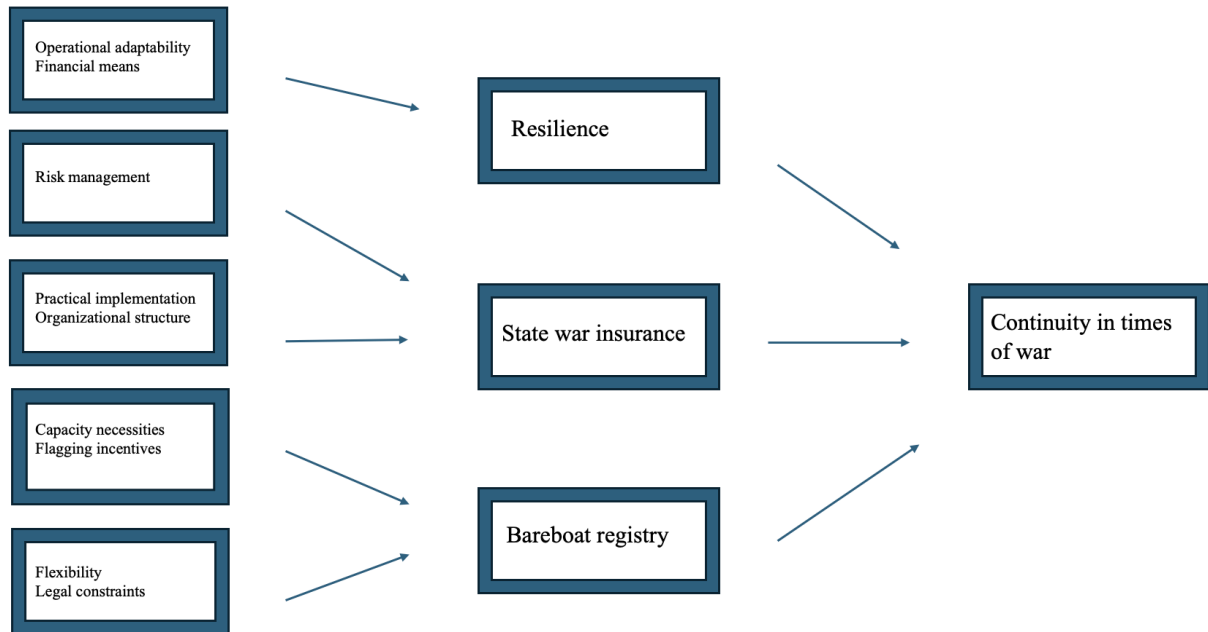
The interview transcripts have been coded using constant comparative analysis. Throughout the process of collecting and analyzing new data, the categories have been adjusted to take in new perspectives and developments into account. A process conducted throughout the writing process until no new categories emerged and no more information were available. The comparative analysis involved the data collected of the respondents which have been cross-checked, compared, coded and verified with existing theory. The coding has led to nine different empirical themes indicating the need of resilience, state war insurance and ship availability to ensure maritime resilience in times of war. These themes have later been grouped into those three conceptual categories using axial coding, which will be analyzed below.¹³⁸

¹³⁶ Bryman and Bell (n 6).

¹³⁷ Kovács. G and Spens. K. M, ‘*Abductive reasoning in logistics research*’ (International Journal of Physical Distribution & Logistics Management, Vol. 32 issue 2, 2005) 132-144.

¹³⁸ Strauss. A. L and Corbin. J. M, ‘*Basics of Qualitative Research: Grounded Theory Procedures and Techniques*’ (Sage, 1990).

4.2.1 Data analysis structure



4.3 Empirical Findings

This part of the empirical study examines the interaction between state war insurance and bareboat registry law, to assess the resilience of the Swedish marine industry in times of war. The system’s ability and resilience relies on a functioning risk management mechanism and on a regulatory tool to strengthen the Swedish merchant fleet. This section discusses the most important findings from the semi-structured interviews.

4.3.1 Resilience

Compared to other industries, the maritime shipping sector faces operational challenges related to seafaring. Enhancing the resilience of maritime transportation has become a key operational objective of business and governmental preparedness. Ding and Lee addresses *resilience* as a *dual stability- and adaptability-based perspective*, which addresses known uncertainties and devising countermeasures as well as considering unknown uncertainties to be able to build a resilient system.¹³⁹ All respondents shared the similar view and argued that state war insurance and access to ships are essential to maintain stability and strengthen

¹³⁹ Ding, Jiangmin and Lee, Eon-Seong, ‘Improving the maritime supply chain resilience: The role of firms’ dynamic knowledge management and organizational innovation’ (Journal of Organizational Change management, vol. 37, no. 6 2024) 1322-39, <<https://doi.org/10.1108/JOCM-01-2024-0006>>.

resilience of the maritime sector. Insurance and ships must be available regardless of the level of preparedness. Sweden's whole logistic chain is dependent on shipping. Thus, if the State's war insurance system fails to provide coverage, its whole transport capacity will be affected.

When asked whether Sweden could rely on its maritime industry in the event of war or similar large-scale disruptions, the respondents expressed differing views resulting from different takings. As the Senior Manager Underwriter at the Swedish Club and Board Member of the Swedish War Insurance Board argued:

I believe the Swedish maritime industry can be adapted to handle major disruptions. I speak primarily from the perspective of the insurance market, which has historically proven to have a strong capacity to adjust to new conditions and circumstances, suggesting that it would likely adapt certain ways to handle wartime or larger disruptions. Nonetheless, it is of importance to have a well-functioning system that clearly defines how Swedish war insurance should be structured and applied in the event of war. Maritime operations by being international and transcending national borders, change the conditions over time. It is not, however, possible to design a system that is flexible enough in advance to legally anticipate all future measures that may need to be implemented, but there will likely be a solution when and if a war occurs that affects and disrupts the insurance market.

A resilient maritime sector is of importance to be able to withstand and adapt to changing conditions, regardless of unforeseen disruptions. It requires coordinated actions and transformation across all system elements. The reliance on the maritime sector necessitates increased attention to the governmental framework. This was addressed by the Senior Advisor at the Defence Logistic Organization (FMLOG):

The Swedish War Insurance Act and the Expropriation Act play a central role. However, the Acts only enter into force when the Swedish Government declares a heightened state of alert, reaching its full applicability only at the highest level of preparedness, which is during times of war. The current legal frameworks are not adapted to modern conditions, where access to transport facilities and capacity must be secured before the Acts takes effect. In today's security environment, particularly with Sweden's NATO membership, the transport movements within the alliance may need to be assured before Sweden legally enters a heightened state of alert. As the sea is becoming an increasingly important transport area in order to support Sweden's military operations, it places higher demands on a functioning shipping sector.

