



## PRESS RELEASE

**Capital Link 5th Annual Cyprus Shipping Forum**  
***“Cyprus Shipping – At the Forefront of Industry Developments  
Enhancing Competitiveness in a Fast Changing World”***  
*Digital Conference*

Held with great success on **Thursday, June 17, 2021**

**Video Replays are available here:**

<http://forums.capitallink.com/shipping/2021cyprus/>

NEW YORK, June 23, 2021

The **5th Annual Capital Link Cyprus Shipping Forum** was held with great success and participation on **Thursday, June 17, 2021** at 11:00am to 5:30pm Limassol time as a digital conference.

The Forum took place under the Auspices of the **Republic of Cyprus**, the **Shipping Deputy Ministry of Cyprus**, and with the leading sponsorship and cooperation of the **Cyprus Union of Shipowners**, the support of the **Cyprus Shipping Chamber** and by the following Organizations: **CSC - Cyprus Shipping Chamber • Cyprus Investment Promotion Agency – Invest Cyprus • Cyprus Investment Funds Association (CIFA) • Institute of Chartered Shipbrokers Cyprus Branch • Cyprus Naval Architects Association • Cyprus Shipping Association • Association of Merchant Marine Officers • CYMEPA • Cyprus Marine Club • Cyprus Master Mariners Association • Cyprus Maritime Academy • The Nautical Institute, Cyprus Branch • Young Ship Cyprus.**

### **KEYNOTE SPEAKER**

**Mr. Vassilios Demetriades, Shipping Deputy Minister to the President, Republic of Cyprus**, honored the Forum by delivering Opening Keynote Remarks.

**For the fifth year in a row, the Conference Chairman of the Forum was Mr. George A. Tsavlis, Principal of Tsavlis Salvage Group**, elected Chairman – **INTERMEPA (International Marine Environment Protection Association)**, Chairman – **CYMEPA (Cyprus Marine Environmental Protection Association)**, Member of the Board of Directors of the **Cyprus Union of Shipowners** and Honorary Chairman – **Tsavlis Cultural Foundation.**

The event highlighted the competitive advantages of Cyprus as a maritime hub. Cyprus has a robust, versatile and efficient maritime cluster with growing shipowning and shipmanagement communities. Furthermore, Cyprus is a regional financial, insurance and legal hub adding to the versatility of the cluster.

The Deputy Ministry of Shipping of Cyprus has undertaken significant initiatives to alleviate the global crewing crisis, to increase digitalization and transparency and to enhance the competitiveness of the maritime cluster and the Cyprus flag.

The forum featured over 40 Cyprus based maritime leaders addressing an international audience sharing their experience on the attractiveness of Cyprus as a maritime hub along with their insight on critical topics affecting the cluster and the global maritime industry.

## **AGENDA TOPICS**

### **WELCOME REMARKS:**

**Mr. Nicolas Bornozis, President - Capital Link**

**Mr. George A. Tsavlis, Principal – Tsavlis Salvage Group – Conference Chairman**

**Mr. Nicolas Bornozis**, welcomed sponsors, participants and panelists to Capital Link's 5th Annual Cyprus Shipping Forum and continued with stating: "We are very proud that for four consecutive years, before the Covid-19 pandemic, we had been hosting this significant event in Limassol as a physical event. This year, which is the fifth anniversary of the Forum, given the circumstances, we have taken advantage of what technology has to offer us, that is, to connect with a global audience, and are presenting Cyprus' strategic and competitive advantages as a maritime and operational hub to an international audience. We have adapted today's Forum to a new moto and are featuring maritime and industry leaders based in Cyprus, and are delighted to see the response we have. Of course I would like to thank the Deputy Ministry for its continued support, and Mr. Vassilios Demetriades, Shipping Deputy Minister to the President, who will deliver the Opening Keynote Remarks. I would also like to thank the Cyprus Union of Shipowners, the various Organizations and media partners that are supporting the Forum, including the Cyprus Shipping Chamber and everyone who is participating, for their contribution in making this event a great success. We are honored that for the 5<sup>th</sup> year in a row, Mr. George Tsavlis, Principal of Tsavlis Salvage Group, is the Chairman of our Forum, and I would like to welcome him and thank him."

**Mr. George A. Tsavlis, Principal – Tsavlis Salvage Group – Conference Chairman**, in his welcoming remarks stated: "I am thrilled to have accepted the role of Conference Chairman of the **5th Cyprus Capital Link Shipping Forum on June 17th, 2021**. I would like to extend my warmest congratulations to Capital Link and to thank my dear friends Olga and Nicolas Bornozis for the honor to be chairman of this engaging and most enlightening Shipping Forum for the 5th consecutive year.

