

**CONTEMPORARY FORMS OF FINANCING OF SHIPBUILDING  
СОВРЕМЕННЫЕ ФОРМЫ ФИНАНСИРОВАНИЯ СУДОСТРОЕНИЯ**

***Alena Lipinskaya, Dariia Yarmolovich  
Липинская А.А., Ярмолович Д.Ю.***

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*У статті представлений короткий огляд останніх тенденцій в секторі фінансування морських перевезень, в рамках якого особлива увага приділяється прямим інвестиціям і підвищення їх ролі після глобальної фінансово-економічного краху 2008 року, виходячи з таких напрямків як ринок фінансування сектора судноплавства та прямі інвестиції на ринку морських перевезень.*

In this paper we present a brief overview of the latest trends in finance sector of maritime transporting, whereby special attention is paid direct investment and enhancing their role after global financial and economic collapse of 2008.

Over the past few years direct investment funds who have recently come into this sector are demonstrating a growing interest and gaining momentum, filling the shortage of traditional bank financing. In the period 2011-2012, direct investment funds financed at least 22 of deals in the shipping industry, totaling over \$ 6.4 billion. Dollars [14]. This new source of capital is highly appreciated by sector that from the beginning of financial and economic crisis faced with tightening of credit market conditions and low charter rates and bear large losses.

1. Market of financing shipping sector before and after 2008

Till 2008 it was not too difficult to mobilize financing in this sector, as the industry experienced a period sustainable growth with high, by historical measures, levels in freight rates. Many of shipping companies have expanded and placed long-term orders for the construction of a large number of new vessels. In the period 2003-2008 was marked boom in the construction of new vessels - the sum of orders reached 800 billion. dollars., and half orders were placed in 2007-2008, when prices on vessels soared to the highest levels [2, 3]. It was easy to get a bank loan in the amount of up to 80% of the cost of a new vessel that allows you to accurately determine their value. Most of the new ships were supposed to be launched in a few years after the 2008 financial crisis [8, 9].

However, as a result of the global recession, caused by the financial and economic crisis, events began to develop completely in a different way. After 2008, as a result of slower growth in global demand for commodities, on one hand, and entering the market vessels of new construction - on other hand, in most markets was the collapse of charter rates. And this was followed by a collapse the value of vessels and shipping industry got into strip of losses, of loan defaults and bankruptcies. In addition, it was necessary to look for funds to finance construction of new vessels on the already placed contracts that have not possibility to be assigned or canceled [14]. The banking sector also ran into difficulties, which had to solve the problem of non-payments and reduced collateral value on loans. However, in conditions where prices

on vessels have fallen to levels below the level of outstanding debt, banks preferred to give a delay of repayment and restructure loans in order to avoid writing off non-performing loans and not to go to forced repossession of vessels. Currently, the shipping industry has accumulated debts of around 500 billion. dollars. More than 90% of these liabilities belong to 40 major banks; share of the largest 12 banks exceeds the level of 50%, with more than 80% of the debt industry is financed by European banks [4]. Greater losses were incurred by German banks, which finance this sector the most. For example, "Nordbank" announced in 2012 about increasing in provisions for loan impairment in their portfolio for vessel financing in almost three times. In this situation, the Federal Office of control of financial institutions in Germany was forced to take measures and more strictly control position of banks in the shipping industry in 2012 [14].

Trying to protect their assets, traditional banks in the last years begin to limit the amount of funding in this sector, or leave it. So ten largest banks in the maritime sector for the period since 2008 have reduced the volume of lending in this sector on more than 50 billion. dollars [5]. This also complicated the situation in the market and was a factor for further decline of used vessels. At the same time while reducing operations for finance activities on the maritime sector many traditional European banks, for example, such as "Nordbank", "Commerzbank", "Societe Generale", "BNP Paribas", "Royal Bank of Scotland" and "Lloyds BANKING group", other enter the market, mostly non-European banks. The activity of the banks of the United States, such as "Citigroup" and "Bank of America Corporation," [12]. This may be due to the fact that in comparison with European creditors activities of banks in the United States are less constrained by the costs of financing in dollars and the impact of new regulations "Basel III", as described below. Growing attention to the shipping industry by the Australian Bank Cooperation and Chinese banks. In the future, taking into consideration encountered difficulties banks will probably fund this sector not so widespread as in the past. Deterioration of the situation in the market has affected the perceptions of the courts as a reliable asset and lenders are cautious. Traditional sources of funding perhaps will remain, but their use will be associated with compliance with more stringent requirements (now in the construction of new vessels banks will give loans of up to 60% of the cost of a new vessel) and regulations, including the provisions of the framework "Basel III", which results in a new regulatory burden. Agreement "Basel III" will oblige banks to introduce new capital standards and is expected to gradually come into force during the period of 2013-2019 years. One of its main consequences will be a significant increase in capital ratios in the banking sector, that potentially will require ship owners to increase own capital and raise the cost of credit from traditional sources of funding [10].