Maritime resilience could be defined as the ability of the sector to prepare for, anticipate, respond to and recover from disruptions caused by more severe disruptions. It is essential for the upholding of global connectivity and supply. However, as societies and its industries become more interdependent and complex, the system becomes more vulnerable to any disruptions. The increasing interest in resilience as a way of supporting the continued transportation to and from Sweden, is a product of the concern of the problems and disruptions that may arise due to globalization as well as the competitive environment. The societies experience various types of risks and uncertainties, of which could lead to serious disruptions in the transport sector. If Sweden would enter into war or if war would occur in its vicinity, the whole global supply chain would be affected. Enhancing maritime resilience is a necessity for the development of reliable approaches and methods. The Chairman of the War Insurance Board provided an interesting taken:

Sweden would not be particularly well-equipped to handle disruptions in maritime trade arising from war-related conditions. The greatest obstacle to further development lies in the authorities' introspective approach to war insurance. The focus is primarily on the Swedish merchant fleet and national self-sufficiency, which influences how the system is constructed. The understanding of how Sweden can ensure its ability to maritime transport and supply flows during war requires a holistic perspective that includes both preparedness and legal frameworks.

The assumption of maritime resilience is expected to be extensive, comprising the reliability of fluctuations in capacity and demand, the recovery from disasters as well as durability of the transport system in response to continuing changes.¹⁴⁰ For the shipping companies, maritime resilience is addressed as the capacity to endure disturbances after disruptive incidents. According to Allen et al., it is a current topic and challenge for maritime transport agencies.¹⁴¹ From an operative perspective, the Chief Executive Officer and Co-owner of MF Shipping Group explained:

Resilience remains a crucial element of the sector, as goods must continue to be transported regardless of circumstances, such as under war or geopolitical tensions. State involvement in the shipping sector is important, but it must however be carried out in a structured and predictable manner.

¹⁴⁰ Wang J.Y.T. 'Resilience thinking' in transport planning' (Civil Engineering and Environmental Systems, vol. 32, no. 1–2, 2015) 180–91, <<https://doi.org/10.1080/10286608.2015.1014810>>.

¹⁴¹ Allen. E et al., 'Integration of resilience and risk to natural hazards into transportation asset management of road networks: a systematic review' (Structure and Infrastructure Engineering, vol. 21, no. 5, 2025) 755–73, <<https://doi.org/10.1080/15732479.2023.2238281>>.

Overall, it is of importance to connect all perspectives: the institutional, the commercial and the defence perspective, to analyze if Sweden could be resilient in times of war. All of the respondents emphasize the importance of a deeper understanding of the shipping sector and its influence, as it affects and may in turn limit Swedish transport capacity. Altogether, without a *holistic perspective* that includes both national and international conditions and their direct and indirect impact on Swedish interests, the understanding of maritime operations will be impaired. It is important to enhance in terms of preparedness, adaptability, reliability and flexibility. It has to be a system, resilient with the ability to endure, adapt, respond and manage disruptive events both within and outside the borders of that system. It is essential that there exists a system that provides the required services without interruptions.

4.3.1.1 Financial securement

Furthermore, it is of importance to ensure access to *capital and financing* for Sweden's resilience and competitiveness. In this regard, the War Insurance Board operates under the Ministry of Finance and receives administrative support from the Financial Supervisory Authority (Finansinspektionen). In this year's budget proposal, the Government has issued state guarantees for war insurance up to SEK 200 billion in 2026. However, although the financial resources for state war insurance have been secured through the 2026 budget, there exists concerns whether the system still would be operational. As an example, the Senior Advisor at the Defence Logistic Organization (FMLOG) expressed:

Without a reformed structure and a clear allocation of responsibilities, Sweden risks lacking a central part of its preparedness.

Accordingly, in the Swedish Budget Bill for 2026, it is stated that the commitments by the War Insurance Board, including the issuance of certain types of non-life insurance in the transport sector in times of war, entail an additional credit facility. To the extent that collected premiums for insurance compensation are insufficient, that additional credit facility will be needed to meet the temporary lack of liquidity, ensuring compensation in accordance with existing insurance contracts.¹⁴² It is intended to cover both preparedness agreements (war outbreak agreements and reinsurance agreements), insurance activities forced on the War Insurance Board and as well as issuance of insurance policies in the transport sector.¹⁴³ Thus,

¹⁴² Swedish Government Bill 2025/26:1 'Budgetpropositionen för 2026 - Utgiftsområde 2 Samhällsekonomi och finansförvaltning', 33.

¹⁴³ *ibid.*

in wartime, such capital could support insurers and ensure continued transportation, but there must, however, exist a clear structure of how to allocate the resources between the various sectors of transportation. Explained by the Chairman of the War Insurance Board:

The Swedish war insurance system is relatively strong and influential. The War Insurance Board can be expected to fulfill its task by assuming war risks under existing transport insurance contracts for ships, provided that the prior agreements with insurers are established. The Board's intention is to replace the previous War Agreements and the agreements that existed within the Swedish Transport Insurance Pool, to establish new ones. How this will be conducted and structured remains unclear. The War Insurance Board's direct efficiency is limited but its main purpose is to develop a stable organization that strengthens insurers and, by extension, the overall system. Although there are legal challenges, such as EU state aid regulations, transforming the Board into a state agency with a clear mandate to negotiate and contract with insurance companies could increase both its stability and efficiency. The aim will be to establish a transparent administrative structure for managing its allocated funds according to defined procedures and policy decisions.

4.3.2 Swedish state war insurance

All the respondents think that state war insurance is crucial in maintaining national resilience. The fundamental questions of why (regarding *risk management*), when and how (in terms of *practical implementation*), will be further discussed.

Firstly, the purpose of state war insurance is originally to provide security and stability to the insurance market. Risk management within the insurance market is formally distributed among actors, each taking a share of the risk. In the event of a major conflict, it will have operative repercussions of the global economic system, potentially requiring state intervention. Hence, the influence of war events or military conflicts is expected to inflict a deep and broad impact on the insurance sector as a whole.¹⁴⁴ Observed by the Chairman of the War Insurance Board:

Although a full-scale invasion of Swedish territory is unlikely, conflict in nearby regions can have significant effects on Swedish shipping. Ships, while operating globally, are in need of security, financing and insurance solutions adjusted to ensure the continuity of the maritime operations.

¹⁴⁴ Martins. A. M et al., 'The Impact of the Russia–Ukraine War on the World's Largest Listed Insurance Firms' (Geneva Papers on Risk and Insurance. Issues and Practice, vol. 49, no. 4, 2024) 779–803, <<https://doi.org/10.1057/s41288-023-00305-w>>.

The interconnectedness of maritime transport influences the insurance mechanism to extend beyond national borders. As seen in the Ukraine-Russia war, different “marine insurers have moved quickly to limit the financial damage”.¹⁴⁵ State war insurance thus serves as a financial protection and as a resilient factor for global operations. By being mobile, the establishment of insurance may change depending on the sailing course of the ship. Described by the Managing Director of TransProCon at the Swedish Orient Line:

In order to strengthen Sweden’s competitiveness and create conditions that allow commercial actors to operate effectively within the Swedish market, the Swedish war insurance system must not only manage and protect national interests but also facilitate the industry as a whole. Overall, the management of risks via state war insurance is essential in various regards to maintain Sweden’s maritime transport capacity and resilience.

Thus, it is of importance that there exists a close connection between the industry and the Government. Such a cooperation not only secures the ongoing transportations but also reinforces maritime resilience by maintaining maritime transport during times of war. For when the state intervention is necessary is explained by the Senior Manager Underwriting at the Swedish Club and Board Member of the Swedish War Insurance Board:

State intervention is only necessary when the market no longer has the capacity to maintain protection. It should only be conducted in cases when the insurance market has endured prolonged and extensive disruptions. Whether it will be needed to be activated depends on the scale of the conflict and its impact on the risk exposure within the commercial insurance market. The war insurance system is designed to function alongside the commercial market, serving as a replacement when the private market ceases to function.