Cyprus is in my heart for many reasons; with all of its past and present grievances and political issues, the island of Cyprus has maintained her passion and patriotism, echoed by the Cyprus Shipping cluster. Cyprus and its shipping community is resilient and adaptable, sharing the same love for the sector, embracing the 3'Ps: patience, perseverance and passion. As we navigate in the continuing corona virus crisis, our sector continues to face diverse and complex challenges: geopolitical, regulatory sanctions, compliance with low sulfur and decarbonization, the increasing impact of digitalization and automation, environmental and climate changes - all of which have been amplified by the global covid epidemic and have called for our re- evaluation of priorities.

Our crews and seamen have been the most affected during the pandemic with over 400,000 seafarers stranded on ships beyond the expiry of their contracts and unable to be repatriated to their homes and families due to covid travel restrictions. The collaboration of all stakeholders is required to prioritize their repatriation and covid19 vaccinations. In terms of the regulatory sanctions, we need to effectively communicate the specifics of the sector to those regulating the sector as the overall burden should not rest with the shipowner.

Indeed, necessity is the 'mother of reinvention' and throughout history, shipping has proven that resilience and adaptability is in our core. With the sea as our strength and our resilient mindset, shipping will continue to be critical for the global economy and strive for the protection of our environment. In this respect and taking into account the position of the IMO which is and should remain the main regulator on shipping matters, we would like to stress that our shipowning community is ready and willing to embrace the necessary changes but with a sustainable holistic approach by the regulators. Rome was not built overnight! Thank you to the Capital Link team for providing this recognized platform for open and transparent discussions and for your passion for the shipping industry which as you know, I wholeheartedly share."

### **OPENING KEYNOTE REMARKS:**

**"A NEW STRATEGIC VISION FOR CYPRUS SHIPPING – Sustainable – Extrovert – Adaptable – Positioning at the Forefront of Industry Developments"**

**Mr. Vassilios Demetriades, Shipping Deputy Minister to the President, Republic of Cyprus**

### THE ATTRACTIVENESS OF CYPRUS AS AN INTERNATIONAL MARITIME CENTER

*Advantages of Setting up Business in Cyprus – Recent Developments in Tonnage Tax Regime*

The section remarks were delivered by **Mr. Pieris Markou**, CEO – **Deloitte Cyprus**.

**Mr Pieris Markou**, stated: “The Tonnage Tax System (TTS), which has been approved by the EU Commission for a further 10 years until 31 December 2030, is available to any owner, charterer or ship manager who owns, charters or manages a qualifying ship in a qualifying shipping activity. The amendments to the law, which have been agreed with the EU Commission, have allowed the modernisation of the law to cover activities and ships that were previously not covered and as such recognising the flexibility in the global operations of companies in the shipping/maritime industry.

At the same time, Cyprus’ strategic location, full EU membership, developed legal system, competitive tax system, well-educated workforce and business-friendly environment make Cyprus an ideal country to establish business presence. In addition, Cyprus offers a number of personal tax incentives that have been successful in attracting multinational companies to relocate key personnel to perform their duties from Cyprus and tax incentives appealing to HNWIs who are willing to relocate to Cyprus.

Cyprus offers an enviable combination of climate, business and culture with many key benefits to foreign investors and their dependent family members who are looking for a jurisdiction that offers financial stability, a gateway to Europe and a quality standard of living for their families.

With its favorable tax regime, an advanced economy and a high human development index (HDI), with regards to living and quality of life, Cyprus has become a well-developed business location which attracts not only top executives but a number of High Net Worth Individuals (HNWI) wishing to enjoy the benefits of EU living and low taxes”.