Increasing the role of export-import banks and export credit agencies

With leaving of traditional bank loans in the sector has increased the role of export credit agencies and export-import banks. In order to stimulate development of the sector and the business activity export credit agencies are expanding their programs to support lending to the courts. The main agencies involved in the provision of loans and guarantees, are included in institutions of Japan, South Korea, Brazil, Germany and Norway, which for the period from January 2012 to April 2013 have financed deal totaling on \$ 19.8 billion. dollars [12]. On the other hand, the

Export-Import Bank of China provides additional funds to finance the construction of vessels to help ship owners to survive the current crisis. In 2012, the portfolio of the bank in the shipping sector was 12 billion. Dollars., and as expected in 2013, the Bank increased its investment on 20% [11]. In addition, the a bank is actively developing new partnerships with other banks, funding the construction of ships, in order to expand operations to provide syndicated loans for these purposes. In order to support the shipbuilding sector bank also has a policy of promoting financing operations on orders placed by foreign ship owners at Chinese shipyards. As an example, signed in May 2013 agreement with three Greek shipping companies – "Diana Shipping", "Angelikussis" and "Dinagas", – which provides for the granting of loans to high-order vessels at Chinese shipyards [5].

Reducing the role of the German system of limited partnerships

An important form of financing construction of vessels, which is directly related to a specific country, a German limited partnership, commonly known by the abbreviation LP (Limited Partnership). In the 70s of the last century model of LP has been adopted in Germany to mobilize direct investment as a tool for project funding. LP funds are related to the taxation structure in the form of German limited partnerships that mobilize private funds, participating in companies with special purpose, with the involvement of bank loans. LP structures exempted from payment of corporate tax and, therefore, are considered to be a cheaper source of financing in comparison with banks. Scope of financing LP covers several kinds of assets: court, real estate, aviation, renewable energy, natural resources, infrastructure, container, life insurance, production of films and other media rights. In the shipping sector, the funds used for the purchase of specific ships (mostly container carriers) with the conclusion of the charter agreement with the German owner and a loan of the German bank. In classical financial structure LP ship-owner often concedes or sellers and charters vessel to fund LP or a specialized company, created mainly for the possession of the vessel during the lease on a charter contract. The organizer of the structure (the fund) is in talks with banks and selling investment shares to group of private German citizens, which by these investments reduce the size their income tax. Then the organizer conducts a deal and pays dividends to private investors. After the sale of vessel fund or the specialized company liquidates. At the beginning, thanks to provided by investors generous tax incentives, scheme became very popular. It is estimated that with the establishment of such partnerships was funded the construction of approximately one third of all the world containership [6]. However, in the context of the ongoing long-term downturn in the shipping industry, the LP was faced with a serious crisis. In 2012, bankruptcy proceedings started more than in 150 funds, each of which was created to finance the construction of a single vessel, and, According to some estimates, under the threat of insolvency were also 500-1 000 funds [7]. As a result of the current funding model with the creation of the LP for investment in the construction of vessels lost credibility of investors and shipping companies are looking for additional or alternative forms and sources of financing of the vessels [10].

2. Direct investment in the maritime sector

In this difficult situation in this sector, many direct investment funds take this opportunity, arisen as a result of scruple of credit and lowest by historical measures

the cost of the vessels, for the implementation of investments in vessels and shipping companies. The process of involving private equity funds in operation in the shipping market started developing quite slowly; many funds, feeling that there is a opportunity in the market, were waiting, to implement investments at a low point in the market cycle. This sector with cyclical and unstable climate of charter rates is atypical as an object of direct investments. In the opinion of direct investors, sector is unattractive because of the instability and downside risks. However, recent events such as the falling asset prices, the range of investment opportunities and portfolio sales, financing gap and the certainty that the market has reached lowest point, encourage many companies of direct investments to enter this market. It is estimated that in 2013, direct investments in this sector amounted to about 2% of the cost of shipping companies. If alternative financing markets will remain unavailable, then till the end of 2014 these figures can double [19].