Furthermore, all of the respondents (established in Sweden) agree that the Swedish war insurance system is well addressed. It is common among the respondents to believe that the Act (1999:890) on Insurance Operations During War or War Risk, etc. works well in principle. However, they all think that there is a need for structural measures to better organize financial flows and operational management. The challenge lies in how the legislation should be implemented in practice. Highlighted by the Head of Maritime safety, protection and preparedness at the Swedish Shipowner’s Association:

There is a need for administrative effectiveness.

¹⁴⁵ *ibid.*

In a similar way, the Staff Officer at the Swedish Armed Forces Headquarters emphasized that:

The importance of compliance and adaptability must be emphasized. It is essential to understand the need for administrative preparedness and the conditions required to develop a war insurance system that includes all relevant actors. There must be a clearly defined approach in which the allocation of responsibilities is made explicit in order to create credibility. There must be a clearly defined approach in which the allocation of responsibilities is made explicit in order to create that credibility. Communication between actors is crucial for preparing decisions and enabling effective planning.

The challenges are broad, and the State cannot rely on the commercial market to maintain or adapt to the diverse disruptions that can emerge. Agreements must be in place – primarily those concerning reinsurance – to ensure that responsibilities are regulated. There must exist a system that operates effectively. Both insurance and financing must be firmly established.

A key challenge is that Sweden has not been at war for over two centuries, which means there is no practical experience of how the system will operate in practice. Nevertheless, it is of necessity to clarify which measures should be implemented. As highlighted by the Chief Executive Officer and Co-owner of MF Shipping Group:

Predictability is essential for shipping companies to be able to plan operations effectively. To know what to expect in terms of government measures, regulations and support measures could in turn build trust and stability in the sector. There is a need for communication and a direct dialogue between the industry and the authorities. To achieve effective cooperation, mutual mid-term and long-term solutions must be developed that align both national interests and industry needs. There must be a degree of flexibility, in particular in times of war, to ensure that measures can be adapted without disrupting essential transportations.

Supporting measures can serve multiple strategic functions. These measures can function in a supporting capacity, enhancing the formal legislative framework of state war insurance. It could help ensure continuity and resilience across the overall maritime system. Argued by the Senior Manager Underwriting at the Swedish Club and Board Member of the Swedish war Insurance Board:

There is no need to replace the current framework but supportive measures should be taken to reinforce it. The cooperation with the insurance companies will be crucial for the system's effectiveness in practice. This will include drafting pre-arranged agreements to enhance

coordination within the maritime sector. There is a value in establishing a reinsurance body for the War Insurance Board that can handle claims and prioritize essential goods. Nonetheless, implementing different measures for securing and strengthening Sweden's transport capacity and goods flow. While it remains unclear how these reforms should be structured, the War Insurance Board plays a central role in the securing of insurance.

In terms of war insurance, a key preparedness issue is also to identify which ships that should be covered by continuous insurance. One possible solution would be to establish a specialized institution beyond the War insurance Board, not as a competitor but as a complement, with the task of identifying which ships should be included in Sweden's transport capacity. In order to ensure transport capacity the State may also need to provide voyage-based insurance. There is an importance of including both national and international actors in the Swedish insurance market, since it likely does not matter who provides the insurance as long as the Swedish War Insurance Board functions as the broker and administrator. Within the reinsurance agreements made with the State, it should be clearly stated which tonnage it will cover. Currently, it is often unclear whether it refers to a specific percentage or particular ships. Nevertheless, the predictability of the pre-arranged agreements would enhance the trust needed in the Swedish war insurance system.

Since the War Insurance Board is only a Board Authority (nämndmyndighet), it has limited resources to conduct more extensive measures. There is a lack of organizational structure and of an operational model. More concrete, there is a lack of operational conditions in terms of systems, infrastructure and personnel. Argued by *Svensk Försäkring*, the current provisions of the Swedish War Insurance Act in relation to the mandate of the War Insurance Board must be reviewed.¹⁴⁶ Noted by the Senior Advisor at the Defence Logistic Organization (FMLOG):

The current Swedish war insurance system, administered by the Board, is insufficient. The Board lacks a secretariat and operates only part-time, rendering it ineffective in practice. A potential solution would be to transfer responsibility to Kammarkollegiet (the Legal, Financial and Administrative Services Agency), which already manages several state insurance functions.

In summary, the Chairman of the War Insurance Board expressed the belief that:

Sweden is more prepared than any other European Country (including all of the Nordic countries), when it comes to providing state war insurance. Sweden is more prepared administratively. Having a functioning administration is essential for ensuring efficiency

¹⁴⁶ Erlandsson (n 5).

and resilience. Rather than having institutions being dormant during peacetime which may have difficulty to operate effectively during changing circumstances, Sweden has a prepared administration that can provide continuity and reduce the risk of operational disruption. Notwithstanding, there is still a need for administrative measures to streamline the system.

4.3.3 Bareboat registry

Access to Swedish-flagged ships is a vital asset that contributes to the State's resilience within its maritime sector. Sweden can only exercise authority and control over Swedish-registered ships and cannot regulate or requisition foreign-owned ships.¹⁴⁷ Given that the maritime industry is global in its operation and ships are in constant motion, the question that was inquired by all the respondents, was to whether the ships may be accessible as actual assets for Swedish shipping. If Sweden was to enter a future conflict, the key question would be, depending on the scale and duration of the war, whether there would be (any or enough) ships available for Swedish requisition. As the the Managing Director of TransProCon at the Swedish Orient Line explained:

A central problem for Swedish shipping and supply preparedness is the decreasing of the Swedish merchant fleet. Over the past decades, the number of Swedish-flagged ships has steadily decreased, which consequently has weakened the State's ability to independently maintain transport capacity during major disruptions to international shipping.

A larger fleet would strengthen the ability to meet both civil and military transport needs. Hence, a larger merchant fleet is a fundamental prerequisite for Sweden's security and supply resilience. The declining share of Swedish-flagged ships undermines Sweden's ability to exercise jurisdiction and maintain control in times of war. Described by the Senior Advisor at the Defence Logistic Organization (FMLOG):

A Swedish-flagged fleet provides a particular advantage. Having more ships sailing under the Swedish flag, the greater will the State's ability to secure transport capacity. If the national fleet is decreasing, the State loses direct influence over a vital part of its transport sector which in turn limits its capacity to deploy ships for national needs. In addition, although Sweden, through its Military Armed Forces, can provide certain protection to foreign-flagged ships, it does not however have the same authority or obligations to provide such cover as for ships under the Swedish flag. With the access of Swedish product tankers and RoRo ships, Sweden would largely be able to meet its transport needs.

¹⁴⁷ See Section 3.1.1.2 and Swedish Government Official Report 2019:51 'Näringslivet roll inom totalförsvaret', 63.

