



Lucky strike

Email reveals name of much-talked of VLCC venture between South Korean owner Sinokor and trader Trafigura.

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Bold ambitions

Co-founder Yiyong tells how Singapore-based Straits Bio-LNG aims to be the world's biggest bunker supplier of the fuel.

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CMB.Tech and Golden Ocean tie-up will create one of the world's largest shipowners and signals a fresh direction for John Fredriksen's former bulker outfit.

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EX-FESCO BOSS RETURNS

Former co-owner Andrei Severilov heralds new shipping company linking Russia and West Africa.

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CAR CARRIER SHOCK WAVE

Fees imposed by US President Donald Trump's top trade ambassador, Jamieson Greer, single out the sector for ports pain.

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‘Stock pickers’ scoop \$65m stake in shipbroker Clarksons

Lindsell Train has built 5.08% holding in world’s biggest broker

Gary Dixon
London

The world’s biggest shipbroker appears to have a major new investor.

UK investor Lindsell Train had passed the threshold for notification with a 5.08% holding in Clarksons on 17 April, a London Stock Exchange filing on Tuesday revealed.

This slice is worth £49m (\$65.5m), based on a market capitalisation of £966.47m.

Clarksons’ shares were down 3.24% on Tuesday at £31.35, and 19% down on the year.

Lindsell Train was set up in 2000 by investors Michael Lindsell and Nick Train, who had worked together for eight years previously. They remain the controlling shareholders.

The group is not known to have any other shipping investments.

Lindsell Train and Clarksons have been contacted for comment.

The news comes ahead of the

London shop’s annual general meeting on 1 May in London, at which the remuneration policy for chief executive Andi Case and finance and operating chief Jeff Woyda is likely to come under pressure at a vote once again.

Lindsell Train describes itself as “stock pickers”.

“At the heart of our approach is a conviction that inefficiencies exist in the valuation of ‘exceptional’ companies,” it says on its website.

“Specifically, we note that durable, cash generative franchises are not only rare but also appear to us to be undervalued by other investors for most of the time,” it adds.

MarketScreener data showed Lindsell Train’s stake is enough to put it in second place on the list of the broker’s biggest shareholders, ahead of Royal London Asset Management and behind Solum Capital on 11.87%.

Before setting up the fund, chief executive Lindsell spent seven years at GT Management,



ANDI CASE:
Clarksons chief executive
Photo: Clarksons

first as chief investment officer in Tokyo, then in London with responsibility for all global and international funds.

Chairman Train was head of global equities at M&G Investment Management, having joined there in 1998 as a director.

Last week, Case pocketed more

share options that will eventually lift his stake to 2.6%.

This chunk of the London-listed shipbroker was worth £26.52m (\$35.2m), based on a market capitalisation of £1.02bn.

A stock exchange filing revealed the CEO was handed 34,571

restricted shares as settlement of the 10% deferred element of his 2024 bonus.

In March, Clarksons posted a new profit record following a strong finish to 2024.

The broker said underlying earnings were £115.3m, beating the £109.2m achieved in 2023.

SSY hires Sea platform co-founder in analytics push

Holly Birkett

Shipbroking group SSY has hired its biggest rival’s former data chief to lead its own digital transformation.

Richard White has been appointed chief information officer and will join the independent shipbroking group on 2 June.

White is experienced in leading transformational change within digitalisation and big data.

He is best known in shipping for co-founding the Clarksons-owned platform Sea by Maritech, of which he was chief technology officer.

SSY was among the major brokers that backed the rival platform Ocean Recap, which soft-launched earlier this year and aims to be a direct competi-

tor to the Sea Contracts contract management platform.

Stanko Jekov, SSY’s managing partner, said: “Digitalisation is rewriting how brokers operate on a day-to-day basis.

“Clients now require and indeed, expect data in real time wherever they may be in order to effectively manage their business.”

Jekov said that data and digitalisation would be key as SSY continues to expand.

“In order to support this further growth and to not only meet but exceed client expectations, we need the right infrastructure and most importantly, the right person to lead us through this exciting period of transformation, and I’m convinced Richard is that person,” he said.

White said it was a “no-brainer” to join SSY.

“My aim is to leverage on all of my past experience in order to provide best-in-class solutions for the brokers and analysts within SSY, which will enable the firm to provide an unrivalled offering to its global client base, and I can’t wait to get going,” he said.

White worked for Clarksons for over 16 years from 2005, rising to become chief information officer.

He has worked over the past few years as chief operating officer of satellite communications firm GT Maritime and as a board adviser to Onyx Capital Group.

This has comprised work on mergers and acquisitions, partic-

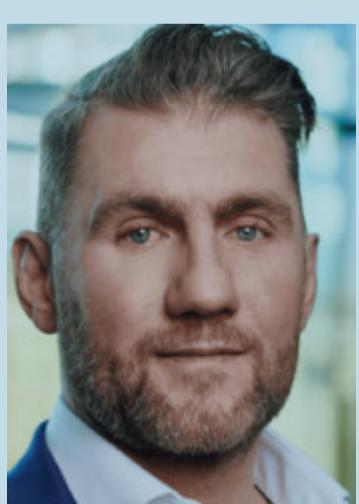
ularly within the software-as-a-service space.

As well as driving SSY’s own digital activities, White’s hire will support the group’s involvement in the Ocean Recap platform.

The independent platform launched in February and has been backed by shipbroking firms Arrow, Gibson Shipbrokers, Howe Robinson, Ifchor Galbraiths and SSY, alongside maritime tech firm The Signal Group.

The partners told TradeWinds the new platform aims to challenge Sea Contracts’ dominance in charterparty and recap management software.

Sea Contracts claims to represent 20% to 25% of the total market for charterparties and recaps.



RICHARD WHITE: Will join SSY in June as chief information officer
Photo: SSY

Saverys shows his hand after grabbing Golden opportunity

CMB.Tech chief executive opens up on plans for former John Fredriksen bulker company

Gary Dixon
London

CMB.Tech boss Alexander Saverys says he "believes in bulkers" after agreeing a merger with Golden Ocean Group.

The deal was announced on Tuesday night, seven weeks after the Belgian shipowner bought a controlling stake in the operator from tycoon John Fredriksen.

New York and Brussels-listed CMB.Tech told TradeWinds the two companies signed a term sheet for an all-stock combination that will create one of the largest diversified maritime groups in the world, with a fleet of 250 ships.

Asked when US and Oslo-listed bulker owner Golden Ocean was first made a target and why, Saverys responded: "We believe in the dry bulk cycle."

"The Golden Ocean fleet is young; our combined dry bulk fleet would be one of the biggest in the world, allowing us to engage even more with our customers on long-term contracts and/or ammonia-powered ships."

But the transaction does not mean CMB.Tech is focused on bulkers to the exclusion of other areas.

"We will expand in all sectors depending on where we are in the cycle," Saverys said.

"That's the advantage of being diversified. We will definitely use our firepower to continue our investments in decarbonisation."

He said he would comment on plans regarding the top team at Golden Ocean, the future of its Oslo base and any potential job losses after the merger has been approved.

But TradeWinds understands that this month's confirmation of interim CEO Peder Simonsen in the role permanently, plus the appointment as chief financial officer of Randi Navdal Bekkelund from Fredriksen's Avance Gas, points in the direction of CMB.Tech wanting to keep everyone on board.

Turning to fleet plans, Saverys said: "We will handle the Golden Ocean fleet as we handle the CMB.Tech fleet. We will sell older ships when the price is right and reinvest in modern/ammonia-powered tonnage."

As for efficiencies from the business combination, he told TradeWinds: "We have never been big believers of synergies when merging shipping companies."



ALEXANDER SAVERYS: 'We will definitely use our firepower to continue our investments in decarbonisation'

Photo: TradeWinds Events

"The biggest gain from this transaction will be the scale, the addition of a young fleet at a good time in the cycle and having access to an even stronger balance sheet that will allow us to seize more opportunities."

The Antwerp-based owner has been buying more Golden Ocean stock in recent weeks, with a simple majority of 50% plus one share needed to make the merger a formality.

Saverys told TradeWinds that CMB.Tech still owns "a tick below 50%" in the bulker company.

Clarksons Securities said it had been expecting a merger between the two entities based on various filings from CMB.Tech, but the merger ratio had been uncertain.

Analysts led by Frode Mørkedal had previously estimated, based on Clarksons' own net asset value calculations, that the deal would be on a 0.98 ratio, with CMB.Tech's NAV at \$13 per share and Golden Ocean at \$12.74.

"The announced 0.95 ratio is slightly lower but within a reasonable margin. With the merger confirmed and likely to go through, Golden Ocean should trade at 0.95 of CMB.Tech," the team said.

MARRIAGE INSPIRES FEAR AND FAVOUR

Jonas Walsgård

The merger of CMB.Tech and Golden Ocean has split investors and analysts — inspiring "fear" in some and finding favour with others.

Under the deal announced on Tuesday, Golden Ocean shareholders will receive 0.95 CMB.Tech shares for each Golden Ocean share.

That is based on net asset values of \$14.49 for Golden Ocean — aligned with the agreement with John Fredriksen's Hemen Holding — and \$15.23 for CMB.Tech.

First Fondene portfolio manager Martin Molsaeter told TradeWinds he had divested all his Golden Ocean shares after Fredriksen sold his stake for \$1.2bn in early March.

"I sold everything because I feared a merger, and CMB.Tech traded at a huge discount to NAV," he said.

"The market feared the same and traded down Golden Ocean way below NAV ahead of the merger."

Instead, he has invested in 2020 Bulkers and Himalaya Shipping.

DNB's Norway fund has also gradually sold its holding in Golden Ocean.

Portfolio manager Einar Johansen said: "We have sold most of the Golden Ocean shares we had, because we have no interest in continuing to be part of CMB."

"That may be the case for many shareholders, since CMB has quite a different strategy."

"We owned Golden Ocean purely for dry bulk exposure and dividend capacity, but that is being significantly changed now."

However, he thinks the merger looks fair.

"Of course, you won't get paid as much as CMB paid for the large stake, but you couldn't expect that either," he added.

Storebrand's Hans Thrane Nielsen, who holds Golden Ocean in his Norwegian stock fund, said: "It will be [a] good shipping company."

"There is good potential for the merged company's board to show that they can run a large shipping company commercially and shareholder-friendly."

Golden Ocean shares rose as much as 9.8% to NOK 80.75 (\$7.78) in Oslo on Wednesday.

Analysts saw a 20% upside based on Tuesday's closing price of \$7.04 in New York.

Arctic Securities said the merger seems "a good deal" for Golden Ocean shareholders.

The bank's value-adjusted equity estimate would imply an exchange ratio of 0.89x compared with the announced 0.95x.

Analyst Kristoffer Barth Skeie said in a note: "Given a favourable exchange ratio and both companies effectively controlled by the same shareholder, we expect the merger to be completed."

CMB.Tech shares rose as much as 6.9% to €8.50 (\$9.76) in Brussels.

Fearnley Securities said: "The transaction is a positive for the equity story as it removes 'noise' and allows for focus on the strategic fleet growth of CMBT going forward."

"An increasing free float is also a positive here, with the CMBT NAV of \$15.23/share a touch under our \$15.9/share assessment."

Sinokor email hints at name in Trafigura VLCC tie-up

South Korean owner asks clients to contact Lucky Maritime from 22 April about its crude tanker fleet

Gary Dixon
London

A new VLCC tie-up between South Korean owner Sinokor Maritime and trader Trafigura could be up and running this week.

An email to clients from Sinokor, seen by TradeWinds, gives an email address for a company called Lucky Maritime.

The shipowner says the address would be effective from Tuesday, 22 April.

It says: "Please contact Lucky Maritime regarding new crude oil cargoes/opportunities in relation to Sinokor crude fleet."

One tanker source told TradeWinds this appears to be the new joint venture, which "seems to be all tied up".

A shipbroking source also believes this is the new operation.

The email may also suggest a wider tie-up on crude tankers.

Trafigura declined to comment. Sinokor has been contacted for further information.

At the end of January, TradeWinds reported that Trafigura was beginning to show several VLCCs under Sinokor's control on its position list, giving rise to

fresh speculation that the two companies had cemented their tie-up on large tankers.

Tanker brokers named the vessels as the 307,953-dwt Coshonour Lake and 302,783-dwt Gem No.2 (both built 2017), the 328,182-dwt South Loyalty and 319,439-dwt Habrul (both built 2012) and the 312,125-dwt Esteem Explorer (built 2020).

One broker said the appearance of Sinokor-chartered VLCCs on Trafigura's position list suggested the trader has taken them on short-term time charters.

They were believed to be at floating, index-linked rates.

TradeWinds reported earlier that month that Trafigura and Sinokor were considering merging their VLCC commercial operations, which could give them shared access to more than 100 vessels and a combined 12% share of the market.

Neither side has made any announcements on the link-up.

Sinokor has yet to make a public statement. At the time, Trafigura declined to comment on what it dubbed "rumour and speculation". In February, Trafigura and Sinokor were linked to term charter deals in



ANDREA OLIVI: Global head of shipping at Trafigura. The company declined to comment

Photo: Helle Moos/GMF/CC BY-ND 2.0

the VLCC market as their big tanker business looked increasingly interdependent.

Period fixtures emerged to further suggest cooperation, as well as confusion among market

players as to its exact nature.

Brokers reported the 319,500-dwt VL Prime (built 2015) was booked by either Trafigura or Sinokor.

The deal was reported as

either for 11 months at \$51,600 per day, or 12 months at \$52,500 per day.

The tanker is owned by Kukje Maritime Investment Corp in South Korea.

Tankers caught up in latest geopolitical tug of war

Gary Dixon

Venezuela is asking for tankers to return crude cargoes after revoking permission for US oil major Chevron to load oil.

Oil consultancy Kpler said it had received reports that national oil company Petroleos de Venezuela SA (PDVSA) has already taken back one aframax cargo.

PDVSA pulled Chevron's authorisation earlier in April, despite the US government allowing the licence to be extended to 27 May.

The move came in the wake of a series of tightening measures by the Trump administration to restrict Venezuela's oil exports, including the revocation of oper-

ational licences and the imposition of punitive tariffs on third-party purchasers.

Chevron had been expected to continue crude liftings throughout April.

Sources told Reuters that PDVSA had rescinded approvals for multiple cargoes.

Kpler tracked the 116,000-dwt Carina Voyager (built 2021) loading 511,000 barrels of Merey crude at the Jose terminal on 7 April.

After idling offshore for several days, Kpler data and draught level analysis indicated the vessel returned to port and discharged its entire cargo.

The tanker then headed into the Caribbean in ballast.



IN LIMBO: Some of PDVSA's workers

Photo: Venezuelan government

Another ship, the 115,000-dwt Dubai Attraction (built 2011), is said to have loaded 340,000 bar-

rels of Boscan crude from Bajo Grande Terminal on 7 April.

The ship has been idling in the

Amuay lightering zone, with market reports confirming PDVSA has requested the cargo be returned.

TradeWinds has reported another four tankers may be unable to load scheduled cargoes.

Reflecting the suspension of loading authorisations, Kpler now expects Venezuelan crude production to fall, potentially reaching 800,000 barrels per day by May.

UK broker Braemar is predicting an oversupply of crude tanker tonnage in the Atlantic as Venezuela halts exports to the US.

This marked "a significant escalation in the fallout from US sanctions", the London-listed shop said.

Advantage lines up rare VLCC order at Hanwha

Swiss owner confirms LNG-ready ships will be delivered in 2027

Gary Dixon
London

Swiss-based owner Advantage Tankers is adding to its VLCC fleet with a rare big tanker order in South Korea.

Chief executive Tugrul Tokgoz confirmed that a letter of intent has been signed with Hanwha Ocean for two 320,000-dwt ships.

He said these will be LNG-ready, with delivery from mid-2027.

Brokers priced the tankers at \$126.5m each.

Tokguz said the company hopes to sign final contracts within the next week.

VLCC orders have been scarce this year.

Earlier this month, Japan's NYK contracted its first methanol-powered VLCC newbuilding.

The giant shipping group said it had ordered the 310,000-dwt tanker at domestic shipbuilder Nihon Shipyard for delivery in 2028.

The deal is backed by a long-term charter to compatriot Idemitsu Tanker.

No price has been given for the dual-fuel vessel, which will also run on fuel oil.

UK shipbroker Clarksons noted that the only other VLCCs contracted in 2025 are a pair ordered by Evangelos Marinakis' Capital Ship Management at Hanwha Ocean.

The London shop quoted a new VLCC as currently costing \$125m.

Advantage has 31 tankers on the water, including six VLCCs.

Five of these were built by Hanwha Ocean when it was called Daewoo Shipbuilding & Marine Engineering. One dates from 2016, with the rest being delivered in 2022 and 2023.

One other VLCC was built in China.

Advantage also owns suezmaxes, aframaxes, LR2s and LR1s.



The company has five more suezmaxes on order, as well as two LR1s, in Japan and South Korea.

LONG-TERM DEALS FOR LR1S TradeWinds reported last year that the company had secured long-term employment for an under-construction product carrier newbuilding pair, nearly two years before they were set to hit the water.

Linked in 2023 at K Shipbuilding, the scrubber-fitted, 73,400-dwt Advantage Passion is sched-

uled for delivery in the fourth quarter of 2025, followed by sister ship Advantage Path in the first quarter of 2026.

Clarksons and Seasure reported that Swiss trader Mercuria Energy agreed to fix the two vessels straight out of the yard for five years at \$28,500 per day.

Advantage made its debut in the sector, purchasing three such ships in the secondhand market in a \$150m deal with Nautical Bulk Holdings in April 2023.

The company then upped the

TUGRUL TOKGOZ:
Advantage Tankers
chief executive
Photo: NHST Events

Athens eyes tanker charters to ease drought

Gary Dixon

A Greek utility could charter tankers to prevent a water shortage in Athens.

The Attica region is facing a supply crisis as a drought continues, the Greek City Times reported.

The situation is being exacerbated by old infrastructure and increasing demand from population growth and tourism.

The Athens Water Supply & Sewerage Co (EYDAP) has lined up a €3bn (\$3.45bn) mitigation plan, which includes the potential fixing of three product tankers to lift water from the Achelous River.

In what is described as a worst-case scenario, the vessels would be chartered to transport 100,000 cbm of water each to Boeotia's EYDAP network.

This equates to about 63,000 barrels, suggesting a tanker size approaching 10,000 dwt.

The temporary measure would be activated only if infrastructure projects are delayed or the drought worsens.

EYDAP has reported a 30% drop in Attica's water reserves compared with last year.

Reservoirs held 649m cbm on 15 April, down from 915m cbm in 2024.

Last year, a UK utility was reportedly plotting how it could ship in water on tankers from Norway to combat future shortages and droughts.

The Financial Times reported that Southern Water, with 2.7m customers, was in talks with privately owned UK start-up Extreme Drought Resilience Service (EDRS) to import water from the fjords when needed.

EDRS says on its website that it sources water from Fresh Water Norway in Tetra Pak cartons.

But the report said exports in shipping containers or via tankers were being explored.



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Trump's \$260bn challenge

Andy Pierce

Donald Trump has a \$260bn mountain to climb if he is to dethrone China as the world's dominant shipbuilder, according to the latest data.

The US president's sweeping tariffs and now port fees imposed by his administration on Chinese-built ships ate into newbuilding investment in the first quarter.

Despite policy headwinds slowing down orders, China's shipyards led the global market with \$266.4bn in contracts as of 1 April, according to the world's largest shipbroker.

At the start of the second quarter, China had 3,583 ships totalling 250m dwt on order, representing 67% of the global orderbook.

"Chinese builders accounted for 86% of the car carrier orderbook in capacity terms, 72% of both the bulk carrier and container ship orderbooks and 71% of tankers on order, while their share in the LPG and LNG carrier segments stood at 46% and 31%, respectively," Clarksons said.

This left China comfortably clear of second-placed South Korea, which has a \$112.9bn orderbook, helped by some notable wins for major contracts in the container market in the first quarter.

Japan was ranked third with ships worth \$30.4bn on order at the start of April, while Italy sat fourth with a \$26.1bn backlog.

The US shipyards, for their part, have ships worth \$2.6bn in the book, Clarksons said.