### THE CYPRUS LEGAL FRAMEWORK

*Benefits & Advantages for International Companies, Borrowers & Banks*

The section remarks were delivered by **Mrs. Maria Toumazi**, Partner – **Montanios & Montanios LLC**

**Mrs. Toumazi** stated: “The Cyprus legal framework, namely the Cyprus statutes, rules and regulations, case law and international agreements, has been instrumental in the establishment of the shipping industry in Cyprus and still plays a very important role in the continued development of Cyprus as an international maritime centre. The close connection of Cyprus shipping and corporate law to English law, which is the primary law in shipping, has enabled Cyprus to provide a stable and familiar legal environment for shipping activities in Cyprus. The Cyprus legal framework provides an element of certainty and is accepted and trusted by shipowners, borrowers, bankers, and their lawyers. The Cyprus Tonnage Tax System offers the opportunity to owners, charterers and managers of both Cyprus ships and foreign ships to operate under an EU regulated and approved taxation system which provides important benefits. Other advantages which Cyprus has are the large number of agreements for the avoidance of double taxation and bilateral agreements on merchant shipping signed with other countries, the adoption of the latest international conventions and protocols on shipping related matters and, of course, Cyprus’ membership of the European Union. As regards ship financing, banks and other financial institutions may feel confident and satisfied with the type of security package which may be provided to them under Cyprus law and particular reference was made to the Cyprus statutory mortgage to secure account current and the deed of covenants which must, by law, be attached thereto and to the statutory pledge of share certificates. In conclusion, Mrs Toumazi stated that in essence the Cyprus legal framework, enables international shipping companies, borrowers and banks to operate in a regulated business environment, within the European Union, with a beneficial EU approved tax system and with legal certainty.”

### CYPRUS AS REGIONAL INSURANCE HUB

The section remarks were delivered by **Mr. Ilias Tsakiris**, CEO – **American Hellenic Insurance Co.**

## EXPANDING THE SHIPOWNING BASE IN CYPRUS & REINFORCING THE CYPRUS REGISTRY & FLAG - *Incentives & Advantages*

**Moderator: Mr. Neophytos Papadopoulos**, Permanent Secretary, Deputy Ministry of Shipping – **Republic of Cyprus Panelists:**

- **Mr. Dieter Rohdenburg**, CEO – **Intership Navigation**

- **Mr. Polys Hajioannou, CEO – Safe Bulkers**
- **Mrs. Nicole Mylona, CEO – Transmed Shipping Co. Ltd**

**Mr. Dieter Rohdenburg**, CEO of shipowner **Intership Navigation**, stated: ‘Cyprus has been a maritime hub for more than half a century, attracting shipowners and ship managers alike, as well as companies active in various parts of the maritime industry. From a fledgling start the maritime cluster has grown around ship owning and management companies and today boasts more than 200 companies employing many thousand employees.

The maritime cluster supports the Cypriot economy by contributing approximately 7% of GDP – and even during the pandemic the state income from shipping has not dropped.

Mr Rohdenburg pointed out that Cyprus took the important step to ‘upgrade’ the visibility of shipping, both nationally and internationally, by creating the Shipping Deputy Ministry in 2018. Since then the SDM has been working on further improving the attractiveness of Cyprus as a hub for ship owners and managers, as well as the shipping registry.

Referring to his own company Mr Rohdenburg highlighted that Intership Navigation was founded in Cyprus in 1988, and from the outset placed strong emphasize on its Cyprus home base and on using the Cyprus flag. Intership has built and placed into service more than 140 vessels during its first 30 years of operation, and the vast majority of the vessels flew or are flying the Cyprus flag.

Said Mr Rohdenburg: ‘We have always valued the business-friendly framework, the supportiveness of governments and the general infrastructure provided. We also value the latest initiatives taken by the SDM to further upgrade the attractiveness of Cyprus, and we look forward to working with the SDM on this’.

Turning to Cyprus as shipowning base Mr Rohdenburg stated: there are certain key areas which are important to maintain and improve the attractiveness - such as the tax regimes (eg. tonnage tax system, non-domicile status). Tax regimes must be stable and predictable, and therefore the maintenance of these is naturally of great importance.

Raising capital for ship acquisitions is another important area. Mr Rohdenburg pointed out that the introduction of the law regulating Alternative Investment Funds (AIF) created opportunities for shipowners: ‘Intership has set up its own shipping fund which has been extremely successful, providing investors with double-digit returns annually’.

Other areas which are important to shipowners are probably best described as ‘the ease of doing business’ and include: a one-stop-shop for companies relocating to (and operating in) Cyprus, supportive immigration rules for hiring of third-country nationals, internationally competitive tax and social security rules for seafarers, robust yet business-accommodating banking system etc.

Mr Rohdenburg concluded: Even though there is certainly room for improvement, Cyprus has a lot going for it. I have no doubts that with the right measures put in place the shipowning sector in Cyprus has a great future.

