PRESS CLIPPINGS

Capital Link
Maritime Forum – Norway
Wednesday & Thursday
May 26 & 27, 2021
Digital Conference

In Partnership With
DNV

With The Support Of
Nor-Shipping
Norges Rederiforbund
Norwegian Shipowners' Association

"Norwegian Shipping - Industry Leadership in a Fast-Changing World"
2 Days – 16 Sessions – 78 Speakers – 67 Companies

Capital Link's Maritime Forum - Norway took place with great success and participation on Wednesday & Thursday, May 26 & 27, 2021 as a digital event in Oslo time. The event was held in partnership with **DNV**, with the support of the **Norwegian Shipowners Association**, and in conjunction with **Nor-Shipping** "**Ocean Now"**, June 1 & 2, 2021.

The event took place over the course of two days, with 16 virtual sessions, and 78 speakers with 67 companies participating on the discussion panels.

The theme of the Forum was "Norwegian Shipping - Industry Leadership in a Fast-Changing World" and featured major stakeholders from the shipping, financial and broader maritime community.

Norway has a long maritime tradition and a leading position in the global maritime industry, known for its commitment to excellence, technology, innovation and green shipping. Norway is one of the few countries around the world with a broad and complete maritime cluster. The event aimed to showcase the industry and thought leadership of the Norwegian maritime community to a global audience addressing all major areas of the maritime cluster

The forum was graciously received from the global maritime community, featuring a top agenda of industry leaders, and welcoming over 1,400 delegates.

The Forum also received extensive coverage from multiple media outlets. Find a selection in the following page. We hope it will be of interest to you as it was to us.

Articles

By TradeWinds News

- Fearnleys' Nicolas Duran: banks drive alternative finance back into its niche
- Poseidon Principles 'aim too low', BW LPG and Klaveness executives say
- Public pressure pushing too fast for safe alternative fuels, shipowners say
- Don't imitate boxship 'frenzy', says Stolt Tankers' Lucas Vos
- Tufton Investment goes for Anemoi sliding rotor sails on kamsarmax

The articles appear in chronological order.

Norwegian alternative finance players are faced with an aggressive renewal of interest from what they call 'the Nordeas of this world'.Photo: Aleksander Nordahl

Fearnleys' Nicolas Duran: banks drive alternative finance back into its niche

As market recovery brings the banks back, leasing and alternative finance are likely to become a niche affair again, says Fearnley Securities

27 May 2021 14:49 GMT *UPDATED 27 May 2021 15:02 GMT*
By **Bob Rust**

in **Oslo**
Banks are "turning 180 degrees in their policies" and taking the wind out of the sails of alternative finance providers and arrangers, a Fearnley Securities executive said.

Debt advisory head Nicolas Duran said the investment bank's clients are starting to pull the plug on deals under discussion as bankers make more credit available for their preferred deals.


Nicolas Duran, partner and head of debt advisory at Fearnley Securities, is seeing alternative finance clients pull the plug on deals in favour of bank money. Photo: DNB Markets

As a result, alternative finance providers will not get in on the feast as markets turn positive and deal volumes increase.

When "the Nordeas of this world" aggressively restock their shipping portfolio, there is no way for alternative financiers to compete on pricing.

"Leasing is more of a counter-cyclical product," Duran told participants in Capital Link's Norway Maritime Forum.

"Traditional lenders will take the lion's share of the new business, and leasing and alternative financing will go back to being a niche and specialised business, at least as long as the general sentiment about shipping remains positive."

Speaking to TradeWinds, Duran clarified that this prediction applies to more creditworthy shipping companies

Management of several top Norwegian financial shipowners participated in the panel led by Seward & Kissel partner Keith Billotti.

They were represented by partner Jan William Denstad of Sole Shipping, Ness, Risan & Partners project finance head Christian Dechsling of NRP, SFL Corp chief financial officer Aksel Olesen, Ocean Yield business development head Andreas Roede.

But Sole Shipping's Denstad was only partially content with Duran's analysis.

"For the top five percent, that's probably true, maybe even the top 10%," Denholm said.

"Not the bottom 90% who are not going to be in a position to access the stock market and have the big banks running after them throwing money."

Like Denstad, NRP's Dechsling Sees alternative finance remaining important for smaller owners and those with older ships.

"Alternative finance can be more flexible about profiles and the age of vessels," said Dechsling. "There will still be a big need for alternative finance, especially for smaller and medium-sized owners."

