



Maritime Market Drivers & Financing Solutions

Ferry Shipping Summit, Amsterdam, 21 March 2019
Tanja Georg, Vice President Maritime Industries

Bank aus Verantwortung

KFW IPEX-Bank

»»» Agenda

Maritime Market Drivers and Financing Solutions

1.

KfW IPEX-Bank

2.

Maritime Market Drivers

3.

Financing Solutions for Green Shipping

KfW

established in 1948

National and International Promotional Financing

- Shareholder – 80% Federal Republic
20% federal states
- Rating – AAA (S&P) / Aaa (Moody's) /
AAA (Scope)
- Headquarter – Frankfurt am Main
- Offices – 80 (Developing Countries)
- Employees – 6,113
- Balance Sheet – EUR 472,3 billion
- Promotional Programmes / Mandates in
Infrastructure, Energy, Education,
Health, SME

KfW IPEX-Bank

since 1948, spin-off 2008

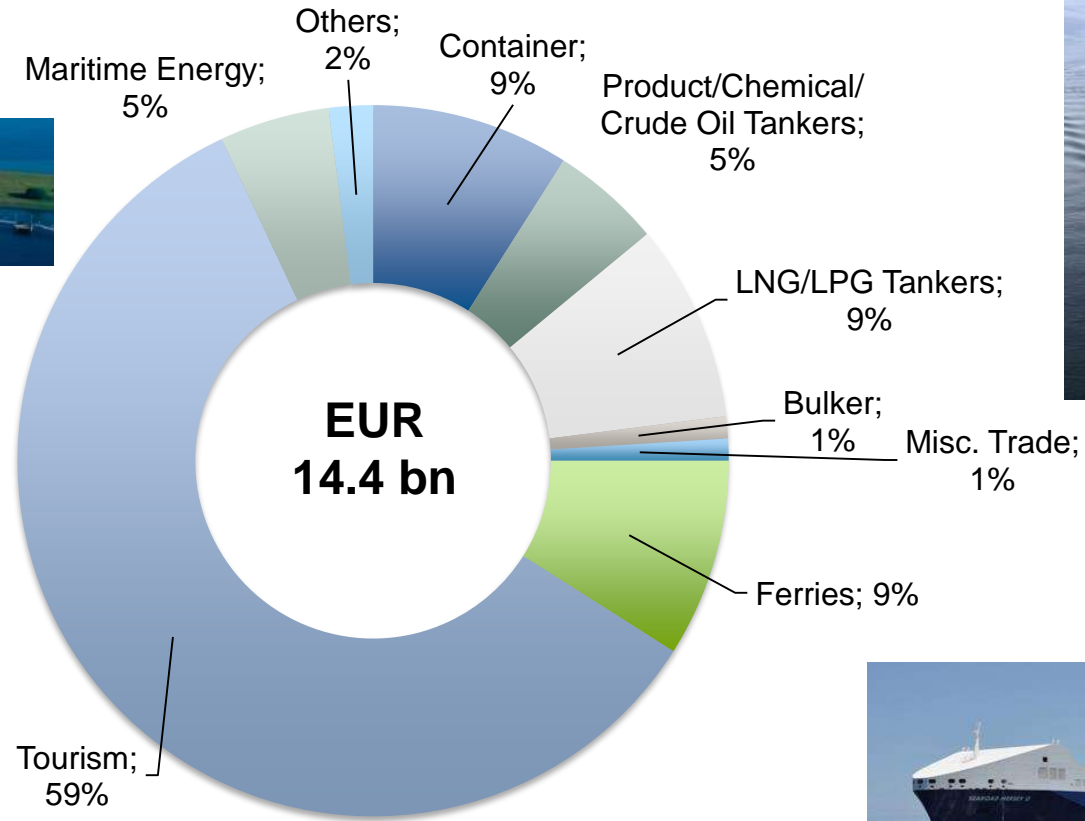
Corporate / Asset based / Project / Export Financing

- Shareholder – 100% KfW
- Rating – AA+ (S&P) /
Aa2 (Moody's)
- Headquarter – Frankfurt am Main
- Offices – 10 (Europe, Asia, America,
Middle East)
- Employees – 680
- Loan Portfolio - EUR 66,5 billion
- **Maritime Industry; Infrastructure;**
Power, Renewables, Water; Rail;
Aviation, Basic Industries



>>> KfW IPEX-Bank Maritime Industries

Portfolio composition by subsector (12/2018)