**Mr. Polys Hajioannou**, CEO and Chairman of the Board of **Safe Bulkers Inc., (NYSE:SB)**, noted that Safe Bulkers participated in the Capital Link’s Cyprus Shipping Forum, promoting Cyprus as an international maritime center reinforcing the Cyprus flag. In addition, the forum addressed many significant topics such as the impact of COVID19 on seafarers and environmental regulations. The quality of the panels, consisted by industry leaders and the excellent coordination of the event, gave the chance to the participants to hear from real market players and gain meaningful insights. We at Safe Bulkers follow the market very closely, remain vigilant for opportunities when arising, which match our core growth and leverage strategies.

**Mrs. Nicole Mylona**, CEO – **Transmed Shipping Co. Ltd**, stated: “When considering which registry is best suited to an owners' needs, one ultimately looks at costs and the level of service offered. Ms Mylona commented on the high caliber talent that forms the Ministry and related services but focused on the proactive approach and level of commitment which differentiates the Cyprus Registry from other flags globally. Examples such as the tax incentives for greener vessels or the seafarers' vaccination initiatives bear witness to Cyprus' ongoing strive for excellence. Ms Mylona concluded that the Cyprus Flag is not merely a regulatory body, but a reliable and committed partner to the shipping industry. A partner with a voice that does not permit itself to follow developments, but rather actively participates in the evolution of the industry across time.”

## **CYPRUS AS A GLOBAL SHIPMANAGEMENT HUB – WHAT’S NEXT**

**Moderator: Mr. Theodosios Stamatellos**, Marine & Offshore Regional Manager, South Europe - **Lloyd's Register**

#### Panelists:

- **Mr. Mark O’Neil**, President & CEO – **Columbia Shipmanagement**
- **Mr. Sunil Kapoor**, Director – **FML Ship Management Limited**
- **Mr. Prabhat Kumar Jha**, Group Managing Director – **MSC Shipmanagement**
- **Mr. Roine Ahlquist**, Managing Director – **Tufton Asset Management**
- **Mr. Alastair Evitt**, Managing Director – **V. Ships Limited**

**Mr. Theodosios Stamatellos**, Marine & Offshore South Europe Regional Manager at **Lloyd’s Register**, stated: “The Shipping Deputy Ministry of Cyprus sets its Strategic Vision through the “SEA” angle of being Sustainable, Extrovert and Adaptable. Adaptability has been a significant factor during the last two challenging years when ship managers have been called to manage the unexpected and deal with a combination of pandemic and regulatory realities. Our panel discussed how the Cyprus Shipmanagement center, the largest in Europe and amongst the top 3 worldwide, is managing the “expected” and “unexpected” disruptions, while further enhancing its strong position, and what are the needs and the new priorities on the decade ahead. Key focus was on keeping “people” at the front of the stage on all aspects. Let’s all keep getting the world which is outside shipping to know how brilliant shipping is!”

**Mr. Sunil Kapoor**, Director – **FML Ship Management Limited**, stated: “The pandemic has sent shockwaves through global maritime transport and laid the foundations for a transformed industry. It shows us with crystal clarity that all of humanity is in the same boat. This was the biggest lesson, and this is how we can move forward also in the shipping industry. In order to achieve our goals whether is sustainability, zero carbon emissions, crew welfare, digitalization etc we all must work together to take shipping to the next level. Adding to this, the crisis we just went through, proved once more that large Management companies are of vital importance to the shipping industry. At Fleet, we work as a pool for our clients in order to ensure that all of them get the same services & benefits by trusting us. Our influence and connections among the industry is what makes ship managers like us being able to provide huge advantages to owners and access to resources that especially small owners cannot have access to on their own.”

### **FOSTERING ENVIRONMENTAL SUSTAINABILITY – GREEN INITIATIVES**

#### ***Global – EU & Regional Policy – Regulatory & Market Developments & Taxation Schemes***

**Moderator: Mr. Stamatis Fradelos**, Regional Bulk Carriers Segment Director – **DNV**

#### Panelists:

- **Mr. Ioannis Efstratiou**, Head of Marine Environment Unit, Shipping Deputy Ministry – **Republic of Cyprus**
- **Mr. Philippos Philis**, Chairman & CEO – **Lemissoler Navigation**; President Elect – **European Community Shipowners Association (ECSA)**
- **Dr. Loukas Barmparis**, President – **Safe Bulklers**
- **Mrs. Charis Plakantonaki**, Chief Strategy Officer – **Star Bulk Carriers**

**Mr. Stamatis Fradelos**, Regional Bulk Carriers Segment Director – **DNV**, stated: “Panel discussion coincided with the last day of MEPC 76 meeting, where important new regulations were adopted, to which we need to keep our eyes on, since those will directly impact our business. Amendments to MARPOL Annex VI were adopted introducing from 2023 the EEXI, the enhanced Ship Energy Efficiency Management Plan (SEEMP), and the operational Carbon Intensity Indicator (CII) rating scheme, with 2019 as the base year and annual reduction rates counting from 2020.

