

Shipowners must realize that their comfort zone is constantly being challenged and getting smaller

by Sotirios Kaminis, Kaminco Group, President & CEO



Mr. Sotirios Kaminis

Kaminco is a leader in global project management, consultancy and turn-key system integrations. Since its establishment in 1962, Kaminco has been the driving force behind the technological evolution of the Greek maritime industry; the world's largest collective shipping community. Over the course of more than 50 years Kaminco has become a trusted partner to the Greek/Cypriot Shipping community and its network of technology manufacturing affiliates worldwide. Kaminco now offers a very well diversified portfolio in the fields of energy, defense, environmental technologies and last but not least oil & gas. Kaminco now services our global clientele through our branch offices and affiliates managed by our three hubs in Miami-FL, Athens-Greece and Busan-S. Korea.

There are shipowners still having the perception that the commercial risk of choosing LNG as ship fuel is still high. Is this a sound consideration?

There cannot be a definite answer. It has to be addressed on a case per case basis and that is totally depended on the shipowners team to investigate and conclude, the type of vessel, trading areas etc. Different approach to retrofits and New Buildings. Retrofits still pose gray areas that will be cleared in time. Not all ships can be retrofitted. In the case of Newbuildings, there is no reason not to choose or push for a hybrid solution, i.e providing for both Natural GAs and Oil so as to be able to trade even in areas where NG/LNG is not available. Shipowners must drive the market and not shipyards or industry. Availability of NG in the form of LNG is an issue only because no initiative has been taken, with the exception of north Europe, Argentina and the USA will amaze us on the issue.

Do you believe that the relatively high capital cost of the system installation can be a barrier in some cases given the unwillingness of banks and private equity funds to finance shipowners?

Innovators lead the market they are involved and they are the ones that will corner the market. CapEx issues can be easily addressed and managed by the Shipowners if they are willing to get out of their "comfort zone" and lead the market. The risk assessment is up to them. Banks unwilling to finance is an issue I cannot address. I don't know how informed they are on the issue. All I know is that apart from NAFS no one has contacted me for clarity and facts on the issue. All I see is committees and programs and lots of people talking about NG/LNG without knowing much. I see theory and not application.

A large number of cruise ships will soon need to comply with stricter environmental regulations (i.e. scrubbers, LNG etc). This fact makes cruise operators skeptical about the future of their business. What is your opinion about this?

Again timing is the issue here, retrofit or new build and availability of NG/LNG.

Given your experience on LNG field, is there an Achilles heel of this sector?

There is risk in anything in business. I suggest you evaluate the rate of increase in the number of LNG carriers built and consider what is the US "push" on the issue.

What kind of bunkering practices and infrastructure should we implement in Greek major ports?

I will not answer this question unless there is a financial agreement in place. All is doable and if you really want to know, Greece could already have been ready on the issue. Political issues and the Greek reality hinder development. Instead of being leaders, Greeks will be followers. Whenever the state is involved that is now trying to monopolize the NG/LNG market, nothing moves forward. This is a truly sad reality.

Do you believe that Greek shipping will continue to maintain the leading role in the international maritime market honoring in that way its tradition?

I hope it will but shipowners must realize that their comfort zone is constantly being challenged and getting smaller. Their direct involvement is a must.

Do you agree that the Greek government is firmly oriented in supporting the Greek shipping industry?

The term "Greek Government" is a contradiction of terms and volatile. In the years I am alive, I have seen no evidence of government that is worth speaking off.