However, this perspective reflects primarily the needs of the Swedish Armed Forces. To also ensure the civilian supply requires a more well-balanced fleet and a functioning maritime traffic management, apart from state war insurance. Particularly evident is the lack of certain types of ships that are essential for maintaining Sweden's transport capacity. The newer part of Sweden's merchant fleet consists largely of tankers, which increases Sweden's dependence on foreign ships for other transport needs. As described by the Managing Director of TransProCon at the Swedish Orient Line:

There are few Swedish-flagged RoRo ships and ferries, and in some segments of the Swedish fleet, such as container shipping, there are none at all. It exposes Sweden to greater risk. A limited fleet will make it more difficult for Sweden to sustain its transport capacity during an armed conflict.

Sweden historically has been a significant maritime nation, but unlike other countries (in particular those bordering Sweden), it has chosen to maintain a traditional ship registry and has not introduced an international register. This has led to Swedish shipowners reflagging their ships to more competitive registers. The Swedish flag must regain its significance. Until recently, there has been uncertainty about whether any changes will be implemented. Political decisions taken within the maritime sector have not progressed at the same pace as developments on the international stage, which has created hesitation within the industry. It is important for the function of the industry to know how Swedish shipping will be conducted in the long term. Stability and long-term predictability are both crucial for investment, as well as clear and consistent rules for fostering confidence among the stakeholders. However, Swedish shipping has tended to a large extent to diminish the importance of commercial and operational considerations by its political involvement. There is a need for a change.

Furthermore, whether the new bareboat register will strengthen Sweden's transport capacity remains uncertain. The new regulation is expected to enter into force on February 1, 2026. It is expected to increase commercial flexibility and strengthen the competitive position of Swedish shipping companies through organizing their operations, business decisions and participation within the global market in an extended manner. Thus, the overall aim is to strengthen the competitiveness of Swedish shipping and to improve the ability of shipping companies to act flexibly.¹⁴⁸ Highlighted by the respondents, the bareboat register will likely

¹⁴⁸ Government Offices (Regeringskansliet), 'Nytt register ska förenkla inhyrning av obemannade skepp' (2025), <<https://regeringen.se/pressmeddelanden/2025/04/nytt-register-ska-forenkla-inhyrning-av-obemannade-skepp/>> accessed 5 November 2025.

lead to more ships sailing under the Swedish flag, thereby strengthening Swedish shipping.

Provided by the the Senior Advisor at the Defence Logistic Organization (FMLOG):

By introducing such a register, Sweden could gain access to foreign tonnage which could strengthen its maritime resilience and operational flexibility. Having more ships under the national flag enhances the States' ability to access and utilize them in times of war. A bareboat authorization can be revoked, enabling ships to fall under the Swedish registry when needed. It could provide Sweden with access to more ships in times of war and could strengthen national control. The purpose behind requisition is to meet essential needs of total defence or civilian supply when these needs cannot otherwise be met. For an effective overtaking, there is a need for "waterproof pre-established agreements" between the State and shipping companies, alongside a clear understanding of the types of ships required for different transport needs in times of war.

From a commercial perspective a bareboat register could also give the shipowners more commercial and practical abilities, to test reflagging to the Swedish flag on a more temporary and flexible basis. As noted by the Managing Director of TransProCon at the Swedish Orient Line:

There is an interest among shipowners working in the Swedish market in reflagging to the Swedish flag, provided that the conditions are improved and the process is facilitated administratively, economically and practically. The most decisive factor when choosing a flag State is the requirements stemming from the type of traffic the company operates, as well as which registry ultimately appears most advantageous from a business and financial perspective.

Long-term stability, predictability, and clarity in the system are essential for shipowners to consider reflagging to Sweden. The conditions must be at least as favorable, if not better, than those of competing registers. It is also important that the Swedish system is perceived as politically stable and based on clear and predictable regulations that foster confidence in decision-making. Furthermore, from a commercial perspective, the financial incentives play a central role. A system offering equivalent and long-term conditions could create incentives for more shipowners to reflag their ships under the Swedish flag.

In conclusion, an implementation of a bareboat registry could strengthen and increase the size of the national fleet and could help shipowners to have more flexible options to operate ships. The charterer's position and nationality has thus gained ground as a counterbalance in

relation to the owner’s nationality. The distinction and the difference of the flag and nationality of the ship, gives the ship the right to navigate under the charterer’s flag upon the registration in the bareboat registry.

4.4 Summary of Empirical Findings

Table 1 Summary of Empirical Findings

Summary of the respondents’ answers

<p>4.3.1 Swedish Resilience</p>	<ul style="list-style-type: none"> - Enhancing resilience is a key operational aim of business and governmental preparedness. - Insurance and access to ships are the main prerequisite for continued transportation. - There is a need to conduct a holistic perspective, involving all different areas of the maritime transport sector. - The Swedish Budget Bill of 2026 entails financial support for the War Insurance Board, being able to offer additional credit facilities. - There is a need for a reformed structure for the allocation of financial means.
<p>4.3.2 Swedish state war insurance</p>	<ul style="list-style-type: none"> - State war insurance is needed to provide stability and security to the insurance market even though it has proven to be capable of handling and sustaining insurance coverage in times of war. - The ability to manage war risks is essential to secure continued transport capacity. - State war insurance secure transport capacity when the commercial market does not have the capacity to do so. <ul style="list-style-type: none"> - State war insurance should be applicable when the insurance market has endured prolonged and extensive disruptions. - The Swedish War Insurance Act works well in principle but there is a need for structural and administrative measures

	<p>for clarifying how war insurance should be implemented in practice.</p> <ul style="list-style-type: none"> - The War Insurance Board plays an important role in the handling of how the war insurance system should be adapted.
<p>4.3.3 Bareboat registry</p>	<ul style="list-style-type: none"> - A decreasing merchant fleet and a lack of certain types of ships imposes risks and weakens the ability to maintain transport capacity. - A bareboat registry could enhance the State's ability to access ships and strengthen national control. It could increase commercial flexibility and the competitive position of Swedish shipping companies.

5. DISCUSSION – EXISTING PRE-OFFER?

5.1 Insurance Nexus – How Could the Swedish Fleet Be Strengthened During Times of War?

One of the main prerequisites for the maintenance of continued transportation during war is insurance.¹⁴⁹ Embracing state war insurance with bareboat registry law enables a further discussion of how to ensure that ships can be disposed of under Swedish jurisdiction in times of war. For the shipping companies, war insurance coverage as well as a more comprehensive registration system provides greater predictability and flexibility. The companies benefit from having operational certainty. Is there nevertheless an existing *'pre-offer'*? If Sweden enters into war or if war arises in its vicinity, it can be expected that the commercial insurance market will be affected and will, depending on the duration of the disturbances, need the intervention and support of the State.¹⁵⁰ Nevertheless, it is important to balance this enhancement against the involvement and dependency of foreign actors, for the upheld of national securement. How this will and should be conducted will be further discussed and analyzed below.

5.2 Resilience in Terms of Insurance and Ship Availability

Throughout the material from the interviews were the essence of continuity and resilience of the Swedish maritime sector of highest priority. It was discussed by the respondents how the combination of legal, institutional and market-based measures should be conducted to ensure the ability of maritime transport and the function of the insurance system during war. A key finding from both the empirical and theoretical framework is that state intervention is necessary to maintaining operational stability during war. State war insurance is absolutely essential. If it is not possible to insure the means of transport, it could hamper the whole transport system. Indeed, when the insurance market is not sufficient enough to handle elevated war risks, the provision of state war insurance can ensure that essential maritime transportation can proceed. Within this context, another essential component in supporting the implementation of state war insurance is to strengthen the Swedish merchant fleet. Further will the resilience of the Swedish maritime sector in relation to both state war insurance and bareboat registry be analyzed.