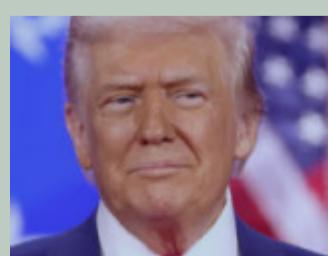
The shipbroking giant said global investment in new-buildings had fallen to \$26.3bn in the first quarter, down by 46% on the five-year average.

"Spending has ticked down on the back of softening order volumes amidst increased geopolitical uncertainty and global macroeconomic concerns," Clarksons said in its latest World Shipyard Monitor.

It noted spending on new container ships was firm at \$11.8bn, as European liner companies were active.

"Notable 'mega' cruise ship ordering has boosted US owners' investment total to \$5.1bn in the first quarter, 19% of the global total," the report added.

"Ordering in the tanker and offshore sectors has been relatively comparable, with each accounting for [about] 10% of the total."



DONALD TRUMP: Wants to turn the tide on China's shipbuilding dominance

Photo: Gage Skidmore/CC BY-SA 2.0

CHINESE LESSORS:

ICBC Leasing has been a source of capital to shipping

Photo: Eric Priante Martin

Chinese owners, operators and lessors feel the heat

Exemptions for smaller and export-only vessels apply only to Chinese-built ships

Eric Priante Martin
Miami

US President Donald Trump's top trade ambassador has taken a hard line on Chinese-owned and operated vessels, even as the spotlight remains on ships built in China.

The definition appears to cover everything from vessels on Chinese lease finance to ships owned or operated by Hong Kong companies.

The schedule of fees imposes a cost of \$50 per net tonne starting in 180 days, rising to \$140 per net tonne starting in 2028, for a vessel that is owned or operated by a Chinese entity for up to five visits to the US.

While US trade representative Jamieson Greer's office granted exemptions to most Chinese-built vessels, excluding car carriers, those exemptions do not

apply to fees targeting ships based on ownership or operation.

Under documentation published in the Federal Register by Greer's office, a "vessel owner of China" includes any entity in Hong Kong or Macau listed as the owner on a ship's vessel clearance or entry document submitted to customs officials.

Also thrown into the mix are ships whose ownership includes a variety of other links to those territories or mainland China.

That means that in addition to hitting the likes of China Cosco Shipping, the fees would apply to major Hong Kong-headquartered companies like container ship owner Seaspain Corp and to bulker operator Pacific Basin.

Trade law experts say the measures would also apply to vessels in the fleets of leasing heavyweights like Bank of Communications Financial Leasing

and China Merchants Bank Financial Leasing.

Asked about the exposure of ships on Chinese financial leases, Squire Patton Boggs trade lawyer Michael Kaye noted that Greer's office was focused on the industrial policy of China to build up its maritime power.

"One of the ways they made that happen so quickly was facilitating the financing, not just for the construction and the provision of steel and raw materials, but by creating a market for the purchase of the ships," he said.

Providing attractive financing that allowed companies to keep buying and building ships was part of that.

For Chinese-built ships, the purported focus of the year-long investigation started by Greer's predecessor, there are some exceptions.

Smaller ships on regional trades

and bulkers that arrive empty to carry US exports do not have to pay the fees for Chinese construction.

But there are no exemptions other than the opportunity to replace with a US-built ship, according to maritime lawyer Charlie Papavizas of law firm Winston & Strawn.

The US trade representative gave a more detailed definition of a Chinese owner than a Chinese operator.

"The USTR dealt with definitional issues by including a description of what constitutes Chinese ownership, which draws on legal title, beneficial ownership and effective control concepts," he wrote in a client note.

"USTR did not define vessel 'operator' other than to point to a US Customs and Border Protection form (number 1300) which does not define that term."

'Owners to return to China shipyards'

Gary Dixon

Shipowners are set to head back to Chinese yards as scaled-back US port fee proposals reduced uncertainty over newbuilding deals, analysts believe.

Key among the changes was the exemption of most Chinese-built tonnage or newbuildings owned by non-Chinese companies from the extra levies.

HSBC analysts, led by Parash Jain, believe the competitiveness of Chinese yards should emerge intact.

"The diluted port fees will reduce the uncertainty on new-build decisions for non-Chinese carriers, which should be positive for Chinese shipyards including Yangzijiang Shipbuilding," they added.

"However, it reduces any potential competitive advantage that had emerged for Korean yards under the initial proposal."

"We continue to expect Chinese yards to maintain their leading position in most vessel segments. We expect the pending

new orders for Chinese yards to resume, especially with the price gap emerging versus their Korean and Japanese peers lately."

HSBC has a "buy" rating on Singapore-listed Yangzijiang Shipbuilding, and predicted it would be the biggest gainer from the proposals.

Yangzijiang had been the biggest loser after the first proposal from the Office of the US Trade Representative, with its value falling 36%.

HSBC is expecting a "sharp rally" in the stock.

Overall, the bank called the measures "insignificant" for shipping, barring the impacts on Chinese owners and operators.

Jain and his team noted that the fees would not apply to consecutive US port calls, and would be calculated on net tonnage rather than a flat charge.

"We expect minimal impact on global trade flows and costs for bulk, liquid or container," they said.



Car carrier sector reels after being singled out by US fees

Operators expected to seek relaxation of sweeping surprise port charges

Eric Priante Martin
Miami

Changes to port fees imposed by US President Donald Trump's top trade ambassador have sent shock waves through the car carrier sector, while other shipping segments, bracing for worse, have expressed relief.

The varying reactions to the decision by US trade representative Jamieson Greer come as trade lawyers hope a 19 May hearing may be an opportunity to push for changes before the fees enter force in October, even though it is meant to be focused on proposed tariffs for cargo-handling equipment.

As TradeWinds has reported, Greer imposed fees on Chinese-owned and operated vessels, those built in China and, in a surprise move, car carriers constructed anywhere in the world. The US trade chief also decided to place restrictions on LNG carriers built anywhere after three years.

Here is a sector-by-sector look at the market impact:

CAR CARRIERS

The car carrier fees of \$150 per ceu may have the most market impact, with players in the sector quietly reacting with "shock" to what the World Shipping Council called an "arbitrary" move.

Wallenius Wilhelmsen's 9,000-ceu Hoegh Aurora (built 2024), which VesselsValue data shows is the largest car carrier to call at a US port in the last year, will pay \$1.37m per port call at full capacity if the fees go unchanged.

Shipbroker Clarksons estimates that the fees will impact 95% of US port calls by the sector — far more than any other shipping segment.

Sources with knowledge of the car carrier business said owners and operators of, say, South Korean or Japanese vehicle carriers had no way of knowing that they had anything to worry about.

Even the 18 US-flagged ro-ro vessels in the Maritime Security Program, a subsidy scheme for militarily useful vessels, appear not to have received the same exemptions that Chinese-built ships in other sectors received.

Greer's press office did not

respond to TradeWinds' request for comment on the concerns.

CONTAINER SHIPS

Analysts believe the container shipping sector will also face a significant impact from the fees.

The blow is softer than had been feared since then-acting US trade representative Juan Millan first proposed the charges in February.

But the cost will still impact the sector.

Clarksons Securities, the investment banking arm of the eponymous shipbroker, said a 15,000-teu container ship with a net tonnage of 74,000 tonnes will pay \$1.33m per US rotation.

But Greer's fees do more to penalise ships that are owned or operated by Chinese companies.

Clarksons Securities analysts, led by Frode Morkedal, wrote that a Chinese-operated vessel of 15,000 teu pays \$3.7m per port call in the first year, which rises to \$8.4m in 2028.

"This places Chinese operators such as Cosco at a notable competitive disadvantage," they wrote, referring to China Cosco Shipping.

Container ships below 4,000 teu were exempted.

TANKERS

The biggest charge of all in the first year of the fee would be paid by a Chinese-controlled VLCC, according to Clarksons' estimates.

A VLCC owned or operated by a Chinese company will incur a \$5.2m fee, which rises to \$14.5m in 2028. A Chinese-built tanker of the same size is poised to pay \$2m, rising to \$3.6m.

And 15% of US VLCC port calls are impacted by the fees, the shipbroker estimated.

But the impact is blunted by the exemption for ships that arrive in ballast, meaning tankers calling in the US solely to export crude face no fees.

That exemption also helps other vessels carrying US energy exports, including VLGCs and MR tankers.

BULKERS

After the original port fee proposal raised concerns from the US farming sector, Chinese-built bulkers mostly escape the fees



JAMIESON GREER: US trade representative
Photo: Bloomberg

because of exemptions for vessels below 80,000 tonnes of cargo capacity and for those that arrive in ballast.

But that is not the case for bulkers owned and operated by Chinese companies, according to shipbroker Braemar. Those charges start at \$50 per net tonne, rising to \$140 per net tonne in 2028.

"Vessels meeting this criteria would be at a very large commercial disadvantage when shipping dry bulk cargoes either to or from the US," Braemar said.

LNG CARRIERS

The good news for LNG carrier owners is that they have dodged the port fees.

But they face a different measure after three years, with rapidly growing restrictions that require a portion of US LNG exports to move on American-made vessels. The quota starts at 1% in 2028, rising to 13% by 2045.

Clarksons Securities' analysts said the requirement will pose a cost challenge for LNG exporters, because of the substantially higher cost of US-built vessels.

TW SCHEDULE OF FEES

Vessels in the fleet of Chinese operators

- **Fee:** \$50 per net tonne, rising to \$140 per net tonne
- **Exemptions:** Suspended fees with US order
- **Cap:** Five US port rotations per year

Chinese-built vessels

- **Fee:** \$18 per net tonne or \$120 per container, whichever is higher, rising to \$33 per net tonne or \$250 per container

Exemptions:

- Arriving empty, capacity below 4,000 teu or 55,000 dwt, bulk capacity below 80,000 dwt, voyages below 2,000 nautical miles, US-owned vessels, chemical tankers and tankers
- **Cap:** Five US port rotations per year

Foreign-built car carriers

- **Fee:** \$150 per ceu
- **Exemptions:** Order of US-built vessel
- **Cap:** None

Owners on hook for \$18bn, says Clarksons

Gary Dixon

Shipping is facing a much lower bill from extra US port fees after less severe proposals were revealed last week.

Clarksons Research managing director Stephen Gordon said: "The revised measures significantly reduce in scope the number of vessels and port calls that will be impacted."

The research company calculated that in 2024, only 9% of US port calls by internationally trading ships would have been subject to the new scope, a significant reduction from the 43% estimated under the previously proposed actions.

And the new proposals could theoretically generate annual fees of \$12bn in 2026, rising to \$18bn in 2028, based on current vessel deployment patterns.

This is down from estimates of between \$40bn and \$52bn under the previously proposed measures, although vessel deployment is likely to shift, Gordon said.

The US trade representative exempted bulkers under 80,000 dwt, tankers under 55,000 dwt and container ships with a capacity of less than 4,000 teu.

Vessels arriving in ballast will also not pay anything extra.

But all foreign-built car carriers will be subject to the levy.

"The focus on imports and the reduced scope of vessels impacted has lowered our overall estimate, though fees for some Chinese owned/operated ships are higher than previously estimated and could apply to a broader range of companies," Gordon said.

He said the impacts for shipping generally appear more moderate than previously expected, given the narrower scope of the measures, and should also allow more flexibility for "reorganisation" or "switching" of vessels and deployment patterns to mitigate fees, offering commercial risks and opportunities.

Gordon believes broader market uncertainty over investment decisions, trade tariffs and macroeconomic concerns are now considered a greater influence on shipping than the port fees.

Investment bank Clarksons Securities said: "Encouragingly, the scope of the measures has been significantly narrowed. Exports are effectively excluded, and many medium and smaller-sized vessels involved in imports are also not subject to the new fees."

Compared to earlier concerns about the potential impact on freight rates and valuations, this change benefits product tankers, chemical tankers, LPG carriers and feeder container ships, the team said.

Inside the team shaping Trump's maritime strategy

Ian Bennett-led unit credited with key role in executive order's rollout

Eric Priante Martin
Miami

When US President Donald Trump returned to the White House in January, he was joined on Day 1 by one of Washington's highest-profile supporters of rebuilding America's strength in shipbuilding and shipping.

National security adviser Michael Waltz quickly built a team that came to be known as the Office of Maritime and Industrial Capacity, which Trump has also called the White House's office of shipbuilding.

After playing a central role in crafting an executive order signed earlier this month to bolster the maritime industries, the team is now expected to be equally pivotal in shaping the Maritime Action Plan — or MAP — that Trump has tasked Waltz with developing.

But even before Trump put his pen to the Restoring America's Maritime Dominance order on 9 April in one of his televised Oval Office signing marathons, the mere existence of a shipbuilding and shipping office within the White House was historic.

Salvatore "Sal" Mercogliano, a maritime history and policy professor at North Carolina's Campbell University, compared the situation to the run-up to the US entry into World War I.

That is when the US set up the Shipping Board to tackle the need for vessel capacity sucked away by the war raging in Europe.

"It literally took World War I to kind of get them in shape to do something," Mercogliano said.

"And then you saw what was then the second-largest shipbuilding production in the history of the United States."

'LONG-TIME' LACK

Charlie Papavizas, a maritime lawyer at Winston & Strawn, said it is unusual in US history for a team like the White House's current maritime desk to exist.

"I don't recall the National Security Council having that focus for a long time," he said.

The lawyer, author of the maritime legal history book *Journey to the Jones Act*, said the last time the White House was involved in maritime sealift policy was under former President George HW Bush, who left office in 1993.

The Office of Maritime and Industrial Capacity is not yet at the level of the Shipping Board.

But before Waltz was tapped by Trump, Waltz was one of the key architects of the proposed Ships for America Act, which did propose a Maritime Security Board.

The legislation also called for a maritime security adviser — effectively a shipping czar.

And while that position has not been created, there is Ian Bennett, whose title is special assistant to the president and senior director of maritime and industrial capacity in the National Security Council.

'HISTORIC BEGINNING'

When Trump signed the executive order, Bennett described it on LinkedIn as a "historic beginning" for efforts to restore American dominance in the maritime sector.

Darrell Conner, a government affairs counsellor at K&L Gates who serves as a lobbyist for US maritime industry organisations, gave kudos to Bennett and his team for helping bring the executive order to life.

"It's been a very long time since there has been express Presidential-level interest in growing the American maritime industry," Conner said in a LinkedIn post.

Bennett is no stranger to the US maritime sector.

He spent seven years as manager of government affairs for the Shipbuilders Council of America, an industry group representing US yards.

Then he spent nearly a decade on Capitol Hill.

According to his LinkedIn pro-



file, he served as senior adviser and staff lead to Republicans on the Seapower and Projection Forces Subcommittee. The body is part of the House Armed Services Committee that Waltz led.

That put him at the centre of a groundswell of bipartisan support for a rethinking of American maritime policy.

In an otherwise deeply divided Washington, members of both parties were coming to the realisation that decades of neglect of American shipbuilding and US-flag shipping had exposed the country as China made maritime a strategic priority.

LEGISLATIVE EFFORTS

Waltz, who represented a Florida district in the House of Representatives, joined one of the state's members of the US Senate, Marco Rubio, in crafting the Congressional Guidance for a National Maritime Strategy.

If I have any criticism at all of them [Office of Maritime and Industrial Capacity] is maybe a lack of commercial experience in there — Sal Mercogliano

Two Democrats, Senator Mark Kelly of Arizona and Representative John Garamendi of California, were co-authors of the document released in May of last year.

Waltz and Kelly then championed legislation that would become the proposed Ships for America Act, with provisions that would increase the number of ships in the US flag and create opportunities for shipyards, all to confront China's dominance in the maritime sector.

Waltz and Rubio, who is now

US secretary of state, joined team Trump before the bill was formally introduced in December.

Then in January, Bennett moved over with Waltz to the National Security Council, where the Office of Maritime and Industrial Capacity has its home.

While some in Washington DC's maritime community were aware that it had been established, its creation became public when Trump stood before Congress and announced he was creating an office of US shipbuilding in the White House.



TRUMP ADMINISTRATION:
Mike Waltz (left) was appointed as the national security adviser in January and works closely with Ian Bennett (below), senior director for Maritime and Industrial Capacity on the National Security Council, to implement maritime and industrial policies. Jerry 'Henry' Hendrix (right), a US Navy veteran and former university professor, is senior counsellor to the National Security Council's shipbuilding office

Photos: Bloomberg, LinkedIn and US Navy



SAL MERCOLIANO: Professor of maritime history and policy at Campbell University

Photo: Bennett Scarborough/Campbell University

"We used to make so many ships," the president said. "We don't make them anymore very much, but we're going to make them very fast, very soon."

Trump described the office's work as creating tax incentives to bring ship construction back to US yards.

REFORMING PROCUREMENT

Bennett and his office did not agree to an interview for this story, but the maritime and industrial capacity senior director explained the office's work in a *Financial Times* article.

"This new office aims to reform procurement, boost demand and remove barriers to US shipbuilders' competitiveness — giving them the confidence to invest in the industry's long-term future," he said.

The executive order that has come out of the effort so far calls on Waltz to work with other cab-

inet members to develop the MAP to revitalise maritime industries.

It also calls for the creation of a maritime security trust fund, the use of military supply chain procurement mechanisms, the expansion of the Harbor Maintenance Tax to land borders and other financial incentives for shipyards.

It also contemplates a number of legislative proposals and is expected to align with the Ships for America Act when the bill is reintroduced in Congress in the coming weeks.

Mercogliano, who is host of the *What's Going on with Shipping* show on YouTube, said Bennett's legislative background is important.

"You really want someone who understands legislation, how things work on the Hill," the historian said.

"The problem you have is, if

you have a great ideas person but they don't know how Congress and the government operate, it doesn't go anywhere."

OTHER TEAM MEMBERS

Other members of the maritime and industrial capacity team include director Cameron Humphrey, who also has a legislative background.

He has worked as a staffer on the House Committee on Transportation and Infrastructure, as well as for the late Alaska congressman Don Young, according to LinkedIn.

Humphrey also spent a year at the US Maritime Administration, a government agency focused on domestic shipping.

Jerry "Henry" Hendrix, a US Navy veteran and former university professor, is senior counsellor to the National Security Council shipbuilding office, according to his LinkedIn profile.

He is also author of *To Provide and Maintain a Navy: Why Naval Primacy Is America's First, Best Strategy*.

Mercogliano described Hendrix as an expert in the navy's thought process.

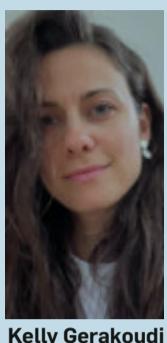
"He is probably one of the best minds in the navy when it comes to understanding navy policy, what the navy needs," he said.

That expertise is key because Trump, and particularly Waltz, are looking at shipbuilding and shipping through a national security lens.

What is not present in the Office of Maritime and Industrial Capacity, at this stage, is an official with experience in the shipping or shipbuilding industry.

"If I have any criticism at all of them is maybe a lack of commercial experience in there," Mercogliano said.

{ VIEWPOINT }



Kelly Gerakoudi



OIL TRADES: Tankers serving Russia, Iran and Venezuela risk undermining industry-wide improvements in environmental performance and safety

Photo: Jonathan Boonzaier

‘Shadow fleet’ challenge to emissions harder to ignore

Expanding fleet must not be overlooked in the context of EU environmental compliance

As Europe moves towards climate neutrality by 2050 under the ambitious EU Green Deal, the shipping industry finds itself at the forefront of environmental regulation.

New frameworks such as FuelEU Maritime and the Mediterranean's designation as an emission control area (ECA) from 1 May mark a turning point in the region's regulatory landscape.

FuelEU mandates progressive reductions in the carbon intensity of ships, starting at 2% in 2025 and reaching up to 80% to 100% by 2050, while the Mediterranean ECA limits sulphur emissions to 0.1%, aligning with existing standards in the Baltic and North seas.

These developments, although vital for decarbonisation, may also bring unintended consequences. As compliance costs rise, some operators may seek less transparent routes to remain competitive.

In this context, increasing attention is turning to the so-called “shadow fleet”, a term used to describe a segment of older, obscurely operated vessels that often sail under flags of convenience and operate outside traditional regulatory and financial systems.