>>> KfW IPEX-Bank Infrastructure

Financing Solutions for reliable Logistic Chains

Airports



Seaports



Roads



Social Infrastructure



Rail

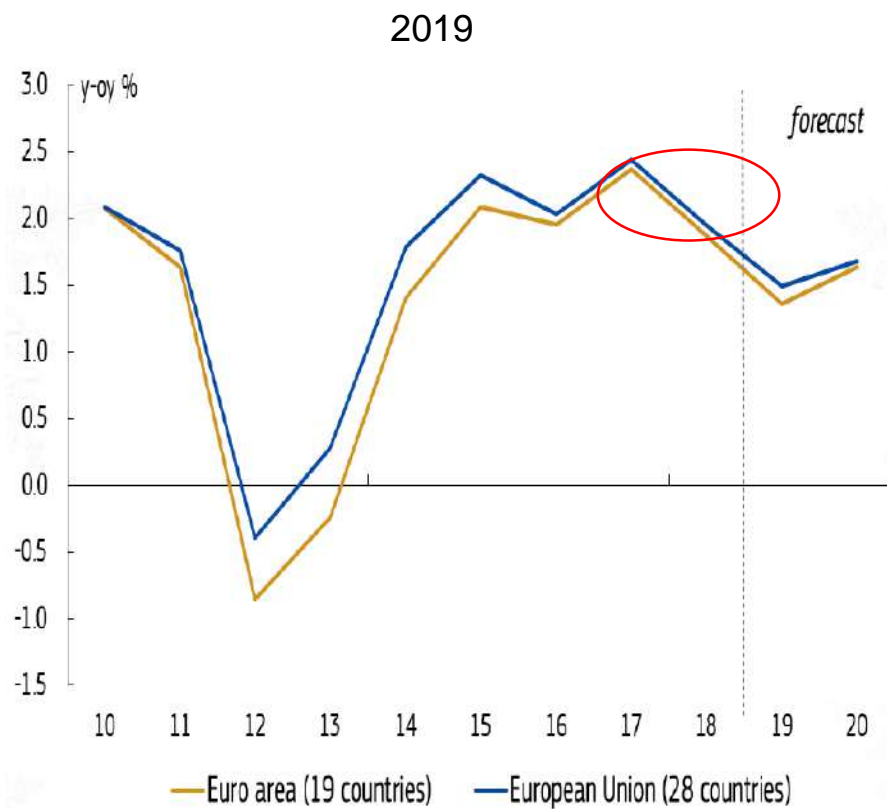
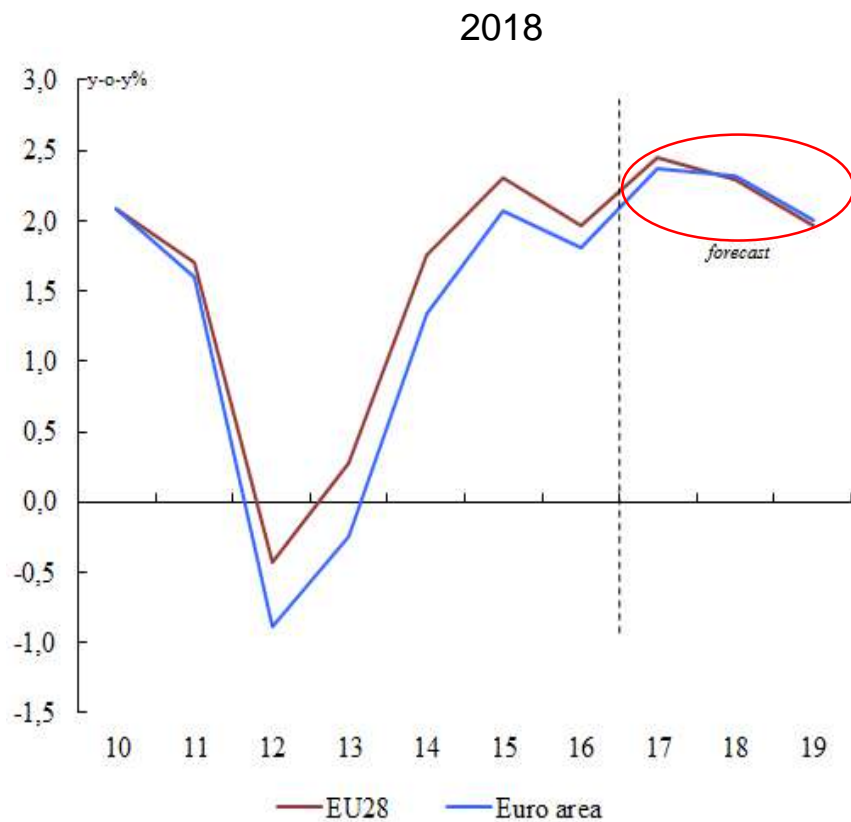


Water



Maritime Market Drivers

GDP growth rates - change to a lower gear



 GDP-Growth continues – but moderate.