#### Direct investments in the maritime industry

Direct investment funds are extremely varied in size and investment objectives. Some of them work in the long term; others tend to get high profit from short-term or medium-term investment (from three to seven years). The last factor is the main force, attracting direct investment funds in the maritime transport sector, the dynamics of which is cyclical and generates expectations of rise and long-term growth. Direct investments usually assume investment into shares of unlisted companies. Apart from participation in the capital investors become active owners and usually provide companies strategic and managerial support in order to increase capitalization and resale of the shares at a higher price. In the case of direct investments process of increasing of capitalization mainly is based on provision of higher growth of rates and operational effectiveness of the acquired companies. Investments of this kind may include a number of different structures listed below:

- direct investments or capital investments in companies;
- provision of credit on temporary needs to shipping companies encountering need of short term liquidity, and their mezzanine financing;
- system "debtor-in-ownership", which implies buying of debt of operators or buying portfolios of vessels;
- leaseback, implying the sale of vessels by shipping companies to leasing companies, receipt of large sums of cash and getting vessel back for rent from the leasing company in order to continue its operation;
- joint enterprises, formed for the acquisition of companies of the shipping industry, implementation of their management and further selling. The ultimate goal, while implementing such investments consists in that, so that when the market conditions will improve, to sell assets, which have been invested, and get income above the market level. In the maritime shipping sector direct investors expect getting the benefit not only from activity of companies, but also from the projected growth of the market, where these companies implement their operations. For this, it is needed to establish close cooperation between shipping companies and investment partners and a good idea of the fundamental factors of the sector, as well as the dynamics and the regulatory regime in the maritime sector, including in particular, the following points [14]:
- for the maritime shipping market most likely characteristics – cyclical tendencies. basing on last points, investors may face with high volatility, as a result of which it is possible to obtain large profits, but also to incur substantial losses;

- carrying out investments in the shipping companies or assets in this sector, private equity funds may fall under the responsibility in accordance with, for example, laws and regulations re questions of competition, or under the foreign sanctions;

- choice of the vessel is connected with a number of considerations that are needed to be carefully weighed when purchasing (eg, vessel classification, buy of new vessels or vessels already in operation);

- decision re the choice of the flag can significantly effect on the operating costs and the vessel chartering terms, financing and taxation;

- during negotiating conclusion of contracts with shipyards, charters, commercial and technical agreements for the operational management of the vessel and preparation of documents re providing loans expertise is required.

In addition, the maritime shipping sector is covered under the special environmental laws and regulations that may cause serious responsibility.

The influence of direct investments in the shipping industry

Increasing of direct investments can influence on the shipping industry on variety of directions:

- in 2012 only the demand for new loans and share capital, needed to finance orders of new vessels, as well as sales and purchases of existing vessels, evaluated at about 65 billion. Dollars [15]. In 2013 and 2014, the lack of such funds will be accordingly 101 billion. dollars. and 83 billion. Dollars [4]. Unencumbered private equity funds [3]. Vacant private equity funds (estimated at about \$ 1 trillion. Dollars [13], can make up for this deficit and help the industry to generate economic growth and create new working places;

- appearance of direct investments most likely will lead to further consolidation of the industry. In existing difficult circumstances for carriers it is difficult to provide the profitability of operations as a result of oversupply of vessels, falling demand and high operating costs. Considering these factors, direct investors may try to consolidate the market, in order to be able to control supply of tonnage and the level of costs, thus providing price discipline and economies of scale;

- another opportunity for private equity funds is vertical integration; during arrival of the direct investor to this sector vertically integrated investment may be related to its strategy, covering expanding of control and increasing competitive advantages.

Due to the high level of specialization of maritime transport sector there are significant opportunities for vertical integration of companies in one or several links in the transport and logistics systems. Direct investment fund already invested in several related between each other activities may thinking about their combining as part of a capital-intensive industry.