Estimates suggest that around 850 tankers may fall into this category globally, many of which are ageing and likely not equipped with modern emissions-reduction technologies.

In the Mediterranean and Black Sea regions, these vessels are believed to play a growing logistical role in oil trades, particularly from sanctioned jurisdictions, via ship-to-ship operations carried out in international waters.

While such transfers are not inherently illegal, the opacity of these movements raises important

Given reduced global demand, such fuels [traditional high-sulphur fuel oils] may be available at discounted prices through informal or opaque supply chains

questions about transparency, oversight and potential environmental risks.

The European Union's regulatory tightening, especially in terms of fuel standards and emissions monitoring, may inadvertently create incentives for vessels to avoid compliance by operating in regulatory grey zones.

For example, ships avoiding port calls or inspections may be less likely to be held accountable to ECA sulphur limits or FuelEU requirements.

This is particularly relevant in areas where AIS gaps, manual reporting or strategic routing allow vessels to minimise detection.

While most of the regulated fleet has shifted to low-sulphur fuels or scrubber-equipped systems, there are concerns that some vessels operating outside formal oversight may continue to use traditional high-sulphur fuel oils.

Given reduced global demand, such fuels may be available at discounted prices through informal or opaque supply chains.

The absence of consistent emissions monitoring

on these ships makes it difficult to assess their environmental impact, but the potential for non-compliant fuel use cannot be ruled out.

The risk here is twofold.

First, environmental impact: vessels in this unofficial fleet are often powered by outdated engines and rely on high-sulphur fuels, making them significantly more polluting than their regulated counterparts.

Second, regulatory leakage: if a parallel maritime network continues to grow outside of the EU's environmental governance, it could undermine the overall effectiveness of the Green Deal's maritime pillar.

For countries with strong maritime sectors, this poses both a challenge and an opportunity.

Countries with active shipping communities, operating a significant share of the world fleet, are in a unique position to contribute to transparency, sustainability, and regulatory alignment. By leading in compliance and technology adoption, shipowners can help reinforce Europe's green leadership at sea.

In the months ahead, policymakers and industry stakeholders alike may need to consider additional safeguards, from stronger flag-state accountability to more robust enforcement of emissions standards beyond port jurisdictions.

As global decarbonisation targets approach, ensuring that all vessels, regardless of ownership structure or operational model, are part of the solution will be key.

The shadow fleet may not yet be fully visible, but its implications are becoming harder to ignore. ■

Kelly Gerakoudi is an Associate Professor in Shipping Management at Deree — The American College of Greece

{ COMMENT }



Eric Priante Martin

Surprises and setbacks in US trade policy 'egg hunt'

Details from Chinese maritime investigation bring relief to some, pain to others

US trade representative Jamieson Greer rolled out his much-anticipated decision on port fees against Chinese-linked ships, as many in the shipping world had already started their long holiday weekend.

But a Federal Register notice by the office of US President Donald Trump's top trade ambassador turned into a 42-page Easter egg hunt of its own.

When unwrapped, each section held surprises that left stakeholders across the shipping and shipbuilding sectors either groaning in frustration, breathing a sigh of relief or quietly celebrating a win.

Among those discovering bitter surprises were sectors whose vessels were targeted despite having no clear links to China.

Other shipping sectors found they had been spared and that the US trade representative had listened to their concerns that the port fees proposed in February, if unchanged, would wreak havoc.

Miami-based regional container lines, for example, were spared by several of the exemptions, Gisholt Shipping president Hans Laue told TradeWinds. His Florida shipbroking firm is focused on Caribbean container trades, and many of his customers told the Office of the US Trade Representative that a fee for Chinese-built ships on every port call would be devastating.

"I'm kind of overwhelmed how well they listened and how much they had changed their stance," he said of the ultimate decision.

Here are just a few of Greer's Easter eggs:

Size matters: Ships smaller than 4,000 teu and 55,000 dwt in capacity are exempt from the port fees for Chinese-built vessels, which provides relief for the container ship trade between Miami and the Caribbean and others that rely on smaller tonnage. Additionally, bulk ships with a capacity of up to 80,000 dwt are spared. That should free bulkers and tankers of up to panamax in size. The World Shipping Council (WSC) has complained that larger vessels are hit hardest by the fees despite being more efficient.

Subsidy scheme exemptions: CMA CGM may have had something to worry about when chief executive Rodolphe Saade stood in the White House in March and offered \$20bn in US investments.



THE CHASE: US President Donald Trump joins the Easter Bunny during the annual White House Easter Egg Roll on Monday

Photo: Scanpix

After all, the French liner giant operates a fleet of US-flagged ships, named after American presidents and built in China. But thanks to Greer's action, CMA CGM can breathe easy, at least for those vessels: ships enrolled in the Maritime Security Pro-

gram, Tanker Security Program and other US-flag initiatives are exempt.

Tight definition of Chinese ownership: In some ways, Greer's ultimate decision was tougher on Chinese-owned ships than vessels built in the country. His office has imposed initial fees of \$50 per net tonne, rising to \$140 per net tonne in 2028. Entities in both mainland China and Hong Kong are covered, and trade lawyers say it even includes ships financed by Chinese leasing houses. The fees also apply to Chinese-operated vessels, which have a less clear definition, but are expected to hit Chinese carriers like those owned by giant China Cosco Shipping.

Car carrier surprise: One of the biggest surprises of Greer's port fees is that they apply a \$150-per-ceu charge on vehicle carriers built in any country, despite the China focus of the trade representative's investigation. The WSC has called this surprise fee "arbitrary" — a term that carries legal significance because the US Administrative Procedure Act gives the courts the ability to invalidate arbitrary action by the executive branch.

Shortsea shipping: Greer has provided exceptions for Chinese-built ships on routes of less than 2,000 nautical miles (3,700 km). In addition to providing relief for the Caribbean market, the exemption responds to the concerns of Canadian vessel operators, which expressed fears about the impact on trade in the Great Lakes-Saint Lawrence Seaway shipping corridor. Vessels identified as lakers are also exempt.

LNG carriers: Starting three years from now, Greer plans to place restrictions on LNG exports that will require them to carry increasing percentages of US volumes on American-built ships. As with the car carriers, this is not focused on Chinese-built vessels. The US has not built a full-size LNG carrier in more than four decades, so it is not clear how this is going to play out.

US-owned vessels: US-controlled shipowners and operators had complained that the port fee proposal, in its original form, would have penalised American businesses, especially in trades where Chinese-built vessels were the norm. Greer has exempted US companies from the fees on Chinese-built vessels.

Ballast arrivals: US exporters were concerned about the potential impacts of paying fees for Chinese-built ships, and Greer's office ameliorated these concerns by exempting vessels that arrive empty. That will provide relief to bulkers, tankers and gas carriers loading US cargoes.

What is not clear is how many of these Easter eggs will stay in Greer's basket in a Trump administration that has frequent course corrections. ■

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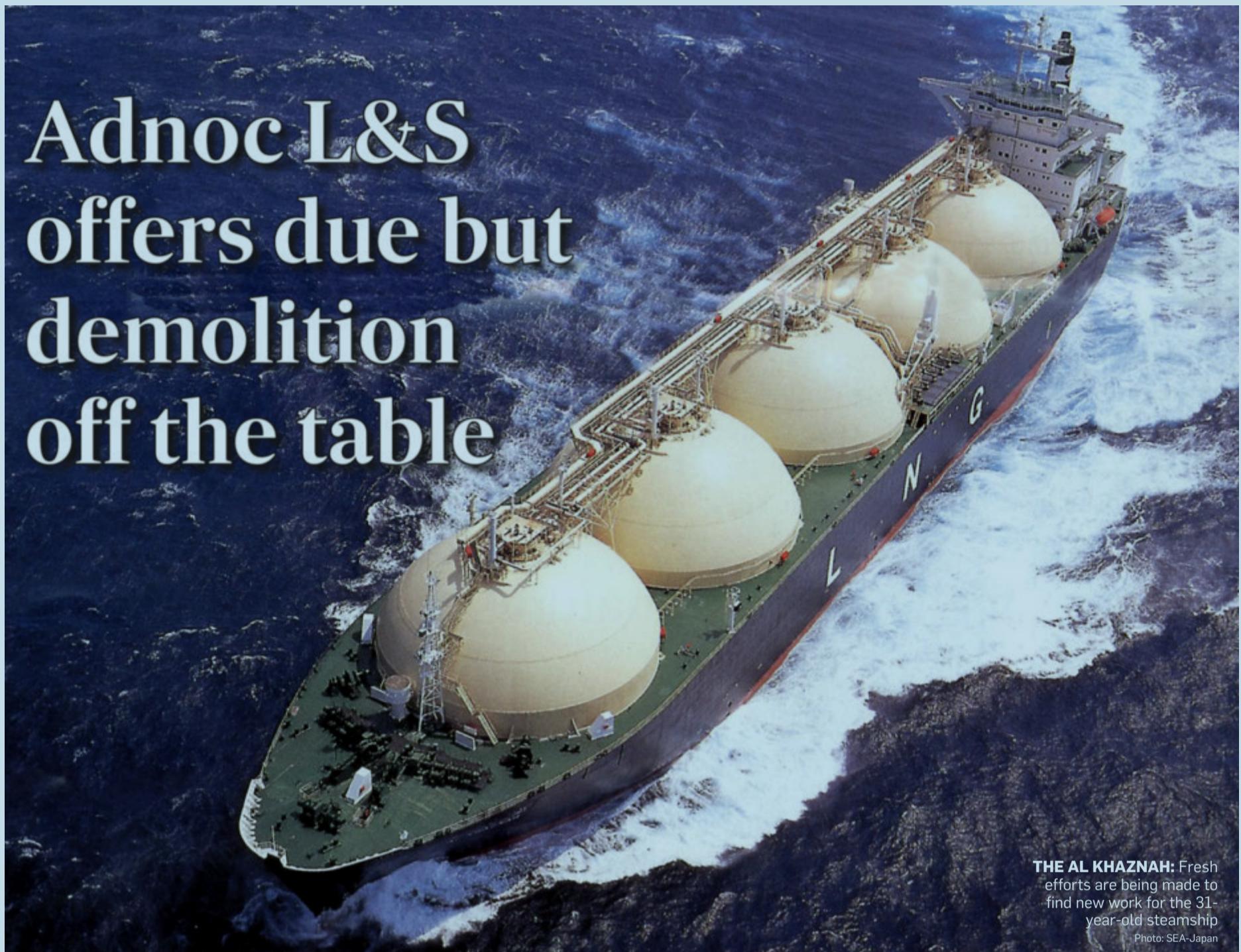
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Adnoc L&S offers due but demolition off the table



THE AL KHAZNAH: Fresh efforts are being made to find new work for the 31-year-old steamship

Photo: SEA-Japan

Company is sidestepping recycling and wants buyer for continued trading

Lucy Hine
London

Offers are due at the end of this week for Adnoc Logistics & Services' 31-year-old steam turbine-driven LNG carrier, but the seller does not yet want to look at sending the vessel for demolition.

Brokers said Adnoc L&S has put the 137,514-cbm, Moss-type vessel Al Khaznah (built 1994) up for sale.

The Japanese-built vessel is available for prompt delivery in the Singapore-Malaysia region.

But details circulating on the ship state that offers made on the basis of demolition will not be

considered. Instead, the vessel is to be sold with a further trading clause.

The Al Khaznah has recently been working off Malaysia, undertaking ship-to-ship cargo discharges into LNG bunker tonnage. Databases list the vessel as being used for storage.

Offers have been invited by 25 April for the LNG carrier.

Adnoc L&S has been slowly trying to sell off its LNG steamers as the company takes delivery of a fleet of 10 much larger 174,000-cbm and 175,000-cbm newbuildings from shipbuilders in China and South Korea. The first of

these, the 175,000-cbm Al Shelila (built 2024), was delivered in November.

The rapidly expanding Abu Dhabi-based shipowner, which was stocklisted in 2023, has been handling the steam turbine tonnage. However, all eight vessels technically fall under the authority of the parent company, National Gas Shipping Co, part of the Adnoc group.

In 2022, Adnoc L&S chartered its 137,315-cbm vessel, Ish (built 1995), to AG&P LNG — which was subsequently sold to the newly formed Nebula Energy — for an 11-year period. The elderly LNG

carrier is now stationed in Batangas Bay in the Philippines as a floating storage unit.

Two years before this, the same two companies had struck a 15-year charter deal on Adnoc L&S' 137,540-cbm Al Khaznah (built 1994). There was talk of the vessel being converted into an FSU at what is now Wison New Energies in China. But this did not materialise.

Last year, Adnoc L&S was seen in the market offering bids on another of its LNG steamships, the 137,500-cbm Ghasha (built 1995). At the time, brokers said the seller was open to trading or demolition

offers, but no sale was concluded.

Brokers report a steady stream of steam turbine LNG carriers being pushed out for sale.

While the redelivery of older, less-efficient ships from long-term contracts had been anticipated, market players expected a surge in these vessels heading to the breakers.

However, only three LNG steamships have been sent for demolition so far this year, with at least three more sold for conversions and continued trading.

Brokers note that additional secondhand sales for conversions are currently under negotiation.

Excelerate lifts bond to \$800m for Jamaica deal



STEVEN KOBOS: President and CEO

Photo: Excelerate Energy

Gary Dixon

Excelerate Energy, the New York-listed owner of floating storage and regasification units, has increased its US bond sale to \$800m as it funds its \$1bn purchase of New Fortress Energy LNG assets in Jamaica.

The company said it had priced the issue at an interest rate of 8%, with the notes maturing in May 2030.

The offering is expected to close on 5 May.

Excelerate had said on Tuesday that it was lining up a \$700m debt sale to finance the New Fortress deal.

The bonds are being offered to institutional investors in the US.

The company has said proceeds will also go towards repaying outstanding borrowings under the company's term loan facility.

These were \$163.6m as of 31 December.

In March, Excelerate revealed a major expansion in downstream LNG by agreeing a deal to add New Fortress' LNG business in Jamaica.

These include the regasification and LNG storage and distribution facilities of the Montego Bay and Old Harbour LNG terminals, the Calendon 100 MW

combined heat and power co-generation plant and all associated operations, pipelines and infrastructure.

Excelerate's pre-tax profit is expected to be between \$52m and \$59m in the first quarter.

It did not give a comparative figure, but the company posted net earnings of \$28m in the same period last year.

Adjusted Ebitda is expected to be in the range of \$96m and \$101m.

Cash and cash equivalents will be between \$600m and \$620m at 31 March.

Ex-Fesco co-owner launches new line from Russia

Start-up aims to link Black Sea port of Novorossiysk to West Africa

Gary Dixon
London

The former co-owner of Russian shipowner Fesco is setting up a new shipping company to link the country to West Africa.

Interfax reported that Andrei Severilov's A7 Holding has established a new company in the freight sector.

According to the Unified State Register of Legal Entities, A7 African Cargo Lines was registered in Moscow on 17 April with a capital of RUB 10m (\$124,000).

A7 Holding owns 99% of the company, with the remaining 1% held by A7 Infrastructure, solely owned by Natalia Kostina.

"We intend to operate in West Africa," Severilov told Interfax.

"At the first stage, with the assistance of the Russian trade mission in Nigeria, we are implementing a project to establish a direct shipping line," he said.

A service from the Russian Black Sea port of Novorossiysk to Lagos is planned for mid-June, using two chartered feeder ships of 700 teu each.

The company will then examine a route to Dakar in Senegal.

Severilov owned a 23.8% stake

in Fesco and was its chairman.

In 2023, a Russian court transferred 92.5% of the group's shares to state ownership after the Prosecutor General's Office took legal action against Ziyavudin Magomedov — founder of main Fesco shareholder Summa Group — his brother, Magomed Magomedov, and others.

In September 2024, Severilov said he would return to shipping, setting up A7 with capital of RUB 100m.

In February this year, imprisoned tycoon Ziyavudin Magomedov was ordered to pay £7.5m (\$9.4m) in court costs after losing a UK legal battle over the Russian state seizure of his shipping and ports empire.

The month before, a judge threw out Magomedov's case against 22 defendants, including state nuclear company Rosatom and pipeline operator Transneft, who the businessman claimed were part of a political plot to jail him and seize his assets.

Magomedov plans to appeal the ruling to throw out the case.

In 2022, Magomedov and his brother were jailed in Russia for 19 years and 18 years, respectively, after being accused of organised crime and embezzlement.



ANDREI SEVERILOV: Behind A7 African Cargo Lines

Photo: Fesco

New owners secure Chinese charter

Ian Lewis

The new owners of a panamax container ship have wasted no time finding employment for the vessel.

The 3,426-teu Burgundy (built 2008) has been chartered by Chinese operator Kawah Shipping.

The charter comes days after the vessel was sold as part of a deal that reflects the lingering strength of the container sale-and-purchase market.

The Burgundy has reportedly been sold to unnamed Hong Kong buyers for approximately \$29.5m, according to shipbrokers.

The German-built vessel is also fixed for two years at a solid rate of around \$30,000 per day.



The firm price and charter reflect the limited tonnage available in the traditional panamax segment.

Of 500 traditional panamax boxships in circulation, around 200 are already 20 years old, according to Braemar.

That could rise to over 300 by

2030, something that may even drive newbuilding demand, the analyst notes.

The Burgundy has been sold charter-free after inviting offers towards the end of March.

The vessel had previously been part of the fleet of Kalypso Compagnia di Navigazione, an Italian

RARITY: The 923-teu MSC Esha F (built 1993) was sold for recycling in late December, as recycling continues at a slow pace this year

Photo: Charles Kremenak/CC BY 2.0

liner operator that was wound up in early 2024.

Kalypso's Rome-based parent, Rifline, purchased it from German owners for \$24m in August 2022.

The vessel appears to have been sold ahead of the uncertainty sparked by US trade policy towards China, which has since kept many potential buyers on the sidelines.

Despite that, barely any container ships have been sent for demolition this year.

Vistar Shipping of the United Arab Emirates has sold one of its five small container ships for recycling, say brokers.

The 600-teu Gluon (built 1995) is sold to Indian buyers and is only the second container ship sold for recycling this year.

Zim pulls US service amid 'booking freeze'

Ian Lewis

Israeli liner company Zim is to withdraw one of its transpacific services as the US-China trade war affects shipments on the key trade.

"Booking cancellations continue to climb, with some vessels potentially departing China with significant empty space through May," the analyst noted.

"Ongoing uncertainty surrounding US-China tariffs has left cargo owners scrambling to offset rising costs, leading many to cancel shipments or halt cargo at the point of origin."

The Haifa-based company is removing the Zim Central China Xpress (ZX2), reflecting falling freight rates and volumes between China and the US West Coast.

Linerlytica reports the last sailing was the 5,500-teu Mississippi (built 2024), which departed from Ningbo on 10 April and will make its last call at Los Angeles on 24 April.

Zim launched the premium fast service in July last year using five ships of between 4,500 teu and 5,300 teu.

At the time, freight rates were nearly four times higher than today.

Over the past nine months, freight rates from China to the US West Coast have dropped from nearly \$8,000 per 40-foot equivalent unit (feu) in June 2024 to \$2,292 per feu today, according to the Freightos Baltic Index.

That reflects uncertainty over Chinese exports, which is leading liner companies to blank sailings in the coming weeks.

Zim will transfer three of the ships from the ZX2 service to Zim Ecommerce Xpress (ZEX) service between Vietnam and the US West Coast, according to Alphaliner data.

SERVICE DECIMATED

About 10% of sailings have been cancelled on key East-West trade lanes over the next five weeks, according to Drewry estimates.

That amounts to 72 out of a total of 713 scheduled sailings on the transpacific, transatlantic and Asia-North Europe and Mediterranean routes.

Most cancellations are expected on the transpacific eastbound (56%), followed by Asia-North Europe and Mediterranean (31%) and transatlantic westbound (14%).

Drewry forecasts a rise in cancelled sailings in the coming weeks, predominantly transpacific eastbound.

Vizion said: "The US-China trade war had brought a widespread booking freeze, as shippers paused mid-shipment cycle to reassess costs, timelines and broader trade strategy."