The increasing force of banks' ESG demands may also contribute to a continued demand for alternative finance, and opinions were mixed on whether alternative financing is much of a refuge from rising standards.

"All of us will be retired by the time the fleet is renewed with green features, and in the meantime we have to carry on," said Denstad.

He reckons that the existing fleet will have to change its operations to reduce emissions but cannot all be scrapped and rebuilt.

"The fleet will need to stay there and it will need to be financed," he said.

But the banks are in command in the end and their ESG demands will be felt even in niche ship finance, said Duran.

"You depend on the banks, and they require you not to finance ships over a certain age and they impose conditions for scrapping," he said. "Alternative finance at the cost of equity is just not feasible."

Source: https://www.tradewindsnews.com/finance/fearnleys-nicolas-duran-banks-drive-alternative-finance-back-into-its-niche/2-1-1017043

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Ex-DNB Bank shipping head Kristin Holth along with Citi's Michael Parker and Societe Generale's Paul Taylor put together the Poseidon Principles in 2019.Photo: Bob Rust

Poseidon Principles 'aim too low', BW LPG and Klaveness executives say

Klaveness and BW LPG executives say Poseidon Principles have been overtaken by time, and one of their authors agrees that them must become more ambitious

27 May 2021 12:21 GMT *UPDATED 27 May 2021 12:22 GMT*
By **Bob Rust**

in **Oslo**
The shipping industry's demand for decarbonisation has overtaken the 2019 Poseidon Principles, two top shipping executives said.

Torvald Klaveness chief executive Lasse Kristoffersen and BW LPG counterpart Anders Onarheim said the standards for carbon reporting devised by ship financiers for promoting climate neutrality are no longer ambitious enough.

The two shipowner executives were speaking to a 27 May session of Capital Link's Maritime Forum Norway.

Neither Klaveness nor BW Gas has struggled to live up to the Poseidon Principles since their financiers adopted them.

There "has not been a very big impact" on BW LPG beyond some additional reporting, said Onarheim.

"We have not seen a significant impact from the Poseidon Principles," said Kristoffersen.

Ambition deficiency

The issue is with "the ambition level of the Poseidon Principles", the Klaveness executive said of the commercial and strategic implications for shipping companies and investors of green shipping, decarbonation and technology.

The Poseidon Principles for reporting of emissions by ship finance banks and their customers were spearheaded by banking executives at Citi, DNB and Societe General. They were launched in June 2019 in a bid to align banks portfolios to the International Maritime Organization's carbon reduction targets.

Torvald Klaveness CEO Lasse Kristoffersen thinks the Poseidon Principles have an ambition problem. Photo: Bob Rust

But aiming at an IMO standard is aiming too low as decarbonisation goals rise, said Kristoffersen.

"Just within this year, companies we talk to have changed their carbon strategy. Meeting the IMO curve on carbon is no longer enough," he said.

The banking sector's representative on the Capital Link panel, DNB ocean industries vice president Marthe Lamp Sandvik, regards the Poseidon Principles as useful for quantifying DNB's shipping portfolio.

But she said that there are "kinks in the [reporting] method to be worked out".

"They have given us the ability to measure our carbon footprint and that of our portfolio," Sandvik said.

Kristin Holth, former head of ocean industries at DNB and one of the original backers of the Poseidon Principles, said she is certain that the initiative's ambition levels will be heightened at some point.

"They have to be ahead of the curve," said.

Holth was not on the Capital Link panel but following along remotely.

"The Poseidon Principles are not necessarily just about the numbers reported," she told TradeWinds. "It's about showing the direction of the portfolio's emissions to banks."

She said the Poseidon Principles were "a push together with many other pushes" and were ahead of their time just two years ago.

"Since that time the whole ESG [environment, social and governance] element in shipping has become so much more important," she said. "We were so right in the direction we took."

Resistance to be met

Somewhat paradoxically, the criticism that the Poseidon Principles are too timid and have been overtaken by the rapid pace of demands for decarbonisation comes as their backers continue to struggle against resistance to their adoption, especially in Asia.

TradeWinds recently reported that the Development Bank of Japan had become the 27th signatory to the Poseidon Principles, bringing the international shipping portfolio financed under the Poseidon Principles to $185bn.