In conclusion, should be noted that private equity funds seem to be extremely important for ensuring of growth of the sector and can have an impact on its development on several fronts, including result of consolidation and vertical integration of transport services. This will require increasing of sector efficiency and the creation of companies with more strong financial position. At the same time it should also be taken into account that private equity funds investors are temporary, the ultimate goal of which is selling or placing on the stock exchange shares of companies, in which they have invested their money, after the improvement of market conditions. Although, as a rule, their investment horizon is placed in a gap between three and seven years, they will seek to have the opportunity at any time to decide for themselves the terms of withdrawal of capital in the interests of profit maximization.

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### *Аннотація*

На протяжении последних нескольких лет недавно пришедшие в этот сектор финансирования морских перевозок фонды прямых инвестиций демонстрируют растущий интерес и набирают темп, восполняя дефицит традиционного банковского финансирования. В период 2011–2012 годов фонды прямых инвестиций финансировали не менее 22 сделок в отрасли судоходства на общую сумму свыше 6,4 млрд. долл. Этот новый источник капитала высоко оценивается отраслью, которая с начала финансово-экономического кризиса столкнулась с ужесточением условий на кредитном рынке и низкими чартерными ставками и несет крупные убытки.

На рынке финансирования сектора судоходства до и после 2008 года до 2008 года мобилизовать финансирование в этом секторе было не слишком сложно, поскольку отрасль переживала период устойчивого роста при высоких по историческим меркам уровнях фрахтовых ставок. Многие судоходные компании расширялись и размещали долгосрочные заказы на постройку большого числа новых судов. В период 2003–2008 годов отмечался бум на рынке постройки новых судов – сумма заказов достигла 800 млрд. долл., причем половина заказов была размещена в 2007–2008 годах, когда цены на суда взлетели до максимальных уровней. Было нетрудно получить банковский кредит в размере до 80% от стоимости нового судна, что позволяет достаточно точно определить их стоимость. Большая часть новых судов должна была быть спущена на воду в течение нескольких лет после финансового кризиса 2008 года.

Однако в результате глобальной рецессии, вызванной финансово-экономическим кризисом, события стали развиваться совершенно по-иному. После 2008 года в результате низких темпов роста глобального спроса на товары, с одной стороны, и поступления на рынок судов новой постройки – с другой, на большинстве рынков произошло обрушение чартерных ставок. За этим последовало и обвальное падение стоимости судов, и отрасль морских перевозок попала в полосу убытков, невозврата кредитов и банкротств. В свою очередь с трудностями столкнулся и банковский сектор, которому приходилось решать проблемы неплатежей и уменьшившейся стоимости обеспечения по предоставленным кредитам. Однако в условиях, когда цены на суда упали до уровней ниже непогашенного долга, банки предпочитали давать отсрочки погашения и реструктурировать кредиты, с тем чтобы не допускать списания просроченных кредитов и не доводить дело до принудительного обращения взыскания на суда. В настоящее время в судоходной отрасли накоплено долгов на сумму около 500 млрд. долларов. Более 90% этих обязательств принадлежат 40 крупнейшим банкам; доля крупнейших 12 банков превышает уровень 50%, при этом более 80% долга отрасли финансируется европейскими банками. Более крупные потери понесли немецкие банки, которые в значительной степени финансируют этот сектор.

Стремясь защитить имеющиеся у них активы, традиционные банки в последние годы начинают ограничивать объемы финансирования в данной отрасли или уходят из нее. Так, десять крупнейших банков в секторе морских перевозок за период с 2008 года сократили объемы кредитования в этом секторе более чем на 50 млрд. долл.

Важной формой финансирования постройки судов, которая непосредственно связана с определенной страной, является германское коммандитное товарищество, широко известное по аббревиатуре КГ (Коммандитгезельшафт). В 70-х годах прошлого века модель КГ была принята в Германии для мобилизации прямых инвестиций как инструмента финансирования проектов. Фонды КГ представляют собой связанные с налогообложением структуры в форме германских коммандитных товариществ, мобилизующих средства частных инвесторов, участвующих в компаниях целевого назначения, с привлечением банковских кредитов.