Pacific Basin lifts margin and reveals five S&P deals

Owner-operator is growing fleet and plans further expansion

Holly Birkett
London

Pacific Basin Shipping margins for its operated bulker fleet soared in the first quarter.

The Hong Kong-listed company, which also owns a fleet of bulkers, said it has been expanding its operated fleet of handysize and supramaxes and will continue to do so.

Pacific Basin's daily operating activity margin increased by 61% year on year to \$820 per day during the quarter.

Chief executive Martin Fruergaard said the figure represents a return to form.

"That's where we're supposed to be and the focus will be on maintaining that and improving it," he said during a trading update call with investors.

He said margins in 2024 were "too low", due to operated vessels getting caught in port delays and congestion while undertaking steel trades from China.

The company has this year tried to optimise time in port and is increasingly using its owned vessels on Chinese steel trades, which gives it more flexibility.

TW RENEWAL PROGRAMME

Since 2021, Pacific Basin has purchased 22 newer vessels — eight handysize and 14 supramaxes.

It has sold 28 older vessels, of which 26 were handysize.

It is also trying to improve what he called the "quality" of its trades and aiming to boost its margin more than its number of operating days.

Operating days increased to 6,950 days, almost 300 days more than during the first three months last year.

Pacific Basin's cargo coverage in early 2025 supported its combined fleet earnings, which were above the prevailing market during the quarter.

Its average daily handysize earnings were \$10,940 — 37% above the Baltic Handysize Index for the period.

The supramax fleet did even better, outperforming the Baltic index by 55% with average earnings of \$12,210 per day.

Pacific Basin continued to renew its fleet by exercising pur-



MARTIN FRUERGAARD: Pacific Basin chief executive

Photo: Ian Lewis

chase options on two vessels that it had on long-term charter and by selling off older tonnage.

It bought two Japanese-built handysize during the first quarter — a 40,000-dwt bulker built in 2020 and a 38,000-dwt vessel built in 2018. The specific vessels were not identified.

It sold three smaller, older handysize with an average age of 21 years.

It has further purchase options

available on a pair of Japanese-built handysize built in 2017 and 2020, plus an ultramax built in 2017, which can be exercised during the second half of this year.

Pacific Basin has covered 77% of its core committed handysize days at \$11,390 per day during the second quarter.

Supramaxes are almost fully covered, with 95% of days booked at \$12,400 per day on average.

Forward bookings for the

second half are much lower and at slightly lower rates.

Some 25% of handysize days have been booked at \$10,150 per day on average.

The supramax fleet is 37% covered at an average daily rate of \$12,090.

Forward freight agreements for handysize and supramaxes currently indicate rates of more than \$9,000 per day for the final two quarters.

Xiehai swells fleet with cape and ultramax buys

Karen Ng and Jonathan Boonzaier

Xiehai Bulk Shipping has revealed itself as the buyer of two bulkers recently reported sold by Eastern Pacific Shipping of Singapore and Empros Lines of Greece.

Xiehai Bulk, the Singapore-based affiliate of Chinese shipowner Zhejiang Xiehai Group, posted on social media that it bought the 178,600-dwt Mount Austin (built 2010) via its Jade Ocean Marine from Idan Ofer's Eastern Pacific.

As previously reported, the capesize bulker was said to have fetched \$27.3m.

Jade Ocean is a Singapore-registered special purpose vehicle that has, in turn, bareboat-chartered the Mount Austin to Xiehai Valorously Shipping, another



NEW OWNER: Xiehai Bulk Shipping's XH Virtue

Photo: Xiehai Bulk Shipping

SPV under Xiehai Bulk's management.

The ship has been renamed XH Valor and becomes the 13th capesize in the Xiehai Bulk fleet.

In another social media post, Xiehai Bulk announced the addition of the 61,400-dwt XH Virtue (ex-Giorgos Daracopoulos, built 2013) from Empros Lines.

The disclosure confirmed broker reports that Xiehai Bulk was the buyer when Empros Lines sold the ship in February to undisclosed interests for about \$21m.

The relationship between the fleets controlled by Zhejiang Xiehai and Xiehai Bulk is complex, with both companies individually owning ships and commercially managing additional vessels owned by each other and Chinese leasing companies.

VesselsValue lists Zhejiang Xiehai as owning 14 bulkers across the size spectrum, with two additional ultramax new-buildings scheduled for delivery later this year. The company is listed as the commercial controller of 12 bulkers, almost all being Chinese-flagged.

The Chinese company's owned

fleet is set to shrink by one panamax as it lined up a deal in March to sell the 71,300-dwt Xiehai Chong He (built 1995) for recycling on an "as is" basis in China at \$400 per ldt.

VesselsValue lists Xiehai Bulk as owning three vessels, excluding the XH Valor and XH Virtue. The company is shown as being the commercial manager of 16 bulkers, mainly in the larger size segments, and a single feeder container ship.

Except for two Chinese-flagged ships, these vessels are registered in Singapore, Liberia and Panama.

In February, market sources told TradeWinds that Zhejiang Xiehai was considering selling up to eight ultra-modern new-castlemaxes and kamsarmaxes, but so far no deals have been reported.

Angelakos unveils fleet renewal drive in China

Athens-based owner adds two more ships to newbuilding slate at Dalian Cosco and Nantong Cosco yards

Gary Dixon
London

Greek owner Angelakos (Hellas) is stepping up its fleet renewal by adding to its newbuilding slate in China.

The Athens-based owner has revealed an orderbook of eight kamsarmaxes split between Nantong Cosco KHI Ship Engineering Co (Nacks) and Dalian Cosco KHI Ship Engineering (Dacks).

The company said: "We are excited to announce the commencement of our fifth newbuilding initiative — the construction of eight advanced, eco-friendly 82,000-dwt kamsarmax bulk carriers, in collaboration with top-tier shipyards Nacks and Dacks."

"These cutting-edge vessels are scheduled for delivery between 2025 and 2028, strengthening our commitment to innovation, sustainability and operational excellence."

Angelakos appears to have added two more 82,000-dwt vessels to its orderbook at Nacks, for delivery in 2027 and 2028, according to UK shipbroker Clarksons.

The others, three each at Nacks and Dacks, are listed for handover in 2026 and were ordered some time earlier.

Angelakos said a key milestone was achieved in January, with the steel cutting of Hull No NE485 at Nacks.

"This important event was attended by our dedicated site team, led by project manager Mr Panagiotis Makris, along with a representative from Lloyd's



NANTONG COSCO YARD: Angelakos and Nacks staff mark the steel-cutting of a kamsarmax bulker

Photo: Angelakos

Register," the company added.

Angelakos describes itself as one of the leading panamax operators in the West, fielding one of the youngest fleets in the segment at an average of just over four years.

No price was given for the newbuildings, but TradeWinds

reported in 2023 that the company was in talks for three 2026-delivery kamsarmaxes at Dacks at a price of \$39m each.

VesselsValue assesses the operational bulker fleet at \$522m.

This comprises 10 kamsarmaxes and two ultramaxes. Clarksons also lists Angelakos

as controlling two aframax tankers through subsidiary Axion Energy Corp.

The company sold a 2005-built panamax into Kuwait in January, and a 2004-built panamax to a Vietnamese buyer the month before.

Two other 2002-built bulkers were offloaded earlier last year.

NYK names leaders for mega-merger



KOICHI Uragami: The Mitsubishi Ore Transport boss will run the new operation

Photo: Mitsubishi Ore Transport

Gary Dixon

Japan's NYK has revealed the leadership team of its new combined bulker company.

The huge shipowner said last week it was merging its three dry bulk subsidiaries, Asahi Shipping, Hachiuma Steamship and Mitsubishi Ore Transport (MOT), to create a single large market player.

NYK said the operation has been "tentatively named" NYK Bulkship Partners and will begin in January next year.

The company will be run by president Koichi Uragami, currently president of MOT.

There will be three executive vice presidents: NYK's full-time adviser Hiroaki Ohashi, Hachiuma Steamship president Koji Shinozaki and Asahi Shipping executive officer Hiroshi Kawaguchi.

The merger will give the new company control over a fleet of about 91 owned and managed vessels, mainly bulkers and woodchip carriers, along with a small number of car carriers and other vessel types. Twenty-two of these ships will be directly owned.

The combination was described as "part of a strategic business integration" by NYK.

NYK Bulkship Partners will be

headquartered in Tokyo, while a business office will be located in Kobe.

The merger effectively retires three well-known, historic names in Japanese shipping.

The oldest is Hachiuma Steamship, founded in 1925, although its roots stretch back to 1861. The company became part of NYK in 1964. Its current president is Koji Shinozaki.

Asahi Shipping has been in business since 1946 and is currently headed by Satoshi Nemoto. The company became a wholly owned NYK subsidiary on 31 March.

Established in 1959, MOT is the youngest of the three companies.

Seacon inks \$38.3m handymax at Japanese-Chinese yard

Ian Lewis

Seacon Shipping is forking out \$38.3m for a 63,300-dwt bulk carrier newbuilding to be built in China.

The vessel was constructed and delivered from Tsuneishi Group Zhoushan Shipbuilding in April 2027, according to a filing to the Hong Kong stock exchange.

The purchase is in line with Seacon's strategy of optimising its fleet, the company said.

The order will support Seacon's fleet expansion by gradually replacing older vessels with newbuildings, the company said.

A larger fleet will also help attract new business from major market players.

The Zhoushan-based shipyard is 66% owned by Japan's Tsuneishi Holdings and 34% by Singapore-listed Yangzijiang Shipbuilding.

Yangzijiang acquired its 34% equity stake in the Zhoushan shipyard in September 2024, paying CNY 833.1m (\$117.4m) through a private share allotment.

The two companies have collaborated for many years in various areas of shipbuilding through their joint venture in Jiangsu Yangzi-Mitsui Shipbuilding.

The joint venture is expected to deepen their partnership further.

Based in Zhoushan city of Zhejiang province, Tsuneishi Zhoushan was established in 2003 and is equipped with two slipways and one dry dock.

The shipyard focuses on building bulkers, tankers and container ships of up to 100,000 dwt.

Seacon posted revenue of \$282m in 2024, a 9% increase from \$259m in 2023, driven by higher rates last year.

The company saw net profit increase by 231% to \$70.3m, the highest in the company's history.



Guo Jinkui: Seacon Shipping Group

Photo: Irene Ang

The rise and fall of Indian national accused of operating in Iran's dark fleet



Fleet of 27 tankers left idle after US tightens sanctions net on Dubai-linked operations

Jonathan Boonzaier
Singapore

Captain Jugwinder Singh Brar had all the trimmings of an international shipowner. In March 2020, the tanker player was pictured smiling in social media posts posing at a Dubai car dealership, collecting the keys to a brand-new blood-red Rolls-Royce. Now, after being sanctioned by the US, his once-sprawling fleet is out of action, and he is believed to have decamped from Dubai for his native India.

The sanctions net tightened on 10 April when Brar was blacklisted by the US Treasury Department's Office of Foreign Assets Control for facilitating the transportation of Iranian oil.

Also sanctioned were United Arab Emirates-based Prime

Tankers and Glory International, which own and operate Brar's 27-strong fleet of vessels.

Sources following Brar's activities said last week that the sanctioning had brought his fleet's operations to an abrupt halt.

One week after his blacklisting, on 17 April, vessel tracking websites showed just one vessel performing a voyage that had begun before they were sanctioned.

At least 15 tankers indicated they were idling or anchored in the Gulf of Oman outside UAE waters.

Three were anchored off Iraq, while others were scattered across anchorages in Dubai, Luanda and along India's coastline.

Others could not be traced, having switched off their AIS transponders.

MarineTraffic showed one ship,

the 4,500-dwt bitumen tanker Global Genesis (built 2007), to have last broadcast an AIS position on 28 January.

It showed the vessel in the middle of the Royal Jamaica Yacht Club, an unlikely location given that the ship greatly exceeds the maximum draught and length restrictions of the club's marina.

It is the latest twist in a maritime career that started in 2000 when Brar launched Prime Tankers, which, despite the similarity in names, is unrelated to Prime Tanker Management of Greece.

Prime Tankers quickly built up a sizeable fleet of bitumen, chemical and clean products tankers of between 4,000 dwt and 5,000 dwt.

These were all veteran vessels,

which senior executives at the company told TradeWinds in a 2005 interview were ideal for the extremely competitive and price-driven markets in the Middle East Gulf, India and East Africa.

They said buying older ships on the cheap allowed Prime Tankers to pay for them in cash without taking out bank loans.

FEELING THE HEAT
Its tankers were mostly used to carry bitumen and fuel oil, but over time, the company began to garner a reputation.

Small tankers under its control were seized by Iran over fuel smuggling charges in 2019 and 2013.

When approached for comment on the seizures, Prime Tankers would either claim its vessel had been hijacked or outright deny it had anything to do with it.

Market watchers also observed that Prime Tankers' vessels frequently had their AIS transponders switched off for extended periods, with sparse port calls.

When the tankers were transmitting, they seemed to have spent most of their time off Oman and the UAE.

Shipping data-analysis company Windward, specialising in security and sanctions surveillance, said in July 2019 that the behaviour suggested Prime Tankers' vessels were loading cargo by ship-to-ship transfer near Fujairah while "going dark".

"The cargo then seemed to get transshipped to other tankers in Sharjah to be carried to ports in Somalia and Yemen," Windward said.

That same year, Brar set up Glory International in Ras al Khaimah, UAE.



Following a similar business model to Prime Tankers, Glory International rapidly built a fleet of smaller, older bitumen carriers, before expanding into the larger tanker segment with the acquisition of a dozen product tankers ranging from 10,000 dwt to 25,000 dwt.

Between 2023 and 2024, Brar, through Glory International, acquired his largest-ever tankers.

They were the 50,000-dwt MR2 Chil 1 (ex-Splendour Chiltern) and the 33,000-dwt MR1 Purna (ex-Sampurna Swarajya, both built 1999), a vessel reported to have been sold for recycling by Shipping Corp of India at the time of its sale.

Tanker sources in the UAE said that despite constant rumours of irregular trading patterns, Brar's companies also operated in reg-

ular regional trades, mostly fixed to small-scale traders and importers operating on the margins of the market.

However, this type of legitimate business was not enough to prevent Brar and his companies from coming under the US government's spotlight.

Being accused by the US of helping to facilitate the transport of Iranian oil is an ironic twist of fate for Brar, given that several of his ships have faced allegations of smuggling by Iran.

US officials accused Brar's ships of engaging in "high-risk" STS transfers in the Middle East in waters off Iraq, Iran, the UAE and in the Gulf of Oman.

According to the Office of Foreign Assets Control, Brar's handysize tankers stuck to

coastal trades and received cargo transfers from other shadow fleet tankers, often with location transponders disabled or manipulated, or loaded smuggled fuel and oil from other vessels.

US officials accused Brar of working with associates of Sa'id al-Jamal, the main financial facilitator of the Iranian-backed Houthis.

Also blacklisted were shipping company Global Tankers and petrochemical sales company B and P Solutions, two India-based companies Ofac said were controlled by Brar.

TradeWinds could not reach Brar for comment or to discover what his next steps might be.

Calls to his Dubai mobile phone would not connect. His mobile service provider said his phone was switched off or outside the coverage area.

US RATCHETS UP SANCTIONS ON IRANIAN OIL TRADE

Eric Priante Martin

The US Treasury Department is amping up its campaign against Iran's oil trade with new sanctions against tankers and companies, as well as tougher due diligence requirements for shipping.

The moves to apply the "maximum pressure" order by President Donald Trump came as his envoys were gearing up to resume talks in Oman to seek a deal to curb Tehran's nuclear programme.

Treasury's Office of Foreign Assets Control (Ofac) issued sanctions against Chinese refinery Shandong Shengxing Chemical for its role in purchasing Iranian oil, including deals with an alleged front company of Iran's Islamic Revolutionary Guard Corps' Quds Force.

This is the second time US officials have sanctioned a "teapot" refinery. The smaller independent Chinese refineries have become the main buyers of Iranian crude.

Ofac also added five tankers, including three that allegedly called at Shandong Shengxing, for being part of the shadow fleet carrying Iranian oil.

Treasury secretary Scott Bessent said any refinery, company or broker that purchases Iranian oil or facilitates the trade is placing itself at serious risk.

"The US is committed to disrupting all actors providing support to Iran's oil supply chain, which the regime uses to support its terrorist proxies and partners," he said.

Treasury's new sanctions included the blacklisting of three aframaxes and two VLCCs for shipping Iranian oil received in cargo transfers from sanctioned ships.

The 306,200-dwt Bestla (built 2004) was placed on the blacklist alongside Bestla Co, the VLCC's Marshall Islands-registered owner and manager.

Ofac blacklisted another VLCC, the 299,900-dwt Egret (built 2004), along with its owner, Hong Kong-based Dexiang Shipping.

Treasury sanctioned the 115,400-dwt Reston (built 2003), as well as Panamanian-registered owner Oceanic Orbit and Malaysia-based Pro Mission, the aframax's manager.

It also sanctioned the 113,000-dwt Nyantara (built 2003) and its registered owner, Civic Capital Shipping of Panama, as well as the 107,100-dwt

Rani (built 2003) and its owner, Starboard Shipping.

The agency issued new guidance that urges the barring of shadow tankers from ports and seeks language in charter and marine insurance contracts to ensure ships will not engage in sanctioned activity, among other warnings.

"Iran relies on oil sales revenue to fund its destabilising activities, including advancing its nuclear weapons and ballistic missile programmes and supporting terrorist groups that threaten the national interests of the US and its allies and partners," it said.

SIGNIFICANT EXPOSURE'

"These oil shipments create significant sanctions exposure for maritime industry participants, including, but not limited to, shipping companies, vessel owners, managers, operators, insurers, port operators, port service providers and financial institutions."

The guidance included a variety of well-known factors that stakeholders should watch out for as signs of sanctions evasion, as well as advice to verify cargo origin, insurance and flag registration, and enhanced "know your customer" and "know your vessel" due diligence.

Ofac's contract guidance urges companies in the petroleum supply chain to "receive contractually contingent assurances or warranties" that their counterparties are not engaging in activities that violate sanctions law.

"Shipowners, ship management companies, vessel charterers, insurers and reinsurers should ensure contracts — eg, charter arrangements, insurance and reinsurance policies and other long-term service agreements — include sufficient sanctions exclusion clauses to exit or terminate agreements that would otherwise be prohibited by US sanctions regulations," the agency said.

"Furthermore, participants should consider contractual language authorising contract termination on the basis of certain deceptive practices, such as [as] a pattern of multiple instances of vessel location manipulation."

And it said port agents, operators and terminals should refuse service and entry to sanctioned vessels.

"Ensuring proper due diligence of all vessel information, including name, IMO number and voyage history, is important to preventing port entry and service provision to sanctioned Iranian vessels," Ofac said.



SCOTT BESENT: US Treasury secretary

Photo: Scanpix



'MAXIMUM PRESSURE': Treasury secretary Scott Bessent (right) says the US is committed to holding accountable those who seek to fund the Iranian regime

Photo: Scanpix

Trump's team blacklists Iranian gas magnate for loading attempt

VLGC has remained anchored off US coast since July after it tried, but failed, to load LPG in Texas

Eric Priante Martin
Miami

The Trump administration has announced sanctions against an Iranian LPG magnate after a ship that he allegedly controls attempted to load a cargo in US waters.

The US Treasury Department added Seyed Asadollah Emamjomeh and his business network to its sanctions blacklist as the latest application of US President Donald Trump's order to apply "maximum pressure" on Iran.

That network includes a VLGC, the 93,000-cbm *Tinos I* (built 2024), which the US accused of

attempting to load cargo off the coast of Houston. Vessel tracking data shows the VLGC has remained at anchor off the Texas coast since July.

Treasury secretary Scott Bessent said Emamjomeh has sought to export thousands of LPG shipments, including US volumes, to generate revenue for Iran and evade Washington's sanctions regime.

"The US remains committed to holding accountable those who seek to provide the Iranian regime with the funding it needs to further its destabilising activities in the region and around the

world," he said. Treasury also blacklisted Iran-based Emamjomeh's son. The agency alleged that United Arab Emirates-based *Meisam Emamjomeh*, a national of Iran and Britain, owned and operated an LPG sales, transportation and delivery network with his father.