¹⁴⁹ Swedish Government Bill 1998/99:85 '*Försäkring under krig och krigsfara*', 21.

¹⁵⁰ *ibid.*

5.2.1 Resilience

Such as “*think the unthinkable*” is arguably difficult to operationalize because the understanding of such challenges lies in comprehending the complexities. Nevertheless, for the understanding of Sweden’s maritime resilience, it has been necessary to broaden the scope by analyzing the interrelation of the legal and practical implementations of Swedish war insurance and bareboat registry law. While managing complex risks, it is discussed how “quickly generally accepted model assumptions and business practices can be overtaken by the complexity of reality”.¹⁵¹ Currently, there is a long-standing issue of securing sufficient tonnage capacity in Sweden. As emphasized, given the international context within the shipping sector, there are many factors that influence the decisions of operators.

As stated in the government investigation “sätt är den som har till rättesnöre att man bör tänka efter före”.¹⁵² What it implies is that it is of legal importance to investigate measures sufficiently adapted to handle disruptions within maritime industry before they actually happen. The preservation and development of ship availability and war insurance is important for the Swedish maritime industry. It is worth preserving. The Government declares that crises or incidents that involve military threats of attack cannot be overlooked. Due to the global order, crises and incidents involving military force in the vicinity of Sweden cannot be excluded, nor long-term threats of attack against Sweden. As this paper seeks to explain, it coincides with and depends on immediate political decisions taken in regard to the maritime sector. As a recommendation, it is needed for the politicians to understand that the shipping industry in Sweden does compete in an international context. It must not only protect national interests but also foster the industry as a whole. If the current trend continues, state war insurance will not be implemented efficiently, nor will there be any Swedish flagged merchant fleet to insure. It could have severe implications for the Swedish shipping industry as a whole.

The analysis has implied that war insurance plays a central role and is a vital element of Sweden’s modern maritime policy. From the empirical findings, it is suggested that the impact of state war insurance together with the State’s ship availability extends to a much wider system of elements in the shipping industry, including national governments, international policy and competing shipping companies. It is nevertheless of importance to

¹⁵¹ Klopott (n 9).

¹⁵² Swedish Government Official Report 1994:130 ‘*Försäkring under krigsförhållanden*’.

understand the balance of interests between these actors, since both public and private functions rely on a functioning shipping sector. The ability of a State to reconcile the diverse interests, whether legal, political, strategic or financial, into a coherent framework becomes crucial. As emphasized by Mukherjee, while considering maritime policy from the perspective of the Government's strategies and priorities, it is of importance, where the policy is initiated, to consider its application for the commercial aspects and its economic implications.¹⁵³ Thus, it is essential to provide an effective interaction between the various stakeholders within the Swedish maritime context. Reassessing the preparatory measures that connect the commercial market and the State, mainly through new forms of cooperation, could uphold and reinsure the Swedish shipping sector. Stressed in the empirical study, if there is a constitutional and financial preparedness for the State to provide direct insurance and reinsurance, it creates better conditions for transports to continue during times of war.

Indeed, Sweden's ability to strengthen its transport capacity is reliant on the availability of both insurance and ships. As emphasised before "marine insurance is needed for the goods to be transported, for the means of transport and for covering the liability of the carriers. Hence, the operation of transporting goods to and from Sweden is considerably relying on insurance coverage, in particular during times of war when the risk exposure is "high"¹⁵⁴. Although the need for state war insurance is unlikely, there is a need to clarify the organizational structure of the system and to enhance coordination between authorities to enable quicker and more effective implementation in times of war. It should be constituted as a complementary measure for the need of upholding transportation. Similarly, there is a need to secure the access of ships by the State. The right of requisition remains an important preparedness measure, allowing the State only in times of war, to assume control over Swedish registered ships. It must be clarified who has the responsibility for the insurance policy and examine whether the establishment of a bareboat registry could strengthen the Swedish ship register by allowing the shipowners to reflag back to Swedish nationality in the event of a war, thereby enabling the State to get access to their ships. Overall, how it can strengthen Sweden's maritime resilience in times of war.

¹⁵³ Mukherjee and Brownrigg (n 83) 175.

¹⁵⁴ See Section 2.2, second paragraph.

5.2.2 State war insurance

The reasons for when state war insurance is to be conducted is related to the principles of risk allocation and to the balancing of public and private interests. War risks differ from ordinary commercial risks in both predictability and scope. The characteristics of war risks make it difficult to decide the overtaking by the State. As emphasized within the empirical findings, state war insurance should be conducted when the market has endured prolonged and extensive disruptions, in times when the insurance market fails to support efficient cover. The War Insurance Board main focus should be on the reinsurance market, relying on the insurance companies to provide insurance to the greatest extent possible. As emphasized by the Chairman of the War Insurance Board, the Board is expected to assume war risks under existing insurance policies for ships, provided that prior agreements with insurers are established. Thus, state war insurance is deemed to serve as a replacement when the private market ceases to function. However, the time for when this occurs is though difficult to decide. The definition of war itself remains unclear¹⁵⁵, making it hard to assess whether the transportations taken beforehand will be covered.

The government proposal from 2013 of rechange of the Swedish War Insurance Act, has not been up for consultation, nor are there any plans to amend the scope or conditions for state war insurance under the existing Act. To assess whether any legal reforms of the current legal order is of necessity, it is important to reconcile the applicability of the law and analyze the complexities and advantages it could have in an increasing international context. The Act solely applies in cases of war, which in correspondence to serious disturbances not formally considered as *war*, cannot respond to all more severe disruptions in maritime trade. Sweden's alignment with NATO has also changed the transport movements. Due to its geographical position, the State is considered as a logistical "bolt", where the continuity of transportation is indispensable.¹⁵⁶ As emphasized by the Senior Advisor at FMLOG, the need for state war insurance could, due to the changed security landscape as well as to the geopolitical tensions, be needed before Sweden has formally entered into a heightened state of alert. Thus, there is a need for structural measures that strengthen the adaptability of the framework to secure access to transport facilities and capacity. The uncertainty is dynamic.

¹⁵⁵ See Section 2.1.2.1.

¹⁵⁶ Ministry Publication Series 2024:6 'Stärkt försvarsförmåga, Sverige som allierad', 136.

The modern maritime logistics chains are highly integrated and internationalized. They are constantly changing. The shipping industry is “a global business, connecting ports ... in the world via a global network of maritime transport services”.¹⁵⁷ The sailing route of a ship is rarely between solely two ports. Instead, commercial ships tend to sail under multi-stop routes, calling at several ports to load and unload goods to optimize capacity utilization and operational costs.¹⁵⁸ This, however, creates challenges when it comes to determining the ship’s underlying national interest. A ship could carry goods of different national interests, leaving it uncertain in what ways a ship should be determined to have fallen under *Swedish interest*. It makes it difficult to distinguish national and foreign interests, and conversely raises questions about Sweden’s actual control and access to maritime transport capacity in times of war. For Sweden, it could require not only to assure the Swedish-flagged fleet but to also enhance the transparency and traceability in the logistics chains of goods for identification and securing of national interests. Both these supplementations must, however, ensure that the *genuine link* between the operations and the granting of insurance exists. Hence, the Acts only apply when it is of importance for Sweden’s defence effort, civilian supply or business continuity.¹⁵⁹ Thus, there must be an interconnection and support of *Swedish interest*.