Source: European Commission Winter 2018 and Winter 2019 Economic Forecast

>>> Maritime Market Drivers

High Uncertainty around Brexit, Trade Conflicts and China

USD/EUR



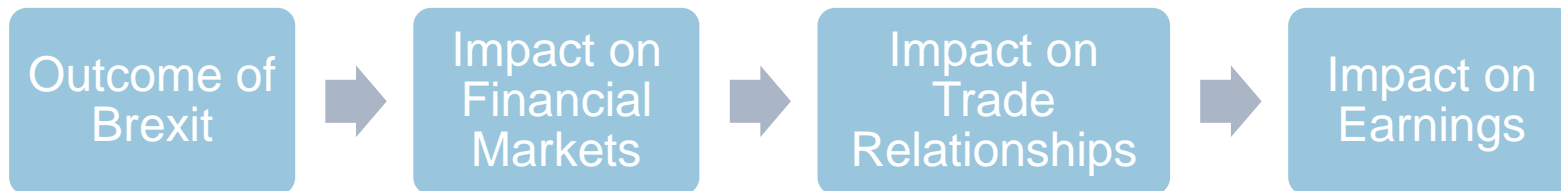
Source: ECB 03-09-2019

GBP/EUR



Source: ECB 03-09-2019

Volatility remains high:



Maritime Market Drivers

Oil Price Development – Decision for efficient fuel consumption

5 Year Brent Oil Price in USD



- Expectations for 2019/2020: around USD 60
- Medium to higher oil price levels make investments in smart operations and efficiency enhancements necessary.
- LNG as alternative fuel?

Source: www.finanzen.net

Maritime Market Drivers

Global LNG – Availability still low due to weak infrastructure



Source: DNV GL, 2018

»» Maritime Market Drivers

Regulatory Requirements – Investments in Greener Ships

Energy Efficiency Design Index (EEDI)

- Understanding Breakeven Rates in the context of EEDI
- EEDI will promote use of more energy efficient propellers, equipment and (auxilliary) engines

IMO 2020 Sulphur Limit

- From 1 January 2020, the limit for sulphur in fuel oil used on board ships operating outside designated emission control areas will be reduced to 0.50% m/m

Ballast Water Treatment

- Requires managing ballast water to remove, render harmless, or avoid the uptake or discharge of aquatic organisms and pathogens
- Effective as of September 2017
- 5 year timeframe to comply with Convention

NO_x Regulations

- Progressive reductions in NO_x emissions from marine diesel engines installed on ships
- "Tier III" emission limit for engines installed on a ship constructed after January 2016 operating in North American ECAs

»»» Financing Solutions

Efficient Newbuildings and supporting Infrastructure

New Eco Vessels built
in Europe



Financing of LNG powered
Ro-Ro Ferry
built in Germany

95% Hermes Cover

New or converted
Eco Vessels built in
Europe or for
European Owners



Financing of worlds first
LNG powered cruise ship

Financing of LNG Bunker
Vessel

»»» Financing Solutions

Retrofit Packages and European Equipment

Fleet Retrofitting

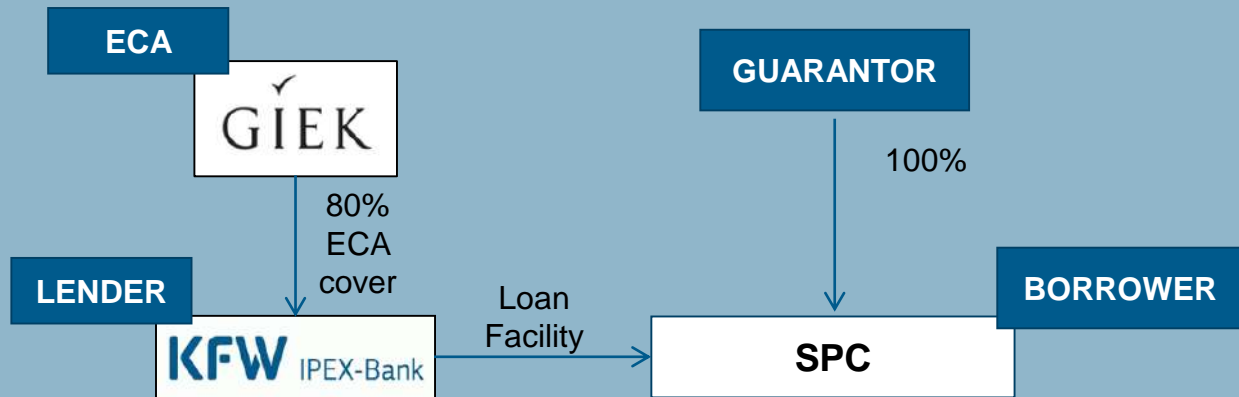


Financing of High Efficiency Propellers for container vessel fleet.