That network included the just-sanctioned *Pearl Petrochemical*, whose ownership passed from the elder Emamjomeh to his son in October.

Treasury said *Pearl* is the beneficial owner of the *Tinos I*, which attempted to load US LPG in June.

Details of the shipment are not

clear, but satellite tracking data from VesselsValue shows that the VLGC arrived in waters near Galveston, Texas, on 24 June.

It departed the Texas coast in early July before turning back in the Gulf of Mexico.

It is not clear whether the ship is under US detention.

The Equasis database shows the ship is owned by *Tinos Maritime & Trading* and commercially managed by *Tinos Shipping*, a Singapore company with no other vessels to its name.

When it arrived on the Texas coast, it had been on the water for only weeks after delivery from

Jiangnan Shanghai Changxing Heavy Industry.

Treasury's Office of Foreign Assets Control also sanctioned the Emamjomehs' *Caspian Petrochemical*, which is accused of shipping LPG from Iran to Pakistan on behalf of already-blacklisted *Persian Gulf Petrochemical Industry Commercial Co*.

And US officials sanctioned UK-based *Worldwide LPG*, where *Meisam* is chief executive, and nine other companies allegedly controlled by the elder Emamjomeh.

None of the companies could be reached for comment.

Iran jails tanker crews for five years as it seizes ships



IN THE DOCK: Shafaq News said the vessels were moved to the port of Bushehr

Photo: Tasnim News Agency/CC by SA

Gary Dixon

An Iranian court has fined and sentenced 34 seafarers from two overseas tankers as its crackdown against fuel smuggling continues.

Press TV reported that the crew members were jailed for five years.

The head of the Iranian Judiciary's local branch in Hormozgan, Mojtaba Ghahramani, said the seafarers were arrested after their two foreign-flagged tankers were seized in recent weeks near the Iranian island of Abu Musa.

A collective penalty of IRR 4.3trn (\$5.37m) was imposed on the captain and his two deputies

from one vessel, which had been carrying more than 4.25m litres of smuggled fuel. The captain and two officers from the other ship were found guilty of smuggling more than 1.7m litres.

They were ordered to pay more than IRR 2.375trn.

The tankers will be released when the money has been paid.

OTHER DETENTIONS

The Islamic Revolutionary Guards Corps also said it had seized two Tanzanian-flagged vessels carrying 1.5m litres of smuggled diesel on Tuesday in the Middle East Gulf.

The semi-official Fars news agency reported that the tankers were named the *Sea Ranger* and

the *Salama*, with 25 foreign crew members on board in total.

No tankers of that name exist in maritime databases.

Shafaq News said the vessels were moved to the port of Bushehr.

The ships were intercepted while trying to leave Iranian waters.

The confiscated fuel will be handed over to the National Iranian Oil Products Refining and Distribution Co for redistribution within the domestic supply chain, state news agency IRNA quoted Brigadier General Masoud Foroutan as saying.

The diesel was estimated to be worth about \$1.3m.

At the end of March and into early April, Iran arrested three tankers on suspicion of smuggling.

China's SPDB ready to take leasing clout into offshore

Chinese lessor is leveraging its experience and financial versatility to move beyond traditional vessel types

Karen Ng
Singapore

Flexible financing structures for vessel construction, including direct leasing and leasebacks, along with swift approval processes, have made Chinese leasing central to global ship finance.

And this influence is only set to grow, according to the head of one of the country's rising players.

"Ships are naturally suited for leasing," said SPDB Financial Leasing chairman and party secretary Wang Peng.

"And Chinese leasing is a rising star, but it is now facing some challenges and uncertainties," he said about the Trump administration's recent fees on Chinese-built and owned ships.

Wang leads SPDB FL, which has gone from strength to strength since its founding in 2012.

A wholly owned subsidiary of Shanghai Pudong Development Bank, the source of its acronym, SPDB FL began as an aviation, infrastructure and equipment lessor.

In 2018, spotting an upturn in the shipping cycle, SPDB FL seized the opportunity to support shipowners in financing second-hand vessels.

"Only recently, like the past three to four years, did we start to focus on the newbuild vessels because they meet IMO requirements of reducing carbon intensity by 40% and also have dual-fuel engines and are more energy efficient," Wang explained.

SPDB FL is also keen to expand its vessel coverage to the offshore sector, away from its traditional shipping vessels such as bulkers and tankers.

"We will look at configuring offshore oil and gas infrastructure such as floating production storage and offloading vessels with long-term stable leases and cash flow," said Wang.

SPDB FL has the clout to do so after some eight years of experience and a myriad of financial structures for Asia Pacific shipowners.

Ranked as the seventh biggest ship lessor in China, according to Clarksons Research, some of SPDB FL's achievements include an investment of up to CNY 40bn (\$5.48bn) in more than 150 vessels and servicing more than 30 domestic and foreign shipowners since 2018.

At the end of 2024, SPDB FL also owned a fleet of 107 vessels com-



WANG PENG: SPDB Financial Leasing chairman

Photo: SPDB

prising 36 bulkers, 29 container ships, 17 tankers, two pulp carriers, three car carriers, two woodchip carriers, seven refuel ships and currently has 13 more under construction.

This brings the company's shipping assets to an estimated value of around CNY 25bn.

THE RIGHT CUSTOMER

Wang attributed the company's success to its careful customer selection.

"Shipping is cyclical, so when we choose our client, we give priority to those who have the ability to resist shipping cycle risks and in crossing cycles, besides having a long operating history and good financial performance," explained Wang.

Despite fierce market competition and ongoing geopolitical volatility, SPDB FL's strategy remains focused on serving "high-quality customers".

And that focus extends beyond

transactions — Wang emphasises building long-term, mutually beneficial relationships.

"We want to share risks with the customer when markets are down and share profits when markets are booming, as business still has to take place in spite of headwinds," he said.

Shipowners are increasingly turning to lease financing due to rising vessel construction costs — driven further by dual-fuel engine requirements — and escalating oper-

ational expenses, Wang explained.

As an example, Wang cited SPDB FL's financing of Eastern Pacific Shipping's February order for two LNG dual-fuel neopanamax container ships.

"Dual-fuel newbuilds are more in our focus now, compared to our previous strategy of financing older vessels, due to their fuel efficiencies and environmental considerations," he said.

"The shipping industry also has a responsibility to the environment, and China intends to meet the International Maritime Organization's 2030 target to reduce carbon intensity by 40%."

CHALLENGES AHEAD

Wang noted that the impact of geopolitical volatility varies, as the Russia-Ukraine war caused huge fluctuations in freight rates, while the Red Sea crisis helped some shipping companies profit from longer sailing times.

However, the path ahead remains uncertain, with US tariffs on Chinese goods and the World Bank's forecast of just 2.75% global economic growth casting a shadow over the future of Chinese leasing.

"It [geopolitics] will only become more complex and with slowing economic growth and global trade protectionism, it will be harder to predict the market," said Wang.

At the same time, Chinese leasing firms are also contending with rising competition from global rivals, adding further pressure in an already challenging environment.

Established players in other regions bring distinct advantages — from Japan's tax leasing products to the financial strength and leasing expertise of European and American banks.

SPDB FL plans to navigate these market challenges by reducing risk exposure in each vessel business and safeguarding asset value, said Wang.

The company also aims to enhance its asset management capabilities across the entire life cycle of vessels — purchasing, operating and selling them.

A key priority for SPDB FL is improving its control over US dollar costs.

"Most of the leasing companies' assets are in USD, and changes in USD interest rates will have a huge impact on profitability," said Wang.

He pointed out that previous interest rate hikes had kept US dollar financing costs high for years, which affected profit margins.

Despite these challenges, Wang remains optimistic.

"For leasing companies, they need to respect the cycle, follow the trend, strictly select customers, carefully control the risk exposure of each ship business, and reduce the risk of shrinking asset value," he said.

Markel acquires specialist with \$63m in 2024 premiums

Paul Peachey

The US-listed Markel Group has struck a deal to buy a specialist London-based marine insurer to add small vessels and charterers' cover to its portfolio.

Markel, the group's insurance operation, confirmed the agreement to buy the Meco Group, which wrote premiums of \$63m in 2024.

The New York-listed Markel Group, a top-50 global insurer with a market capitalisation of \$22.7bn, said Meco would fill gaps in its marine insurance coverage.

Meco, a managing general agent (MGA), was set up 51 years ago and provides lines including protection and indemnity cover for charterers and small vessel owners, loss of hire and strike delay coverage.

Markel said that the deal would help the company with its ambition to expand in fast-growing Asia-Pacific markets. Meco is based in London, Dubai and Shanghai.

Markel managing director Andrew McMellin said: "This agreement presents a unique opportunity to strengthen our marine footprint and capabilities."

MGAs are often niche providers of specialist products that are given authority to write policies by larger firms.

Meco has been backed by a wholly-owned subsidiary of Munich Re, one of the world's largest insurers.

Meco runs four insurance brands. Transmarine is for trade disruption cover, Meco Marine supplies liability insurance, while Aurora and Charterers' provide P&I cover.

The company will be integrated into Markel but will continue to operate its branded products.

Markel chief executive Chris Else said the deal marked a new chapter for the company after five decades.

"There are clear strategic and cultural similarities between the two businesses," he said.



ANDREW MCMELLIN:
Markel managing director

Photo: Markel

CEO of world's oldest P&I club quits

Andrew Cutler will exit as head of Britannia after 13-year tenure

Paul Peachey
London

The CEO of Britannia, the protection and indemnity club for the ship involved in the Baltimore bridge disaster, is resigning at the end of the year.

Andrew Cutler will step down on 31 December after 13 years heading the world's oldest P&I club, and deputy Mike Hall will step into his shoes.

Cutler became the longest-serving P&I club chief executive in 2024 when Ian Gooch quit the London P&I Club after 15 years.

Cutler is chair of the International Group of P&I Clubs, representing 12 major mutuals, and will leave that role when his three-year term ends in November.

He joined Britannia as a senior claims handler in 2006, before taking on the top job six years later.

He has been in charge during Brexit, the upheaval to the industry following Russia's invasion of Ukraine, and what could turn out to be the world's largest maritime claim.

Cutler, a former partner at law firm HFW, said he will pursue a portfolio of non-executive roles when he stands down, but gave no further details. They are believed to be outside of the Britannia Group.

"It has been a great honour to be the CEO of the Britannia Group since 2012," he said.

"The Britannia Group is well-positioned going forward and will thrive under Mike's leadership."

Hall is chair of the Interna-

tional Group of P&I Clubs' reinsurance committee.

It means the two key positions at the International Group, which represents about 85% of global ocean-going tonnage, have been held by senior Britannia executives.

Hall headed the negotiations with reinsurers over rates for International Group members for 2025 that spiked for container ships in the wake of the Baltimore disaster, when the 9,962-teu Dali (built 2015) hit the Francis Scott Key Bridge on 26 March. Six people died and the eventual bill could run into billions of dollars.

Reinsurers for the group cover the biggest third-party losses from shipping casualties between \$100m and up to \$3.1bn after the clubs have paid their share.

That would include costs from the damage caused by the Dali if the owner and manager are unsuccessful in a US court attempt to limit their liability to less than \$44m.

Hall joined Britannia in 2008 and was chief underwriting officer from 2014 to 2022, when he became deputy to Cutler.

"I am excited to be taking on the CEO role next year and am grateful for the support of my colleagues and the group's boards," he said.

Britannia Group chair Egied Verbeeck said Cutler had made a "huge contribution" to the club.

"Under Andrew's leadership, the Britannia Group has grown from strength to strength, as well as having safely navigated numerous challenges," he said.



ANDREW CUTLER: He will step down as chair of the International Group of P&I Clubs when his three-year term ends in November

Photo: London Shipping Week

Optio buys S Insurance in European push

Paul Peachey

Optio Group has completed its purchase of Norwegian marine insurer S Insurance.

S Insurance, which specialises in hull and machinery and loss of hire cover, is the latest niche insurance player snapped up by the UK-based company.

Optio set up its marine business in 2021, focusing on war risk and kidnap and ransom cover.

The deal expands its marine portfolio and geographical reach, Optio said.

The company specialises in



DEEPAK SONI: CEO of Optio Group

MGAs in the Netherlands and Luxembourg not involved in marine insurance.

The deal to buy Bergen-based S Insurance is its first in Scandinavia. It was announced in March and has now received regulatory approvals, said the company. Financial terms were not disclosed.

Deepak Soni, CEO of Optio Group and a former senior executive at insurer AXA, said: "I am delighted to announce our latest acquisition, which marks a further important step in our ongoing European expansion."

buying managing general agents (MGAs), small niche providers

backed by the capital of larger firms. Those deals have included

Details behind Maersk neo-panamax collision with sailing vessel



Australian interim report details timeline of incident as wider investigation continues

Gary Dixon
London

An Australian report has revealed how a massive AP Moller-Maersk container ship crunched a sail training ship against the quay at Fremantle last year.

Two crew members on the docked 236-gt Leeuwin II (built 1986) were injured in the accident involving the Singapore-flagged, 8,814-teu Maersk Shekou (built 2010).

An Australian Transport Safety Bureau (ATSB) interim report outlined the sequence of events leading up to the collision, without drawing conclusions.

The 333-metre Maersk vessel was being piloted towards its assigned berth in Fremantle's inner harbour when it hit and

damaged the Leeuwin II alongside Victoria Quay on the morning of 30 August.

Footage from the port showed masts being torn from the sailing vessel.

The Maersk Shekou and its crew had waited a week offshore Western Australia, first due to industrial action at the port and then because of unfavourable weather, before two harbour pilots boarded just before 5 am on the day of the accident.

"During the initial southerly transit, wind gusts of up to 50 knots from the south-west, almost on the bow of the vessel, were being encountered," said ATSB chief commissioner Angus Mitchell.

"Around an hour later, as the ship entered port, three tugs were connected, but with persistent

winds now on the starboard quarter, up to 30° of port helm was required to maintain the course."

Despite carrying a hard port rudder, the Maersk Shekou was experiencing a 1° per minute rate of turn to starboard and struggling to maintain the entry course.

In a further attempt to bring the vessel's head to the ordered course, the pilot ordered full ahead on the main engine.

This action, combined with the tugs, eventually brought the course from 087° to 086°. The helmsman, without positive oversight of the pilot, then applied 30° of opposite starboard helm to stop the turn and steady on the previously ordered course of 083°.

"Fifteen seconds later, the

primary pilot realised they were in trouble with the Leeuwin now almost right ahead, and the ship's heading was no longer continuing to turn to port as expected, and as required to navigate the bend," Mitchell said.

The tug on the starboard shoulder then had to abandon its position due to the danger of being crushed between the quay and the closing hull of the boxship.

"Moments later, the starboard bow collided with the Leeuwin, dismasting it, with the two crew members on board escaping via the gangway just on impact," Mitchell added.

"The outermost stack of the containers on board the Shekou then collided with the roof of the WA Maritime Museum as the vessel's starboard quarter con-

AFTERMATH: The Maersk Shekou (background) collided with the sailing ship Leeuwin while inbound to Fremantle Port. The Leeuwin was dismasted

Photo: Fremantle Port

US strikes Houthi port with eight ships present

Eric Priante Martin

The US military has carried out an airstrike on a Houthi fuel port in Yemen while commercial ships were moored at the facility.

Central Command, which coordinates US forces in the region, said it carried out the attacks to cut off a supply of fuel and revenue for the Iran-backed militant group.

"The Houthis have continued

to benefit economically and militarily from countries and companies that provide material support to a designated foreign terrorist organisation," the command said on X.

Central Command said that despite the Trump administration's designation of the Houthis as a foreign terrorist organisation, ships have continued to procure fuel supply from the Ras Isa port.

"Profits from these illegal sales

are directly funding and sustaining Houthi terrorist efforts," the US military said.

"The objective of these strikes was to degrade the economic source of power of the Houthis, who continue to exploit and bring great pain upon their fellow countrymen."

Central Command said the strike was not intended to harm the people of Yemen.

Diaplos Group, a maritime

security firm, said the precision airstrike took place while eight commercial vessels were in the port. The firm said most have been able to depart.

NO DAMAGE

"Notably, the operation focused solely on fixed infrastructure, and there are no reports of damage to commercial vessels operating in or near the port," the group said.

The airstrike came on the same

day the government of US President Donald Trump also targeted financial networks allegedly supporting the Houthis.

The US Treasury Department sanctioned the International Bank of Yemen and key executives.

"The designation of IBY complements the whole-of-government effort to stop Iran-backed Houthi attacks against commercial shipping in the Red Sea," the agency said.



RELAUNCHING CEREMONY:
Kim Heng's Bridgewater Discovery and, inset, chief executive Thomas Tan
Photos: Karen Ng and Kim Heng

Kim Heng refits survey ship for South Korean wind push

Singapore offshore company deploys vessel on four-year contract after major conversion

Karen Ng
Singapore

Singapore-based offshore player Kim Heng is relaunching its fully refurbished geotechnical survey vessel Bridgewater Discovery (built 2008), which is set to operate in South Korea's offshore wind farm sector.

Unveiled at a ceremony on 15 May, the South Korea-flagged vessel now features key upgrades, including a heave-compensated twin-tower drilling rig and a 60-tonne knuckle boom crane.

Other modifications include a drilling capacity of up to 300 metres, accommodation for 59 personnel and a 55-square-metre soil laboratory.

The Bridgewater Discovery was part of an acquisition made by Kim Heng's 49%-owned subsidiary, Ruhm Mazu Sdn Bhd, in 2023 when it bought a series of nine offshore support vessels for \$9.3m.

Kim Heng's strategy of acquiring vessels at low cost and refurbishing them at its two Singapore shipyards has allowed the group



JUSTIN TAN: Kim Heng deputy chief executive
Photo: Karen Ng



RUBBING SHOULDERS: (From left) UOB bankers Leon Then, Loo Yee Ming, Kim Heng chief executive Thomas Tan and Kim Heng chief operating officer Rex Chen inside the vessel
Photo: Karen Ng

to add value, reactivate idle assets and deploy them on charter

In February last year, Kim Heng's fully owned subsidiary Adira Renewables signed a four-year engineering, procurement and construction framework

agreement with South Korean offshore wind farm developer Soiltech Engineering for offshore geotechnical survey work.

Under the agreement, Kim Heng is required to provide a drilling vessel to support a range of geotechnical

survey projects for Soiltech's offshore wind developments in South Korea.

According to Kim Heng deputy CEO Justin Tan, the ultimate client and contract value remain confidential under a non-disclosure agreement.

He added that Adira and Soiltech collaborated to upgrade the Bridgewater Discovery to meet project standards, with the vessel now likely to be deployed during the pre-construction phase of an 8.2 GW wind complex off South Jeolla Province.

WinGD closing in on first ammonia engine delivery

Chief executive says 'human-centric' approach essential as gas carrier seafarers contribute to safety measures

Eric Priante Martin
Miami

WinGD chief executive Dominik Schneiter is confident his company will deliver its first ammonia engine this year, and expressed similar confidence in the efforts to ensure the ships that use it will be safe.

As engine makers, shipyards and their partners work to overcome lingering concerns about adopting a fuel known for its toxicity, he said the designs of ammonia-fuelled ships have been carefully developed to achieve safety levels that are equivalent to gas carriers that carry the fuel as cargo today.

"Ammonia is a commodity traded for decades. And all the procedures, if you look at ammonia as cargo, are in place," Schneiter told TradeWinds.

"And many of these procedures and standards can be used also when we talk about ammonia as bunker fuel and about ammonia in the engine room and how to burn ammonia in the engines."

As TradeWinds has reported, Switzerland-headquartered WinGD is gearing up to deliver the world's first ammonia-fuelled engine to a shipyard in June.

Rafet Emek Kurt, director of the Maritime Human Factors Centre at the University of Strathclyde, told TradeWinds in March that there were insufficient efforts in the industry to ensure ammonia-fuelled ships are being designed in a human-centric way.

But Schneiter told TradeWinds' Green Seas newsletter that a human-centric approach to the preparations for crew members is "essential" to ongoing efforts to ensure ammonia is safely deployed as a fuel.