The determination if a ship should fall under state war insurance, is based upon the interpretation of *Swedish interests*. There is no legal definition of the term, leaving it open to be interpreted. The decision, thus, involves both strategic and legal considerations, considering defence policy, insurance law and maritime regulation. It also encompasses the influence of foreign influences. Given the global nature of the maritime sector, the inclusion of foreign operators, such as engagement of foreign insurers and reinsurance markets, could secure the financial strength necessary to maintain insurance coverage during war. As emphasized within the empirical study, the authorities' introspective approach towards war insurance with focus solely on the Swedish merchant fleet and its national self-sufficiency, will consequently hamper the Swedish war insurance system. The concept of Swedish interest should be interpreted and defined. It should be interpreted broadly, potentially

¹⁵⁷ Wilmsmeier. G and Monios. J, ‘*Geographies of maritime transport*’ (Edward Elgar Publishing 2020) 1.

¹⁵⁸ Litvine. A. D., et al., ‘*A Multi-Criteria Simulation of European Coastal Shipping Routes in the ‘Age of Sail.’*” (Humanities & Social Sciences Communications, vol. 11, no. 1, 2024) 666–16, <<https://doi.org/10.1057/s41599-024-02906-9>>.

¹⁵⁹ The Act (1999:890) (n 47) Chapter 1, Sections 1 and 2 and the Act (1978:262) (n 120) Sections 1 and 2.

encompassing foreign ships given the logistics chains and trade flows in the maritime shipping sector. Altogether, maritime transportations are primarily purchased in an international manner, making the nationality of the provider in general irrelevant.¹⁶⁰

5.2.2.1 Extended insurable interest

In particular, an *insurable interest* is an essential element imperative to render an insurance practical. English law has been deemed to imply a narrow definition of what can or cannot be insured.¹⁶¹ According to the English Marine Insurance Act 1906, “every person has an insurable interest who is interested in a marine adventure”.¹⁶² The person having such an interest is defined as having “any legal or equitable relation to the adventure or to any insurable property at risk herein...”.¹⁶³ Although ownership of the property is one of the elements determining an insurable interest, it is not essential. The risk exposure that may exist about a ship and her operation, could create a range of others having an insurable interest in the ship.¹⁶⁴ It is of difficulty to determine the *borders* of an insurable interest.¹⁶⁵ The concept could be interpreted broadly, given the limited forms of interests. Within this context, it is of relevance to analyze whether the concept of insurable interest could include a broader dimension. It is of essence to analyze whether it could include the concept of *Swedish interests*.

According to *The Moonacre*,¹⁶⁶ the definition of *insurable interest* of the MIA 1906 Section 5 is considerably inclusive and not exclusive. It is solely a definition of insurable interest. Given a more flexible approach, the test of insurable interest renders less technical and legalistic. Instead, it broadens the potential range of legitimate insurance without undermining the considerations of public policy. It does, however, remain uncertain to what degree of evidence that is required to establish such an interest. Nevertheless, it should align with the insurable interest codified in the legislation.¹⁶⁷

¹⁶⁰ Cogliati - Bantz (n 75) 16.

¹⁶¹ Hodges, S, ‘*Law of Marine Insurance*’ (Cavendish, 1996) 7.

¹⁶² Marine Insurance Act 1906, Section 5.

¹⁶³ *ibid*.

¹⁶⁴ Thomas (n 122) 21.

¹⁶⁵ Hodges (n 162) 55.

¹⁶⁶ [1992] 2 Lloyd’s Rep 501.

¹⁶⁷ Thomas (n 122) 36.

An important aspect within the determination of state war insurance is the concept of national interest, in the form of a *Swedish interest*. Whether the two types of interest could coincide, is of interest. Could Swedish interest, as a notion of state control, fall under the definition of *insurable interest* which also applies to private insurance contracts? The concept is formally defined by the Government of the State, used as a support for a particular course of action or in the form of domestic policy objectives. The concept is however not defined by law. Particularly in this context, it remains unclear whether Swedish interest should be defined from interests arising from a national perspective or from interests defined in a multilateral one.¹⁶⁸ In the absence of an accepted notion of national interest, it is uncertain whether what ships would fall under the provisions of Swedish state war insurance. Will the notion of Swedish interest be conducted from the principles of *inclusiveness* where the claim should concern the State as a whole, or by the one of *exclusiveness* where the State is seeking the national interests to the extent it may affect domestic interest?¹⁶⁹

An implication that does arise is the dynamic conception of national interest. The policy-interest at the time can only be based on the current experience and knowledge, as well as on the current interests of the State. Notwithstanding, it does not mean that the definition taken for *Swedish interest* cannot endure unchanged for a long time, but it could be changed according to the state of affairs in the country. However, the issuance of insurance by the State must ensure the *genuine link*. Overall, for a ship to fall within the provisions of state war insurance, there must be a legal right or interest related to the ship.

5.2.2.2 The notion of a genuine link

One of the conditions of providing state war insurance, which has to be established, is that there must exist a *genuine link* between the State and the ship. There must be some sort of connection. One of the functions of establishing the genuine link is to assert it to be a reflection of the national policies for the purpose of the protection of the national merchant fleet. The exercise of a genuine link is dependent upon the ability of the State. The ability of the flag State is dependent on both internal and external factors, normally beyond the State's

¹⁶⁸ Nincic, M, '*The National Interest and Its Interpretation*' (The Review of Politics, vol. 61, no. 1, 1999) 29–55, <<https://doi.org/10.1017/S0034670500028126>>.

¹⁶⁹ *ibid.*

control.¹⁷⁰ It is therefore necessary to enquire if there are criteria defined in international law for the determination of what constitutes a genuine link.

However, “no special requirement that there be a genuine link is mentioned”.¹⁷¹ As emphasized by Cogliati - Bantz, the standards referring inter alia to national ownership did not assume a particular type of connection required by international law.¹⁷² Compatible is that the purpose of the *genuine link* is to ensure adequate jurisdiction and control by the flag State.¹⁷³ However, neither what such link constitutes, nor the effect of its absence has not been clarified. The concept of genuine link could be interpreted differently. Only the conception of the genuine link as a condition of attribution of nationality, do not formally define what the link should consist of. According to Article 91 of UNCLOS, the only requirement is the existence of a genuine link between “the State and the ship”. It could imply that there must be a distinction between the nationality of the ship, the validity, and between the different relations that could exist between the flag State and the interests represented in the ship.¹⁷⁴

Altogether, in which terms an *insurable interest* or a *genuine link* should be established to enable the provision of state war insurance is up for interpretation. Nevertheless, there do not exist any hindrances for promoting issuance of state war insurance for foreign means of transport. Thus, the foreign status of a ship should not prevent such issuance.¹⁷⁵ Following, the relation between the concepts of national interest and genuine link could broaden the issuance of state war insurance. The State, in principle, has the authority to determine how the legal and functional connection between the State and the ship is to be structured and interpreted. As examined previously, the Swedish State can formally provide war insurance for property stored abroad for import into Sweden or in connection with export from

¹⁷⁰ Tache. S. M, ‘*The Nationality of Ships: The Definitional Controversy and Enforcement of Genuine Link*’ (The International Lawyer, vol. 16, no. 2, 1982) 301–12.