90% Hermes Cover

Up to 10% reduction of fuel consumption

Export and installation of exhaust gas cleaning systems



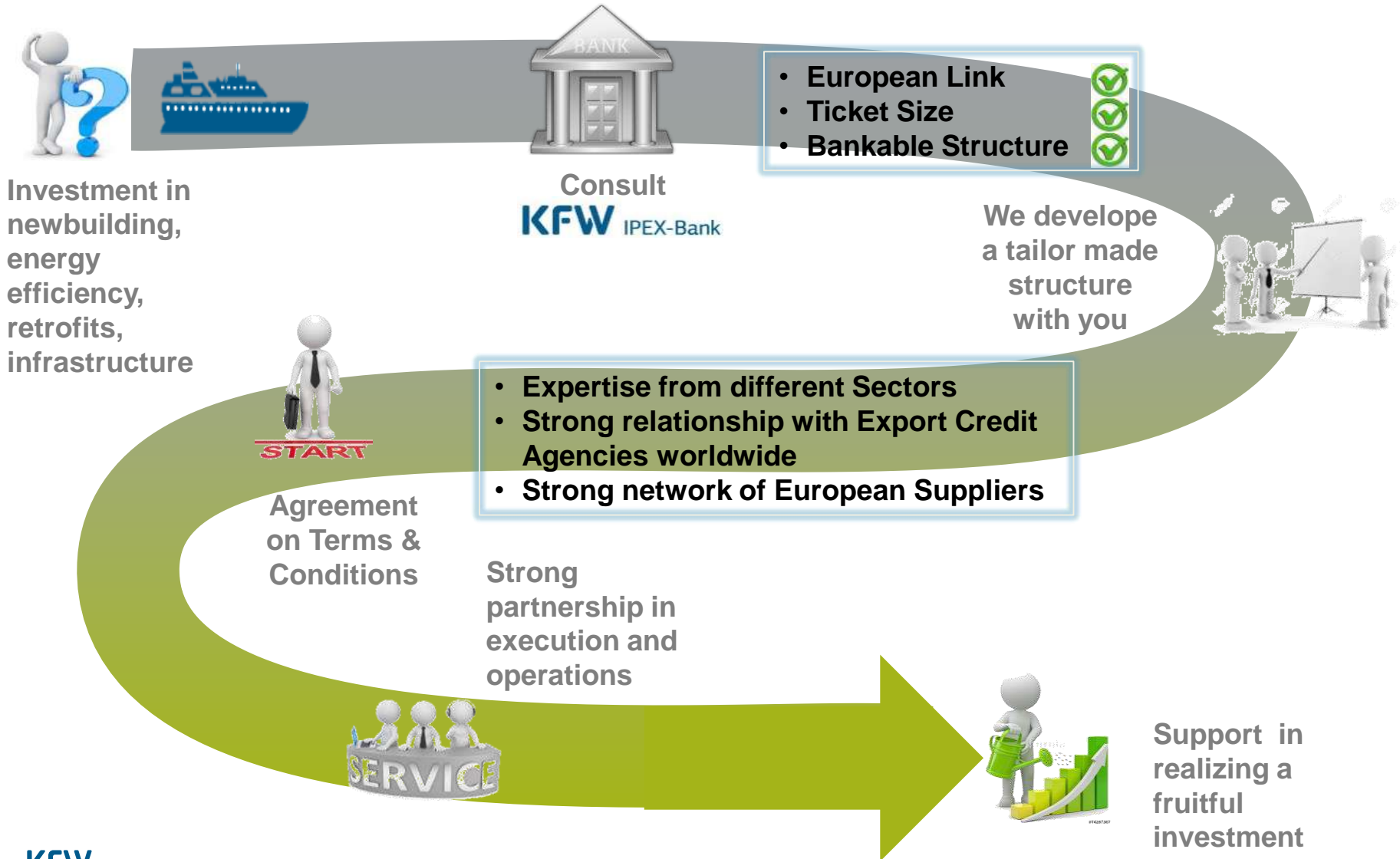
»»» Promoting Ship Efficiency

IPEX cooperates with the industry



- **Target:** Supporting German equipment exports for vessel newbuildings worldwide
- **GeMaX** supports vessel **specification** process
- **Role of IPEX** depends on German/European content
- IPEX supports with **post-delivery Financing**
- **Tailor-made structures** with export financing instruments

»»» Ship Efficiency – IPEX Financing solutions



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