В этой сложной ситуации в данном секторе многие фонды прямых инвестиций пользуются возможностью, возникшей в результате стеснения кредита и низкой по историческим меркам стоимости судов, для осуществления вложений в суда и судоходные компании. Процесс вовлечения фондов прямых инвестиций в операции на рынке морских перевозок начал развиваться довольно медленно; многие фонды, чувствуя, что возможности на рынке есть, выжидали, чтобы осуществить вложения в нижней точке рыночного цикла. Данный сектор с циклической и неустойчивой конъюнктурой чартерных ставок атипичен как объект прямых инвестиций. По мнению прямых инвесторов, сектор непривлекателен из-за неустойчивости и рисков ухудшения положения. Однако события последнего времени, такие как падение цен на активы, диапазон инвестиционных возможностей и портфельных продаж, дефицит финансирования и уверенность в том, что рынок достиг нижней точки, побуждают многие фирмы прямых инвестиций выходить на этот рынок.

Фонды прямых инвестиций крайне разнообразны по своим размерам и инвестиционным задачам. Некоторые из них работают на длительную перспективу; другие же стремятся получить высокую прибыль от краткосрочных или среднесрочных инвестиций (от трех до семи лет). Последний фактор выступает главной силой, привлекающей прямые инвестиционные фонды в сектор морских перевозок, динамика которого носит циклический характер и порождает ожидания подъема и долгосрочного роста. Прямые инвестиции обычно предполагают осуществление вложений в акции не зарегистрированных на бирже компаний. Помимо участия в капитале, инвесторы становятся активными владельцами и обычно оказывают компаниям стратегическую и управленческую поддержку в целях увеличения капитализации и перепродажи акций по более высокой цене. В случае прямых инвестиций процесс увеличения капитализации главным образом базируется на обеспечении более высоких темпов роста и оперативной эффективности приобретенных компаний.

Влияние прямых инвестиций на отрасль судоходства через увеличение прямых инвестиций может оказывать влияние на отрасль судоходства по целому ряду направлений:

- в 2012 году одни только потребности в новых судах и акционерном капитале, необходимых для финансирования заказов новых судов, а также продаж и покупок существующих судов, оценивались приблизительно в 65 млрд. долларов. В 2013 и 2014 годах нехватка таких средств составит соответственно 101 млрд. долл. и 83 млрд. долл. (Bloomberg, 2012). Недействительные фонды прямых инвестиций (по оценкам, порядка 1 трлн. долл.), могут восполнить этот дефицит и помочь отрасли генерировать экономический рост и создавать новые рабочие места;



- появление прямых инвестиций, по всей вероятности, приведет к дальнейшей консолидации отрасли. В существующих сложных обстоятельствах перевозчикам трудно обеспечивать прибыльность операций вследствие избыточного предложения судов, падающего спроса и высоких эксплуатационных издержек. С учетом этих факторов прямые инвесторы могут попытаться консолидировать рынок, с тем чтобы иметь возможность контролировать предложение тоннажа и уровень издержек, обеспечивая таким образом ценовую дисциплину и эффект масштаба;

- другой возможностью для фондов прямых инвестиций является вертикальная интеграция; при приходе прямого инвестора в данный сектор вертикально интегрированные инвестиции могут быть связаны с его стратегией, предусматривающей расширение контроля и увеличение конкурентных преимуществ.

В силу высокого уровня специализации сектора морского транспорта имеются значительные возможности для вертикальной интеграции компаний в одном или нескольких звеньях транспортных и логистических систем. Фонды прямых инвестиций, уже вложившие средства в несколько связанных между собой видов деятельности, могут подумывать об их объединении в рамках более капиталоемкой отрасли.

В заключение следует отметить, что фонды прямых инвестиций, как представляется, крайне важны для обеспечения роста сектора и могут оказывать влияние на его развитие по ряду направлений, в том числе в результате консолидации и вертикальной интеграции транспортных услуг. Это потребует повышения эффективности сектора и создания компаний с более прочным финансовым положением. Вместе с тем следует также учитывать, что фонды прямых инвестиций являются временными вкладчиками, конечной целью которых является продажа или размещение на бирже акций компаний, в которые вложены их деньги, после улучшения конъюнктуры рынка. Хотя, как правило, их инвестиционный горизонт укладывается в промежуток от трех до семи лет, они будут стремиться иметь возможность в любой момент самостоятельно принимать решение о сроках вывода капитала в интересах максимизации прибыли.