Source: https://www.tradewindsnews.com/esg/poseidon-principles-aim-too-low-bw-lpg-and-klaveness-executives-say/2-1-1016896

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Synnove Seglem, deputy managing director of Knutsen OAS Shipping.Photo: DN

Public pressure pushing too fast for safe alternative fuels, shipowners say

Knutsen OAS Shipping's Synnove Seglem among shipowners owners warning they are at the edge of available technologies to decarbonise

26 May 2021 15:34 GMT *UPDATED 26 May 2021 15:35 GMT*

By **Paul Berrill**

Shipowners are at the edge of available technologies to decarbonise, industry executives told a Capital Link forum.

And they said they owners are struggling to plan fleet progression due to a lack of safety rules for alternative fuels.

“Our aim is to meet the decarbonisation targets for 2030. That is the first step,” said Regis Rougier, vice president of operations at shuttle tanker owner Altera Infrastructure.

“We are in a good way to meet these targets, but we are at the edge of the available technology.”

Synnove Seglem, deputy managing director of Knutsen OAS Shipping, added that there are safety challenges related to using hydrogen and ammonia as alternative fuels.

“Sometimes they are non-existent and there is a high focus and pressure to start testing the new technology on board and the safety procedures and knowledge for crew are sometimes lacking,” she said at Capital Link's Maritime Forum Norway.

The pressure is coming from politicians and the public as well as financial institutions for shipping to move quickly with decarbonisation, Seglem said.

“There is a little bit of impatience,” she added.

Rougier said there is a perceived conflict between sustainability and safety that needed to be resolved with customers and legislators before moving onto decarbonisation.

He said some of the barriers are rules that are too conservative or old fashioned, giving an example of the need to keep all engines running close to idle while ships are in dynamic positioning when there are two battery banks not being used.

Trading constraints also have an effect when charters dictate vessels' speed to cut fuel consumption. Reducing speed a little could result in using two engines on full load rather than three on reduced power, he said.

Altera’s latest LNG-fuelled and battery equipped e-shuttle tankers are sufficient to hit IMO’s 2030 target to cut carbon emissions by 40%.

“That is not a technology that will bring us to 2050 on the carbon zero targets,” Rougier said.

“The future e-shuttle probably could be ammonia-electric, but we are waiting for the industry to develop this fuel and make it available on a commercial scale.”

Source: https://www.tradewindsnews.com/technology/public-pressure-pushing-too-fast-for-safe-alternative-fuels-shipowners-say/2-1-1016267

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Rivals Stolt-Nielsen and Odfjell agree that their margins are too tight. The 12,365-dwt chemical tanker Stolt Hagi (built 2016) is operated by Stolt Tankers and owned by NYK Stolt Shipholdings.Photo: Bernard Spragg/Creative Commons

Don't imitate boxship 'frenzy', says Stolt Tankers' Lucas Vos

Chemical tankers are set for an upswing, say analysts. Norwegian shipowners agree but urge each other to show discipline about ordering

26 May 2021 15:01 GMT *UPDATED 26 May 2021 15:20 GMT*
By **Bob Rust**

in **Oslo**
Stolt Tankers president Lucas Vos urged his fellow chemical tanker owners on Wednesday to show leadership and refrain from imitating "the frenzy we see in containerships".

Fellow shipowners on Capital Link's Maritime Forum Norway supported Vos's view, in addition to concurring with Clarkson Platou Securities' outlook for an upswing for the battered sector.

Vos was among several chief executives of Norwegian chemical tanker owners and managers concerned about "maintaining sector leadership" in the Capital Link.

He was joined by Odfjell's Kristian Morch, Hans Solberg of Hansa Tankers, Axel Eitzen of Christiania Shipping, and Mark O'Neil of Columbia Shipmanagement and Stodig Ship Management, Columbia's fresh joint venture with Bergen-based Seatrans.

Panellists and listeners to the online conference were told that three factors are driving demand in the right direction and can support a recovery in chemical shipping.

Clarksons Platou Securities investment banking director Christopher Eitzen told the panel that on the supply side, sister company Clarkson Research sees a strong correlation between global gross domestic product growth and the special products trade. Global recovery after Covid-19 can be expected to have a payoff.

Odfjell's Morch agreed.

"We share the view of strong demand growth," he said.

He pointed to shrunken chemical inventories in Asia, which Odfjell thinks could lead to up to 6% growth in demand from the second half of this year.