"Whether we talk about digitalisation of the marine industry, or whether we talk about future fuels, it will not work if we don't see the crew member as part of the system, and that's essential," he said.

"Ammonia has been transported as cargo on seagoing vessels for decades, and there's a long history demonstrating that it can be handled safely despite the toxicity."

Schneiter said seafarers with experience on gas carriers have been involved in the design efforts, so designers know how they would react if something goes wrong, to develop protocols for dealing with such situations.

"Obviously, the crew members



CREW FOCUS: MISC Berhad signs collaboration agreements with DNV and WinGD that focus on training seafarers on new technologies and ammonia as a marine fuel



DOMINIK SCHNEITER: WinGD chief executive

need a great degree of separation between engines and crew, but the design Schneiter described does not seem drastically different from today's gas-fuelled vessels.

Schneiter said that is the "beauty" of having experienced operators of gas carriers that haul ammonia today involved in the engine room and safety design.

"Initially, we had discussions about enclosed engines, like building a tent around them or an enclosure so they're safe," he said.

"But it was then clearly mentioned by these experienced operators that this would actually be an additional burden to take care of. They would rather have more open space, of course, closely monitored."

Schneiter acknowledged the concerns by the University of Strathclyde's Kurt that crew members face challenges of increasing complexity in shipping.

"We see it as our task to make it simple for them, simple in a way such that they can handle it by clear protocols, following clear checklists, using digital tools not as a burden, but rather as a support," Schneiter said.

In March, Kurt questioned the level of analysis of crew tasks on ammonia-fuelled vessel designs, but Schneiter said China State Shipbuilding Corp-controlled WinGD and its partners have done "a lot" of analysis.

"We are happy to share this with institutional partners. We share this with classification societies and flag states," he said.

Ammonia is a commodity traded for decades. And all the procedures, if you look at ammonia as cargo, are in place — WinGD chief executive Dominik Schneiter

need to have certain knowledge. They have to go through training. They have to understand the standardised protocols, and the protocols must be developed based on their experiences," he said.

Whether ammonia can be used as a marine fuel has long been answered, Schneiter said, and over the past year, efforts have mainly focused on the processes for getting ammonia onto vessels and into the engine's combustion chamber.

Ammonia-fuelled vessels will

have double-wall piping, and following practices for using LNG and LPG as a fuel, comprehensive purging processes have been developed to ensure safety.

"Any pipe that might contain ammonia is, of course, monitored and then purged to make sure it's safe to [use], and all these measures are really in place to safeguard crew well-being, enabling the safe use of this fuel," Schneiter said.

Gas detectors will be in place to protect against leaks.

"As soon as a leakage is detected, the ... engine can trip back to diesel mode within milliseconds," Schneiter said. "Then the whole piping in the engine room is immediately purged so the ammonia will be returned to the fuel handling room."

"There's a high degree of maturity now of these systems."

In the early days of exploring ammonia to help ships decarbonise, shipping experts believed ammonia-fuelled vessels would

Straits Bio-LNG leverages Asia home advantage

Based in Singapore with access to South East Asia's abundant biomass, the company is poised to meet the rising demand for green marine fuels

Jonathan Boonzaier
Singapore

Singapore-based start-up Straits Bio-LNG has set itself an ambitious target. Within the next three years, the company aims to become the world's leading producer of bio-LNG for marine fuel.

The green fuel will be made using waste residue from South East Asia's vast palm oil industry.

Straits Bio-LNG is backed by major players from the shipping and LNG industries, who in turn are backed by one of Asia's most powerful banks.

The start-up is the brainchild of LNGeasy, a company with a strong track record that describes itself as an "established incubator for new technologies, new technical solutions and new business models for LNG".

LNGeasy was co-founded in 2016 by Yiyong He and Hans Jacob Vide, two well-known figures in Singaporean shipping circles.

He began his career in shipping as a tanker broker nearly 30 years ago. In the late 1990s, he founded Team Shipbrokers, which at its peak was handling 40% of the international chartering business for the tanker fleet of Chinese shipping giant Cosco.

Vide, on the other hand, came from the offshore sector. The Norwegian has lived in Singapore since 1990 and was the co-founder of floating production, storage and offloading vessel operator Nortrans Offshore, which was later sold to become Prosafe Productions, where Vide took on the role of chief executive.

Commenting on the partnership, He said: "I'm commercial, he's technical, and we developed interesting LNG solutions. We built a floating terminal in Myanmar. It was very successful, very low capex, with quick time to market."

Since then, LNGeasy has been involved in various projects.

He explained that the idea behind Straits Bio-LNG began to germinate about three years ago.

"We started thinking about bio-LNG, because the writing is on the wall, right, decarbonisation. Many low-lying countries like Singapore are taking this very seriously."

STEADY SUPPLY

In an exclusive interview with TradeWinds, He noted that while Asia trails Europe in bio-LNG production projects, it holds a significant advantage in terms of biomass availability, with the region offering an abundant supply of the necessary feedstock.

Singapore, as one of the world's largest container and bunkering ports, is perfectly positioned to provide enough scale in terms of demand for a successful greenfield bio-LNG plant.

He and Vide spent two years researching the technical and economic specifications and doing the financial modelling.

"The research involves the level of biogas pricing, and then how you can aggregate the biogas to a sufficient volume that you can liquefy, and then how you build a marine terminal storage tank, and then export," said He.

By 2024, the two partners were confident enough to launch Straits Bio-LNG.

Retiring Singapore LNG Corp chief executive Tan Soo Koong was brought on board as CEO.

"Singapore LNG Corp is the gatekeeper for Singapore for all things to do with LNG and decarbonisation, so he [Tan] is kind of a very big man in Singapore," said He.

"SK, as we call him, is extremely familiar with all the economics of LNG, the supply chain, how to receive it, and everything else. We kept talking, so when he retired in April last year, 2024, I proposed that he join us to develop this project together."

With such heavy-hitters on



YIYONG HE: Co-founder of Straits Bio-LNG and LNGeasy

Photo: Jonathan Boonzaier

board, Straits Bio-LNG went to the market in November 2024.

The company secured approximately \$5m in initial funding – sufficient to carry the project through to its final investment decision, which is expected in November this year.

At that stage, Straits Bio-LNG plans to raise around \$300m through a mix of debt and equity financing.

The company has signed up Singapore's DBS Bank as its financial adviser. The bank regularly ranks among the best in the world and is regarded as one of the leading financial institutions in Asia.

With that funding secured, Straits Bio-LNG will commence construction of its production plant and export terminal. The company aims to begin supplying bio-LNG to the market by November 2027, just as a wave of LNG-powered vessels is expected to enter service.

"Then we will be producing 250,000 tons of bio LNG, which will make us by far the largest single plant bio-LNG producer in the world," said He.

Straits Bio-LNG's production facility must be situated near its biomass source to ensure efficiency and cost-effectiveness.

The company has secured a lease at the Maharani Energy Gateway (MEG), a \$2bn renewable energy industrial zone and deep-water port project located along the Straits of Malacca in Malaysia's Johor Province.

SCALING-UP

To produce bio-LNG, the company will utilise both liquid and solid residues from the palm oil industry. As Malaysia is the world's second-largest palm oil producer, co-founder He says there will be no shortage of supply.

The process, based on He's description, is relatively simple. The residue will be mixed with water and chicken poop in sealed digestion tanks and lagoons at locations close to the plantations, where it will be left to ferment and produce methane gas.

This gas will then be captured, compressed and transported to Straits Bio-LNG's plant at MEG, where it will be purified and liquefied.

LNG bunkering vessels will load their cargoes at an adjacent jetty and transport them to Singapore, where they will be delivered to waiting commercial ships.

This logistics aspect is not dissimilar to that of regular fuel oil in Singapore's bunker sector.

"We have limited refining capacity, but we're selling shitloads of that stuff. A lot of it comes from Malaysia. Bunkering patterns are fixed. Ships don't chase the bunkers. Bunkers have to chase the ships," He explained.

Asked how Straits Bio-LNG would source LNG bunkering vessels to distribute its product, He noted there are a growing number of these vessels under construction, with many ordered on a speculative basis.

He said the company is already in talks with several shipowners who have ordered these vessels, but declined to reveal whether Straits Bio-LNG intends to charter or purchase them.

"I have been in shipping for more than 30 years, so finding a ship is not difficult," He said.

Clarksons and Vitol map out biofuel gains for shipowners

Owners must lock in tonnage on term deals as competition for chemical tankers increases, broker believes

Gary Dixon
London

UK shipbroker Clarksons believes owners must act now to secure tonnage capable of supplying the growing demand for biofuels in shipping.

Josh Saxby, the London-headquartered shop's director of specialised products, said the global biofuels market has witnessed massive growth over the past two decades, largely driven by evolving regulations and the push for cleaner energy.

Volumes have increased close to 400% since 2007, when the market totalled 5m tonnes per year, against 25m tonnes today.

The market now incorporates an increasing range of feedstocks and cargo types, Saxby explained.

"Yet shipping these fuels is complex, as biofuels primarily rely on the chemical tanker market, which is already in high demand for transporting traditional chemical cargoes," he said.

"As global demand for biofuels has risen, securing reliable shipping solutions has become complex and costly. In order to navigate this shifting landscape, industry participants will need to adopt proactive strategies that mitigate supply chain risks and ensure long-term stability," Saxby added.

Saxby said chemical ships are facing some supply constraints due to a combination of geopolitical influences, regulatory pressures and a lack of a forward orderbook.

Rerouting away from the Red Sea has also added to pressure on tonnage, with rates rising.

Saxby said: "The absence of a dedicated biofuel shipping fleet adds complexity to the sector, forcing producers to develop more advanced procurement strategies.

"As demand for biofuels surges, so too does the competition for already-limited freight options as biofuel producers and customers compete with traditional chemical cargoes, creating additional freight bottlenecks."

Europe's restrictions on palm oil-based biofuels, anti-dumping duties on Chinese imports and US trade tariffs on biofuel feedstocks have forced producers to adapt to new supply chain realities, Saxby said.

"Shipping strategies that are not taking regulation into account will come unstuck. Building flexibility into long-



SINGAPORE GROWTH: The city-state took over from Rotterdam as the world's premier biofuel bunkering port in 2024. Pictured: Vitol's Chinese-built IMO Type 2 bunker vessel *Marine Future*

Photo: Vitol



JOSH SAXBY: Clarksons specialised products director Photo: Clarksons

term logistics plans is now essential for mitigating risk when the goalposts are changing regularly," he said.

Saxby believes US tariffs could lead to some demand destruction in the short term on US-focused biofuel trade lanes.

Chinese-produced used cooking oil volumes and tallow

volumes from Brazil, Australia, New Zealand, Uruguay and Canada may have to find a new home.

Saxby said securing long-term freight cover is very important to lock in costs.

"We need to be looking at different procurement strategies in order to achieve these goals and

maintain a cost-effective freight environment," he added.

ROAD AND AIR COMPETITION
Trader Vitol concurs on the importance of biofuel for shipping.

"While a number of options present themselves to new tonnage under construction, such as dual-fuel engine technologies and more efficient hull shapes, the existing fleet has to utilise the options available today," the group said in a briefing.

Vitol explained that FuelEU Maritime's 2% greenhouse gas reduction mandate can be reached with 3% of a vessel's fuel mix being a B100 biofuel blend, or 10% of B30 bunkers.

In addition, overcompliance with the regulation can be banked for future years, increasing the value of using marine biofuels now for conventionally fuelled ships, it said.

As FuelEU Maritime steps up to a 6% reduction in 2030, demand

TW WASTE-BASED BIOFUELS

Methyl esters (e.g. FAME):

Biodiesel known as FAME (fatty acid methyl esters) is produced by transesterifying vegetable oils and animal fats. In the marine sector, the most common feedstock is waste-based FAME from used cooking oil, converted into used cooking oil methyl ester (UCOME), which can be used directly in marine engines. Other waste-based feedstocks include palm oil mill effluent (POME), which is esterified to produce POME.

Hydrotreated vegetable oil (HVO):

Made from UCO or similar waste oils via hydrotreating, HVO is a direct diesel substitute with higher calorific value, improved cold-flow properties, and lower particulate emissions than UCOME. However, due to its more energy-intensive processing, HVO has a higher greenhouse gas intensity and is heavily used in the road transport sector.

Non-food biofuels: Sourced from non-food biomass, these fuels are considered more sustainable and are often incentivised to promote adoption. Feedstocks include cellulosic and algal materials, or waste products like nut shells — with cashew nut shell liquid (CNSL) currently being tested in marine applications.

Synthesised biofuel:

Bio-methanol is not a FAME blend but rather methanol produced from biogas instead of natural gas. It is chemically identical to fossil methanol and offers a renewable alternative.

for biofuels is expected to increase for ships, Vitol said.

And maritime is likely to be competing for biofuel volumes with other sectors such as road and aviation.

"The IMO has yet to define its stance on crop-based versus waste-based biofuel feedstock, and is due to provide clear guidelines about the impact of indirect land use change on biofuel lifecycle emissions," Vitol noted.

But shipping is adaptable, according to Vitol.

"As demand increases, other niche biofuels are expected to become more marketable and acceptable, such as brown grease, fatty acid bottoms, TPO [tyre pyrolysis oil] and cover crops," it added.

"Ultimately, we see the use of biofuels as a key element in the decarbonisation of shipping, until such a time as the industry transitions to other fuel sources such as LNG, bio-LNG and eventually e-fuels," Vitol said.

Shell Marine unpacks LNG's pathway to decarbonisation

General manager Alexandra Ebbinghaus is happy not to be a shipowner but knows the fuel she would choose

Lucy Hine
London

Shell Marine general manager for decarbonisation Alexandra Ebbinghaus has a personal bugbear.

When industry participants talk about pathways to decarbonisation, they mention methanol and ammonia, but why not methane?

"Fossil is just one colour of methane," Ebbinghaus said.

She urged those looking at decarbonisation to review how bio-LNG compares with the other dual-fuel options, such as bio and synthetic-methanol and, in the future, ammonia, on availability, pricing and the ability to cut greenhouse gas emissions.

"Technology is not normally what stops something from happening; it is usually the business case associated with it," she added.

Ebbinghaus said LNG has been established for some time and is now almost seen as a conventional fuel.

Shell is trying to bring more awareness to bio-LNG and synthetic or e-LNG.

Just days after the tumultuous International Maritime Organization meeting this month, Shell is pushing out a report it initially released at Gastech in September 2024: *Decarbonising Shipping: LNG's Pathway to Net-zero Greenhouse Gas Emissions*.

So what does Ebbinghaus make of the IMO's move?

She said: "Shell welcomes the plan to set midterm measures."

"The IMO has set ambitious reduction targets post-2030 that could drive earlier demand for more bio and synthetic fuels."

"LNG continues to have a role, and these measures could incentivise an earlier transition from conventional LNG to bio-LNG, which is already available today, and help propel synthetic LNG development."

Ebbinghaus said that bio and synthetic LNG can be supplied by existing gas and LNG infrastructure, offering "a scalable decarbonisation pathway".

A mechanical engineer by training, with a PhD in the combustion of NO_x, Ebbinghaus has spent the bulk of her Shell career in fuels, including seven years looking at the production of



ALEXANDRA EBBINGHAUS: Shell Marine general manager for decarbonisation

Photo: Shell Marine

advanced bio-fuels. She sees an increase in requests for bio-LNG but stresses companies need a business case before purchasing it.

The challenge is the same for all the bio-fuels in that there is demand, but supply is very sketchy with the feedstock in demand from other sectors, she said.

Bio-LNG is almost exclusively being used as a blend or drop-in to LNG.

While owners can reduce their vessel emissions by using it and those of the cargo owners, few of the latter are prepared to pay for it, Ebbinghaus said.

money that can just carry the cost of the bio-fuels."

Ebbinghaus highlighted that many countries have a gas grid, allowing bio-methane volumes from small plants to be aggregated and distributed using a mass-balanced approach.

"The mass balancing is a given, but not just for methane," she said, although methane has the advantage in that the gas grid gives access to the biogas production.

'EMERGING FUEL'

Ebbinghaus described bio-LNG as "an emerging fuel" with industry players less aware of it unless they already have an LNG-fuelled vessel.

Bio-LNG can have a very low carbon intensity.

If the driver is to reduce greenhouse gas emissions, then less of it is needed, so on a cost per tonne of CO₂ abated compared to other biofuels, it is a very competitive option, she said, while recognising that fuel prices can fluctuate.

But Ebbinghaus said bio-LNG is



BIO-LNG BUNKERING

Titan Clean Fuels supplied bio-LNG to Hapag-Lloyd's 14,993 teu Brussels Express (built 2014) last year

Photo: Titan Clean Fuels

challenging from a European Union registration basis.

Countries may also have different rules on the import, export and accounting for all types of bio-fuels.

"We are not saying that LNG is a decarbonisation solution. We are saying that methane with bio-methane and with synthetic methane is a decarbonisation solution," she said, adding that the commercial advantage comes from fossil LNG being the lowest emitting fuel.

For those who would rather wait for lower-carbon fuels to emerge, Ebbinghaus points out that greenhouse gas emissions accumulate in the atmosphere and stay there for a long time.

She said: "We need to take action today," and asked what was stopping industry players from reducing their emissions today by using LNG?

Ebbinghaus acknowledges that methane emissions need to be considered and said Shell strongly supports measuring greenhouse gas emissions on a well-to-wake approach, with efforts in play to reduce these.

She said it is important to look at the actual emissions and other aspects such as availability, pricing, carbon intensity, safety and if the technology is ready.

SIGNIFICANT CONCERN

Shell officials have been open that the company is not yet pur-



suing ammonia as a marine fuel.

"We still have significant concerns on the safety aspect to get ammonia to an operational space," Ebbinghaus said.

She said that for ammonia, it is not just the production costs but also those of using the fuel.

"Nobody should underestimate the difficulties and challenges and costs and delays associated with the bunkering infrastructure as well as the operational side," she said.

In contrast, she said LNG fueling is becoming almost common and has been used in all kinds of ships, with the bunkering locations increasing exponentially.

For e-LNG, as with bio-LNG and other alternative fuels, it always

comes back to the business case, Ebbinghaus said.

The challenge is not the technology, although that needs to be scaled up and proven, but she has seen numbers that price e-fuels at up to nine times more expensive than conventional fuels.

She said e-LNG will be used within this decade, but costs for all synthetic fuels will only go down when they scale up as companies invest.

Ebbinghaus feels passionate about marine fuelling.

So, what would she choose as a shipowner?

"I'm happy not to be a shipowner," she replied, explaining that the choice depends on the company's operating model

and the regulatory environment.

"But, at the moment, the clearest case is LNG," she said.

"We need to stop thinking short term," Ebbinghaus said, explaining that the main challenge is always going to be the demand for alternative fuels, which are always at a higher price than their fossil equivalent.

"We know the ambition of decarbonising shipping cannot be met with bio-fuels," she said.

Bio-fuels will still be there in 2050, she said, but they cannot take up all the slack, and the industry also needs the synthetic fuels.

"We need to reduce the emissions, and pull on all levers to achieve this," Ebbinghaus said.

TW SHELL'S INTERESTS IN BIO-LNG AND E-LNG

- One of the largest producers, traders and marketers of biomethane in Europe. This includes the company's acquisition of Nature Energy Biogas in 2023, which added to its established European biomethane portfolio.
- The company also has access to a sizeable biomethane portfolio in the US, where it can supply to shipping.
- Shell was part of a bunkering pilot of bio-LNG in the Port of Rotterdam in 2024. This saw Shell supply mass-balanced bio-LNG to CMA CGM as part of an initiative under the Rotterdam-Singapore Green and Digital Shipping Corridor. This pilot was to ensure the fuel supplied complied with European Union regulations, from the feedstock through the supply chain. Following the trial, the company started delivering mass-balanced bio-LNG to ships in Europe.
- Shell is exploring how e-LNG could be a scalable solution offered alongside bio-LNG. The company expects e-LNG to be available at scale only after 2035.

'Everybody loved Mike,' says Bugbee as tributes pour in for Fogarty

Long Island native made his name in chartering with OMI Corp, Gemini Tankers and Diamond S Shipping

Joe Brady
Stamford

The shipping world is mourning the loss of tanker market veteran Mike Fogarty, who died last week on his 58th birthday after waging a courageous seven-year battle with cancer.