Ship-operators have recognised their responsibility in reducing GHGs emissions and have committed to meet the IMO GHG reduction strategy targets. In most cases they have already carried out an assessment of their fleet towards EEXI compliance and estimated the modifications needed on board to cope with this new requirement. Using their operational data they have also completed an initial assessment of their fleet CII rating (categories A to E) against required CII until 2026 and they have started developing their compliance strategy in terms of additional operational and technical measures.

Now that the IMO short term measures are being finalised, interest has turned towards the mid-term measures that will follow and the possible regional measures from EU. Concern has been raised for the EU “Fit for 55” legislative package expected on 17 July 2021 which may include the inclusion of shipping in European Trading Scheme, new policy measures to drive shift to low carbon fuels and provisions for development of shore side electricity and LNG availability in TEN-T core network ports by end of 2025. In case the inclusion of shipping in European Trading Scheme will progress, IMO will not be alone coordinating decarbonisation efforts on a global scale.”

**Dr. Loukas Barmparis**, President and Director of **Safe Bulkers Inc., (NYSE:SB)**, stated: “We are happy to participate in the Capital Link’s Cyprus Shipping Forum, hoping that soon will be attending conferences with physical presence. The forum addressed many significant topics such as Cyprus strategic vision for shipping, green initiatives, environmental regulations, digital transformation, sustainability and finance. The participants gained meaningful insights supported by the excellent coordination of the event and the quality of the panels. Safe Bulkers is a pure dry-bulk player, with exposure in the spot market, strong liquidity position which provides financial flexibility and ability to react in opportunities, an efficient fleet able to compete in the stringer environment of 2023 as GHG restrictions will be introduced and lean and efficient hands on operations providing for financial and operational advantages. Gradual deleveraging and renewal strategy by substituting older vessels with younger or newbuilds with improved environmental footprint are the cornerstones for creating value for our shareholders.”

## **ADDRESSING THE CREWING CRISIS – THE CYPRUS APPROACH** *Focusing on Vaccinations – Crew Welfare – Maritime Training*

### **INTRODUCTORY KEYNOTE REMARKS**

**Mr. Vassilios Demetriades**, Shipping Deputy Minister to the President – Republic of Cyprus

### **PANEL DISCUSSION**

**Moderator: Mr. George Teriakidis**, Area Manager, East Mediterranean & Black Sea Maritime - DNV

**Panelists:**

- **Mr. Demetris Chrysostomou**, Group Director Marketing and Business Development – **Columbia Shipmanagement.**
- **Mr. Jan Meyering**, Joint Managing Director – **Marlow Navigation Co.**
- **Mrs. Julia Anastasiou**, Deputy Managing Director – **OSM Maritime Group**
- **Mr. Christos Karavos**, Director, Hotel Operations – **Royal Caribbean**

**Mrs. Julia Anastasiou**, Deputy Managing Director – **OSM Maritime Group**, stated that the Shipping Ministry’s recognition of seafarers as essential workers has catapulted Cyprus to the forefront of innovation and creativity in proactively, setting a positive example during this current crisis. Being one of the first nations to openly express their will to work with international and national bodies to find solutions to the mounting crisis, Cyprus is actively extenuating the several risks associated with prolonged crew contracts, fatigue and mental illness associated with the inability to carry out crew changes.

As an industry, we have a duty of care and a responsibility towards our seafarers to be solution oriented and willing to work towards finding methods that provide vaccinations to seafarers and allow them to be recognized globally as essential workers so that crew logistics are carried out normally without hinderance, delay or exorbitant cost.

The establishment of a corridor for the purpose of allowing crew changes to be carried out in Cyprus has been welcomed with open arms, however, it is not enough considering the volume of seafarers who remain stranded on board the global fleet. It is with high hope that this specific gesture will set the wheels in motion for the international community to follow suit and ensure the health, safety and wellbeing of seafarers is prioritized.