¹⁷¹ Cogliati - Bantz. V, ‘*Disentangling the ‘Genuine Link’: Enquiries in Sea, Air and Space Law*’ (Nordic Journal of International Law = Acta Scandinavica Juris Gentium, vol. 79, no. 3, 2010) 383–432, <<https://doi.org/10.1163/157181010X512567>>.

¹⁷² *ibid.*

¹⁷³ United Nations ‘*Report of the Secretary-General on Oceans and the Law of the Sea*’, UN Doc. A/54/429 (30 September 1999) p. 32, para. 184: “[T]he requirement of a genuine link in Article 91, while not defined, does imply that the link must be such so as to enable the flag State to exercise effective control over the ship and meet its obligations under UNCLOS and other instruments”.

¹⁷⁴ Cogliati-Bantz (n 172).

¹⁷⁵ Swedish Government Bill 1998/99:85 ‘*Försäkring under krig och krigsfara*’, 85.

Sweden.¹⁷⁶ The only condition that applies is that it must be essential for the interests of the State, such as for defence efforts, supply of goods or for economic activity.¹⁷⁷

5.2.3 Bareboat registry

The enforcement of a Swedish bareboat register, which is aimed to provide a new registration method for domestically registered ships engaged in international navigation or for foreign-owned ships, is considered as a way to address the issue of domestic ship registry in other countries. It is to be implemented to attract domestic ships to return to registration without changing the existing ship registration and management systems.¹⁷⁸ Although it could achieve certain results in many aspects, the registry could still face many problems in its application. In competition with the *open* and *international* registration systems, the registry's competitiveness could be affected.¹⁷⁹ However, the development and reformation of the new bareboat register should proceed from multiple aspects.¹⁸⁰ Focus should lie in expanding the system's application scope and flexibility to attract more internationally navigating ships to register. As emphasized by Chen and others, it should include simplifying registration procedures and improving registration efficiency.¹⁸¹

The shipping industry has become more global in its growth strategies and within its institutional and political structures than most other industries. The integration of the markets for trade has made the policies and regulations enforced by the various shipping nations play a much more important role.¹⁸² Hence, the outgrowth of globalization presents a series of new challenges and opportunities. The reform of a bareboat registry is complex and will be a long-term process. However, providing flexible registration and promoting preferential conditions attracting ship nationality registration, has become an essential part of the shipping industry. It enhances the effectiveness, convenience and economic efficiency of the shipping market, providing more choices for the shipowners and charterers. Consequently, the introduction of a bareboat register will promote the Swedish ship registry. However, before being implemented, it could face many challenges, which could limit the comprehensive

¹⁷⁶ The Act (1999:890) (n 47) Chapter 4, Section 1, Subsections 1 and 2.

¹⁷⁷ *ibid* Chapter 4, Section 5.

¹⁷⁸ Ademuni - Odeke (n 106).

¹⁷⁹ Chen, J, et al., 'Innovation of the Global International Ship Registry System: Evolution Process and Future Reforms.' (Ocean & Coastal Management, vol. 257, 2024) 107338, <<https://doi.org/10.1016/j.ocecoaman.2024.107338>>.

¹⁸⁰ *ibid*.

¹⁸¹ *ibid*.

¹⁸² Tenold (n 10) 27.

effectiveness and implementation of the system.¹⁸³ After dealing with all data, it is still unclear what the legal consequences will be of implementing the bareboat register. It is emphasised that a bareboat register could enhance Sweden's ability to meet both civil and military transport needs in times of war, by enabling access to more tonnage through revoking of authorization of bareboat registration. It is not, however, clarified in what extent and how it will ensure such an effect.

Overall, the implementation of the bareboat registry is of importance. As emphasized above, it could enhance the ability to access (different) ships and strengthen Swedish transport capacity. This is particularly important during times of war, as a crucial part of the State's preparedness. Nonetheless, Sweden can only exercise jurisdiction over Swedish registered ships. The State cannot expect to access ships owned by Swedish shipping companies but that operating under a foreign flag. It is therefore necessary to make the Swedish flag more attractive, as argued by the Managing Director of TransProCon. The conditions must be improved and the administration process must be facilitated economically and practically.

It is emphasized that the ships under the bareboat registry can be quickly removed, enabling ships to fall under Swedish disposal since they are registered under the Swedish flag. However, a corresponding practical implication concerns the identification of which ships shall fall under Swedish war insurance. Of importance is to specify which ships that are covered as well as under what circumstances state war insurance can be imposed. As observed by the Senior Manager Underwriting at the Swedish club and Board Member of the Swedish War Insurance Board, it is often unclear whether the reinsurance agreements refers to a specific percentage or particular ships. Such clarification will become necessary for both public and private actors to effectively participate. Thus, in the agreements made with the Swedish State, the gross and net tonnages of a ship it will cover should be determined.

¹⁸³ Chen et al. (n 180).

5.3 Reflections – What Could Be Expected?

This chapter has encompassed how state war insurance and bareboat registry law are of great importance in maintaining transport capacity regardless of the level of preparedness. Enhancing the resilience of the maritime sector has thus become an objective of governmental preparedness. Nevertheless, as stressed in the empirical study, it is of difficulty to have a system flexible and comprehensive enough to anticipate all future means. Although some conditions are well known, it is of difficulty to explore in detail how the shipping and insurance industry will be affected in times of war. The same applies to the exact structure and terms of the policy agreements, including which parties that should be involved. However, the correspondence between the public and the private sector makes its maintenance dependent on how well the laws are formulated and executed. Indeed, any clear division between private and public law does not apply in maritime law. Hence, it represents a mixture of private and public law elements.¹⁸⁴

Overall, Sweden is presented with opportunities to enhance and clarify its preparedness measures in times of war. Enhancement of the current framework and institutional system for providing war insurance in correspondence with its ship register system could edify the competitiveness of the system within the global shipping arena. To achieve this concurrence, solutions must be developed that align the interests of the State with the needs of the industry. Efforts should be pursued from a *holistic* perspective. As explained by the CEO and Co-owner of MF Shipping, there is a need for a degree of flexibility and predictability, particularly in times of war, to ensure that measures can be adapted to support the Swedish transport sector. A prerequisite for continued transportation is that there are sufficient numbers of ships at the disposal of Swedish interest and correspondingly, that all parties with interests in the means of transport are able to obtain insurance coverage.

A way to enhance Sweden's maritime resilience is thus to refer to the legal frameworks and the practical measures that interact to strengthen national ability in times of war. By having a prepared framework and administrative preparedness, any gap in the insurance coverage at the resurrection of war for transports can be avoided. The definition of *Swedish interest* must be more broadly defined, in order to undertake the changing market and strengthen Swedish resilience. For the uphold of continued transport capacity even during times of war, it should

¹⁸⁴ Pejovic (n 76) 38-39.

include both Swedish and foreign stakeholders. Risks must nevertheless be distributed to be able to mitigate the financial exposure and promote naval operations during times of war. There must be a clear allocation and identification of which ships that are to be of Swedish interest. If it can be clarified, it could enhance coordination and communication between the different stakeholders, possibly reducing uncertainty and enhancing trust. By adopting this *pre-offer*, the legal and practical implications of implementing – and reinforcing – the interrelation between state war insurance and bareboat registry law can be effectively addressed. The State should enable a system that “can be activated seamlessly in the event of war”.¹⁸⁵ It should enable more ships at disposal of the State and also provide a more effective enforcement of state war insurance.