Fogarty was a fixture in tanker chartering departments across shipowners like the former OMI Corp, Gemini Tankers and the former Diamond S Shipping, a New York-listed company where he served as senior vice president of commercial.

When he departed that position in December 2020, Fogarty was already battling illness, friends told TradeWinds.

Fogarty remained positive and upbeat until the end, telling friends he felt his health was improving only days before it took a final turn for the worse.

He died on Tuesday 15 April in his native Long Island, New York, a place friends say he loved deeply and was an essential part of his make-up.

Former colleagues and friends quickly offered tributes to the man widely known as "Foges" — whether through an online funeral-home website or in direct contact with TradeWinds.

"Mike was just a great guy," said Craig Stevenson, the former chief executive of both OMI and Diamond S Shipping.

"He fought a tremendous battle with cancer for the past seven years, and Mike was a real trouper. Great family man, great employee, just a lot of fun to be around. This is very sad."

Other tributes came online.

"Mike could light up a room

with his smile and personality and not even realise he was doing it," said long-time friend John Schmidt, head of Long Island-based global tanker brokerage McQuilling Partners.

"His last years, he suffered tremendously but never complained and was always upbeat and positive."

International Seaways chief executive Lois Zabrocky said: "Mike — you showed us all the way to elevate the game — rest in peace, fine friend."

Former colleague Sanjay Sukhrani, who worked with Fogarty at three companies over 20 years, posted his own recollection.

"Mike was my guide to all things American, particularly Irish American," he wrote.

"His positive, sunny side-up disposition will remain etched in the minds of everyone who knew him. This quality did not desert him, and in fact elevated him, as he navigated his treatment."

One former colleague who spoke with TradeWinds anonymously shared a slightly irreverent history.

This included Fogarty's early days, as he graduated in 1989 from the State University of New York Maritime College at Fort Schuyler in the Bronx. He was "connected by an umbilical cord — the Throgs Neck Bridge — to his beloved Long Island", the source said.

He shared that Fogarty's first job was hauling trash barges aboard a tug before he came ashore with American Trading and Transport in New York City.

Fogarty "began to form a global fan base" during his OMI days in



FOGARTY'S LEGACY: Gemini Tankers chartering aces Michael Fogarty (left) and Robin Heath at Gemini's open house party in March 2009

Photo: Joe Brady

1998 when the US company partnered with John Fredriksen's Frontline in the Alliance Chartering venture, which created the biggest suezmax fleet in history.

"Everybody knew Alliance, therefore everybody knew Mike Fogarty," he said. "Having a heart of gold, being the most honest person you ever met and having a work ethic comparable to none was exactly where Mike 'Foges' Fogarty fit in."

After OMI sold for a \$2.2bn fortune in 2007, Fogarty would go on to a similar role with Teekay's Gemini Tankers in suezmaxes,

and then with Diamond S when Stevenson put part of the old OMI band back together from about 2013.

As his career advanced, Fogarty would become a mentor to others making their way in the business.

One of these was Patrick Baehr, the former chartering manager at United Product Tankers, who is currently operations manager for Connecticut brokerage Charles R Weber.

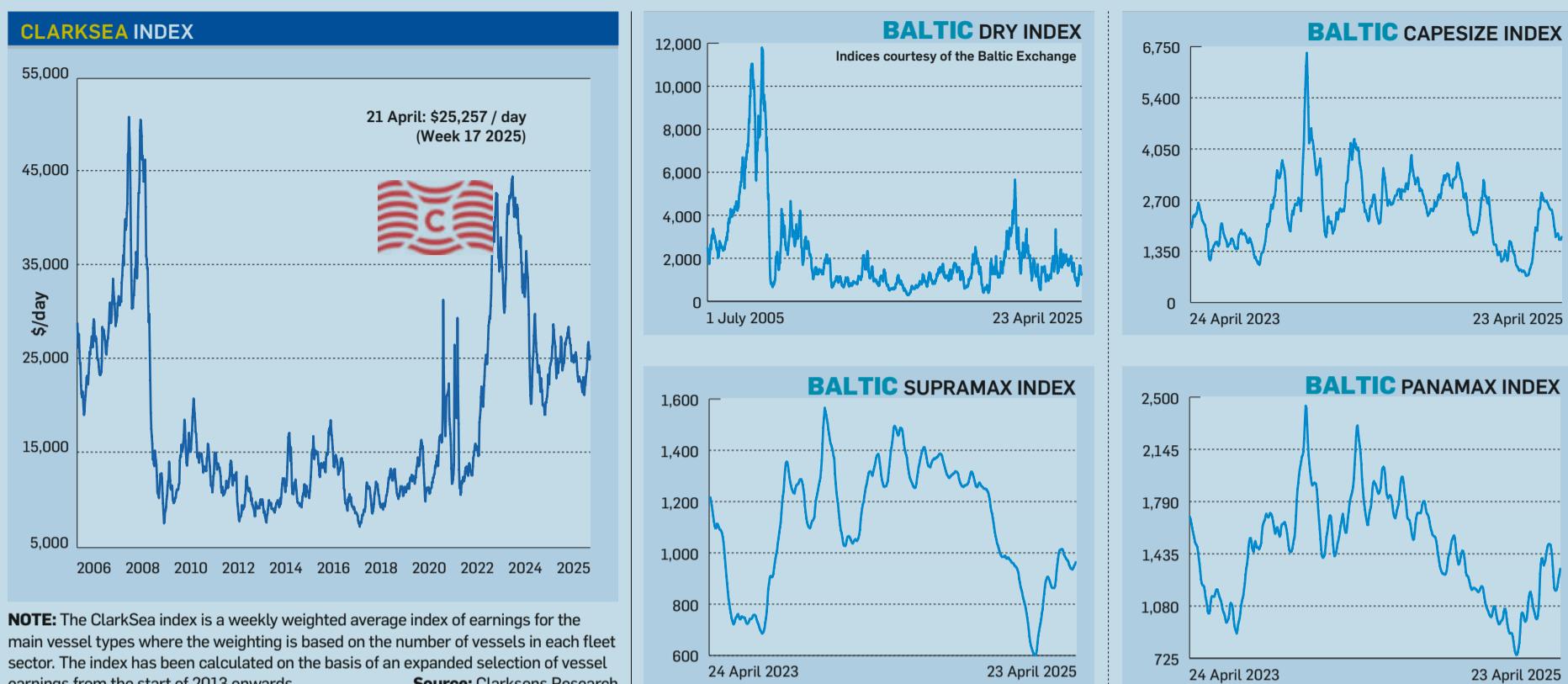
"As a mentor, he never was too busy to answer my many questions, explain a process or, when

necessary, sit me down and set me straight, all while keeping his kind demeanour and finishing with his bright, signature smile," Baehr told TradeWinds.

Away from shipping, Fogarty was a strong family man devoted to his wife, Michele, and two sons, Brendan and Aidan.

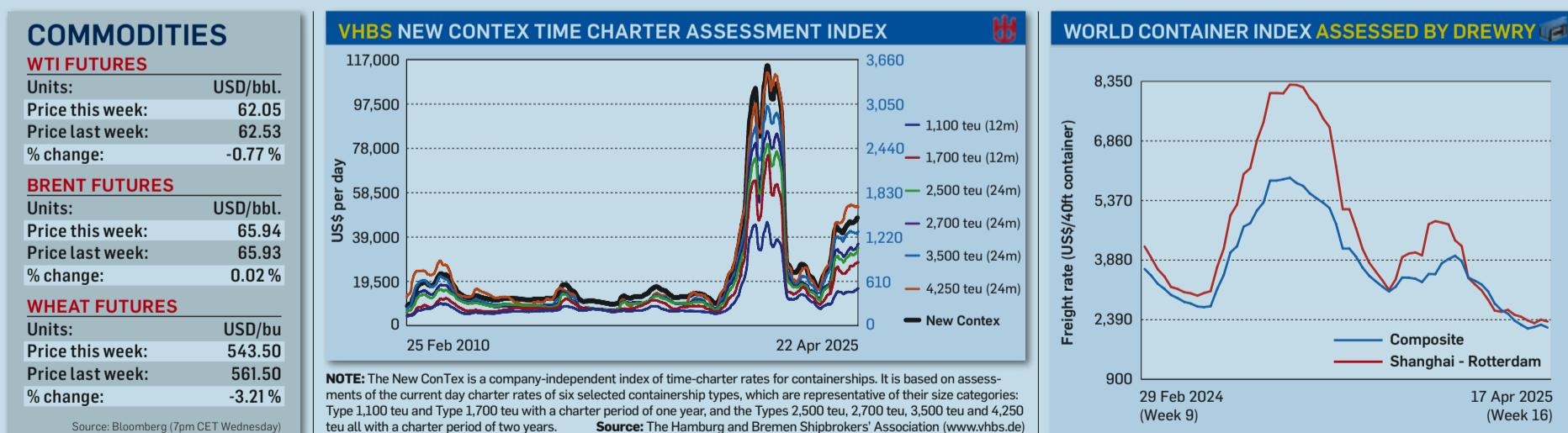
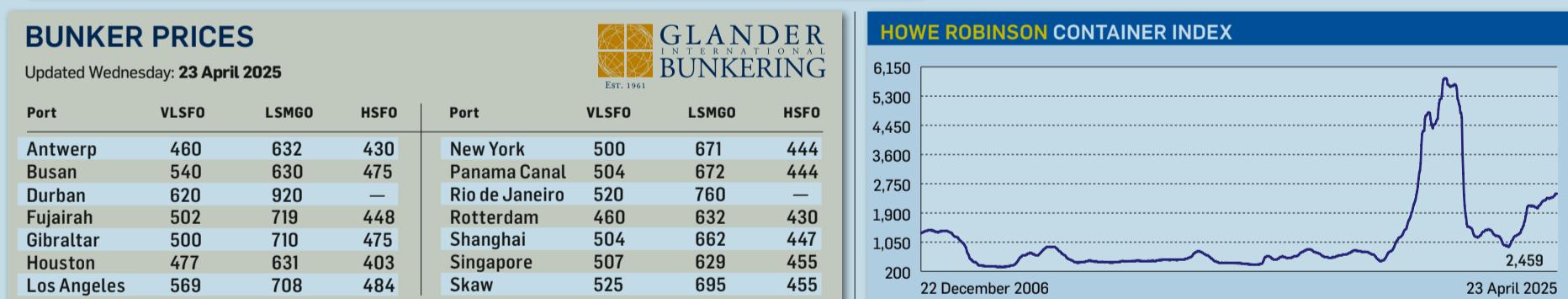
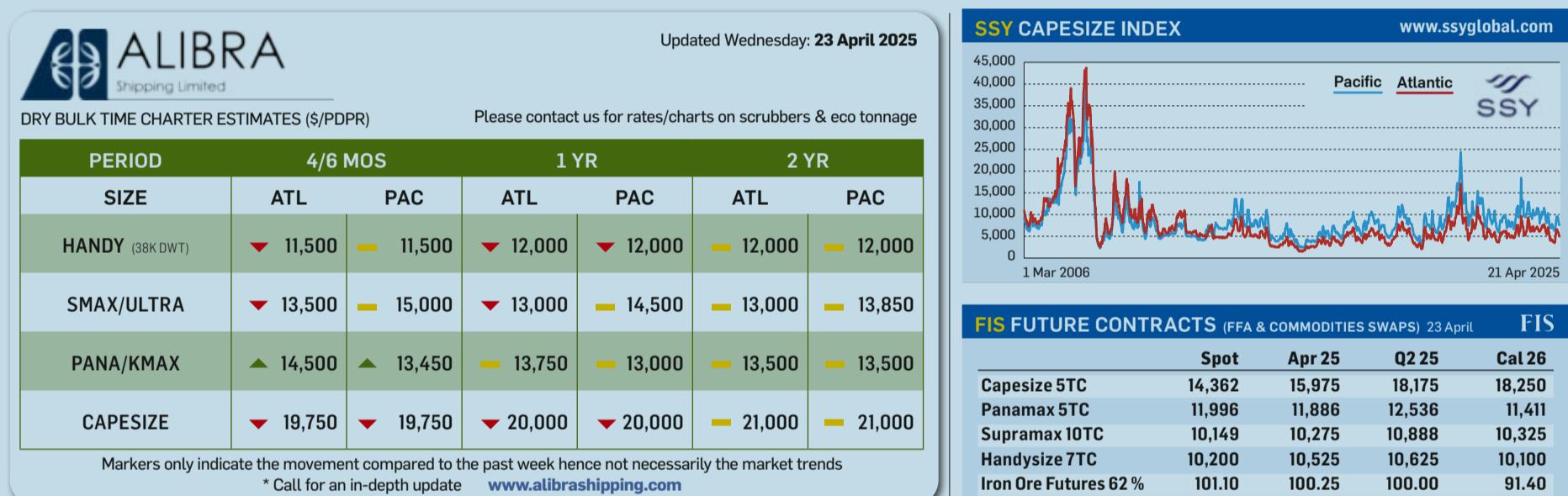
A favourite hobby was boating, especially if fish were involved, friends recalled.

It was all summed up by another former OMI supervisor, current Scorpio Tankers president Robert Bugbee: "Everybody loved Mike."



NOTE: The ClarkSea index is a weekly weighted average index of earnings for the main vessel types where the weighting is based on the number of vessels in each fleet sector. The index has been calculated on the basis of an expanded selection of vessel earnings from the start of 2013 onwards.

Source: Clarksons Research



SIGNAL CO2 EMISSIONS DATA (contact us for an in-depth update)

Dry Bulk	CO2 normalized [grams / (dwt*nm)]				Total CO2 emissions (mln tons)				
	2022	2023	2024	2024	2023	2024	2025	Y-t-D	
Vessel Class (# vsls)	Mar	Apr	Y-t-D	Mar	Apr	Y-t-D	Est.		
VLOCs (262)	1.24	1.23	1.21	1.20	1.22	7.51	7.75	1.99	7.49
Capesize (1568)	2.11	2.10	2.05	2.06	2.07	40.46	42.98	10.96	41.24
Panamax (3421)	3.45	3.38	3.33	3.32	3.31	50.83	54.08	14.67	55.20
Supramax (3757)	4.80	4.72	4.63	4.60	4.57	48.14	50.74	14.39	54.15
Handy (4098)	7.18	7.06	6.92	6.84	6.73	41.75	43.82	12.32	46.36
Total (13196)	3.38	3.34	3.34	3.34	3.37	188.7	199.4	54.3	204.4

Source: Bloomberg (7pm CET Wednesday)

SIGNAL

Signal Ocean Data provides a year-to-date update of total CO2 shipping emissions in tons and normalised CO2 emissions per ton-miles to evaluate the carbon intensity of CO2 emissions for tankers and dry vessels, split by vessel size, in comparison with the last two years.

www.thesignalgroup.com/newsroom



Updated Wednesday:
23 April 2025

*3 & 5 yrs inc. scrubbers & eco tonnage

TANKER TIME CHARTER ESTIMATE (\$/PDPR)

SIZE	1 YR	2 YR	*3 YR	*5 YR
HANDY	▲ 19,500	— 17,000	— 17,000	— 19,500
MR IM03	▲ 20,500	▲ 19,000	▼ 20,000	— 21,000
LR1	— 21,500	— 20,000	— 24,500	— 23,000
LR2	— 27,000	— 26,500	— 30,000	— 29,000
AFRA (115K dwt)	— 28,500	— 26,000	— 29,500	— 28,000
SUEZ	— 34,500	— 32,000	— 37,500	— 35,500
VLCC	▲ 45,000	— 42,500	— 49,500	— 48,500

Markers only indicate the movement compared to the past week
hence not necessarily the market trends

* Call for an in-depth update www.alibrashipping.com

HOWE ROBINSON PARTNERS

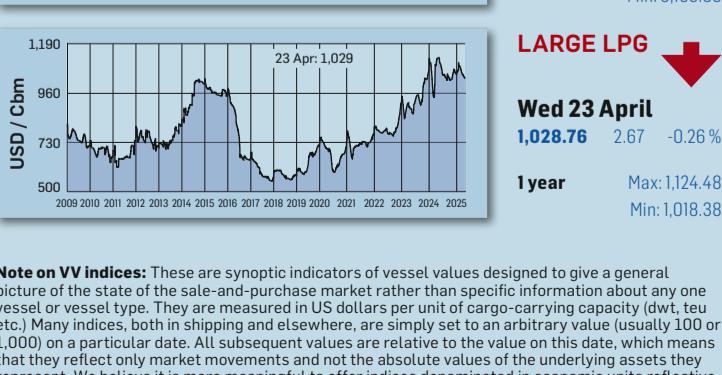
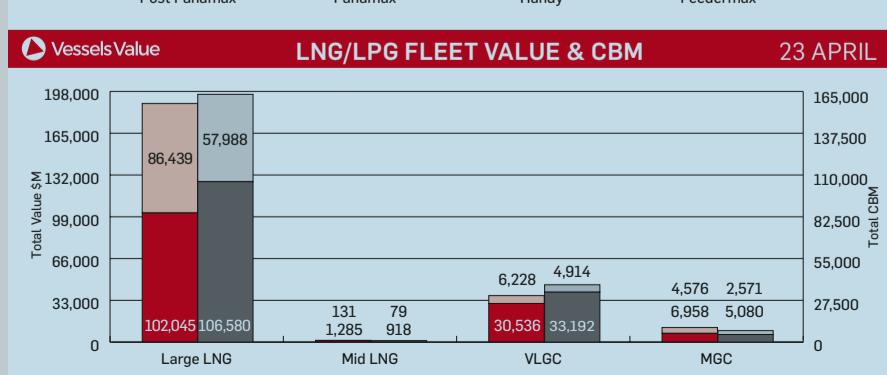
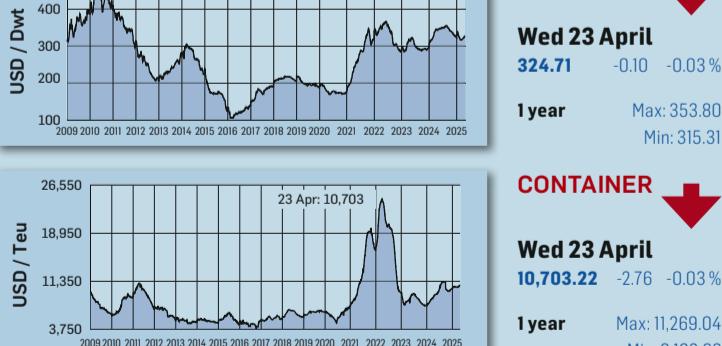
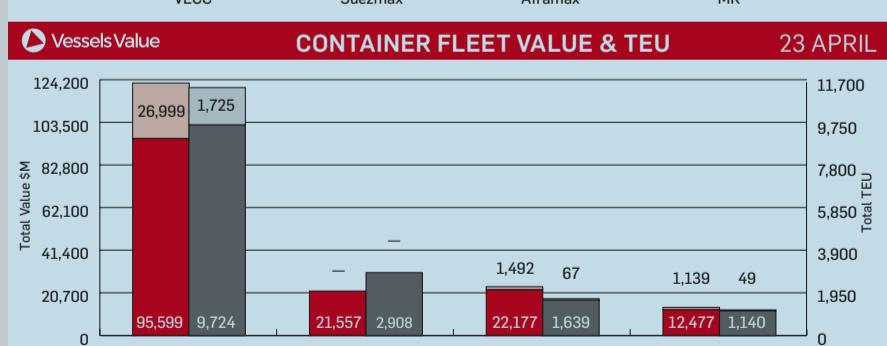
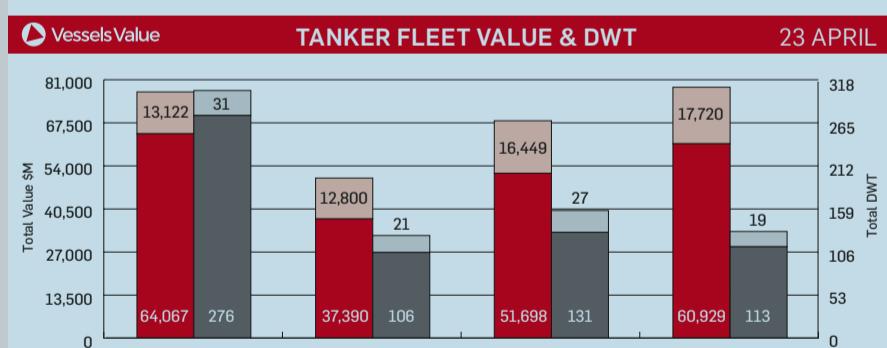
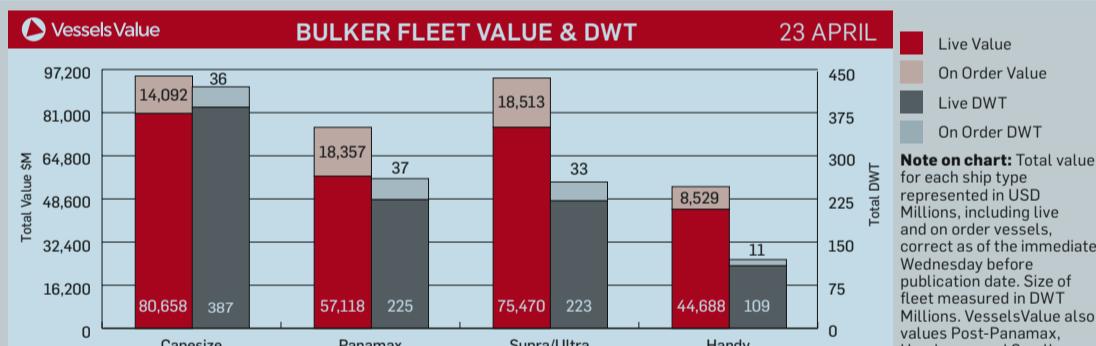
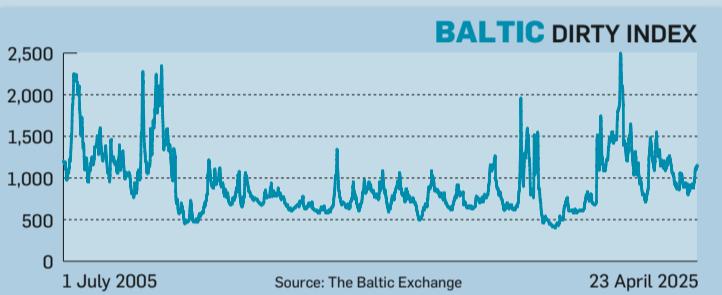
CRUDE TANKER SPOT EARNINGS