Anastasiou praised the efforts of the Cyprus Shipping Minister, Mr. Vassilios Demetriades for his steadfast leadership and determination to have seafarers recognized as essential workers. She further stated that ‘it is an honour being part of this dynamic shipping cluster that has gone out of its way to remove bureaucracy and recognize seafarers as first class citizens. It is unfortunate that after 18 months of this pandemic, very few nations have adopted clear protocols for seafarers including the larger seafaring nations, however the good news is that we are seeing some positive movement thanks to the examples set by our very own Shipping Ministry. We will optimistically take these learners and create opportunities for the future of our industry.’

## **THE SHIPOWNERS’ PERSPECTIVE - NAVIGATING THROUGH INDUSTRY TRANSFORMATION IN A FAST-CHANGING WORLD**

### **Introductory Remarks:**

**Mr. George A. Tsavlis**, Principal – **Tsavlis Salvage Group** – Conference Chairman

## Panel Discussion

**Moderator: Mr. Spyridon Zolotas**, Marine Southern Europe & Africa Area, Senior Director - **RINA**

**Panelists:**

- **Mr. Aristides Pittas**, Chairman and CEO – **Eurodry**; Chairman & CEO – **Euroseas**
- **Mrs. Ioanna Procopiou**, CEO – **Prominence Maritime**
- **Mr. Polys Hajioannou**, CEO – **Safe Bulklers**; Vice President – **Cyprus Union of Shipowners**
- **Dr. Nicholas Hadjiyiannis**, Chief Executive Officer - **Universal Shipping Alliance Co Ltd**

Moderator, **Mr. Spyridon Zolotas**, Marine Southern Europe & Africa Area, Senior Director – **RINA**, initially addressed the investment opportunities in the maritime sector. He asked the panelists if it is better to invest in new ships and technologies or in existing ones, and by which technologies investments should be driven.

The panelists were asked to outline their choices and plans to comply with the current and future environmental regulatory framework. As a specific issue, Mr. Zolotas focused on a significant proposal made by the Cyprus Union of Shipowners to the European Union. It concerns the application of an Emission Trading Scheme to Shipping in line with the European Green Deal and the IMO Initial Strategy on the Reduction of GHG Emissions from Ships.

**Mr. Aristides Pittas**, Chairman and CEO – **Eurodry**; Chairman & CEO – **Euroseas**, stated: “In a fast changing world where the protection of the environment and the promotion of sustainable development has correctly become the top priority, shipping is obliged but also determined to contribute in what we call “Green cost”, i.e. the cost we need to pay to bring carbon emissions to zero sooner rather than later. This cost is very significant as the technology is currently not available and the development of green energy is still at an infant stage. Extensive R&D is still necessary before we reach the implementation phase when emissions free propulsion becomes commercially feasible. All stakeholders starting from the consumer to cargo owners to shipbuilders and engine manufacturers will need to also contribute. In the meantime smaller steps are being taken within the shipping industry by implementing existing technologies to reduce emissions as much as possible. Notwithstanding these efforts the biggest contributor to the reduction of emissions at this stage remains slower steaming which significantly reduces exhaust gases.”

In Euroseas and EuroDry we are committed to ESG as we believe this is the only path for a sustainable future. We are determined to do our share to help improve the carbon and other emissions footprint of our fleet be it applying available technologies to optimize our vessels performance in the shorter term or renewing our fleet with more environmentally friendly vessels in the longer term.”

**Mr. Polys Hajioannou**, CEO and Chairman of the Board of **Safe Bulklers Inc., (NYSE:SB)** noted that Safe Bulklers participated in the Capital Link’s Cyprus Shipping Forum, promoting Cyprus as an international maritime center reinforcing the Cyprus flag. In addition, the forum addressed many significant topics such as the impact of COVID19 on seafarers and environmental regulations. The quality of the panels, consisted by industry leaders and the excellent coordination of the event, gave the chance to the participants to hear from real market players and gain meaningful insights. We at Safe Bulklers follow the market very closely, remain vigilant for opportunities when arising, which match our core growth and leverage strategies.

**Dr. Nicholas Hadjiyiannis**, Chief Executive Officer - **Universal Shipping Alliance Co Ltd**, stated: “We continuously invest in incremental efficiency and environmental improvements but unless there is a long term charter, shipowners cannot take the risk of big investments on newbuildings because it is unclear which technology will prevail. Zero-emissions might come from on-shore nuclear such as Bill Gates’ Molten Salt Reactor which is very safe and emission free. Nuclear energy might be used onshore to produce hydrogen paste currently being developed or another energy dense and clean liquid fuel, which may then be safely stored and consumed onboard like diesel is today.