Nonetheless, the manner in which the changes have been interpreted, and the domestic responses to these interpretations, have had important ramifications for the industry. As stressed by the Chairman of the War Insurance Board, Sweden is more prepared than any other European Country, but its system must, however, be enhanced administratively. In summary, war risks, managed through state war insurance, remain to be a fundamental risk management tool designed to facilitate trade during periods of geopolitical uncertainty.

¹⁸⁵ Ingemarsdotter. J., et al., ‘*Ett skepp kommer lastat! Eller? – Om betydelsen av en svensk handelsflotta och krigsförsäkringar vid höjd beredskap*’ (Swedish Defence Research Agency, FOI-R--5737--SE, 2025).

6. SUMMARY AND CONCLUSION

6.1 A Twofold Way Forward

Comparing and interlinking the information from the interviews and previously written theory, it is concluded and evident that the interrelation between state war insurance and bareboat registry law can strengthen Sweden's maritime resilience. War insurance is essential for continued transport capacity in times of war. It remains a fundamental risk management tool designed to facilitate transportation during periods of geopolitical instability. Overall, state war insurance is the *final offer* for when the insurance market cannot respond to the elevated risks during war. Access to transport capacity through requisition of ships is also a strategic component of national maritime resilience. However, the Swedish merchant fleet is decreasing, underscoring the need for more ships registered under the Swedish flag. Ensuring sufficient transport capacity will require a diversified fleet, consisting of different types of ships.

Altogether, state war insurance and ship availability becomes an integral part of the Government's preparedness in times of war. Nonetheless, both the legal and practical implementation of Swedish state war insurance and bareboat registry law is of importance. There is a need for a functioning war insurance scheme that guarantees that ships of *Swedish interest* remain insured and operational. It is needed to ensure that transports that are necessary for the public supply, defence effort or business can proceed. However, to enhance the transition, there is a need to provide clear set frameworks and enhance cooperation between authorities and the insurance market. The frameworks must be adapted and developed to the conditions prevailing in the shipping industry. The ability of a State to reconcile the diverse interests, whether legal, financial, political or strategic, into a coherent framework becomes crucial. It is required to reassess the underlying arrangements, perhaps through new forms of cooperation and agreements to enhance the transition from the legal discourse of both insurance- and bareboat registry law to the practical implementation of Swedish war insurance. To conclude, Swedish state war insurance and bareboat registry law (or in large terms the ship registry), should be interlinked to enable continued naval operations during times of war. Both are essential for the resilience of Sweden's maritime sector and are needed to strengthen its transport capacity in times of war.

6.2 Further Research

Swedish state war insurance is a comprehensive matter, which includes many sectors and interrelations. There is great potential to further investigate the matter. This thesis only examines and analyzes its interrelation with Swedish shipping registration, more precisely its implementation of a bareboat register. A deeper analysis could include more perspectives (such as from the policymakers) as well as comparisons with other States' war insurance systems, to provide a more comprehensive understanding and strengthen the analysis. It is also of interest to examine the outcomes of the bareboat registry once it has entered into force, in order to assess its effectiveness in enhancing maritime resilience within the Swedish shipping sector.

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Interview with Karin Orsel, Chief Executive Officer and co-owner of the Dutch based ship management company MF Shipping Group, Chair of the European Community Shipowners' Associations (ECSA), Norwegian Honorary Consul, Board Member of the Royal Association of Netherlands Shipowners, Chair of the Diversity Panel at the International Chamber of Shipping (ICS), Council Member of the Executive Committee of INTERTANKO and CEO of Thun Tankers BV, a 100% subsidiary of the Swedish Erik Thun Group.

Interview with Martin Kärrhage, Managing Director of TransProCon, at the Swedish Orient Line Group.

Interview with Stefan Nohrenius, Senior Advisor at the Defence Logistic Organization (FMLOG).

APPENDIX A – OVERVIEW OF THE CONDUCTED INTERVIEWS

Date	Position	Company	Location
17/10/25	Head of Maritime Safety, Protection and Preparedness	The Swedish Shipowner's Association	Telephone
22/10/25	Senior Manager Underwriting	The Swedish club	The Swedish club
23/10/25	Chairman	The Swedish War Insurance Board	Online/Teams
24/10/25	Managing Director	TransProcon	The Swedish Orient Line
12/11/25	CEO and Co-owner	MF Shipping Group	Online/Teams
14/11	Senior Advisor	Defence Logistic Organization (FMLOG)	Online/Teams
8/12	Staff Officer	The Swedish Armed Forces Headquarters	Online/Teams

APPENDIX B – INTERVIEW GUIDES

Interview Guide for Public Authorities and External Actors

1. Please, tell me a little bit about yourself and what your position implies.
2. Sweden has not experienced war for a long time, yet, the current discussions emphasize the importance of legal preparedness. From your perspective, whether from a shipping, insurance, or commercial standpoint, how well do you think Sweden could handle disruptions to shipping and trade during times of war and/or in the event of a greater crisis?
3. From your perspective, how would you describe the current role and effectiveness of the Swedish war insurance system in supporting national shipping interests?
 - a. Do you think a government war insurance for Sweden's maritime transport capacity is important, and why?
 - b. Are there any other measures that you think should exist to ensure an effective state intervention if commercial insurance markets do not provide coverage in times of war and crisis?
4. In what ways does the decreasing Swedish-flag tonnage affect Sweden's ability to exercise jurisdiction and maintain control in times of crisis and war?
5. What legal and practical advantages and risks do you see in establishing a Swedish barebat register alongside the existing ship register?

Interview Guide for Shipping Companies

1. Please, tell me a little bit about yourself and what your position implies.
2. Sweden has not experienced war for a long time, yet, the current discussions emphasize the importance of legal preparedness. From your perspective, whether from a shipping, insurance, or commercial standpoint, how well do you think Sweden could handle disruptions to shipping and trade during times of war and/or in the event of a greater crisis?
3. Do you believe that state involvement in the shipping industry is important, and if so, in what way and when should it take place?
4. How crucial is government war insurance for your ability to continue operations during war or times of crisis?
 - a. Have you ever experienced any situation where private insurance was insufficient, and how did that affect your operations?

5. Which factors are crucial when making decisions regarding which flag register the ships should be registered in?
6. What do you believe is needed in order for Swedish shipowners to flag and flag back to Sweden?
 - a. Would regulatory or financial incentives increase the willingness to flag ships under the Swedish register?
7. Would the enforcement of a bareboat register increase your willingness to register ships under the Swedish flag?

Questions that will be held subject to availability/time.

8. Which flags do you have on your ship(s)?
 - a. Why did you choose that/these flag States?
 - b. Have any of the ships had a Swedish flag before?
9. Would you be interested in flying the Swedish flag and what would it take you to flag back to Sweden?