The more specific arguments in the Clarkson analysis come on the supply side. Three supply factors support a strong outlook for chemical tankers: the growing length of the average haul in the chemical trades, the exit of swing tonnage from the market and negative fleet growth.

Lucas Vos, president of Stolt Tankers, was Maersk Line's chief commercial officer earlier and did a stint in the Dutch flower business before returning to shipping. Photo: Dale Wainwright

As a long-term trend, longer voyages are taking vessels out of circulation for longer periods of time. As a matter of current market factors, recovery in other tanker sectors means that fewer product tankers are being tempted to cross the line and poach chemical carrier owners' easy cargoes.

Think before ordering

But the biggest positive factor on the supply side is negative fleet growth.

An ageing chemical tanker fleet is not being renewed at the same rate as it is being scrapped, and there is still a large number of scrap candidates in the fleet, said Clarksons' Christopher Eitzen. That balance could tighten even more if uncertainty about emissions technologies makes owners remain hesitant to order.

Vos called for "leadership" by Norwegian chemical tanker owners.

That means "showing some restraint on supply — not going into the frenzy we see in containerships and breakbulk", Vos said, and found no one to dispute that view.

Christiania's Axel Eitzen and Odfjell's Morch addressed two other closely related key topics: the chronic tight margins that chemical carriers live with because of the pricing of their long-term contracts with industrial customers, and the undervaluation of chemical carrier owners' shares.

"What is needed is increased efficiency and increased yield, and then the share prices will come after, and the discounts will go away," said Eitzen, who is hopeful of building up Christiania into a publicly-listed owner able to participate in consolidating the industry.

Source: https://www.tradewindsnews.com/tankers/dont-imitate-boxship-frenzy-says-stolt-tankers-lucas-vos/2-1-1016254

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How Tufton's TR Lady will look with Anemoi's rotor sails. The kamsarmax will be retrofitted in 2022.Photo: Anemoi

Tufton Investment goes for Anemoi sliding rotor sails on kamsarmax

UK investment company opts for movable system on deck to avoid cargo disruption

26 May 2021 10:01 GMT *UPDATED 26 May 2021 10:01 GMT*
By **Gary Dixon**

in **London**
UK shipowner Tufton Investment Management (TIM) is to install a sliding rotor sail system on a kamsarmax to cut emissions.

British manufacturer Anemoi Marine Technologies will fit the kit on the 82,000-dwt bulker TR Lady (built 2017).

Three large rotor sails will be used on deck, with a rail deployment system meaning they can be moved to avoid disruption to unloading and loading in ports.

The vertical cylinders rotate to harness the renewable power of the wind to provide additional forward thrust.

"These highly efficient mechanical sails capitalise on the aerodynamic phenomenon known as the Magnus effect and will deliver significant fuel and emission savings to TR Lady," the companies said.

The TR Lady will be retrofitted during a scheduled drydocking in China, with completion likely to be in the middle of 2022.

Classification society approvals will be awarded by Lloyd's Register.

'Landmark deal'

"This landmark commercial agreement demonstrates Tufton's confidence in our technology and proves their industry leadership and commitment to a decarbonised shipping industry," said Anemoi chief executive Kim Diederichsen.

"I am delighted to be working with a company that shares our environmental values and I look forward to a successful installation."

Anemoi claims significant recent interest in and demand for its sails.

"Our industry continues to place environmental stewardship at the top of its agenda," he added.

"Tufton are definitely leading the way and we are pleased to be able to support them on that journey."

Tufton aiming for 50% cut in emissions

Andrew Hampson, CEO of TIM, said his company is committed to achieving the IMO's ambition of at least a 50% reduction in greenhouse gas emissions by 2050, compared to 2008 levels.

"The commercial agreement with Anemoi is representative of Tufton's capability to carefully select from a variety of environmentally friendly technologies in order to achieve commercial as well as environmental targets," he said.

Diederichsen told a Capital Link webinar in April that demand for rotor sails for ships will soon exceed supply, but the company has come up with a stopgap solution.

Anemoi is offering clients the opportunity to be "wind-ready", which means docking a ship now to do preparatory work.

Then, when the rotor kit becomes available, it can be fitted quickly and easily.

"Everything besides the physical installation of the rotors can be done now," Diederichsen added.

"Right now there is a production limitation of rotor sails."

Source: https://www.tradewindsnews.com/bulkers/tufton-investment-goes-for-anemoi-sliding-rotor-sails-on-kamsarmax/2-1-1015944

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Thank You