The purpose of the ETS paper was to explain why a more effective approach is required than the one discussed at IMO. Everyone who breathes emits CO2. Taxing people for breathing may serve in collecting tax revenues but won’t get us far in terms of directly reducing CO2. If it weren’t for ships, half the world would freeze and the other half would starve. Unless everyone is prepared to go back to the Middle Ages in terms of our standard of living, ships have to transport cargo. Shipowners, investors and banks only provide the capital. Ships are built with existing technology, burn the available fuel and follow charterers’ instructions. Until technology solves the problem, the only meaningful way for improvement is by focusing on the level of the supply chain where impactful decisions are made. If a cargo importer uses a bigger ship than required, that ballasts across the world at maximum speed to load some cargo, a small tax or subsidy may directly incentivize an environmentally friendlier choice. This may result in lower rates for inefficient voyages which shipowners are willing to accept, as we are also willing to invest in non-polluting ships and burn cleaner fuels when they

become available. IMO however, can only enforce regulations on shipowners so we must resort to others such as the EU, from whom we have received some very promising feedback.”

## **A REGIONAL FINANCIAL HUB - Cypriot Banks Stay the Course**

**Moderator: Mr. Adam Montanios, Managing Partner – Montanios & Montanios LLC**

**Panelists:**

- **Mr. Nicholas Pavlidis, Head of Shipping – Bank of Cyprus**
- **Mr. Constantinos Milios, Head of Shipping Finance – Eurobank Cyprus Ltd**
- **Mr. Antonios Spanakis, Head of Shipping – Hellenic Bank**

**Mr. Nicholas Pavlidis, Head of Shipping – Bank of Cyprus, stated:** “At Bank of Cyprus, we had a strong start since inception of our Shipping Centre in late 2017. Focused on a client-centric approach, we try to maximise our competitive advantages. And despite the Pandemic over the past 18 months, our shipping portfolio remains resilient and fully performing. So, we will come out of the COVID-19 crisis stronger, in terms of quality of our book and relationship with our clients. Now, we need to continue on this steady course and provide confidence as a reliable partner who is here for the long-run.”

## **ACCELERATING DIGITAL TRANSFORMATION**

### **Connecting Ships – Ports – People – Enhancing Efficiency & Competitiveness**

**Moderator: Mr. Erwin Derlagen, COO - Enesel Ltd.**

**Panelists:**

- **Mr. Konstantinos Chatzitoliou, Project Development Leader for Greece, Cyprus & Malta - Bureau Veritas**
- **Mr. Philip Hadjisoteriou, Client Relationship Manager – Lloyd’s Register**
- **Mr. Peter-Michael Haddad, General Manager - OneNovation**
- **Mr. Petros Achtypis, CEO – Prevention at Sea**
- **Mrs. Michela Schenone, Marine Digital Solutions Manager – RINA**
- **Dr. Oleg Kalinin, Managing Director - SCF Management Services (Cyprus) Ltd.**

**Mr. Konstantinos Chatzitoliou, Project Development Leader for Greece, Cyprus & Malta – Bureau Veritas, stated:** “Industry 4 is changing Shipping with capabilities that we didn’t have before. Class Societies have an important role to play in the digital transition, on the one hand by adjusting their mode of operation to facilitate it and on the other hand by making sure that it’s done without any compromise in the safety of the crew and of the vessel. Better connectivity has provided the means to perform remote surveys, which became necessary during the pandemic and kept the industry running during that time. We are even able to deploy robots - for example drones, ROVs and crawlers - in order to inspect areas of the vessel which are difficult to reach. Today, those inspections are done either by staging, cherry pickers, rope access, or even rafting surveys, more time consuming methods and more prone to human error and open to accidents. We can also combine the use of such inspection robots with AI technology for the automatic detection of corrosion and structural defects of tanks in order to support the decision of a surveyor during an inspection. Apart from the hull structure we can also take advantage of the ongoing digitalization of different machinery systems and be able to shift towards more optimized inspections like predictive inspections. The reality today is that the machinery survey system is planned on a periodic basis and is prescriptive. However, the actual maintenance of ships is evolving from reactive to predictive maintenance, mainly on the back of Condition Monitoring (CM) developments. From a Class point of view, we are now also evolving from a purely periodical survey scheme to a predictive scheme for machinery equipment, taking into account condition monitoring data. All in all, digital transformation is leading to more advanced, more efficient and safer ways to perform classification surveys.”