TCB

YTD Average

VLCC Routes		Cargo	WS or \$LS	ECO	Non-ECO	ECO	Non-ECO
TD3_C – Ras Tanura/Ningbo		270kt	63.50	▼ \$47,769	\$43,177	\$41,120	\$36,052
TD15 – West Africa/Ningbo		260kt	64.00	▼ \$48,696	\$44,055	\$43,608	\$38,486
TD22 – Galveston/Ningbo		270kt	\$8.2m	▲ \$45,119	\$40,408	\$42,851	\$37,571
Galveston/Rotterdam		270kt	\$3.9m	▲ \$59,077	\$53,929	\$46,466	\$40,714
Angra Dos Reis/Qingdao		260kt	57.50	▲ \$42,608	\$37,978	\$42,255	\$37,199
Suezmax Routes		Cargo	WS or \$LS	ECO	Non-ECO	ECO	Non-ECO
TD6 – CPC/Augusta		135kt	135.00	▼ \$67,909	\$64,320	\$44,595	\$40,829
TD20 – Bonny Offshore/Rotterdam		130kt	113.00	▲ \$52,099	\$49,928	\$35,842	\$33,460
TD23 – Basrah/Lavera – Cape		140kt	55.00	▼ \$16,902	\$15,031	\$15,689	\$13,650
USG/UKC		145kt	92.50	▼ \$44,940	\$42,528	\$30,411	\$27,719
USG/Singapore – Cape		130kt	\$5.5m	▼ \$35,943	\$34,215	\$29,362	\$27,456
TD27 – Guyana/ARA		130kt	110.00	▲ \$48,923	\$46,511	\$30,927	\$28,219
Aframax Routes		Cargo	WS or \$LS	ECO	Non-ECO	ECO	Non-ECO
TD7 – HoundPoint/Wilhelmshaven		80kt	137.50	▼ \$45,312	\$37,133	\$29,037	\$20,240
TD8 – Mina Al Ahmadi/Singapore		80kt	143.00	▼ \$31,941	\$28,514	\$30,350	\$26,553
TD9 – Covenas/Corpus Christi		70kt	212.00	▼ \$57,385	\$52,254	\$31,198	\$25,441
TD14 – Seria/Brisbane		80kt	131.00	▼ \$30,678	\$27,174	\$25,985	\$22,110
TD19 – Ceyhan/Lavera		80kt	180.00	▼ \$61,242	\$55,679	\$40,071	\$34,161
TD25 – Houston/Rotterdam		70kt	190.00	▼ \$51,184	\$47,475	\$34,911	\$30,752
TD26 – Cavo Arcas/Houston		70kt	215.00	▼ \$62,401	\$55,092	\$33,190	\$25,114

Source: Howe Robinson Partners, latest data from Tuesday's Tanker Market Report



FEARNLEYS MIDWEEK REPORT



23 April 2025

TANKERS

VLCC: MEG/East rates saw a 10-point jump into the mid WS 60's leading up to the extended Easter weekend but have thus far failed to continue the upward trajectory this week. However, a flurry of cargoes suggests the downside is well and truly capped and upward potential is still evident. A WS 64.5 has been logged for a MEG/Korea run at the writing moment which should dictate TD3C at a firm WS 65 or above. Atlantic eastbound rates have also held up more or less on par with the MEG despite a steady flow of ballasters from the East. Steady as she goes.

Suezmax: Overarching sentiments remain strong with several cargoes working across European & West African markets. Once these clear we have a few headwinds are emerging for TD20. Firstly, we have cleared 32-33MBBLs in the 1st decade and VLCC erosion of the 2nd does not indicate we are getting a bumper decade thereafter, with half a dozen stems also covered on Suezmax in that window. Across the Atlantic earnings are significantly lower than TD20, the Aframax floor for USG/TA appears weak and local Suezmax availabilities are sufficient to maintain the gap and deter any UKCM openers from ballasting TA, on spec or otherwise. TD6 BDTI has dropped a little with the emergence of some East Mediterranean positions and seasonal cooling of Straits Delays and the West Africa list itself is far less alarming than in recent weeks – 5 FOC upto 10th, 3 further options FOC from the East for the 2nd decade, 20 more to sail by the end of the weekend. This is not necessarily a sign things will cool, with charterers behavior reflecting their concerns as they reach forward and in some instances garner minimal-to-zero offers. But with the potential for supply side to build, dates working sufficiently far forward and the US market on the weaker side, charterers could decide to sit on their hands for a couple days if owners ambitions for TD20 are too lofty.

Aframax: A busy market prior the Easter weekend kept the market looking interesting. April dates now all but covered and May stems starting to work. Still opportunities to ballast which is keeping the available tonnage on the thinner side for early May. Heading into May stems look similar in volume month on month but how much comes to the market will be tested by relets and bigger vessels. An expected correction on the Mediterranean Aframax market with plenty of ships coming back around in the region for early May stems. The softer trend should continue with a competitive nature to owners' fixing ideas given the options laid out for charterers and North ships still there to entertain the ballast. CPC holding at 80 x 205 but for the time being ideas for X-Mediterranean will be last done at best.

BULK CARRIERS

Capesize: We see a reasonably healthy level of volumes out of West Australia for early to mid May dates. We see numerous enquiries on the buy side for forward second half of May and full June dates as well. Volumes out of East Australia have been higher this week compared to last as well. Cargo ex C3 and West Africa are primarily for second half of May dates. Spot tonnage in the Far East is gradually tightening as we approach mid-week, in part due to owners choosing to ballast West. Ballasting tonnage is generally heavy for May dates. C5 concluded as low-mid USD 7 pmt levels and on C3, bids are generally at mid-high USD 18 pmt levels while offers are in the USD 19 pmt levels.

Panamax: The Panamax market had a cautious start after the Easter holidays, losing some of last week's momentum as traders took a wait-and-see approach. The Atlantic region showed stable activity, with tight vessel availability off the Continent balanced by steady demand from East Coast South America, though grain shipments are expected to ease by early June. The Pacific market firmed slightly, driven by increased activity in East Australian minerals, while grain cargoes from NOPAC remained quiet. Despite more vessels heading to Indonesia, high Chinese inventories suggest limited upside potential in the weeks ahead.

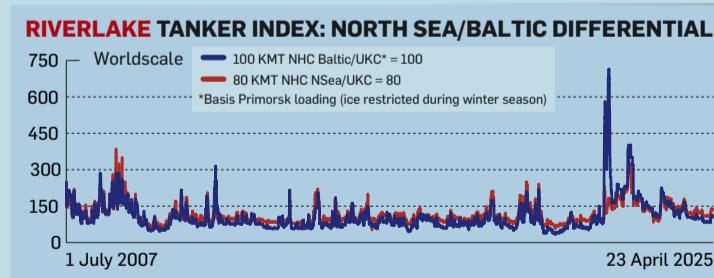
Supramax: The market saw a subdued week across the Supramax and Handysize segments as activity remained limited following the Easter break. In the Atlantic, both sectors experienced a muted tone, with the Continent-Mediterranean and US Gulf regions seeing minimal fresh enquiry and a slight build-up in tonnage availability. Market across both basins appeared to adopt a wait-and-see approach, resulting in stagnant sentiment. While the Atlantic lacked momentum, the Supramax sector in Asia showed relatively stronger dynamics, supported by renewed interest from Indonesia that helped maintain a more positive tone. In contrast, the Handysize Pacific market remained under pressure due to limited fresh demand, leading to a softening of rates.

GAS (USD per ton)

LPG/FOB prices

Chartering: EAST: The East market was off to a slow start this week even after Saudi acceptances. So far we have only seen 5 spot fixtures in the MEG in May, although we are stepping into the last 5 working days of April. There are talks about swapping cargoes between US and MEG for the Chinese market due to the tariff issues, this may be the key reason why activity in the East remained slow. WEST: With most of Europe off on Monday there is not much to write home about so far this week. Last done ex US was fixed at USD 103 HCvP and we currently count about 28 spot deals in May (7 first decade/11 second decade/10 third decade). But as ARB economics narrow some may argue that freight is about to come off (as current freight ideas suggest that we could see more cancellations ahead).

	Propane	Butane
FOB North Sea/ANSI	537.5	519.5
Saudi Arabia/CP	615.0	605.0
MTBelvieu (US Gulf)	448.1	398.6
Sonatrach: Bethioua	550.0	545.0



Intermodal S&P MARKET TRENDS (ending week 16/25)

Average Number of Weekly Reported Transactions per month

	Apr-25	Mar-25	Feb-25
Secondhand	24	25	19
Newbuilding	18	5	23
Demolition	3	2	2

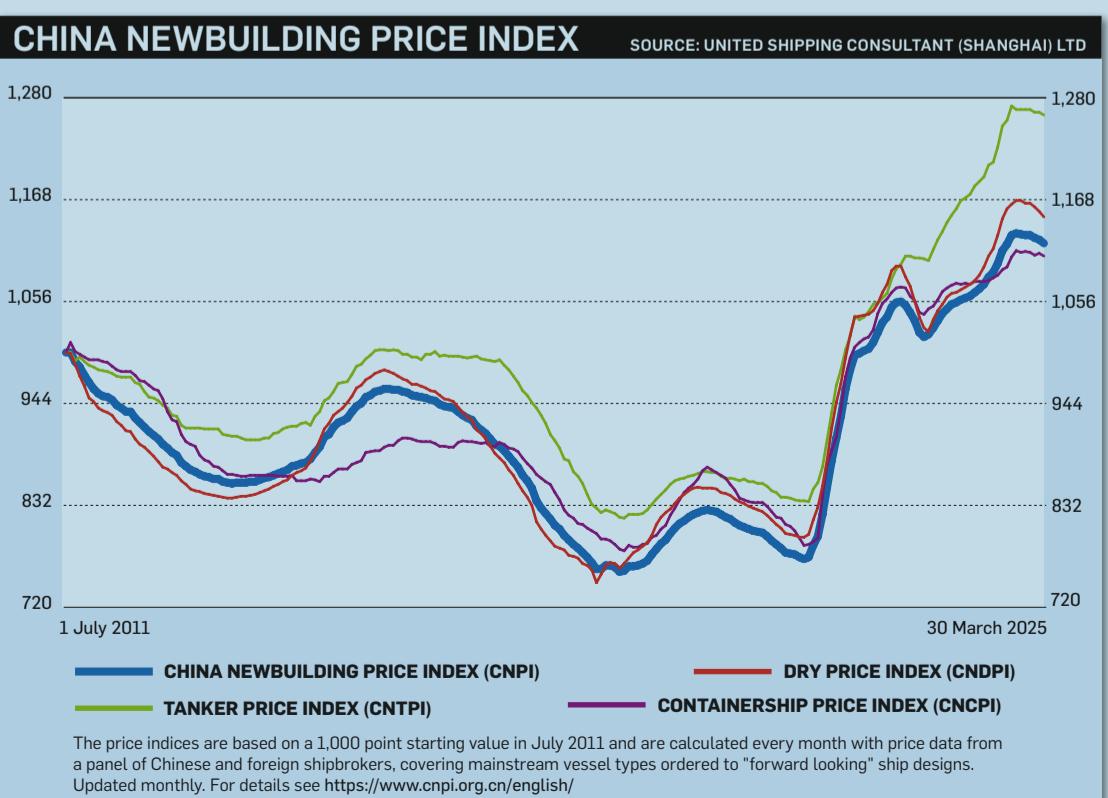
Average Number of Weekly Reported Transactions per year

	2025	2024	2023	% year on year
Secondhand	21	28	31	-25 %
Newbuilding	15	39	22	-62 %
Demolition	2	5	5	-60 %

Rates	This week	Last week	Low 2025	High 2025
Spot (WS) D: (USD per ton)				
MEG/West (280,000)	35.0	32.5	25.0	40.0
MEG/Japan (280,000)	64.0	55.0	43.0	70.0
MEG/Singapore (280,000)	65.0	55.0	44.0	71.0
WAF/FEAST (260,000)	65.0	57.5	47.5	70.0
WAF/USAC (130,000)	107.5	100.0	62.5	107.5
Sidi Kerir/W Med (135,000)	115.0	115.0	77.5	115.0
N. Arf/Euromed (80,000)	180.0	155.0	102.5	190.0
UK/Cont (80,000)	140.0	137.5	107.5	140.0
Caribs/USG (70,000)	205.0	220.0	115.0	220.0
1 year T/C (USD per day / theoretical)				
VLCC (modern)	50,500	50,500	47,000	54,000
Suezmax (modern)	38,000	38,000	35,000	40,000
Aframax (modern)	29,500	29,500	29,500	32,000

Rates	This week	Last week	Low 2025	High 2025
Capesize (USD per day / USD per ton)				
TCE Cont/Far East (180,000 dwt)	38,125	38,125	38,125	38,125
Australia /China	7.33	7.26	5.72	11.10
Pacific RV	16,464	16,464	16,464	16,464
Panamax (USD per day / USD per ton)				
Transatlantic (RV)	9,873	8,050	5,882	11,165
TCE Cont/Far East	17,121	15,565	12,509	18,138
TCE Far East/Cont	9,141	8,410	3,382	9,141
TCE Far East RV	12,134	11,869	5,434	15,148
Supramax (USD per day)				
Transatlantic RV	11,736	12,393	11,736	15,209
US Gulf - China South Japan	14,743	15,804	14,743	16,446
South China - Indonesia RV	12,097	10,600	10,600	12,097
1 year T/C (USD per day)				
Capesize (180,000 dwt)	19,030	17,850	15,035	22,620
Panamax (75,000 dwt)	11,500	10,000	9,750	12,500
Supramax (58,000 dwt)	11,250	12,000	11,000	12,000

Rates (USD per month)	This week	Last week	Low 2025	High 2025
VLGC / 84,000 cbm/FR	1,175,000	350,000	350,000	1,200,000
LGC / 60,000 cbm/FR	850,000	850,000	850,000	900,000
MGC / 38,000 cbm/FR	750,000	750,000	750,000	850,000
HDY SR / 20-22,000 cbm	900,000	900,000	890,000	900,000
HDY ETH / 17-22,000 cbm	1,100,000	1,100,000	1,100,000	1,150,000
ETH / 8-12,000 cbm	610,000	610,000	600,000	630,000
SR / 6,500 cbm	480,000	480,000	480,000	500,000
COASTER Asia	395,000	280,000	280,000	395,000





"Nobody in the shipping supply chain makes an amount of money that can just carry the cost of bio-fuels."

ALEXANDRA EBBINGHAUS / MANAGER FOR DECARBONISATION, SHELL MARINE



"Most of the leasing companies' assets are in USD, and changes in USD interest rates will have a huge impact on profitability."

WANG PENG / CHAIRMAN, SPDB FINANCIAL LEASING



IRAN OIL SALES: The US issued new sanctions last week targeting Iran's oil exports

Photo: Bloomberg

Sanctions bolster VLCCs as US escalates pressure

Greek firm Novisea notes strained supply chains as charterers secured ships before Easter

Gary Dixon
London

Spot VLCC rates have jumped to one-month highs as activity increased before the Easter break, spurred by more US sanctions depleting the tonnage pool.

Greek consultancy Novisea said there was a notable firming trend for voyages from the Middle East to China.

It said: "This tightening in the freight market was driven by a combination of pre-holiday cargo demand and speculative activity linked to renewed US sanctions on Iranian crude exports."

"These proposed and implemented sanctions have strained global supply chains, prompting Asian refiners to diversify sourcing strategies. The resulting longer-haul voyages have increased tonne-mile demand, indirectly supporting VLCC earnings," it added.

The Baltic Exchange assessed rates from the Middle East to Asia at \$46,600 per day on Tuesday, up 34% from Monday.

US investment bank Jefferies said brokers were experiencing "elevated activity", with rates for eco ships topping \$50,000 per day, above their year-to-date averages.

VLCC spot fixing began to pick up as charterers

booked May cargoes in the Middle East, it noted.

"The coming days will be important in determining the overall strength of the VLCC sector, as charterers revisit the market after the Easter holidays that began [last] Friday," analysts led by Omar Nokta said.

Novisea said spot rates on the West Africa to China route also saw modest improvements.

"Looking ahead, continued volatility in oil markets — fuelled by geopolitical instability and shipping disruptions — could drive freight rates, while the upcoming additional oil supply from Opec+ should provide some foundational support for the crude oil freight market," the company added.

May's Opec+ meeting will be pivotal, Novisea believes.

The consultancy also said any conflict in the Middle East as a result of the current US-Iran negotiations "should naturally lead to higher oil prices, but also push spot tanker rates higher as a flight to safety takes place and traders seek the security of tankers".

Novisea views the tanker market as recovering from a long period of staggered rates as the growth in new vessel supply shrinks, while oil demand remains elevated in line with the global economy.

"A historically low orderbook combined with favourable shifting trade patterns should continue to support increased spot rate volatility, which com-

bined with the ongoing geopolitical turmoil, should sustain freight rates in the medium to long term," it forecast.

Jefferies said: "As we have continued to highlight, the VLCC sector has tightened considerably over the past six months with capacity utilisation reaching just around 90% as compared to 83% six months ago."

The US added another two VLCCs to its sanctioned list last week, which is continuing to impact vessel availability, they added.

Suezmax and aframax rates have been much stronger, at above \$50,000 per day.

These ships have been increasingly returning to their normal trade patterns and away from competing with VLCCs.

Cheaper Saudi Arabian cargo prices and increased Opec+ output for May indicate a busy period of fixtures and likely continued upside in VLCC earnings, Jefferies said.

"Over the past three months, tighter vessel supply has boosted the floor in rates to roughly \$40,000 per day, which is above the \$25,000 per day level seen during the second half of 2024," the analysts explained.

"The ceiling is expected to be much higher and likely will exceed the \$50,000 per day seen during the second half of 2024 in the short term," they added.