**Mr. Philip Hadjisoteriou, Client Relationship Manager, Marine & Offshore at Lloyd’s Register, stated:** “The key ingredient for maritime in this digital transformation journey is an all-inclusive approach to digitalisation. Bringing together systems and platforms offers more holistic analytics and insights about the vessel’s performance, improving the overall efficiency of the vessels, while reducing OPEX and carbon footprint. Another important ingredient is the digital health management (DHM) which will fundamentally help operators improve aspects of their operational performance and maintenance, through the insights generated by digital twins. He concluded highlighting the essential ingredient of trust around digital technologies and the role of classification society to provide assurance during the maritime’s digital journey.”

**Mr. Peter-Michael Haddad, General Manager – OneNovation, stated:** “Transformation to new or digital technologies has changed many industries and, this time, it’s clearly making a noticeable impact on the maritime industry. It’s a paradigm shift which brings exciting changes to ship operations and management. The most important and possibly understated

aspect of digital transformation is planning and when you have multi-million Dollar assets, with a long life span, you plan for the long term. This, however, does not bode well with technology, as it's the single most rapidly changing industry in the world.

Ten years ago, leading technology firms planned 5 years ahead, today, they plan twice a day. The drive for digital solutions to optimize ship operations will be strongly linked to shipbuilders and shipyards, planning and provisioning for fast changing solutions on a long-term asset. It's not to say that new technology cannot be applied to a vessel without provisions, this is another exciting technology sector in itself, but does the return outweigh the benefit?

Shipping has already made immense progress on digital transformation over the past 20 years, yet data from a vessel's voyage today, still shows us how much we can optimize the physical design, operations, training, route, fuel, crew welfare, ports and more.

Data is key to effective optimization and solutions, and we certainly need a lot of it to make that happen. This takes time and investment, both of which is under-prioritized for technology in shipping. To bring data to the data centre, a vessel needs a good IT infrastructure and connectivity system on board. These two elements of digital transformation have become an essential part of the journey, already demonstrating amazing progress in our industry from both newly developed solutions and those borrowed from advanced industries.

It is an ongoing transformation that will push every builder, owner, manager and supplier to their limit, forcing an amazing journey for a well-deserved industry."

**Mrs. Michela Schenone**, Marine Digital Solutions Manager – **RINA**, focused on digital transformation to create added value for ship managers and owners in operating their ships. She stated that the main driver is to create innovative tools to face and overcome new regulations and market needs, using them as a starting point to enhance competitiveness while being more efficient. For this reason, RINA is strongly focusing on providing digital tools related for meeting decarbonization targets.

As a key example of the digital transformation in shipping, Mrs. Schenone mentioned that RINA is working with MSC Cyprus on a successful project including more than 200 ships which installed RINA live performance monitoring system OPTIMUM.

### **THE FORUM WAS ORGANIZED:**

**UNDER THE AUSPICES OF:** Republic of Cyprus and the Cyprus Shipping Deputy Minister to the President

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***Adapting to Current Reality - Constant pulse on the market & environment***

Quickly adapting to the unique challenges brought by the pandemic, Capital Link hosted full scale digital conferences in 2020 keeping the information flow uninterrupted and the industry connected - through live panel/presentation sessions & real-time video networking among delegates. Our virtual conferences are now integrated into our digital product line, along with our webinars, podcasts, and dedicated maritime website - adding a unique and complementary benefit to all our industry partners.

Since 2020, to date, we have hosted **19 full scale global digital conferences** and **25 webinars**, boasting a total of **202 virtual sessions**, that featured industry experts and thought leaders. Attracting **28,500+ delegates** from all over the world, we also held over **700 1x1 or small group on-line meetings**, a unique track record, growing our extensive investor network.

**ORGANIZERS**

***Founded in 1995, Capital Link is a New York based investor relations, financial communications and advisory firm with a strategic focus on the maritime, commodities and energy sectors, MLPs, as well as Closed-End Funds and ETFs. Based in New York City, Capital Link has presence in London, Athens & Oslo. Capital Link is a member of the Baltic Exchange and works very closely with the New York Stock Exchange, NASDAQ and the London Stock Exchange as well as with major international and supranational organizations and industry associations in the areas of the firm's strategic concentration.***

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***Capital Link's efforts have been recognized by the 2011 Lloyds's List Greek Shipping Awards, in 2012 and 2013 by the InterContinental Finance Magazine and in 2016 by the Wealth & Finance Magazine, Also, by the International Propeller Club of the United States and AHI-American Hellenic Institute.***